

Report Title: Supporting People Programme - Steady State Contracts

**(Part A): Request for waiver of requirement to tender**

Report of: **Jim Crook – Interim Director of Adult, Culture and Community Services**

Ward(s) affected: **All**

Report for: **Key**

## **1. Purpose**

- 1.1 To seek Member agreement to waive the requirement to tender under Contract Standing Orders.
- 1.2 To approve the award of short term Supporting People contracts to existing providers who satisfy the Borough's strategic, quality, performance and cost thresholds.
- 1.3 The report sets out the challenges and risks associated with seeking to tender Supporting People contracts and services at this stage and what the medium to long term plans are to commission and procure Supporting People services.
- 1.4 It should be noted that this report does not cover supported and sheltered housing services for older people, for the reasons set out in paragraph 9.14 of this report and that a further report on the contracts for these services will be presented to the Procurement Committee in the New Year.

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

- 2.1 The Supporting People programme has delivered significant benefits to the people of Haringey and in particular the Borough's more vulnerable and socially excluded households.
- 2.2 The programme's innovative approach to service development and capacity building has ensured that the Council can guarantee that every vulnerable person who needs support will get quick and easy access to the support services they need. Virtually every category of need can be catered for by the programme.
- 2.3 The programme has achieved significant Value for Money Benefits with a £2.5 million per annum cash saving and a £2.1 million per annum increase in capacity, without the need for new investment.
- 2.4 The programme has an impressive record on driving up quality and standards and the performance of services, which is leading to improved service user outcomes.
- 2.5 I have every confidence in the programme's ability and capacity to achieve further improvements and efficiencies and believe that the commissioning and procurement

approach mapped out in this report is both robust and based on sound forward planning.

### **3. Recommendations**

- 3.1 That Members approve a waiver of Contract Standing Order (CSO) 6.3 (requirement to tender) on the ground set out in CSO 7.3(d) i.e. that it is in the Council's overall interest.
- 3.2 That Members award new short term contracts to providers of existing Supporting People services, detailed in Part B Appendix 1 of this report, who have met the Borough's quality, performance, cost and strategic thresholds and requirements, for a contract period commencing on 1<sup>st</sup> April 2007, and terminating on the respective expiry dates set out in Part B, Appendix .
- 3.3 That Members delegate to the Director of Social Services and Housing the authority to approve inflation rises, in relation to Supporting People contracts and services where the Director, on the recommendation of the Supporting People Partnership Board, is satisfied that the providers have fully met the Borough's Value for Money criteria.

Report Authorised by: **Jim Crook – Interim Director of Adult, Culture and Community Services**

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### **4. Executive Summary**

- 4.1 The report sets out the background to the set up of the existing Interim Supporting People contracts, which were approved by the procurement Committee in June 2003, including the legislative and Government framework that determined how they were established and the Council's responsibilities. (section 7)
- 4.2 The report also sets out the decision making framework required by the Government with regard to Supporting People planning, contracts and services and that all such decisions need to be made by a multi-agency Commissioning Body, the voting membership of which must include the Council, Haringey NHS TPCT and London probation (section 7)
- 4.3 The report also sets out how the existing Supporting People services were reviewed and the statutory requirements of the review process, including the fact that the existing interim contracts will expire 12 months after the completion of the reviews.

(section 7)

- 4.4 The report sets out the budget challenges confronted by Haringey's Supporting People programme including the fact that under the Government's proposed funding formula, Haringey may be faced with long term grant reductions. However, the report also outlines the Supporting People Partnership Board's (Commissioning Body) plans for addressing these reductions. (Section 8)
- 4.5 Based on the procurement approach set out in Haringey's Five Year Supporting People Strategy, agreed by the Council Executive on the 22 March 2005, this report also sets out the SP Partnership Board's future commissioning and procurement intentions and the risks that would arise if SP contracts are put out to open tender at this stage. (Section 9)
- 4.6 The report describes the current and developing robust approach used by the programme to monitor and manage Supporting People contracts and services and how this will be used to improve performance and deliver future efficiencies. (Section 12)
- 4.7 The report provides a detailed equalities analysis of both the existing services users of Supporting People services and of the patterns of use of existing provision. The report describes how this analysis will be used to inform future commissioning and procurement decisions. (Section 15)

