

EXECUTIVE BOARD DECISION



REPORT OF:	Executive Member for Health and Adult Social Care Executive Member for Resources
LEAD OFFICERS:	Director of Localities and Prevention Director of Adult Social Services (DASS)
DATE:	15 June 2017

PORTFOLIO/S AFFECTED:	Health and Adult Social Care	Resources
WARD/S AFFECTED:	All	
KEY DECISION:	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	

SUBJECT: Supporting People Renewal of contracts in August 2017

1. EXECUTIVE SUMMARY

The Executive Board are asked to note the update on the Supporting People (SP) programme due to the budget being reduced to £1,320,700 in 2017/18. This will result in the reduction or non-renewal of some contracts.

Supporting People is a primary housing based support programme for vulnerable people. The objective of SP is to promote preventative support, helping vulnerable people maintain independent and sustainable living.

The review was highlighted as part of the savings targets identified within the Medium Term Financial Strategy (MTFS) and agreed at Policy council in December 2016. .

The Supporting People programme savings target within the MTFS is up to £400,000 for 2017/18.

2. RECOMMENDATIONS

That the Executive Board:

2.1 Approves that formal notification is given to providers as soon as possible ahead of the contractual renewal dates in August 2017.

2.2 Approves that delegated authority be granted to the Director of Adult Social Care to vary contracts and agree continuation where appropriate.

2.3 Approves recommendations to implement Option 1 to deliver the required budget savings.

3. BACKGROUND

The current Supporting People (SP) programme funds a range of supported housing and other housing related support services aimed at enabling people who need help to develop independent

living skills or maintain independence in the community, either in accommodation services or in a person's own home regardless of tenure (floating support).

From a budget of £4,814,600 in 2011 the SP budget has been continually reduced resulting in sustained pressures on services provided. Efficiency savings have been achieved each year to support budget reductions and these have been achieved through negotiating with providers, undertaking quality reviews and strategic needs assessment and in more recent years through major review and remodelling including changes to eligibility criteria, local connection and a reduction in the amount of time service users could access services. The 2017/18 budget has been decreased in line with Medium Term Financial Strategy which gives a target budget for Supporting People of £1,320,700.

The cuts to SP also mirror similar challenges on housing benefit and Adult Social Care commissioning budgets over the same period. Parallel to this report there is active work in the Finance department to review housing benefit for exempt and discretionary service charge support. The Government has also made changes to local housing allowance and yet to confirm when changes to supported housing benefit will come in.

All of the above makes for a very challenging working environment against a backdrop of increasing demand.

Local connection

To strengthen the criteria & ensure access to Council's SP services remain in place only for residents of the Borough, local connection is:

- Having lived in Blackburn with Darwen for the last 3 consecutive years or
- Having a close family member who has lived in Blackburn with Darwen for 5 years.
- Having permanent work (over 16 hours a week) in the Blackburn with Darwen Council area

People who qualify for statutory support, because they are unintentionally homeless and in priority need are able to access services without meeting the 3 year requirement.

People who have been settled in a tenancy for the last six months and are at risk of losing this tenancy are also be able to access this service in order to remain in that tenancy.

People who are accessing a service for Pre-tenancy Support or Resettlement Support have the local connection of 3 consecutive years.

For domestic violence services the 3 year local connection rule does not apply due to people often needing to relocate out of their current area of residence.

Reduction of timescale for supporting people services

The timescale of supporting people maximum provision was reduced in 2015 from two years in accommodation and two years in floating support, which could potentially lead to a service user accessing the same key worker for four years, ultimately leading to dependency. The new contracts in 2015 -17 offer provision in accommodation for a reduced time of 12 months maximum and floating support at a reduced time of 6-9 months to ensure that service users were directed into the specialist services they require at an early stage or encouraged into independent living.

