



Haringey Council

Agenda item:

[No.]

Lead Member Report – Councillor Dogus

On 17th May 2011

Report Title: Supporting People programme, proposed reductions 2011/12

Report of: **Mun Thong Phung, Director of Adult, Culture and Community Services**

Signed:

Contact Officer: Margaret Allen, Assistant Director Safeguarding & Strategic Services

Wards(s) affected: **All**

Report for: **KEY DECISION**

1. Purpose of the report (That is, the decision required)

- 1.1. The purpose of this report is to implement the final funding decisions in relation to the budget reductions in the Supporting People programme.
- 1.2. On 24 February 2011 the cabinet member for Adult, Culture and Community Services (ACCS) agreed criteria for future funding in relation to the Supporting People Programme for 2011/12. These criteria were subject to consultation and this report seeks to confirm approval of the criteria as attached at Appendix 1.
- 1.3. These criteria were provisionally applied to assess the future commissioning of services and these provisional decisions were subject to consultation. Following appropriate consideration of the responses to this consultation and having had due regard to the Council's equality duties as set out in the Equality Act 2010 this report seeks Lead Member approval to implement funding decisions arising from the application of these criteria.

2. Introduction by Cabinet Member (if necessary)

- 2.1. The funding cuts from Central Government have meant that all areas of support and budget commitment be reviewed. The Supporting People programme is preventative in nature and the Council has a clear commitment to continuing to support local residents through this mechanism. A redesign option on the Supporting People programme has been drawn up, which will align the programme with future needs within the community and allow for savings to be made to contribute to the Council's savings plan.
- 2.2. On 22 March 2011 the cabinet agreed in principle to confirm the reduction in budget commitment of the Supporting People programme by £5m, subject to consultation and Equalities Impact Assessments. Cabinet further approved the redesign of the programme in line with the current and future needs of the Borough.
- 2.3. Consultation with users and providers has been carried out. A consultation report and summary are attached to this report at Appendix 2. Equality Impact Assessments (EQIAs) have been carried out on the sectors in the programme and are attached together with a summary at Appendix 3.
- 2.4. Following consideration of the consultation responses, and having regard to the Council's equality duties under the Equality Act 2010, cabinet approved the £5m reductions for 2011/12 at its meeting on 26 April 2011. Cabinet further approved a delegation of the final decisions to implement the reduction in budget of £5m to the cabinet member for ACCS.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 3.1. ACCS Council Plan Priorities are:
 - Encouraging lifetime well-being at home, work, play and learning;
 - Promoting Independent living while supporting adults and children in need; and
 - Delivering excellent customer focused cost effective services.

Full Council Plan Priorities can be found on the left hand side of the page at <http://harinet.haringey.gov.uk/index.htm>.

4. Recommendations

- 4.1. It is recommended that the criteria attached at Appendix 1 for the future funding of services under the Supporting People programme is confirmed in order for final decisions on funding of individual services to be made.
- 4.2. It is recommended that approval be granted for the recommendations as set out in Appendix A of this report to implement the funding changes to individual services resulting from the application of these criteria.

5. Reason for recommendation(s)

- 5.1. In order to make informed and equitable decisions regarding proposed reductions criteria were developed to assist in making decisions on future funding of organisations under the Supporting People Programme. The criteria put greater emphasis on the need for accommodation based services over floating support services. Various comments were received in consultation on the criteria and a summary can be found under the heading "Comments on the Criteria Used" of the consultation report attached at Appendix 2.
- 5.2. Although some expressed concerns at the approach taken to favour accommodation based services, many understood the need to make savings in the current financial climate and to protect the Borough's general provision of accommodation based services in preference to its floating support services.
- 5.3. It is therefore recommended that the criteria as set out at Appendix 1 are approved.
- 5.4. The detailed breakdown of the proposed reduction in budget to the Supporting People Programme can be found in the spreadsheet attached to this report.
- 5.5. The services within Supporting People can be separated into twelve sectors. Information on each sector is provided below.

5.6. Mental Health:

The proposals in relation to the Mental Health sector are as follows:

Current contracts value	£3,347,706
Recommended reduction	£ 582,769
Revised contracts value	£2,764,936

The 3 Mental Health contracts were established in a comprehensive way which means that it is difficult to disaggregate floating support from accommodation-based provision. The original proposal set a target reduction of 42% to each contract.

Following consultation, negotiations have resulted in a provisional agreement with providers of a 30% reduction to each contract which allows providers to make significant reductions with minimal impact on service users.