## **5. Reasons for any change in policy or for new policy development (if applicable)**

5.1 Not Applicable

## **6. Local Government (Access to Information) Act 1985**

6.1 List of background documents:

- Supporting People Grant Directions 2006/07 (issued by the Department for Communities and Local Government)
- Supporting People Grant Conditions 2006/07 (issued by the Department for Communities and Local Government)
- Supporting People Five-Year Strategy Progress, Annual Plan, Service Reviews, allocations and Government consultation (3 October 2006 Council Executive Report)
- Supporting People Five Year Strategy 2005 – 2010 (approved by Council Executive on the 22 March 2005)
- London Borough of Haringey SUPPORTING PEOPLE PARTNERSHIP BOARD (Commissioning Body) Memorandum of Understanding and Terms of Reference July 2006
- Haringey's Supporting People Value for Money Policy (Approved by Haringey's Supporting People Partnership Board on the 12 September 2006)
- Approval of Supporting People Interim Contracts (17 June 2003 Council Procurement Committee Report)

**These documents are available from the Supporting People Team by contacting:**

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Some of the documents are also available by visiting the Council's website at:

[http://harinet.haringey.gov.uk/supporting\\_people1](http://harinet.haringey.gov.uk/supporting_people1)

Further information on Supporting People is also available on the Government's Website: <http://www.spkweb.org.uk>

6.2 See Part B for exempt information.

## 7. Background

7.1 On the 17<sup>th</sup> June 2003 the Procurement Committee agreed interim contracts with 106 providers of Supporting People funded support services. These contracts covered a wide variety of providers including small voluntary sector organisations, private providers and Housing Associations. The contracts covered 153 support services that currently support just under 10,000 households and which were worth £23.7 million Per annum in the 2003/04 financial year.

7.2 The interim contracts were set up in accordance with Government Supporting People Grant Conditions and Guidance, issued by the then Office of the Deputy Prime Minister (now the Department for Communities and Local Government). In April 2003 the Supporting People grant replaced several public funding streams that had been funding housing related support services. The Supporting People grant then became payable directly to Local Authorities (LAs) but it was a Government requirement for LAs receiving the SP grant to continue paying for eligible support services from April 2003, which were in place on the 31 March 2003. This evidently required LAs to enter into SP interim contracts with the providers of these services, the contract form of which was determined by the Office of the Deputy Prime Minister (ODPM).

7.3 Government Grant Conditions also required LAs to review all Supporting People services and interim contracts and the reviews had to be conducted in line with detailed Government guidance. LAs were required to complete the reviews by the 31 March 2006 and the review focused on the following areas:

- Strategic Relevance of the service (Did the service fit with Council and Partner strategic priorities and was there robust evidence of the need and demand for the service)

- An assessment of service quality using the Governments Quality Assessment Framework and of performance (see section 12 of this report for more details of the framework)
- An assessment of a service's cost effectiveness and value for money

7.4 A central requirement of the review was the inclusion of service users and seeking their views on the quality and future of the services they received. It was also a key requirement to seek the views of key statutory and non statutory stakeholders on the Supporting People funded support services they used.

7.5 Government Supporting Grant Directions require that all decisions concerning strategy, funding and the future commissioning and decommissioning of services are made by an SP Commissioning Body, the voting membership of which must include the Council, the local NHS PCT and the Probation Service. The Directions also stipulate that each of these partners must have only one equal vote and all decisions must be unanimous. In line with the Directions and Government guidance it is the Commissioning Body that determines the outcome of each Supporting People Service Review and this includes whether a service should continue, be re-configured or de-commissioned.

7.6 However, these decisions need to be made in line with the Supporting People Five Year Strategy agreed by all voting partners and need to be based on the legal, financial and procurement advice of the Council. Under the Grant Directions the Commissioning Body is prohibited from making decisions that go against the financial and legal advice of the Council. Therefore, the procurement decisions of the Commissioning Body are still subject to the Council's Contract Standing Orders and Code of Good Practise.

7.7 Haringey's Supporting People Partnership Board performs the function of the local SP Commissioning Body and it is chaired by the Council's Head of Housing, who also exercises the Council's vote. The voting membership of the Board also includes Haringey NHS TPCT's Director of Strategy and the London Probation Service's Area Housing Development Manager. However, the non voting membership includes the following:

- The Council's Head of Safer Communities
- The Council's Assistant Director for Social Services (Business Improvement)
- The Council's Deputy Director of Children Services
- The Head of the Learning Disability Partnership
- The Joint Head of Mental Health Commissioning
- The Council's Service Manager for Older People Services
- The Council's Principle Equalities Officer

A representative of Haringey's SP provider forum and the Chief Executive of HAVCO also attend part of the Board's meetings but they are excluded from items that are concerned with commercially sensitive matters. Two representatives of Haringey's SP Service User Steering Group also attend the meetings. These representatives have no voting rights.

7.8 In line with Government requirements Haringey has successfully completed the review of all 153 Supporting People services and the SP Partnership Board has agreed the future of all services based on these reviews. The reviews have provided the Borough

with both robust and detailed information, which alongside jointly commissioned needs and other research, provides the Borough with a sound foundation for future commissioning. The Council has significantly driven up performance and standards through the reviews and some very poor quality services have been successfully de-commissioned.

