

**The Executive****On 21<sup>st</sup> February 2006**

Report Title: **Response to Supporting People Consultation (Government's proposals for a future National Supporting People Strategy)**

Report of: **Anne Bristow – Director of Social Services**

Wards(s) affected: **All**

Report for: **Non-Key Decision**

## **1. Purpose**

- 1.1 The Government have released a consultation document - *Creating Sustainable Communities Supporting Independence*, which sets out it's thoughts and ideas on a future national strategy for the Supporting People programme. This document also includes discussion on how future Supporting People allocations might be determined, although there is a separate technical consultation document on the Government's proposed Funding Distribution Formula.
- 1.2 This report summarises the key points of the consultation document(s) and sets out some key questions and thoughts, from both Council officers and partner agencies. These are intended to inform the Executive's discussion of the Government's suggestions on how the Supporting People programme might develop in the future. The purpose is to help the Executive formulate a Council response to the consultation.
- 1.3 The deadline for responses on both the national strategy consultation and the Supporting People Funding Distribution Formula is the 28 February 2006.

## **2. Introduction by Executive Member**

- 2.1 There have been wide ranging discussions between officers, partner agencies and Executive Members about these proposals which are reflected in this report.

I am proud of the difference our Supporting People Programme has made to the lives of so many Haringey residents over the last few years. We must therefore ensure that the future funding arrangements allow these high quality schemes that support some of our most vulnerable residents to continue.

### **3. Recommendations**

- 3.1 In the light of discussions at the Executive in response to this report, the Director of Social Services be delegated to produce a formal response for consideration by the Executive Member for Social Services and Health and the Leader of the Council.
- 3.2 The Executive Member for Social Services and Health and the Director of Social Services to consider with other statutory partners a joint response to the consultation.

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### **4. Executive Summary**

- 4.1 The first part of this report provides a brief overview of the development of the Supporting People programme since its inception in April 2003 and some basic facts about how much is being spent on Supporting People services at national and local level. The background also details the requirements the Government imposed on local authorities regarding decision making and planning, contract and performance management and the review of services. The background provides details of how Haringey has implemented these requirements including how local Supporting People decisions are made. This offers a context to the Government's consultation on its future national Supporting People strategy.
- 4.2 The report provides a detailed summary of the key suggestions and proposals the Governments set out in their national consultation document *Creating Sustainable Communities Supporting Independence* and the key issues the Government have identified with regard to the future management and funding of Supporting People services for vulnerable households: The key issues are:
- The better integration of Supporting People strategic planning, commissioning and service delivery with other planning frameworks
  - Identifying three key groups of vulnerable household around which joint planning arrangements and more flexible funding could be arranged, which include highly vulnerable people requiring care and support; households who are independent but who need some support and households who are socially excluded including homeless households
  - The possibility of removing the ring fencing around SP decision making and funding and allowing greater flexibility, possibly within the context of Local Area

<p>Agreements</p> <ul style="list-style-type: none"> <li>- A move towards a needs based formula framework for allocating Supporting People funding and the redistribution of SP funds between authorities based on the formula</li> </ul> <p>4.3 The summary and conclusions to this report are essentially concerned with what the Authority's own response might be to these proposals and considers to what extent Haringey is already moving towards some if not all of the key proposals set out in the consultation document. The report doesn't set out a definitive set of recommendations on how the Authority should respond but instead provides some thoughts to inform the Executive's debate and which enable it to formulate its own opinion on the Government's proposals on the future direction of the Supporting People programme.</p>
<p><b>5. Reasons for any change in policy or for new policy development (if applicable)</b></p> <p>5.1 Not applicable</p>
<p><b>6. Local Government (Access to Information) Act 1985</b></p> <p>6.1 Haringey's Supporting People Five Year Strategy 2005 – 2010.</p> <p>6.2 Creating Sustainable Communities: Supporting Independence' – the Government's Consultation Document on the National Supporting People Strategy. This is available at:</p> <p><a href="http://www.spkweb.org.uk/Subjects/ODPM+Supporting+People+Strategy/Creating+Sustainable+Communities+-+Supporting+Independence.htm">http://www.spkweb.org.uk/Subjects/ODPM+Supporting+People+Strategy/Creating+Sustainable+Communities+-+Supporting+Independence.htm</a></p>

