

Report To: Partnerships Scrutiny Committee

Date of Meeting: 8th March 2012

Lead Officer: Corporate Director Demographics, Wellbeing and Planning

Report Author: Supporting People Manager

Title: Regional and National Supporting People Programme Changes

1. What is the report about?

The report explains proposals for establishment of a shadow Regional Collaborative Committee for Supporting People (SP) Services and the context for this. The report also draws the Committee's attention to the cuts to SP Programme Grant (SPPG), the implementation of a new interim redistribution formula and eligibility criteria from April 2012.

2. What is the reason for making this report?

To raise awareness of the potential impact of funding changes and new partnership arrangements from April 2012.

3. What are the Recommendations?

That the Committee:

- 3.1 considers the implications of proposals for the Council to participate in the shadow regional collaborative committee for Supporting People services to undertake the functions in paragraph 4.4 and with the membership set out in paragraph 4.5 of this report; and
- 3.2 considers the potential financial impact of the proposed Supporting People cuts for the Council and planned mitigation measures

4. Report details.

- 4.1 An independent review of the Supporting People programme was commissioned by the Welsh Government (WG) and reported in November 2010. This report made 25 recommendations, including a specific recommendation to introduce regional collaborative, multi-sectorial committees (RCC). The WG subsequently accepted all 25 recommendations. (The vast majority of Supporting People services are currently planned through local Supporting People Planning Groups).

- 4.2 Draft guidance to implement the recommendations was issued on 11 November 2011 and although specific detail has yet to be finalised the guidance is very clear that each area in Wales is expected to establish a Regional Collaborative Committee to provide the governance of the Supporting People Programme for the group of administering local authorities. Final guidance is anticipated in March 2012.
- 4.3 The establishment of Regional Collaborative Committees by June 2012 was also an aim of the WLGA/WG Compact which was agreed in December 2011.
- 4.4 In line with draft WG guidance and to meet the aspirations of the Compact, it is proposed to establish a **shadow** Regional Collaborative Committee for Supporting People services across North Wales. The function of the shadow Committee will be to develop a terms of reference for the Regional Collaborative Committee, which will include purpose, roles and responsibilities, membership, governance arrangements and operating procedures. These will be subject to agreement by partner agencies.
- 4.5 The membership of the shadow Committee will mirror the suggested membership set out in the WG draft guidance:
- Local Authority (LA) Cabinet Members.
 - Appropriate officers from each LA.
 - Health.
 - Probation.
 - Two providers (one of long term and one short term services).
 - Community Housing Cymru.
- Although the draft guidance states that each Regional Collaborative Committee should have two Cabinet Members, it is proposed that given the scale, breadth and diversity of the region that an elected member from each local authority should be on the North Wales Regional Collaborative Committee. It is proposed that the Regional Programme Board for Social Care and Health, which already has Executive member, local authority senior officer and BCU representation should act as the shadow board, with additional membership from probation, providers and Community Housing Cymru.
- 4.6 All six councils in North Wales are major losers in the national redistribution of Supporting People funds across Wales. It is estimated that by 2017, North Wales will have approximately £8M. less to spend on Supporting People services. A regional strategy for commissioning and delivering services will contribute towards managing the downsizing of the grant and the protection of front-line services.
- 4.7 Regional working on the Supporting People programme is already well-established in North Wales. A Regional Supporting People Planning

Group was established in 2009 to support, oversee and advise on the regional and cross boundary work and to evaluate the suitability of regional and cross boundary service provision. Work completed to date includes the development of a regional contract providing service provision for people suffering from HIV/AIDS, an Information Sharing Protocol, a Regional Domestic Abuse Policy and Working Group and a Regional Supply Map. This work has been supported through the employment of a Regional Development Officer.

- 4.8 Aspects of the proposals for Regional Collaborative Committees have caused concern to local government. These particularly concern governance and accountability, especially in relation to the respective roles, powers and responsibilities of local authorities and the Regional Collaborative Committee. Discussions are still ongoing between the Welsh Local Government Association (WLGA) and the Welsh Government in relation to final details of the SP governance structure proposals and the role and functions of the RCC. These may not be resolved to enable the establishment of regional structures in accordance with original timelines.
- 4.9 Other changes to the SP programme from April 2012 include:-
- Mandatory report of outcomes for all SP funded services
 - Changes to eligibility criteria which will prohibit the use of SP grant to fund services which discharge a statutory duty of social services. This has potential major financial implications for Denbighshire's Adult & Business Services Department as set out in appendix 1 [Appendix 1 is currently exempt from public disclosure by virtue of Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972].
 - The beginnings of redistribution of Supporting People resources to achieve a "fairer" distribution of resources across Wales. It is expected that Denbighshire will see a reduction of grant over the next five years at a rate of 4%, 4%, 5%, 5%, 5%, totalling approximately £1.5m over the period.
 - Two current SP grants (Supporting People Revenue Grant (SPRG) & Supporting People Grant (SPG)) will become one SP Programme Grant (SPPG).
 - Administrative responsibility for the full SPPG to be handed over to each local authority. Current administrative arrangements are split between Local Authorities & WG. This will result in increased contract management work for the SP team in Denbighshire.

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

Regional collaboration and a regional strategy for commissioning and delivering services will contribute towards managing the downsizing of the grant and the protection of front-line services.

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

The estimated reduction in SP grant over the next 5 years is projected to be approximately £1.5m for Denbighshire.

The changes to the SP grant also mean that some services currently funded will be ineligible in the future.

The consequences of this are explained in general terms in sections 8 and 9 below. These, and proposed mitigation measures, will be explained in more detail at the meeting.

7. What consultations have been carried out?

The Welsh Government has undertaken extensive consultation on the establishment of Regional Collaborative Committees across Wales.

The North Wales Regional Supporting People Planning Group and Regional Partnership Board have been consulted on the proposals to introduce the shadow RCC.

A joint Communities and Partnerships scrutiny SP seminar was delivered on 22nd February 2012 to enable members to seek clarification on the changes.

8. Chief Finance Officer's Statement

The reductions in SP grant funding have been on the agenda for several years and the Council has prudently established a reserve to dampen the financial impact. The proposed reductions to the grant in Denbighshire are almost £1.5m over five years. This coupled with the changes to eligibility criteria present a significant financial challenge. The strategy proposed is to apply the funding reductions against those service areas that are now ineligible under Supporting People rules. In this case, the reserve the Council has established would be applied to deal with the consequences of the changes to Supporting People funding by dampening the impact on the Adult Services budget of having to fund the services that are now ineligible - which appear initially to be concentrated in Learning Disability Services.

Based on current service levels and costs, the reserve would be used by the end of 2016/17, however between now and 2016, both

the Adults and Supporting People budgets will have to be continually reviewed to reduce the ongoing impact of the changes. Work must continue to ensure that the council is able to maximise eligible schemes to reduce the longer term impact on service budgets, while at the same time adhering to Supporting People requirements contained within guidance and grant conditions.

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

The changes to SP funding and eligibility present significant challenges financially. However, prudent planning means the impact can be dampened over a period of time. The key risk however is that both SP and Adult & Business Services budgets are left with a funding gap in 2017. To address this, the budget position and relationship between services provided under SP and those provided by Adult Services will be continually reviewed alongside Supporting People commissioning requirements contained in guidance and grant conditions, to ensure that SP funding is maximised where possible and applied so as the impact on Adult Services budgets is reduced.

10. 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).

Article 6.3.2(c) of the Council's Constitution states that the Council's scrutiny committee may consider any matter affecting the area or its inhabitants.

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