7.9 The Council has also been highly successful in using the review process to achieve significant efficiencies with a £2.5 million per annum cash saving (a 10% efficiency on 2003/04 expenditure) and a negotiated increase in capacity worth a nominal £2.1 million per annum (a further 9% efficiencies on 2003/04 expenditure).

## **8. Budget**

8.1 In 2006/07 the planned projected expenditure on Supporting People services will be £22.24 million. This is offset by Government Supporting People grant funding of £21.74 million. In addition through the programme's successful application of its Value for Money policies an accumulated surplus of £1.07 million has been built up, which the Government are allowing the Council to roll forward. Therefore, the accumulated underspend on the programme now stands at just under £600,000.

8.2 However, the Government have announced a reduction in Haringey's SP grant for 2007/08 to £21.3 million, which is a 2% reduction of £400,000. This is based on the Government's application of its proposed Funding Distribution Formula, under which Haringey may see a significant long term reduction in its funding. The formula is still subject to consultation and has not been fully implemented. There are significant doubts about its robustness and the Council has made robust representations to the Government. There are doubts as to whether it will be fully implemented but until a final Government announcement is made, the Government have used it to influence allocations next year.

8.3 In addition to the £600,000 accumulated surplus there are projected savings planned for 2007/08 of £420,000, which arise from the decommissioning of services that the SP Partnership Board has determined are not strategically relevant. The service providers have already been issued with contract termination notices and extensive needs analysis and service user consultation is underway that are informing existing strategies. The contracts are on schedule to end by March 2007.

8.4 Through the application of the new value for money policy, a further £250,000 cash efficiency saving is expected in 2007/08. This will offset a projected inflation rise of £222,000 for those services that satisfy the cost effectiveness and performance criteria set out in the VfM policy. As stated under paragraph 9.12 of this report, the final decision on whether an inflation rise will be awarded will not be made until February 2007 and this will obviously take account of the progress made in securing the £250,000 efficiencies.

8.5 The Supporting People Partnership Board is planning for a further 2% reduction in central Government grant funding in 2008/09, which would reduce the grant to £20.7 million. The Board is currently undertaking a strategic funding review, which will be completed by the end of December 2006 and this will be followed by a detailed service by service review, to determine which services are the most likely to be de-

commissioned on the grounds that they do not meet the long term strategic requirements of the Borough. The reviews will be completed by March 2007 with services being decommissioned by October 2007. Estimates suggest that savings from this decommissioning combined with further planned efficiencies will achieve a £1.3 million saving by 2008/09.

8.6 The longer term funding uncertainties further underpin the view that this would not be the right time to start procuring long term Supporting People contracts. However, based on the analysis set out above the contracts covered by this report can be funded until the end of 2008/09.

## 9. Description of Procurement Process

9.1 In accordance with Government Grant Conditions and guidance and in line with the existing Interim Contract the Council has with all local providers of SP services, the contracts will automatically expire 12 months after the completion of the review. There is therefore a need to agree new contracts with existing providers.

9.2 Haringey's Five Year Supporting People Strategy agreed by the full Executive on the 22 March 2005 included a post review three year programme of Supporting People commissioning and procurement, which started this year with the mental health sector. The commissioning programme is as follows:

2005/07	Mental Health and Substance Misuse/offender services
2007/08	Older Person, Learning Disability and Young Person services
2008/09	All other services (including generic floating support services)

9.3 The strategy recognised that given the size of Haringey's SP programme, the large number of services involved and that nearly 10,000 households receive SP funded support, it would be impossible in the short term to safely put new SP contracts in place through open tendering. However, the strategy is committed to subjecting most SP funded support services to market testing, within the life time of the five year strategy.

9.4 An illustration of the challenges in attempting to tender Supporting People services at this stage, is the older persons sector. This sector includes all sheltered warden services, which support over 3,000 social housing tenants provided by both Council run and Housing Association services. Needs mapping commissioned by the Council does suggest the need for long term changes in this sector, which would deliver more highly supported sheltered housing for those with higher support needs and more flexible low level support.

9.5 However, the project planning and commissioning required to achieve this is complex and there would evidently be a need to consult with and involve tenants in decisions that may both affect who provides their service and what the future shape of their services will be. This is unlikely to be achieved within the usual timescales that apply to most procurement and tender processes and may take the entire lifetime of the SP Five Year Strategy (if not longer) to fully realise.