## 7. Background

- 7.1 The Supporting People Programme came into effect on 1<sup>st</sup> April 2003. It is a Government programme concerned with the funding, planning, quality and performance of housing related support services. These services are intended to help vulnerable and socially excluded households access and maintain a home and to promote their greater independence, life options and choices. They are also intended to prevent highly vulnerable households from breaking down and potentially needing higher care services and/or hospital admission and to prevent homelessness amongst a wide range of other groups who are at risk of crime/offending, substance misuse, domestic violence and exploitation (including young people at risk). Overall, the intention of the programme is to offer practical advice, help and support that helps all of these groups achieve social inclusion.
- 7.2 In 2003 several public funding sources for housing related support were replaced by a single Supporting People grant paid to Local Authorities. Prior to the programme's introduction there were no formalised planning, contracting or performance frameworks in place for these services. As a condition of receiving Supporting People funding Local Authorities were obliged to put these frameworks in place in

accordance with Government Grant Directions, Conditions and Guidance. A key requirement has been for Local Authorities to make all Supporting People decisions in partnership with NHS PCTs and the Probation Service, with each agency having one equal vote on a Supporting People Commissioning Body (required under grant directions).

- 7.3 The Council Executive agreed in January 2002 to delegate the Supporting People Commissioning Body Function to the Health and Social Care Partnership Executive (HSCPE). This body included chief and senior officers from the Council (including the Directors of Housing and Social Services and the Assistant Director for Child and Family Services), Haringey NHS TPCT and London Probation and was responsible for overseeing the commissioning of health and social care services for all vulnerable client groups. At that time this included services for adults, older people and children. This enabled decisions affecting Supporting People services and funding to be made within the context of other commissioning decisions affecting social care and health services. It also allowed for the effective consideration of cross agenda issues. The HSCPE established a Supporting People Management Board chaired by the Director of Housing, which dealt with many of the detailed issues and decisions concerning the administrative management of the programme and which advised the HSCPE on the development of the Supporting People strategy.
- 7.4 With the reorganisation of the Strategic Partnership and the winding up of the Health and Social Care Partnership Executive, it was agreed by the Director of Housing, Chief Executive of the NHS TPCT and the Assistant Chief Probation Officer that the SP Management Board would assume the commissioning function as a temporary arrangement. However, the intention is for the Well Being Theme Board to take over the responsibility for all strategic and major funding decisions for the Supporting People Programme, with the Supporting People Management Board being responsible for detailed commissioning decisions and for overseeing the Programme's administrative management. This will be the subject of a separate paper for the Council Executive.
- 7.5 It should be noted that the SP Management Board's membership includes the Deputy Director for Child and Family Services, the Assistant Director for Adult Social Services, the Assistant Director for Housing Strategy and Needs, the Head of the Safer Communities Unit and the Principle Equalities Officer with responsibility for Domestic Violence.
- 7.6 Local Authorities were also obliged to enter into interim contracts with all providers and services that had been funded through the former funding streams and would require continued funding from the Supporting People grant from 1<sup>st</sup> April 2003. The Government requires all these contracts and services to be reviewed by 31<sup>st</sup> March 2006. Once a review is complete it is then up to Local Authorities with their NHS and Probation partners to decide whether the service should continue, should be changed (including changes in provider, contract values and capacity) or should be decommissioned.

- 7.7 There are 153 services funded from Haringey's Supporting People programme and these are delivered by 84 external contractors and 20 Council run providers. These services support 8,000 vulnerable households. The reviews are now nearly complete and we are on target to complete them by 31<sup>st</sup> March deadline. The reviews have achieved an annual saving of £1.1 million and further savings are likely. An increase in the capacity of floating support services by 500 units worth a nominal value of £1.9 million per annum has also been achieved since the review programme got underway. A number of very poor quality services have already been decommissioned and there is evidence of a steady and good progress in improving other services that did not meet all of the required standards.
- 7.8 In March last year all Local Authorities were required to submit a Five Year Supporting People strategy and again this needed to be agreed by NHS PCTs and Probation via local SP Commissioning Bodies. The Council Executive formally agreed Haringey's strategy at it's meeting on the 22 March 2006 and good progress is being made on the first year of it's implementation. A rolling programme of re-commissioning and procurement was agreed as part of the strategy starting with mental health services, offender and substance misuse services in 2006/07; learning disability and older person services in 2007/08 and all other services in 2008/09, including the large floating support services.
- 7.9 The Government is committed to spending £1.7 billion on Supporting People services in 2006/07 and 2007/08 and this is funding 6,000 support services for over 1 million households. However, it should be noted that the Government reduced this from the £1.84 billion that was spent in 2003/04 and this followed a Treasury Review that concluded that not all of this spending and the services funded by the programme represented value for money. The Government also concluded that local allocations based on what was being spent on SP services, via the former funding streams, prior to 1<sup>st</sup> April 2003 was not an equitable means of distributing Supporting People funding and that a new formula based funding framework was needed. The Government have attempted twice to devise such a formula based on population and various needs based and social economic drivers. In late 2004 it released an initial model of a potential distribution formula, which it used to inform the levels of reductions and increases in local Supporting People grants in 2005/06. However, it capped reductions to no more than 5% and increases to no more than 10%.
- 7.10 Haringey's Supporting People Grant is now worth £22.15 million this year but this has been reduced from it's 2003/04 level of £23.7 million and it will be reduced again to £21.7 million next year. This results from a combination of efficiency savings imposed by the Government on all Supporting People allocations and the affects of the interim model of the distribution formula.