Achieving positive outcomes in the shortest possible time will be key to achieving a greater throughput of service users. This was intended to greatly increase the number of service users supported in the Borough and achieve budget savings whilst continuing to provide housing related support.

Service providers are required to have a good knowledge of, and work collaboratively with a wide

range of organisations and stakeholders that can help service users achieve their individual outcomes. This includes but is not limited to

- Housing Needs Team
- Probation Services
- Drug Services
- Mental Health Services
- Primary Health Services
- Community and Voluntary Organisations

During 2016 SP monies were vired to the value of £78,000 to children's portfolio for Maryvale and £294,300 was transferred to Adults Learning Disability Commissioning budgets therefore the following SP Primary Client groups are no longer part of SP budget.

- People with Learning Disabilities
- People with a Physical / Sensory Disability
- Teenage Parents

The primary client group categories that continue to be supported by SP funding include:

- Older people with support needs
- Single homeless
- Homeless families
- People with mental health problems
- People with drug & alcohol issues
- People at risk of domestic violence
- Young People at risk
- People at risk of offending/offenders

4. KEY ISSUES & RISKS

SP Review

In reviewing the supporting people services it is necessary to ensure that a high level of quality provision for service users remains a priority, whilst delivering the best value for money. This proposal is made in light of the efficiency savings required from the Council's SP budget; for the financial year 2017/2018. The Supporting People budget for 2017/18 is reduced to £1,320,700.

Given the previous major cuts in addition to the overall significant reduction in funding, it is not deemed viable to recommend another reduction across all services as this is likely to have a significant impact on service delivery and there is a high risk that services would also not be financially viable to continue.

A full tender exercise was carried out in 2015 which allowed all providers to have the opportunity to tender for the services, meaning that Blackburn with Darwen procurement processes remained transparent, open and fair and allowed an opportunity to test the market for new innovative providers.

The current supporting people contracts are due to expire in August 2017, but allow for an extension of one year plus one year. In 2017 due to a limited timescale and a wide variety of services required under supporting people, services have not been retendered. Alternatively a review of services has been carried out with prioritisation of services due to strategic relevance, value for money and quality. Consultation has been carried out with providers to establish the best way of providing services with a limited budget. Discussions have taken place with providers where services could not take further

cuts and services would not be viable.

Referrals

Referrals into accommodation based services are all placed through a Single Point of Access (SPA) operated by Housing Needs. Floating support services are included in the SPA referral process. This ensures that all service users are assessed according to their housing needs prior to access to supporting people services and aids in the evaluation of providers' outcomes. 100% of referrals into the services are made via the Housing Needs Team with this service maintaining an overview of all activity. Providers are expected to work in partnership with the Housing needs team to ensure that processes and procedures are in place that do not create barriers to access. This ensures that service users have immediate access to other homelessness provision and the Council's resources can be targeted ensuring that service users have a local connection.

Proposal

The aim of this new model is to ensure that people continue to receive a flexible, preventative and where needed, reactive service, whilst achieving efficiency savings of up to £400,000. Following a review of services the proposed efficiency savings have been reported.

The council has undertaken detailed consultation and reviewed options available against each service and commission. We have been able to recommend £375,000 saving however this does leave very little resilience going forward. The demand on the supporting people budget is very high and has been re-prioritised several times over the last 5 years. From a budget of £4,814,600 in 2011 to the adjusted budget £1,320,700 in the current year 2017/18 this represents a reduction of 72%. This is against growing demand year on year and significant changes to housing benefit and other welfare benefit support for vulnerable and older persons housing based services.

Therefore having fully considered all options and implications the council can achieve £375,000 saving, however the full year effect may not be available until 2018/19.

There are two options for actual savings to be generated in 2017/18 and 2018/19 which are outlined within the financial implications.

5. POLICY IMPLICATIONS

Supporting People funding contributes to Blackburn with Darwen Borough Council's priorities of improving health & wellbeing and improving outcomes for vulnerable people of all age groups.