9.6 Whereas other sectors in the Supporting People programme do not support the same

large number of tenants/service users, they equally require a process of service user and stakeholder consultation and each have their own complex challenges in terms of taking forward service and provider changes. A good example of this is the mental health sector, which supports over 300 highly vulnerable mental health service users and who depend on SP providers not only for their support but also their accommodation. Changes in this sector not only require selecting new support providers but also require potentially planning new accommodation, which given the number of vulnerable people involved may take a year to achieve. It's worth noting that the Council is leading extensive consultation with mental health service users on the future of their SP funded supported housing but given the significant nature of many of their conditions this has already taken 6 months.

9.7 Apart from the technical challenges in attempting to take forward such a significant level of procurement in relation to support services for such a large number of vulnerable people, there are undoubtedly significant political considerations associated with changes in services that support so many vulnerable households. Further reporting will be required to the Council Executive on the detailed long term commissioning intentions for much of the Supporting People Programme, before procurement commences.

9.8 Project planning is either already in place or is being developed for many of the key sectors of Supporting People commissioning and these are being developed in line with the Supporting People strategy. These are subject to the scrutiny of the Council's own internal project management framework and the Supporting People Partnership Board.

9.9 Until the programme of commissioning is completed, it is proposed that a further short term contract is awarded to providers of existing SP funded services. These contracts would only be let where the service and provider have met the required level of performance and quality; where it has been assessed that the service meets the Borough's cost effectiveness criteria and a new contract price has been agreed and where the service meets the Borough's key strategic requirements.

9.10 The Supporting People Partnership Board has agreed a robust Value for Money Policy that includes criteria for assessing what are appropriate administrative and overhead costs and appropriate levels of expenditure on support staff costs. The new policy has reduced the upper limit allowed to providers for central overhead costs by 5%. It also includes quality and key performance targets, which providers will be expected to achieve and a framework for measuring outcomes achieved by the service against key Council and provider targets. The revised policy was agreed in September this year by the Supporting People Partnership Board.

9.11 A combination of satisfying the cost criteria and achieving performance targets will determine whether providers will be awarded inflation in the future or whether the Council will seek further cost reductions. The provisions of the policy are reflected in the revised form of contract that will be used for the proposed short term contracts. The Borough's SP Value for Money policy is available by contacting the Supporting People Team.

9.12 Report Part B Appendix 1 details those providers and services that the



Supporting People Partnership Board recommend should continue and therefore should be awarded a new short term contract. However, based on the revised Value for Money policy a further assessment of provider costs is underway, which will be used to determine which services may justify an inflation rise in 2007/08 and which services may be subject to a further contract price reduction. It is proposed that the Director of Social Services should be given the delegated authority by the procurement Committee to approve which providers and services will be awarded an inflation rise in 2007/08, based on the recommendation of the Supporting People Partnership Board following these assessments. It is expected that the further assessment of provider costs will be completed by February 2007.

9.13 Report Part B Appendix 1 also details the dates when the proposed new short term contracts will expire, which is based on the expected completion date of the commissioning and procurement of new services. This in turn is informed by the programme of commissioning set out in paragraph 9.2 of this report. However, the new contract form includes the option to extend the contracts for up to 12 months beyond the expiry date, in the event that the commissioning and procurement of new services is not completed by the expiry date.

9.14 The Committee should note that Report Part B Appendix 1 does not include the contracts covering supported housing services for older people. For the reasons set out elsewhere in the report the commissioning and procurement of services in this sector will take more than the life time of the Five Year Supporting People Strategy to complete. It is therefore not possible at this stage to determine when the new short term contracts will expire. A senior project board currently led by the Interim Director of Social Services has been set up and it's membership includes senior managers from across Housing, Social Services and the NHS TPCT. The project board is drawing up a long term commissioning plan for the older persons supported housing sector, which will be in place in the New Year and this will inform the length of the new short term contracts for the sector. This will be the subject of a further report to the procurement committee.

## **10. Consultation**

10.1 Through the Supporting People Partnership there has been wide consultation with senior manager and officers across the Council, including Housing, Social Services, the Children Service and Safer Communities. There has also been consultation on the proposals with the Council's Corporate Procurement and Finance Services.

10.2 There has also been consultation with senior officers and managers of Haringey's NHS TPCT and the London Probation Service, as well as the Chief Executive of HAVCO. Providers have been consulted with via the Supporting People Provider Forum and Practitioner Group.

## **11. Key Benefits and Risks**

11.1 In many ways the key benefits and risks are already set out in section 9 of this report. However, the key benefits are that awarding further short term contracts to existing

providers will offer the Council and it's partners time to fully consider the potential changes that might be needed in long term SP provision. This includes offering Council members the opportunity to more fully consider the strategic and political considerations, including how best to consult with local residents and service users of the larger Supporting people services. It also provides the Council time to plan for long term changes based upon what is actually known about the Government's long term SP funding intentions and a much fuller assessment of service user and other risks that are attached to certain key sectors of the Supporting people programme e.g. sheltered housing for older people.