## **8. Description**

- 8.1 The Government has recently (15<sup>th</sup> November 2005) released a consultation document setting out it's thoughts on what the future national Supporting People strategy might include and setting out the possible direction of travel for the whole Supporting People programme. The deadline for comments is 28<sup>th</sup> February 2006.

## Focusing and Integrating

- 8.2 The Government are discussing whether the Supporting People programme should be broken down into three key areas of commissioning in order to enable better integration of services, improved choice for service users and better alignment of Supporting People funding and services with other commissioning and strategic frameworks.
- 8.3 The three areas are as follows:
- People in receipt of care and support (essentially those receiving substantial packages of care from Health and Social Services)
  - People living independently with support (older people in sheltered housing or households receiving community alarms and no other services are examples as are people with low to medium mental health problems and/or a mild learning disability who live in ordinary social housing with floating support)
  - People at risk of social exclusion (essentially the homeless, survivors of domestic violence, teenage parents and young people at risk, offenders, people involved in substance misuse and similar groups)
- 8.4 For households in receipt of care and support the Government are raising the possibility of allowing SP funding and services to be commissioned with other services for these client groups - Ring fencing might be removed to allow the full integration of SP, health and social care services.
- 8.5 It's worth noting that there are already plans locally to join up the commissioning of social care and supported housing services for people with mental health problems and that similar discussions are underway with regard to older person services – In essence local thinking is starting to align with Government thinking in this area.
- 8.6 There is a very big emphasis in the consultation document on the potential to use '*individual budgets*' to enable service users to both directly manage and pay for the care and Supporting People services they receive and the Government has committed itself to including SP services in the piloting of '*individual budgets*'.
- 8.7 The Government's thoughts on individualised budgets are discussed more fully in '*Independence, Well being and Choice*'.
- 8.8 For people who do not receive high level health and social care and who live independently with support, the use of 'Individual Budgets' is explored as a viable option to enable improved service user/tenant choice and access to services.
- 8.9 The strong emphasis in the consultation document on 'Individual Budgets' for both these groups indicates that it is a very real possibility.
- 8.10 The Government indicate that they believe that there is an imbalance between low level support linked to particular accommodation (sheltered housing) and those

services that offer support to vulnerable people no matter where they live and regardless of whether they are owner occupiers, social housing tenants and private tenants.

- 8.11 The emphasis on the imbalance and the focus in the document on the advantages of using more flexible floating support services indicates that the Government may strongly encourage more development in non accommodation based services.
- 8.12 The consultation document is not clear on the Government's thinking as to where the commissioning lead for low level support services for those already in independent accommodation might be placed.
- 8.13 With regard to socially excluded households the consultation document emphasises that Supporting People has for the first time given Local Authorities a clear strategic responsibility for planning services for this group. However, it also notes that some LAs are still failing these groups and haven't grasped the opportunity SP provided to deliver the support they needed.
- 8.14 The Government raise the possibility of Homelessness services and other agencies such as Drug Action Teams taking a stronger strategic and commissioning lead for socially excluded groups, including how SP services might be better integrated with other services these groups receive. The possibility of Children's Trust providing an integrated commissioning lead for services for vulnerable young people is also raised.
- 8.15 The Government seems to be particularly concerned by the fact that many Local Authorities have started imposing 'local connection' criteria and thereby restricting access to people not from the local area. It has already indicated that it may take punitive action against these authorities.
- 8.16 The Government are placing a very strong emphasis on LAs collaborating with each other, to ensure that access to support services for socially excluded and transient populations such as the single homeless and survivors of DV are not restricted and that a good range of services remain available.
- 8.17 The Government is encouraging the good practise that already exists in some areas (including Haringey), of using SP funded support services to address anti social behaviour and to tackle the behaviour of high-risk households.