5.6 Learning Disability

The proposals in relation to the Learning Disability sector are as follows:

Current contracts value	£1,567,980
Recommended reduction	£ 281,005
Revised contracts value	£1,286,975

This sector is in the process of being remodelled to compliment the Transformation agenda and one service had already identified for decommissioning. In the future, Adult Social Care will take the lead on this work, which will allow greater consideration to be given to care packages where needed.

Additionally, most adults in this sector using floating support services are able to live independently; their reliance on support workers is relatively minimal as was reflected in the consultation feedback.

5.7 Older People

The proposals in relation to the Older People sector are as follows:

Current contracts value	£1,086,001
Recommended reduction	£ 186,757
Revised contracts value	£ 899,245

One of the services in the Older People's sector is due to cease at 31st May 2011, as the contract is expiring. This provider will exit the programme on 31st May. The remainder of the savings in this sector are through negotiated efficiency savings. A further additional provider has served notice on the council but this falls outside of the scope of the consultation.

5.8 Offender and Substance Misuse

The proposals in relation to the Offender and Misuse sector are as follows:

Current contracts value	£639,544
Recommended reduction	£ 46,912
Revised contracts value	£592,632

The Equalities Impact Assessment (EQIA) and consultation feedback directly influenced a review of the proposal for this sector, and led to additional negotiation meetings with a provider.

The result is a re-modelling of the alcohol service supplementing the existing pathway model but achieving a lower reduction in savings.

5.9 Home Improvement Agency

The proposals in relation to Home Improvement sector are as follows:

Current contract value	£132,946
Recommended reduction	£000,000
Revised contract value	£132,946

This service is a unique provision in the borough. Previous service reviews have

evidenced both quality and value for money (tested against accepted benchmark standards). EqlA and consultation feedback supports the retention of this service in line with the original proposal

5.10 **General Floating Support**

The proposals in relation to the General Floating Support sector are as follows:

Current contracts value	£4,413,371
Recommended reduction	£2,238,739
Revised contracts value	£2,125,000

In line with the criteria the original proposal was to seek significant reduction in expenditure in this area.

Negotiation meetings as part of the consultation process have achieved a substantial proposed amount.

Performance data received from the largest provider evidences that the re-modelled provision (already in place), now meets very good value for money with minimal impact on service users.

5.11 **BME Organisations**

The proposals in relation to the BME sector are as follows:

Current contracts value	£904,927
Recommended reduction	£360,333
Revised contracts value	£544,594

Although the reduction shown is listed in the reductions schedule, this saving was negotiated and agreed with providers in October 2010 and was approved by Cabinet Procurement Committee in the same month. The reduction figure therefore, is full year effect and no further reductions in this sector are proposed.

5.12 **Teenage Parents**

The proposals in relation to the Teenage Parents sector are as follows:

Current contracts value	£173,768
Recommended reduction	£123,768
Revised contracts value	£ 50,000

The service for this sector up until summer last year provided accommodation, however, it has been identified that accommodation is available through Housing and it has therefore been possible to continue to provide a floating service instead as an efficiency saving.

5.13 **Single Homeless**

The proposals in relation to the Single Homeless sector are as follows:

Current contracts value	£838,373
Recommended reduction	£000,000
Revised contracts value	£838,373

This sector is supported specifically by accommodation-based provision which is recommended to be retained at the current level. Removal of this accommodation-based service would effectively make this group of vulnerable people homeless and would be unreasonable as well as in conflict with the Council's Priorities.

5.14 **Young People**

The proposals in relation to the Young People sector are as follows:

Current contracts value	£506,865
Recommended reduction	£000,000
Revised contracts value	£506,865

No reduction in this sector was proposed as for this group of vulnerable people, services are not available elsewhere and removal of the support would very likely result in homelessness. This sector includes children leaving care and young homeless people, predominantly between 16 and 24, who are not children in need of care services from CYPS and do not qualify for adult social services support.

5.15 **Domestic Violence**

The proposals in relation to the Domestic Violence sector are as follows:

Current contracts value	£535,305
Recommended reduction	£248,869
Revised contracts value	£286,437

The Council funds refuge places which are used by women fleeing domestic violence from other boroughs. Haringey women requiring refuge places are housed in Out of Borough refuges. There would be an impact on the availability of refuge places for women from Haringey if the number of refuge places in Haringey was reduced. Additionally, the floating support service in Haringey provides support to Haringey residents in their own homes. There is therefore, a need to retain both elements of service provision. Negotiation meetings have secured agreement from providers to re-model all aspects of service delivery into a pathway model, in direct response to the EQIA and consultation feedback. This revised approach also allows for improved value for money in this sector.