11.2 The risks are evidently driven by the long term funding uncertainty for providers and their ability to plan their services based on a further short term contract. However, this will be mitigated by the Council continuing to build on it's already well established and strong relationships with providers (evident from the Audit Commission Inspection of the programme) and by having the long term commissioning plans for each client group sector resolved by the beginning of 2007/08.

## **12. Contract and Performance Management**

12.1 The quality of Supporting People services are monitored in accordance with the Government's Quality Assessment Framework (QAF). The QAF covers the following areas of policy and practise:

- Support Planning
- Health and Safety
- Managing Risk
- Protecting people from abuse
- Fair access and equal opportunities
- Complaints

The framework includes a detailed set of requirements against each of the above areas of practise that providers are expected to meet. Services are then assessed and are scored according to the following:

- Level A – Leading Practise
- Level B – Good level of quality
- Level C – met the minimum requirements
- Level D – below required standards

Where a service is assessed as providing services that are below the required standard (level D) in any of the above areas, then no new contract of any form will be awarded to the provider of these services. Therefore, Report Part B Appendix 1 does not include any providers or services whose assessed standards are below the minimum requirements. The Procurement Committee should note that the Supporting People Annual Plan for this year includes a requirement that all services should achieve a level B in Health and Safety and Protection from Abuse by the end of 2007 and this is reflected both in the revised Value for Money Policy and the proposed form of contract for the proposed short term contracts. Providers will be expected to achieve

a level B in a further two areas (to be determined as part of the 2007/08 SP Annual Plan) by the end of 2008.

Haringey has uniquely developed a further area of assessment relating to Child Protection arrangements, which was developed jointly by the Supporting People programme and the Council's Children Service and which has been approved by Haringey's Local Safeguarding Children Board. The new Child Protection framework is currently being rolled out to all Supporting People providers (supported by joint training) and it is being applied as part of the current programme of performance visits and assessments. The Procurement Committee should note that other local authorities are adopting the new CP framework developed by Haringey.

12.2 In addition to the Quality Assessment Framework Supporting People services are monitored every quarter against three service performance indicators that focus on the availability of services, the level of service utilisation and support staffing levels. Information against these PIs are collected through a common excel workbook from all providers and the data is directly uploaded into the Supporting People database. Both the workbook and the database are configured according to central Government requirements.

Data is also collected through the same workbook against two key performance indicators. The two KPIs are as follows:

KPI1 - Percentage of service users who have been supported to establish independent living

KPI2 - Percentage of service users who moved on in a planned way

KPI1 applies to services that are intended to offer support for more than two years. An example of this type of service would be sheltered housing for older people, where the measure relates to the success of the support in keeping older people out of hospital, nursing or residential care. A loss of tenancy through a long term admission to residential care would be treated as an unplanned departure and would therefore negatively affect the performance outcome.

KPI1 also applies to non accommodation based support services where the support is delivered to a person living in their own home such as Council tenants, owner occupiers, private tenants etc. An example of this is the HARTS floating support service for families, where the measure relates to the success of the support in enabling the vulnerable household maintain their own home. Where a service user successfully completes a programme of support that perhaps helps them access the services they need or that enables them to remain in their home, then this will positively affect the performance outcome. However, if they fail to complete the programme of support and/or are evicted then this would negatively affect the performance outcome.

KPI2 applies to services that offer short term supported housing or support in temporary accommodation and which is intended to last for less than two years. An example of this would be a supported hostel for the single homeless, which is intended to prepare a vulnerable homeless household for move on to more permanent housing.

Where a service user does move on to their own permanent accommodation in a planned way, then this would positively affect the performance outcome. However, if a service user is evicted from the service then this would negatively affect the performance outcome.

The Council has undertaken a detailed analysis of both KPIs but with a particular focus on unplanned departures. This was done in order to set future targets for all services but was also done in order to understand the reasons for good and poor performance with a view to developing future good practise amongst all services. Based on this analysis three stretch targets for each sector and individual services have been set and as stated elsewhere in this report, these have been reflected in both the Value for Money Policy and the new SP contract form.

12.3 A programme of performance visits covering all 153 Supporting People services has been set up by the Council's Supporting People Team for 2006/07 and 2007/08 and this has been approved by the Supporting People Partnership Board. The visits assess all of the key elements of the Quality Assessment Framework (QAF) and the assessment includes looking at provider policies, interviews with managers and staff, examination of staff and training records and interviews with service users. The visits also look at the robustness of records used to inform the service performance indicators and key performance indicators and where there are concerns about either records or performance these are directly addressed with the provider.