## **Funding**

### *Move towards a Formula Based SP Funding Allocation and Pace of Change*

- 8.18 As part of the last spending review the Government committed itself to spending £1.72 billion on Supporting People services in 2005/06 and the £1.7 billion in both 2006/07 and 2007/08. However there are no clear indications at this stage of national funding levels beyond 2007/08.
- 8.19 The Government is wanting to move to a formula based approach to allocating local Supporting People funding and to move away from the current pattern of allocations,

which were largely determined by the levels of spending on supported housing via the demand led transitional housing benefit.

- 8.20 The Government has spent the last three years trying to develop a Supporting People funding formula that it believes would provide a more equitable allocation of future SP funding based on need. However, concerns over the technical robustness of the formula have delayed it's introduction.
- 8.21 The latest version of the distribution formula was released last year. This attempts to create a target population for each vulnerable client group area based on existing ONS census and other similar data for each Local Authority area. These are then subject to a local deprivation index that may include measurements of housing density and ethnicity. The target populations are then used to determine target allocations for each client group and these then determine the overall target allocation for each authority.
- 8.22 The Government has released a separate technical consultation document on the formula, with the same timeframe for comment as the one on the national strategy – 28<sup>th</sup> February 2005. This is also available from the Supporting People Team and at:  
<http://www.spkweb.org.uk/Subjects/Distribution+Formula/SPDF+Stage+2/Supporting+People+Distribution+Formula-+Technical+Consultation+paper.htm>
- 8.23 The formula causes substantial changes in some allocations with some authorities substantially gaining and others who substantially lose (ranges from 187% gain to 64% loss).
- 8.24 The funding formula consultation document raises the issue of pace of change and the dampening needed to manage the effects of the increases and decreases of funding that will avoid the sudden and unexpected loss of services or the ineffective or inappropriate use of new funding.
- 8.25 In last years settlement the Government committed itself to a limit on decreases of no more than 5% and increases of no more than 10% between 2005/06 and 2007/08. Example models of the formula were used to determine which LAs would receive a decrease and increase in 2005/06 and at what level.
- 8.26 The Government are now raising the question as to whether the dampening should be made less severe (e.g. 4% and 8%) and whether some decreases/increases should be capped to take account of the performance of the effected authorities, including outcomes of Audit Commission Inspections.
- 8.27 The Government have questioned the inclusion of an ethnicity indicator in the formula as it has been argued by some authorities that ethnically diverse populations do not place additional demands on services and that their needs are picked up through other need indicators included in the formula. It should be noted that this indicator is critical to Haringey's allocation and would substantially decrease it if left out.



- 8.28 There are also questions about the inclusion of a density indicator (these usually benefit urban areas) and what measurement of density should be used. Again this affects Haringey's allocation.
- 8.29 The model that was used last year to inform this years allocations included both the ethnicity and density indicators and this gave Haringey a Target allocation of between £19 and £20 million per annum (19% reduction). However, a model released this year excluded ethnicity and changed the indicator used for density, reducing Haringey's target grant to £12 million per annum (42% reduction).
- 8.30 It is also worth noting that a cost of services indicator is used in the formula and whereas Haringey is treated in the formula as an inner London borough, for this particular indicator it is treated as an outer London borough (the cost indicator for inner London is usually higher than the one for outer London). This again reduces Haringey's allocation.
- 8.31 The national strategy consultation document does ask what approach should be taken to the future allocation of funding and to what extent redistribution should take place between authorities. Even though the Government seems to be committed to the use of a re-distributive formula, this does seem to suggest that it may be possible to convince them that there are other approaches.
- 8.32 A technical response to the consultation on the formula is being prepared by the Council.
- 8.33 The Government intend announcing the final approach to future SP funding allocations next Summer and they have reserved the right to start using the formula in 2007/08 but with a guarantee that all authorities will receive 95% of what they received in 2006/07.

### **Future Structure of Decision Making**

- 8.34 The Government are now seeking views on whether many of the controls around decision making and on the use of SP funding should be removed.
- 8.35 Current grant directions and conditions require decisions to be made by an SP commissioning body that must include the Council, NHS PCT and Probation, with only these agencies being able to exercise a vote. There are also very tight definitions around what support services and tasks can be funded through SP and pooled/joint funding is specifically prohibited.
- 8.36 The key thing to note is that the consultation document places a strong emphasis on the potential to link Supporting People programmes and funding into Local Area Agreements (LAAs). These are new and are intended to provide a more flexible relationship between the Government and local agencies, including local government, on the setting of local targets. They also allow for the better integration of local funding streams.