5.16 **Physical Disability/HIV AIDS/Sensory Impairment**

The proposals in relation to the Physical Disability/HIV AIDS/Sensory Impairment sector are as follows:

Current contracts value	£106,665
Recommended Reduction	£000,000
Revised contracts value	£106,665

Accommodation-based provision for these service user groups is critical to maintaining independent living and is specialist in nature. No contract value reduction is proposed.

The total reductions achieved are lower than the required savings of £5m. However, the council will manage down, the budget pressure which means that in total the target saving of £5m can be delivered against the Council's requirement.

- 5.17 Currently the budget allocation for the Supporting People programme is £17m of which £3m is spent on delivering council-based services and £14m is contracted with external providers. There are currently 125 contracts in place to deliver services
- 5.18 The programme provides services to the following sectors: Mental Health; Learning Disability; Older People; Offender & Substance Misuse; Home Improvement Agency; Generic Floating Support to all age groups; BME Organisations; Teenage Parents; Single Homeless; Young People; Domestic Violence; and Physical Disability/sensory impairment/ HIV/AIDS. The programme also underpins the Rent Guarantee Scheme and links to the Council's Housing Strategy, the Move On Strategy and the Older People's Housing Strategy. Floating Support services are designed to support people to access housing and to sustain tenancies in some circumstances.
- 5.19 The programme has been externally evaluated by the Audit Commission as successfully delivering improved Outcomes for service users and in achieving robust governance and oversight of Council funds. The intention for the future is to use key skills within the programme Team to ensure continued delivery of both, within a reduced budget and re-designed programme.
- 5.20 The floating support contracts equate to approximately 13% of the Supporting People programme budget whilst approximately 85% of the budget is spent on accommodation-based contracts and 2% being made up of access to employment and Home Improvement Agency services. The retention of accommodation-based provision would therefore provide a stable resource for all sectors, having the least impact on any particular sector, something which floating support currently could not provide. The intention is to reduce floating support services to a single, generic service (over two years), aimed principally at the core of homeless people in the borough. It is deemed a lesser risk to remove Supporting People funding from floating support services, as most people accessing this service also have access to other support. These reductions would also reduce duplication and overlap in the

system.

5.21 All sectors within the programme have been reviewed in line with the criteria for the budget reductions and the Equalities Impact Assessments and consultation findings have informed the final proposals Recommended in Section 4 (above) The consultation responses and EQIAs have fed into the final proposals which are being presented to the cabinet member for final decisions in mid May.

5.22 Further consideration is given in Appendix A.

6. Other options considered

6.1. Implement the final funding decisions as laid out in the report of 24th February : This would fail to respond to the results of the consultation process and would result in such a severe reduction in services that the programme would struggle to deliver what have been internally and externally recognised as valuable and cost-effective preventative services protecting the most vulnerable in the community.

7. Summary

7.1. The Supporting People programme is an Invest-to-Save strategy which responds to the Prevention Agenda.

7.2. The programme has been externally evaluated as delivering good outcomes within robust governance and has successfully been reviewed in line with reducing income over the past 3 years.

7.3. The application of the criteria, (against which services were provisionally assessed), allowed the Supporting People team to make provisional decisions on the future funding of services within the programme. However, having considered the consultation feedback and having assessed the equalities impact under the public sector equality duty, it was determined that for certain services, other significant factors should be taken into account. In those instances, some services have been maintained which were provisionally assessed to end or be reduced.

7.4. The Supporting People funding criteria measured services within the programme against two separate criteria dependent firstly upon contract value. Contracts in excess of £850,000 per annum were subject to Criteria 1. This involved a contract review and negotiation procedure with providers of these services.

7.5. The remainder of services in the Supporting People Programme were assessed against Criteria 2. This consisted of an assessment against 'Strategic Relevance'; 'Impact'; 'Contract Capacity' and 'Other Significant Factor'. This resulted in five possible outcomes for services in the programme depending on scores awarded, determining whether a service is to:

- (i) end on 31 March 2011
- (ii) end at a subsequent agreed date
- (iii) continue at a reduced contract value
- (iv) continue at the existing contract value
- (v) continue at the existing contract value, subject to review

7.6. These provisional decisions were notified to providers and users on the 25th and 28th February to enable consultation to be undertaken. The final recommendations for services, having considered the responses to consultation and conducted Equalities impact Assessments, can be found in the attached spreadsheet .

Equalities impact Assessments, can be found at Appendix 3.

7.7. Approximately 13% of the programme is concentrated in Floating Support, with 85% being accommodation-based provision. The criteria put greater emphasis on the proposal to retain accommodation-based provision over floating support and sought to ensure that a focussed (smaller) floating support service is available to those most in need.