Following the visits an action plan is drawn up with the provider to address any areas of weakness in the QAF or performance and a report is submitted to the Supporting People Partnership Board. The action plans are closely monitored by the Supporting People Team and updates on progress submitted to the SP Partnership Board at every meeting. The visits also provide an opportunity for providers to raise any concerns or issues they have about the contract and the related services and about the Council's management of the contract.

12.4 In addition to the performance visits quarterly performance reports covering the SPIs and KPIs are submitted to the SP Partnership Board that cover the programme's overall performance, including regional and national comparisons and year on year trends. Providers whose performance is below agreed targets are highlighted with either an explanation for their poor performance and/or proposed actions for addressing their performance.

12.5 The Council has developed a unique outcome performance framework that measures the outcomes achieved for individual service users and which assesses the contribution these make to achieving key Government, Council and partners targets. The framework also assesses whether Supporting People services achieve savings on other non SP funding streams e.g. savings associated with preventing an eviction or hospital admission. The framework has been successfully piloted this year with three of the larger SP services and a further pilot of a further seven service is currently underway. The plan is to roll out the framework to all other service by next April. The new SP contract form includes monitoring the contribution of Supporting people services to strategic targets.

12.6 The Council offers a significant level of support and assistance to SP providers and services, particularly small providers, to assist them with improving their services and to ensure they can manage all of the contract and performance requirements. This includes a regular provider forum, regular training on key service and performance issues, open advice surgeries and regular engagement with the Borough's Practitioner Group, which includes leading providers and representation from each key sector of providers. A small provider network is also in place that offers targeted training and support and a system of provider mentoring, where leading providers offer both advice but also direct management support. The training delivered to small SP providers has covered the Quality Assessment Framework and how to prepare for procurement and tendering.

### **13. Summary and Conclusions**

13.1 The Council has completed a robust programme of Supporting People service reviews and this combined with the Borough's highly regarded Five Year Supporting people Strategy ensures that the Council and its partners have a sound basis for planning future commissioning and procurement.

13.2 The Council has a proven track record in delivering significant improvements in the quality and performance of Supporting People services and in delivering significant cost efficiencies. Again this track record provides a sound foundation for the future procurement of Supporting People services.

13.3 However, given the significant size of Haringey's Supporting People programme, the number of contracts and services it funds and the large number of vulnerable households who depend on SP funded support, there is a need for a carefully planned programme of commissioning and procurement, which fully takes account of the risks associated with changing services for vulnerable people.

13.4 Haringey does have a robust commissioning and planning framework to support the long commissioning of Supporting People services and this was confirmed by the recent Audit Commission of Inspection of Haringey's programme. However, it is likely to take time to fully realise what services are needed, what changes are required in existing services and how to plan these changes. There is also a need for time to consider what the likely impact will be of long term funding changes, which any future Government funding formula might bring. It is likely that following the completion of the Government's current spending review, the Government will announce its long term SP funding intentions by March next year.

13.5 The waiver to the Council's normal tender requirements and the award of short term contracts for existing service providers, who pass the Borough's strategic and value for money tests, will give the Council and its partners time to properly plan these changes and come back to both the Council Executive and Procurement Committee with a robust plan for the long term Procurement of Supporting people services.

### **14. Recommendations**

14.1 That Members approve a waiver to Contract Standing Orders on the ground set out in CSO 7.3 d) i.e. that it is in the Council's overall interest.

14.2 That Members award new short term contracts to providers of existing Supporting People services, detailed in Part B Appendix 1 of this report, who have met the Borough's quality, performance, cost and strategic thresholds and requirements, for a contract period commencing on 1<sup>st</sup> April 2007, and terminating on the respective expiry dates set out in Part B, Appendix 1.

14.3 That Members delegate to the Director of Social Services and Housing the authority to approve inflation rises, in relation to Supporting People contracts and services where the Director, on the recommendation of the Supporting People Partnership Board, is satisfied that the providers have fully met the Borough's Value for Money criteria.

## **15. Equalities Implications**

15.1 Supporting People service providers have been asked to submit detailed returns on their service users, covering the following equalities information:

- Ethnicity
- Gender
- Languages spoken
- Religion
- Disabilities
- Sexual Orientation

15.2 Most providers have provided data on ethnicity and gender. However, data on secondary disability, languages spoken by service users, sexual orientation and religion has proved to be more difficult to collect and the Supporting People Team is undertaking a further data collection exercise to get a full return against these categories. The team is also pursuing equalities data regarding referrals and rejections of service users. This exercise is scheduled to be completed by January 2007, with an action plan being put in place to address and examine further any evident over and under representations of particular communities and groups.