- 8.37 The Government is already piloting the inclusion of SP in five of the first LAAs. The Government plan to produce a toolkit to guide authorities through including SP in LAAs based on these pilots.
- 8.38 The Government strongly indicates that it believes that the Pooling of SP in LAAs will provide flexibility and the potential to integrate SP funding and services in with other statutory programmes.
- 8.39 As mentioned elsewhere in this briefing the Government have raised the possibility of Health and Social Care Commissioners leading on the commissioning of SP funded services (also presumably taking the funding as well) for the high dependency client groups. The Government are also raising the potential for SP funded commissioning of young person and teenage parent services to move to the Children's Trust.
- 8.40 An example of good practise that the consultation document particularly emphasises is Kent's LAA where they are considering delegating the commissioning lead for all social exclusion groups (homeless, offender, DV, substance misuse etc.) to the Safer and Stronger Community Partnership. These groups make up 36.2% of Haringey's current SP spend.
- 8.41 There is some discussion about routing the SP fund through the Local Authority Revenue Support grant or to continue to pay it as a separate grant but take off the ring fence. This is the approach used with regard to funding for homelessness services.
- 8.42 The key issues that need to be resolved are around determining what outcomes are desired from SP within the context of an LAA and what work needs to be done either to consider where SP already measurably contributes to a particular objective/target or how to develop reliable outcome performance measures linked to key objectives agreed with the Government, where these do not already exist.
- 8.43 It's worth noting that developing outcome performance measures linked to Local Authority and partner organisation targets is a key feature of Haringey's SP five year strategy and that early work is already underway to develop a framework. The Government are also in the process of developing reliable outcome performance measures and the Council will be discussing it's potential involvement in developing these at a meeting with ODPM.
- 8.44 The Government are now working on including the monitoring of local SP programmes against outcome measures in grant conditions and are now wanting to explore creating investment incentives linked to these.
- 8.45 They have particularly emphasised the potential to link these to encouraging effective cross authority working.

## **9. Consultation**

- 9.1 The Well Being Theme Board was consulted at its meeting on 19<sup>th</sup> December 2005. There was also consultation with providers and other local non statutory organisations at a Forum on 23<sup>rd</sup> January 2006.

## **10. Summary and Conclusions**

- 10.1 The Government's proposals potentially offer significantly greater flexibility and by combining the commissioning and funding of social care and Supporting People services for the highly vulnerable, this may offer opportunities for achieving improved efficiencies, improving integration of service delivery and to deliver services in a much more holistic way. For example, there is the potential to combine homecare and supported housing services and even intermediate care for older people, to offer more seamless and better coordinated care and support. It also offers the opportunity to improve on the consistency of the monitoring of both quality and performance across all the services a highly vulnerable service user receives. Potentially service users may also be able to exercise greater flexibility in how their services are delivered to them.
- 10.2 The key concern is that the arrangements for commissioning for those who receive low level support and no other packages of care e.g. sheltered housing tenants not involved with Social Services, are very ill defined and there is a risk that their needs may not be prioritised. This is a particular concern for a London Borough such as Haringey where Health and Social Care resources are under significant pressure and given the Local Government funding settlement for London are likely to come under increasing pressure. Before any changes are made in the ring fencing arrangements for Supporting People, Local Authorities will need to fully assess and understand the benefits of the low level support their local programmes currently deliver. However, in line with the more holistic approach the Authority is increasingly taking with its partners in developing local services e.g. the plans set out for the over 60s in Experience Counts, there is clearly already a local commitment to innovative low level interventions that prevent the need for high level care and that offer choice.
- 10.3 The development of individualised budgets both for the highly vulnerable and for households with low level need would seem to be consistent with the Council's own commitment to offering choice and a broader range of options. Therefore it would be consistent with this commitment to welcome the introduction of individualised budgets for some groups, although it will need to be made clear to the Government that this may not be appropriate for some highly vulnerable groups. The key challenge is how to maintain and sustain what might be effective and good quality local services, where a number of the tenants/service users may want to opt out and purchase services elsewhere. This is certainly going to be a challenge for the Council's traditional model of sheltered housing services for older tenants. There will also be a need to put in place robust systems that will be able to advise service users on their options, support them in purchasing the services they need and which are able to effectively monitor what they receive.
- 10.4 The greatest concern is what will happen to the resources and services targeted at those groups in the social exclusion category, which includes the homeless, survivors of domestic violence, people recovering from substance misuse, refugees

