

**Report to:** Partnerships Scrutiny Committee

**Date of Meeting:** 8<sup>th</sup> October 2015

**Lead Member/Officer:** Lead Member for Social Care & Children's Services/  
Supporting People Team Manager

**Report Author:** Commissioning & Tendering Officer

**Title:** Denbighshire Supporting People Local Commissioning Plan  
2016-19

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- 1. What is the report about?**  
The three year Commissioning Plan for the Supporting People Programme in Denbighshire.
- 2. What is the reason for making this report?**  
To consult on the Supporting People Local Commissioning Plan including proposals to manage ongoing reductions to the Supporting People Grant (modelled on 10% reduction in 2016-17). The grant is ring-fenced by Welsh Government for Supporting People, however, the allocation of the grant and the cuts anticipated will have an impact upon other Council services.  
The final Local Commissioning Plan (LCP) will be submitted to Cabinet in December 2015 for formal approval following comprehensive consultation.
- 3. What are the Recommendations?**  
To consider the contents of the report and appendices and feedback any comments to Supporting People prior to its submission to Cabinet (deadline for final report to Cabinet 1<sup>st</sup> December 2015).
- 4. Report details**  
Supporting People is a Welsh Government funding stream that provides housing related support to vulnerable people at risk of homelessness including; young people, older people, people fleeing domestic violence, ex-offenders, people with drug or alcohol issues and people with physical, mental or learning disabilities. Housing related support aims to enable people to develop and maintain their confidence and skills to live as independently as possible. The Supporting People Programme is a spend-to-save programme and has been shown to deliver financial and non-financial benefits.  
Supporting People teams across Wales are required to submit an LCP to their Regional Collaborative Committee in January of each year detailing their priorities and actions over the next 3 years, as well as a 3 year spend plan.

#### Current Position

Changes to the funding distribution formula for Supporting People in 2012 resulted in proposed cuts to Denbighshire Supporting People of 20% over 5 years from 2011-12 to 2016-17. Additional cuts to all public services in Wales have resulted in further cuts to Supporting People, which are indicated to continue into 2017-18. These cuts

were managed from 2012 to 2015 without significantly impacting on service levels. 2015-16 is the first year in which Denbighshire Supporting People have had to decommission services that are in demand and are strategically relevant, following a 10.4% cut. The grant allocation for 2015-16 is £5.4 million.

The plans within the 2016-19 LCP are based on managing cuts in a way that minimises the impact on service users. This involves continuing to negotiate efficiency savings and reconfiguration of existing projects with service providers and decommissioning projects that are no longer fit for purpose. As in 2015-16, Supporting People will have to consider decommissioning projects that are still strategically relevant, however, these decisions will only be made following a full service review and following completion of a Decommissioning Report in line with the Denbighshire Supporting People Decommissioning Strategy.

Denbighshire Supporting People have faced in excess of 20% cuts in four years. With cuts over the next two years anticipated to be at least a further 15%, Denbighshire Supporting People and the services funded by the Programme face significant pressure on already limited budgets to help those in Denbighshire who are most vulnerable. These services are delivered internally by Community Support Services and Children & Family Services, and externally by charitable organisations. Details of the proposed actions in 2016-19 can be found on pages 19-31 of the attached Local Commissioning Plan.

Given the uncertainty around budgets for the next 3 years, it has not been possible to produce a final 3 year spend plan. Until we are given a degree of certainty around likely funding levels, we are not in a position to plan this far ahead. Appendix 1 gives indicative reductions by provider based on an assumed 10% cuts for 2016-17. (Appendix 1 is excluded from publication by virtue of paragraphs 14 and 15 of Schedule 12a of the Local Government Act, 1972)

#### **5. How does the decision contribute to the Corporate Priorities?**

The projects and proposed actions within the LCP will contribute to supporting Denbighshire's Corporate Plan 2012-17 in the following areas:

- Developing the local economy
- Vulnerable people are protected and are able to live as independently as possible
- Ensuring access to good quality housing
- Modernising the Council to deliver efficiencies and improve services for our customers

Regional collaboration across North Wales and a regional strategy for commissioning and delivering services will contribute towards managing the downsizing of the grant and the protection of frontline services for vulnerable groups.

#### **6. What will it cost and how will it affect other services?**

The indicative minimum reduction over the next 2 years is approximately £796,005 (based on minimum 10% in 2016-17, and minimum 5% in 2017-18). This is in addition to the £1.2 million cut in the last 4 years.

Welsh Government have informed Local Authorities that they are unable to give indicative budgets for 2016-17 until after the Westminster Spending Review has been published on 25<sup>th</sup> November 2015. Budgets will therefore be received much later than in previous years (November in previous years, expected to be January-February this year).

These cuts will inevitably have an impact on internal services funded by Denbighshire Supporting People, including Community Support Services, and Children and Family Services.