15.3 However, the following findings have emerged from the ethnicity monitoring:

- The proportion of Supporting People service users that identified themselves as black Caribbean, black African and black British, is much greater than the proportion of these communities in the overall Haringey adult population.
- 32.94% of SP service users identified themselves as white British, compared to the overall Haringey adult population of 45.28%.
- Over one third of all Supporting People service users identified themselves as white other. This is likely to include Turkish, Greek

Cypriot, Turkish Cypriot, Kurdish and households from Central and Eastern Europe.

- A significant proportion of older person households supported by Supporting People services come from the black Caribbean, Chinese, Indian, Irish and Greek Cypriot communities.
- However, the number of black African older person households in supported housing is less than half of its overall Haringey adult population.
- Black Caribbean and black African households make up more than 50% of service users supported by single homeless related services, compared to an overall Haringey adult population of 17.5% and only 10% of single homeless service users identified themselves as white British (Haringey population – 45.9%)
- 26.74% of service users in mental health related supported housing identified themselves as black Caribbean, which is over double the proportion of the overall Haringey adult population that are black Caribbean and there is a higher proportion of Black African service users in mental health services, than the overall Haringey population
- 50% of service users of supported housing for people with learning disabilities are white
- Less than 7% of service users supported by services for people with physical disabilities are black Caribbean, which is lower than the overall proportion of the Haringey adult population
- There are significantly more service users in supported housing projects for offenders from the Caribbean and African communities and in services for young people at risk

15.4 There are some significant over representations of particular ethnic groups in certain sectors and this includes services for people with mental health problems, the homeless, young people at risk and offender services. Further work will be undertaken across Supporting People, the Council Housing Service, Health, Social Services and criminal justice services, to understand whether this reflects the ethnic make up of service users of non SP funded services and whether this is in line with national trends.

15.5 This will be used to understand why certain ethnic groups are more likely to end up needing Supporting People type support; why other groups do not access these services and whether there is a need for other statutory and non statutory services to improve what they do to prevent tenancy failure; the need for secondary mental health services and hospital admissions etc. It will also be used to inform service development and commissioning intentions and is already being applied to the development of the service specifications for the new mental health services, which are due to be put in place by March 2008, with regard to policy and practise that understands the needs of Caribbean and African service users.

15.6 The programme already offers a significant diversity of services that cover virtually every single vulnerable and hard to reach client groups. In addition to a wide range of supported housing services, the programme offers direct access floating support that is open to self referral over the telephone. These services

are designed to work with any vulnerability and disability and are also required to provide support workers who can speak the full range of community languages. The programme also supports a number of small mostly BME led community organisations, which offer culturally specific support services.

15.7 The Supporting People Five Year Strategy includes detailed equalities analysis for both the programme overall and for each sector of services. This is being used to inform the Supporting People Partnership Board's approach to future commissioning and this is further augmented by specific needs research in areas where there is a deficiency of qualitative information. This combined with the provider evaluations referred to above offers the Borough a robust framework for developing future services and contracts to address any gaps in provision.

## **16. Health and Safety Implications**

16.1 As discussed in section 12 of this report all services have been assessed against the Government's Supporting People Quality Assessment Framework, which sets out robust requirements and standards for the delivery of support services. This includes Health and Safety, Risk Management and Protection from Abuse Arrangements. Services that have not met the required standards have either been decommissioned or are subject to regular monitoring and performance supervision. No contracts will be offered to providers whose services are below the required standards. All services that continue to fall below the required quality standards are currently being reassessed and where the assessment shows that they have not met the standards, then they will be decommissioned.

16.2 This years programme of performance visits will focus on getting providers up to the next level of performance (Level B – Good) in Health and Safety, Risk Management and Protection from Abuse. In addition to the assessments and related improvement planning, providers will be offered further good practise training (some of which will be offered sub-regionally) and mentoring by leading practitioners in the programme. A mentoring scheme is already in place organised through Haringey's SP Practitioner Group and the Borough's small provider network, which is facilitated by the Council's Voluntary Sector Service.

16.3 Regular 6 weekly highlight reports are submitted to the Supporting People Partnership Board that detail the progress being made by all services and which highlight services that continue to cause concern. This combined with the on-going monthly and quarterly monitoring of services has provided an effective mechanism for robustly addressing health and safety concerns and risk issues. A service risk register is also in place that details the risks associated with each service and the impact of those risks, which has been used to determine the programme of performance visits. Reporting against this register is incorporated into the highlight reports to the SP Partnership Board.

16.4 With regard to supported housing projects and hostels the Supporting People Team work closely with the Council's Environmental Health Service, including the HMO Enforcement and Food Safety Services and referrals are made by the Team were concerns arise regarding the quality of accommodation etc. during performance visits.



Actions arising from follow up inspections are then monitored by the Supporting People Team.