and offenders. It is worth noting that many of the people in this group may also potentially fall into the other two groups and may require a broad and complex package of support, care and other services. It is also worth noting that the programme was specifically designed to promote the social inclusion of these groups and to ensure that their services were protected, given that their needs have traditionally not been a priority for many local authorities. The other key factor is that many of these households are highly transient and may be accessing services in various locations and this particularly applies to London where we know there is a very high level of transience. They very often don't approach or are unable to access statutory services, particularly Local Government and primary care services and their only access to support is very often via the voluntary sector and SP funded services.

10.5 The Council does have a good track record in using the SP programme and using other Government programmes to deliver support to marginalised groups and the community strategy has a clear commitment to improving the life chances of the most deprived and socially excluded households in the Borough. It should be noted that £6 million (27%) from Haringey's SP programme is committed to low level floating support services that are directly accessible to these groups and which are designed to promote social inclusion. This has been a major feature of the programme since its inception and the Five-Year Strategy includes a commitment to preserving these services. The Council has also been recognised by the Government for the support it offers to small community based organisations that deliver support to BME and refugee communities. The Council is also doing a considerable amount of work on sustainable communities and neighbourhood development and this includes tackling the issues presented by the groups that fall in the social exclusion category.

10.6 There is clear evidence from a number of sources that Black and Minority Ethnic communities experience particular problems in accessing mainstream services and that the Supporting People programme has an important part to play in addressing this. Supporting People services are designed to help the most socially excluded access mainstream services. A report commissioned by the Mental Health Task Force in 2003 – *Improving Mental Health Services for BME communities in England*, found that BME communities regularly experience the following:

- problems in accessing services;
- lower satisfaction with services;
- cultural and language barriers in assessments;
- lower GP involvement in care;
- inadequate community-based crisis care;
- lower involvement of service users, family and carers;
- inadequate support for Black community initiatives;
- higher compulsory admission rates to hospital;
- higher involvement in legal system and forensic settings;
- higher rates of transfer to medium and high secure facilities;
- higher voluntary admission rates to hospital;
- lower satisfaction with hospital care;
- lower effectiveness of hospital treatment;
- longer stays in hospital;

- higher rates of readmission to hospital;
  - less likelihood of having social care/psychological needs addressed within care planning/treatments processes;
  - more severe and coercive treatments;
  - lower access to talking treatments.
- 10.7 Given the ethnic diversity of the Borough's population it is not unreasonable to assume that there are a large number of vulnerable BME households, experiencing much of the above and that they require a specialist support services to help them access the services they need. This supports the view that ethnically diverse populations are likely to place additional demands on Supporting People programmes and funding.
- 10.8 The local solution to how to commission and plan support services for this group may lie in developing better integration between Supporting People and the Council's neighbourhood management services and through the Safer Communities Partnership taking a much greater lead in driving the Supporting People programme. Certainly one of the solutions is a continued commitment by the Executive and the Local Strategic Partnership to maintaining a broad base of easily accessible low level support services that don't require a statutory assessment and which accept self referral.
- 10.9 This may be a good time for key Executive Members and Council Officers to come together with partners in other statutory services and the voluntary sector in a conference or seminar, to consider what we are currently doing to tackle the needs of the most marginalised. It would be within this context that decisions on how to align and prioritise the Supporting People programme could be made.
- 10.10 In overall terms the Authority can demonstrate it's strong strategic leadership of the Borough and it has managed to put in place some highly effective community and statutory partnerships, which cover a broad range of agendas and interests. This particularly applies to it's work around safer and stronger communities and the Authority's development of community involvement in decision making, as recognised by the Beacon status award. Within this context it could certainly be argued that the introduction of greater flexibility in the Supporting People programme, could be managed very successfully by the authority. This would be welcome in terms of enabling the Council to devise more innovative and joined up approaches in delivering on it's community strategy objectives, as they relate to deprived and socially excluded households and communities.
- 10.11 There is certainly a need to continue developing sub regional and London wide approaches to providing services and again the authority has a good track record in working with it's partners in the North London Sub Region. There are groups with particularly specialist needs e.g. mentally disordered offenders or the need to access services in other Boroughs e.g. survivors of DV, where it makes sense for authorities to work together. There is also an increasing recognition from the Government and the National Offender Management Service that an early intervention in maintaining and opening up housing and support while offenders are in prison significantly reduces the risk of re-offending. However, it is evidently impossible for every Local Authority to keep track of which offenders are likely to return to their areas or for

them to establish a presence within the prison Service. Therefore it makes sense for London Authorities to work together with NOMS and London Probation and for them to develop a range of coordinated housing and support services that enable successful resettlement. It's worth noting that the authority was a leading agent in the development of the London Resettlement Strategy for offenders.