It is a preventative programme which is intended to help manage demand on the whole system by enabling people to remain independent for longer.

This proposal is made in consideration of, Blackburn with Darwen's Integrated Strategic Needs Assessment and Homelessness Strategy 2014-19 which highlight that there is a need to target funding at priority services.

The Supporting People review, commissioning and procurement process will be carried out in collaboration with the Housing, Contract and Procurement and Social Care teams.

6. FINANCIAL IMPLICATIONS

Overall the whole system for care and support is under pressure. Supporting people has always been looked upon as a preventative programme. We are therefore having to prioritise spend against an area which has already been subject to significant reductions. Whilst this may offer short term savings it could result in further costs to the council in the medium term.

The review has considered the viability of organisations and their ability to remain resilient. It is therefore highly likely that many organisations who will no longer receive supporting people money will either have to cease operation or look at an alternative service model. This may mean that service users become more housing benefit dependent.

The saving is made up of direct cuts to service commissioning, inflation and staffing. In effect the review has focused on the target budget of £1,320,700 and used this as the focused outcome of the various reviews in their cumulative savings.

There are two options for actual savings to be generated :

Option 1:

To cut services in year and respecting the contract renewal dates of August 2017. This would in effect mean that any reductions to the commissioning of supporting people can only be realised from the 1st September, but will achieve £375,000 savings from 2018/19.

Option 2:

To meet the budgeted savings in full for 2017/18 it results in much greater cuts which would create a situation in which services have to reduce resources which would be difficult to re-establish in the following year. This would put delivery partners at risk and could affect their financial viability. Similarly it could subject to an increase in demand in the form of crisis intervention. The main issue is the contract period being end of August 2017. We would have required the review to have started in early 2016 to have given sufficient notice to have determined and varied contracts by 1st April 2017. As it is the proposal to reduce this service area was only agreed at Policy Council in December 2016.

Based on the above the council is recommending Option 1 as its preferred option. This will result in a part year effect in 2017/18 with savings of £248,831 and £375,000 savings being realised in 2018/19

The shortfall in savings will be managed from within the Adult Social Care budget.

As the SP contract does not run within the financial year the council may wish to adjust this in the future by extending a contract year to end on the 31st March, this would re-align dates and address this anomaly.

The total savings recommended in this report help to meet the Council's medium term financial strategy.

7. LEGAL IMPLICATIONS

All current supporting people provider contracts are due to expire as of end of August 2017, with the option to increase for 1 year plus one year.

Notice of termination of services due to the review would be issued to all providers.

The proposal ensures that any statutory housing needs are protected within the suggested changes.

It is anticipated that TUPE will not need to be considered.

If the proposal is agreed a further request is for delegated responsibility to the Director of Adult Services to approve the contract variations and contract extensions as appropriate.

8. RESOURCE IMPLICATIONS

The Supporting People tender process will require resource from Adults commissioning team and the

Contract and Procurement team.

Senior management and administrative resource will be met through existing commissioning team support.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA



Supporting People
programme EIA v1.5.

associated with this item in advance of making the decision.

10. CONSULTATIONS

Detailed consultations have been undertaken with Housing Needs, in relation to the Homelessness strategy 2014-19 and current needs in the borough which has influenced the supporting people proposed strategy. Consultation with Public Health is ongoing in order to align the supporting people strategy with the Drug & Alcohol current tender.

Consultation has and continues to be undertaken with the Finance Department and the Council's Housing Benefits team.

Consultation has also been undertaken with Supporting People Providers, the SP Officers Group, CAP's, Adults Social Care and Children's Commissioners.

As part of this review full provider meetings have taken place along with one to one meetings between the council and specific providers. We are satisfied that a full and thorough consultation has been carried out with providers.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	3
CONTACT OFFICER:	Steve Tingle and Sayyed Osman
DATE:	23 rd May 2017
BACKGROUND PAPER:	