7.8. The retained services would (during 2011/12) be re-designed with a view to moving those relevant adult social care client groups into the personalisation agenda for future commissioning, and focussing the programme on the Hard-to-Reach groups, within significantly closer working arrangements with Community Housing and within a reduced cash envelope.

8. Chief Financial Officer Comments

8.1 As previously noted on 22 March 2011 Cabinet agreed in principle to a reduction on the budget allocation for the Supporting People Programme of £5m from 2011/12.

8.2 For 2010/11 the budget allocation for the Programme was £16.99m. Thus, in order to achieve the required reduction the commitment must be reduced to £11.99m. In addition to the £16.99m a further £770k had been allocated to cover costs of reducing the expenditure within the programme. This remains unspent in 2010/11 and a request will be made for this to be carried forward into 2011/12.

8.3 The proposal outlined in this report recommends an allocation of funding of £12.983m for 2011/12, i.e. £992k in excess of the allocated budget. A phased reduction from some of the larger providers means that the maximum saving cannot be achieved in the current financial year. It is proposed that agreement is given for the £770k allocated above to be made available in 2011/12 towards the £992k gap. The remaining, recurrent, balance of £199k will be met from within existing resources.

9. Head of Legal Services Comments

- 9.1. The decisions by the Cabinet Member concerning the recommendations set out in the report must be informed by and take into account the outcome of the consultation with service users and providers, which is set out in Appendix 2 to this report.
- 9.2. In reaching their decisions the cabinet member must also have due regard to the authority's public sector equality duty and thus should take into account the attached full equality impact assessments included at Appendix 3 to the report. The extent of the duty on the authority is set out in Appendix 4 to this report. As the attached equality impact assessments highlight the effect of proposals on a number of specific groups within the community, defined as those with protected characteristics under the Equality Act 2010 (by reason of their race, sex, age or disability), particular consideration must be given to those effects and to the proposals made to reduce or mitigate them.
- 9.3 The report also seeks approval to vary the contracts detailed in Appendix A. Power for the Cabinet Member to vary these contracts is contained within the Council's Constitution (Part 3, Section D paragraph 2.2 (d)).

The Council in exercising these powers need to take into account the views and opinions of users, providers and other stakeholders and have carried out extensive consultation on these proposals. The results of the consultation process are reflected in the final recommendations in this report. The revised proposals are as reasonable and as fair as can be expected. Further legal comments are contained in paragraphs 6.1 to 6.5 of the exempt information report attached at Appendix A

10. Head of Procurement Comments – [Required for Procurement Committee]

- 10.1. N/A

11. Equalities & Community Cohesion Comments

- 11.1. Equalities Impact Assessments have been carried out for all services which have been subject to the Root & Branch review within the Supporting People programme. These assessments are work in progress and should be updated as the re-designed services are developed.
- 11.2 Initial analysis indicates that 'reductions will have minimal or no effect on the service users as providers are able to deliver more efficient services for less money going forward'. Adult Services should:

- ensure that equalities information continues to be collected by Supporting People providers and analysed
- continue to monitor the impact of the re-designed services to maintain good quality of provision and outcomes for all service users.

12. Consultation

- 12.1. Consultation with users and providers in line with guidance from legal services has been carried out fully.
- 12.2. Consultation on the ACCS Supporting People criteria and the provisional decisions as a result of application of the criteria commenced in part on 25 February 2011 and the remainder on 28 February 2011, until 31 March 2011.
- 12.3. Further consultation with the users of these services took place from 4 March 2011 until 8 April 2011.
- 12.4. The Council received 1705 responses from service users, carers and family members and providers. The findings have directly influenced the final recommendations within this report and supported the Cabinet Report which was received by Cabinet on 26th April 2011. The findings can be found in the Consultation Report attached at Appendix 2.

13. Service Financial Comments

- 13.1. Efficiencies
Of the proposed £5m cuts, approximately £3.1m will be achieved through efficiencies, without impacting on service provision, and is inline with the Root & Branch review of the Supporting People programme.

14. Use of appendices /Tables and photographs

- 14.1. Appendix 1: Criteria agreed by cabinet member for Adult, Culture and Community Services on 24 February 2011
- 14.2. Appendix 2: Consultation Report and summary
- 14.3. Appendix 3: Equality Impact Assessments and summary
- 14.4. Appendix 4: The public sector single equality duty
- 14.5. Appendix A: Exempt Information - **not for publication**

15. Local Government (Access to Information) Act 1985

15.1. This report contains exempt and non-exempt information. Exempt information is contained in Appendix A and is **not for publication**. The exempt information is under the following category (identified in the amended Schedule 12A of the Local Government Act 1972 (3) Information relating to the financial or business affairs of any particular person (including the Authority holding that information)