- 10.12 Given the way in which some services have developed to tackle the housing and support needs of highly transient vulnerable groups such as the single homeless and rough sleepers, it would be highly undesirable if the decisions affecting these services were left entirely to the authorities in which the services are located. A decision to close or restrict access to a service may have fundamental implications for other Local Authorities. It's also worth considering that if Authorities work effectively together in monitoring where people accessing these services originate from, this could be used in the planning of more localised services and in enabling the sharing of the responsibility for resettlement and move on accommodation.
- 10.13 There are potentially significant benefits in Authorities working together to procure and monitor certain services across the sub region or indeed across London. Certain groups as explored already may benefit from the development of single services across several authorities and this may enable better and more flexible access to services. There are also potential efficiency savings to be made through reductions in administration costs, which include the cost of monitoring contracts and services and some overhead costs.
- 10.14 Overall the Council should welcome the flexibility the consultation document suggests in both funding and decision making and oppose any continuation of the ring fencing of the programme. The Council should also support incentives for Local Authorities to work together across regions and sub-regions to meet the needs of some socially excluded and transient populations. This may take the form of extra funding being allocated to a regional development investment fund. However, given the Authority's potential support for greater planning and funding flexibility, the Authority should oppose any suggestion to ring fence funding for any groups and have the planning for their services managed by regional and sub regional bodies/groups.
- 10.15 However, given some of the uncertainties around the commissioning of services for the socially excluded groups and the need to be certain that robust planning frameworks are in place to support the greater flexibility, the Supporting People Executive Management Board are suggesting that shadow arrangements should be put in place first to run alongside the existing structure. The existing structure could then be gradually phased out over 3 years.
- 10.16 The authority should oppose the Government imposing centrally determined outcome performance indicators on local programmes. Given the relative newness of the programme, there is currently a lack of reliable methodologies that would enable local programmes to determine what contribution Supporting People services are making to central Government BVPIs, PAF indicators and other similar PIs. This would be particularly difficult for groups that are likely to be receiving a complex package of services from a number of agencies. There is, however, a wealth of locally held qualitative information on the impact of SP services on individuals and

other services and many local authorities (including Haringey) are working on local outcome performance frameworks.

- 10.17 Haringey's Five Year Supporting People strategy highlights the Council's innovative approach to developing frameworks measuring outcomes. In 2004 the Council worked in close partnership with the Epic Trust (part of the Circle 33 Housing Group), one of the larger providers of low level floating support, to assess the benefits achieved by the HARTS service for families against Community Strategy objectives. The methodology used and the results are described in more detail in Appendix 1 to this report.
- 10.18 This illustrates that the Council's policy of using the Supporting People programme, to achieve good social inclusion outcomes for the most disadvantaged households in the Borough paid off. This includes supporting low income families in accessing jobs and training and in finding good quality and low cost childcare; tackling the underlying causes of unemployment for the worst off households and tackling anti social behaviour and poor school attendance for children coming from highly challenged families. Some of the case studies included in the appendix illustrate the personal successes the local Supporting People programme has achieved. The other key fact of Note from this work is that the nominal annual savings achieved on other public services is £9.2 million per annum against the Supporting People investment of £2.8 million.
- 10.19 The survey is being repeated this year and is being extended to other low level preventative services and this now offers the potential for benchmarking on outcome performance measures.

### ***Analysis of the Funding Formula and Recommended Response***

- 10.20 Our detailed analysis of the formula suggests that there are some significant technical flaws in the model proposed. It is also apparent that some highly judgmental assumptions have been applied to some of the factors and weightings used in the formula, where there is little justification offered to support them. Much of the data used for the formula is based on existing Local Authority returns and a detailed look at the data for some authorities suggests that some of this is inaccurate. This has the effect of significantly over inflating some target allocations while at the same time inappropriately deflating others. A good example of this is the comparison of the population at risk index used for the single vulnerable category for Bexley, which is higher than that of Haringey. A comparison has also been done with Islington whose adult population is lower than that of Haringey and which has a similar socio-economic profile. However, for the single vulnerable categories their target allocations are significantly higher and their overall target allocation will be £19 million per annum compared to Haringey's £12 million.
- 10.21 The formula uses the same population at risk data used for the single homeless and substance misuse client groups for the mental health and mentally disordered client groups. This takes no account of the much higher costs of delivering support services to people with significant and complex mental health problems. It's worth noting that there are some significant variations in target allocations between the model released in 2004 and the one released in November 2005 and this particularly

applies to some inner and outer London Boroughs. This also supports the view that the formula is far from robust.

