

**Report To:** Cabinet

**Date of Meeting:** 12<sup>th</sup> January 2016

**Lead Member / Officer:** Councillor Bobby Feeley, Lead Member for Social Care & Children's Services / Katie Newe, Supporting People Team Manager

**Report Author:** Sophie Haworth-Booth, Commissioning & Tendering Officer

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

- 1. What is the report about?**  
The three year Local Commissioning Plan (LCP) for the Supporting People (SP) Programme in Denbighshire.
- 2. What is the reason for making this report?**  
A decision is required on approving the LCP for 2016-19 prior to submission to the North Wales Regional Collaborative Committee (RCC) in February 2016.
- 3. What are the Recommendations?**  
To approve the Supporting People Local Commissioning Plan 2016-19, prior to the plan being submitted to the RCC in February 2016.
- 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 SP 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/February 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 the Supporting People grant 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 SP, 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 provisional Welsh Government budget for 2016-17 has highlighted there will be no reduction to the Supporting People budget in comparison with 2015-16, however, we have yet to receive notification of the Denbighshire allocation for 2016-17 and so it is still unclear whether cuts will be applied. However, by working with providers

throughout the year, we have been able to identify in excess of the savings expected and do not expect to have to apply any further cuts to current contracts, other than those agreed and notified already.

The Denbighshire Supporting People budget has been reduced by 21.5% (£1.5 million) between 2012 and 2016, with a further 10% minimum cuts expected by 2018. We will continue to seek to mitigate these cuts as far as possible through careful planning and negotiation with service providers and other stakeholders locally and regionally. However, the scale of the cuts requires some services to be decommissioned despite being assessed as strategically relevant; this will be carried out using the Denbighshire Supporting People Decommissioning Strategy.

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 beyond the next year, 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 in the longer term, we are not in a position to plan this far ahead.

#### **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?**

Denbighshire Supporting People have been modelling the 2016-17 budget on anticipated minimum 10% cuts and as such, have worked with providers to identify these savings. However, on 8th December the Welsh Government announced that the Supporting People budget would remain the same for 2016-17.

Denbighshire is also in the final year of redistribution of the SP grant, where it was expected that 5% of the budget would be reduced and redistributed to other Local Authorities. It was agreed by the Supporting People National Advisory Board earlier in 2015-16 that redistribution would be paused due to the cuts and also queries raised about the formula use. Now there are no planned cuts to the SP Grant, it is yet unclear whether redistribution will be applied to Denbighshire for 2016-17.

For this reason, the budget for 2016/17 has been modelled at both 5% and 0% cuts (see Appendix 1).

Any cuts, now and in future years, will inevitably have an impact on internal services funded by Denbighshire Supporting People, including Community Support Services, and Children and Family Services, however, these have been mitigated in the short term with cuts likely to be less than expected.

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? The completed EqIA template should be attached as an appendix to the report**

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, Denbighshire 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 consultation, the LCP was considered at Partnership Scrutiny Committee in October 2015, before being brought to Cabinet for approval. SPPG have been kept informed of progress during this time. It will be submitted to the North Wales Supporting People RCC in February 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 DCC website and circulated to all stakeholders of SP in Denbighshire.

**9. Chief Finance Officer Statement**

There is a significant degree of uncertainty around all revenue grant streams currently. The publication of the Local Government draft Financial Settlement in December has confirmed that there will be no reduction in the grant at a national level for 16/17 but we are still awaiting confirmation of the impact at a regional level.

However it is unlikely that future years' funding will become clear until May or June. Plans may have to be reconsidered as a consequence and must be contained within the funding available.

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

- The short notice of any cuts to be applied make it difficult to make decisions about how to administer savings in a strategic and transparent way. The scale of cuts over time may have a disproportionate impact on smaller providers who have very little room for efficiency savings. With a smaller reduction now anticipated in 2016-17, we plan to reinvest the money into short-term bank-to-save projects which are likely to be attractive to the smaller providers.
- Cuts must be considered regionally – not only are there potentially differing views around regional priorities to fund, but the way in which cuts are applied 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.
- Whilst we have largely protected front line services since cuts started in 2012, it is not possible to manage ongoing cuts of this scale by simply remodelling services to find efficiency savings, but it necessitates the decommissioning of entire services which are providing quality support, reducing 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.
- SP 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 SP will place even greater pressure on these statutory services at a time when there are already budget cuts resulting in significant changes to public services.
- SP 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.
- Supporting People Reserves 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.
- Denbighshire Supporting People also anticipate there will be a significant administrative burden as a result of implementing new SP guidance due out in 2016, a new SP Outcomes Framework due in 2017, and the RCC Memorandum of Understanding agreed in December 2015.
- The Minister and WG officials are also encouraging the alignment of SP with the Tackling Poverty programmes, the extent of which is not yet known, but this provides further uncertainty and administrative burdens on the programmes at a time of reducing budgets.

**11. Power to make the Decision**

Section 111 Local Government Act (1972).