## **17. Sustainability Implications**

17.1 The Supporting People contracts and services support services a broad range of vulnerable and socially excluded households across 19 vulnerable clients groups, from older people living in sheltered housing through to teenage parents living in supported tenancies. These services have a major impact in enabling these households to live safe and fulfilled lives in the community and play a major part in supporting community cohesion and sustainability. This is achieved through their close working with other statutory and non statutory agencies to ensure that vulnerable people get all the services and resources they are entitled to. Their involvement in the early identification of risks and in challenging behaviours that may cause a vulnerable service user to lose their home or breakdown in the community, is also key in supporting community cohesion.

17.2 An inherent part of the strategic review of existing services referred to in paragraph 8.5 will focus on the SP Five Year Strategy's key strategic themes, which are to;

- complement and dovetail with statutory services
- prevent, or combat the effects of, institutionalisation and homelessness
- promote social inclusion amongst deprived households
- meet the needs of a diverse Borough
- help to promote community safety

Those services that can clearly demonstrate a significant impact in these areas will continue. All these themes are key to delivering the Council's community sustainability objectives and evidence from the Supporting People service reviews and the outcome monitoring framework developed by the Council already shows that Supporting People services are making a significant impact in these areas.

## **18. Financial Implications**

18.1 Refer to section 8 of this report.

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

19.1 The 2006-07 programme grant for Supporting People is £21.74m. The programme is anticipated to overspend by £0.5m in this financial year, however this will be contained against previous year's grant underspends that have been carried forward within the DCLG ring-fencing arrangements. It is anticipated that £0.6m underspends will be carried forward into 2007-08 under the same ring fencing arrangements. The grant in 2007-08 has been notified at £21.3m. The total resources therefore available to the programme in 2007-08 is £21.9m.

19.2 In 2007-08, the projected expenditure on the programme is estimated to be £22.2m before any efficiency reviews. This will give an overspend of £0.3m if

efficiencies are not achieved. The Board has identified planned efficiencies of £0.5m, net of inflation, as set out in paragraphs 8.3 and 8.4 of this report which, if achieved, will give a small surplus on the 07-08 programme of £0.2m to be rolled forward into 2008-09.

- 19.3 At this stage, the allocations for 2008-09 are unknown, but it is likely that the Government will seek further reductions in the programme grant that will need to be met through further reviews of the programme in line with the overall commissioning intentions of the five year strategy. The proposals set out in this report facilitates the Council's responsibility for administering the grant within the available resources.

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

- 20.1 The Supporting People services to which this report relate are categorised as non-priority services under the Public Contracts Regulations 2006, therefore there is no requirement to tender the contracts in the EU. There is however a requirement under the Council's Contract Standing Orders to tender such contracts.

- 20.2 This report is seeking a waiver of Contract Standing Order 6.3 (requirement to tender) in relation to the contracts for the provision of the services.

- 20.3 The request is made on the basis that it is in the Council's overall interest in accordance with CSO 7.3 (d), because it will facilitate the letting of short-term contracts - necessary to bridge the gap between expiry of the existing contracts on 31<sup>st</sup> March 2007 and completion of a fresh competitive tendering process in respect of the services - to existing providers of Supporting People services who have met the Council's requirements in terms of quality, performance and cost.

- 20.4 The Procurement Committee has the power under CSO 7(2) (a) to grant the waiver provided it is satisfied that it is in the Council's overall interest.

- 20.5 Should the request for a waiver be granted, the report further seeks that Procurement Committee award short term contracts for the provision of the services to the respective existing providers listed in Part B Appendix 1, for a period commencing from 1<sup>st</sup> April 2007, and terminating on the respective expiry dates set out in the last column of Part B Appendix 1 of this report.

- 20.6 The Procurement Committee has the power under CSO 11.3 to award the contracts.

- 20.7 This report states that increments, in line with inflation, may be recommended in respect of some of the contract prices set out in Part B Appendix 1 of this report, following the current assessments of service provider costs due to be completed in February 2007.

- 20.8 The report recommends that Procurement Committee grants delegated authority to the Director of Social Services and Housing to approve such increments in respect of the contract prices currently set out in Part B Appendix 1 of this report, as the Supporting People Partnership Board may recommend following the assessments.

20.9 The Procurement Committee has the power under Section 15(7) of the Local Government Act 2000 to delegate any of its powers to officers.

20.10 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in Paragraphs 3 and 14 of this report.

## **21. Comments of the Head of Procurement**

21.1 This request is in line with the procurement code of Practise

21.2 The contract management system that is in operation is comprehensive and will minimise any risk of contractual non compliance

21.3 The recommendations in the report represent best value to the council in taking a long term strategic approach, which delivers efficiencies and quality services.

21.4 Corporate Procurement were involved and support the supporting people procurement strategy.

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

22.1 Part B of this report contains exempt information – Details of proposed Supporting People contracts covered by this report