10.22 A key issue for Haringey would be the pace of change and the potential capping of excessive reductions. Given that a 5% reduction in grant would represent a £1 million reduction per annum in Haringey's allocation and the fact that Haringey would not be the only authority likely to face this level of annual reduction, we would probably be able to successfully argue for a dampening that is substantially less than 5% (may be no more than 2%).

10.23 Overall due to the problems identified in this report, Haringey's response to the consultation paper should be that the distribution formula should not be implemented at this time. The Supporting People framework is still new, and the results of implementing Supporting People Strategies and policies are yet to be realised. It is essential that until such a time as the full impact of any such policy changes are identified, the Supporting People framework should be left to run its course with no major changes imposed in the meantime.

10.24 Some additional arguments we might want to include in our response might be:

- The Government should allow the current programme of Audit Commission Inspections of SP programmes to complete and examine outcome performance measures (currently being set by ODPM) and consider allocations in light of who are the excellent/good performers and who are the fair/poor
- The Government should carry out more detailed research into local allocations, particularly with regard to those who substantially gain or lose and assess whether existing allocations are both appropriate and are being effectively used
- That a bottom up approach is adopted based on the Government's assessment of Local SP five year strategies and robust local spending plans that can demonstrate good quality needs analysis and delivery on outcomes

10.25 The Supporting People Executive Management Board is proposing that a much broader approach is needed that includes a robust strategy of political lobbying and the engagement of all partner agencies to mitigate the effect of the formula on Haringey's allocation. At a recent Supporting People conference organised by the Local Government Association Phil Woolas MP - Local Government Minister, suggested that the Government are already considering the possibility of not implementing the formula or limiting it's application.

## **11. Recommendations**

11.1 In light of discussions at the Executive in response to this report the Director of Social Services be delegated to produce a formal response for consideration by the Executive Member for Health and Social Care and the Council Leader. However, the response should include:

- The funding Distribution Formula should not be implemented at this time
- The planning and funding flexibility suggested in the consultation document and the removal of all ring fences should be welcomed and supported



- The greater encouragement of Local Authorities to plan services regionally and sub-regionally backed by investment incentives should also be supported but any proposals to regionally ring fence the planning and funding for certain groups should be opposed
- Outcome and other performance measures should be developed and determined at the local level in agreement with the Government and the Government should not pursue a top down approach

11.2 The Executive Member for Health and Social Care and the Director of Social Services to consider with other statutory partners a joint response to the consultation

## **12. Comments of the Director of Finance**

12.1 The Supporting People programme is a key service delivery function for the Council with a grant funded spend of £22.1m. Haringey's allocation has been reduced by 1.7% for 2006/7 and a maximum of 5% in 2007/8. This level of reduction was not unexpected and can be managed within the commissioning plans for the programme over the financial planning period.

12.2 There are a number of problems with the proposed distribution formula. If it were applied without dampening, the current programme would be reduced from £22.1m to £12.8m. The technical details included within the formula are being worked through and will provide the basis for the Council's formal response. Nevertheless, it is clear that the funding for the Programme will continue to reduce in size as the Government pursues its targets for efficiency and resource distribution and the Council will need to plan accordingly.

## **13. Comments of the Head of Legal Services**

13.1 The government has issued Proposals for a Future National Supporting People Strategy for consultation as required by section 93(11) of the Local Government Act 2000. Although it is not mandatory for the local authority to provide a response, it is desirable because once the Secretary of State has made determinations or given guidance or directions in relation to supporting people grants, the local authority will be required to comply with any grant terms and conditions or directions made and to have regard to any guidance issued with respect to the administration and application of those grants.

## **14. Equalities Implications**

14.1 The omission of ethnicity factors in the formula used for allocating Supporting People grants can have serious consequences. It seems that authorities with a high number of "other European" and new communities such as Haringey and Camden are particularly adversely affected and may be able to lobby against such a decision.

## **15. Use of Appendices / Tables / Photographs**

15.1 Appendix 1 - Summary and Extract from the Report on the Value for Money of the HARTS Floating Support Service for Families