The projects and changes identified will be managed within the Supporting People budget allocated to Denbighshire by the Welsh Government.

**7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision?**

An Equality Impact Assessment was completed for the LCP in 2013, which:

- Details the consultation carried out to develop the LCP and identify any unanticipated negative impact;
- Highlights the data collected and analysed via the needs mapping process, including anonymised data on protected characteristics;
- Acknowledges the challenges faced in implementing the cuts to services provided for vulnerable people;
- Confirms that Supporting People services are accessed by all protected characteristic groups;
- Confirms that every reasonable effort has been made to eliminate or reduce any potential disproportionate negative impact on those with protected characteristics, and that Supporting People will continue to monitor the impact of any changes made.

This EqIA has a review date of 2016, however in the interim, Supporting People will consider and ensure any impact on protected characteristics is identified and addressed. As part of the Denbighshire Supporting People Decommissioning Strategy, an EqIA will be completed for each project being considered for decommissioning.

**8. What consultations have been carried out with Scrutiny and others?**

The Denbighshire Supporting People Planning Group (SPPG) held four meetings during the development of the LCP and considered strategic priorities, needs mapping data and service gaps.

An eight week consultation process was held from July to September, during which the draft LCP was published on the DCC Consultations web page, and circulated to service providers and numerous stakeholders operating in Denbighshire and wider North Wales. A Supporting People information day was held in Rhyl Pavilion where a summary of the LCP was presented to over 80 people including provider staff, service users and other stakeholders. A number of stakeholder meetings were also attended to present the LCP. Views, comments and suggestions from the consultation process have informed the development of this plan.

Following feedback from Partnerships Scrutiny Committee, the final document will be signed off by SPPG in November 2015 and submitted to full Cabinet for approval in December 2015. It will be submitted to the North Wales Supporting People Regional Collaborative Committee in January 2016, to inform the development of the North Wales Regional Commissioning Plan.

The final document will be published on the Supporting People pages of the Denbighshire County Council website and circulated to all stakeholders of Supporting People in Denbighshire.

## **9. Chief Finance Officer Statement**

The reductions in grant funding and the wider impact on other internal budgets will continue to be carefully managed.

Whilst the level of cuts to the grant are particularly challenging, this is something that was envisaged several years ago and the reason why the Council agreed to establish a reserve to help mitigate the impact of cuts, particularly in Adult Services (now Community Support Services) where the greatest impact is likely to be felt.

## **10. What risks are there and is there anything we can do to reduce them?**

The proposals to manage the reduction in grant funding in 2016-17 are reasonable based on an assumed 10% figure. Further cuts above 10% could pose significant risks to services and service users:

- The sheer scale and short notice of such cuts makes it difficult to make decisions about how to administer these cuts in a strategic and transparent way. The scale of cuts may have a disproportionate impact on some smaller providers who have very little room for efficiency savings.
- Cuts must be considered regionally – not only are there potentially differing views around regional priorities to fund, but the level of cuts could destabilise entire providers who work across the region.
- This can have a knock on effect of damaging provider confidence and the good relationships we have with them – this can be managed to some extent by continuing to share relevant information with providers.
- It is not possible to manage cuts of this scale by simply remodelling services to find efficiency savings, but will necessitate the decommissioning of entire services which are providing quality support. This will directly impact upon front line services and will reduce much-needed support for some of our most vulnerable residents in Denbighshire. Denbighshire Supporting People have developed a Decommissioning Strategy in order to manage this process fairly and transparently.
- Supporting People relieves the burden on already overstretched statutory services such as Social Services, Health and Police, by preventing people declining and entering into a crisis situation. Further cuts to Supporting People will place even greater pressure on these statutory services at a time when there are already significant budget cuts resulting in significant changes to public services.
- Supporting People are key in supporting the delivery of the new Housing Act (Wales) Act 2014 and Social Services and Well-being (Wales) Act 2014, as their early intervention focus aligns well with Supporting People's key aim of preventing homelessness.
- In September 2015, DCC full Council voted unanimously in favour of a motion to protect the Supporting People budget from further cuts, and to support the national 'Let's Keep on Supporting People' campaign run by Cymorth Cymru and Community Housing Cymru.
- Denbighshire Supporting People will be presenting a contingency plan to SPPG in preparation of cuts being higher than 10%.
- As above, the Supporting People Reserve may be used to mitigate these cuts, but careful consideration must be given to the sustainability of this given the potential that budget cuts will continue for a number of years.

## **11. Power to make the Decision**

To determine the content of any plan, strategy or other policy document requires approval by the Lead Cabinet Member in accordance with Statutory Instrument 2001 No. 2291 (W,179) Regulation 4 (3)( c) + (d)  
Scrutiny's powers with respect to policy development and review are outlined in Article 6.3.3 of the Council's Constitution.