

**Report To:** Cabinet

**Date of Meeting:** 26<sup>th</sup> November 2013

**Lead Member/Officer:** Councillor Bobby Feeley  
Lead Member for Social Care and Children's Services  
Sally Ellis, Corporate Director of Modernisation and Wellbeing

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**Title:** Denbighshire Supporting People Local Commissioning Plan  
2014-15 & 2015-16

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**1. What is the report about?**

The two-year Local Commissioning Plan (LCP) for the Supporting People (SP) programme in Denbighshire. Supporting People is a policy framework and funding stream to provide housing related support to vulnerable people, promoting independence and preventing homelessness

**2. What is the reason for making this report?**

A decision is required on approving the LCP for 2014-15 & 2015-16 prior to submission to the North Wales Regional Collaborative Committee (RCC) in January 2014.

**3. What are the Recommendations?**

To approve the Supporting People Local Commissioning Plan 2014-15 & 2015-16, prior to the plan being submitted to the RCC and the Welsh Government.

**4. Report details.**

Supporting People is a significant programme providing housing related support services to a wide range of vulnerable people, including; young people, older people, people fleeing domestic violence, homeless people, people who have mental health needs, people with a learning disability, people with substance misuse needs, ex-offenders and others. In Denbighshire, Supporting People funds a wide range of services including; elements of sheltered housing, extra care, women's refuges, community living schemes for people with learning disabilities and schemes for homeless people.

Housing related support aims to enable people to maintain their housing tenure, often a tenancy by developing and maintaining the confidence and skills to live as independently as possible. The Supporting People Programme has been evaluated at national level and shown to deliver very positive financial and other benefits.

**Current Position.**

Changes to the administration of the SP programme were implemented in 2012. These included; new guidance and governance, new contractual arrangements and a new funding distribution formula.

The funding distribution formula had the effect of cutting the Denbighshire Supporting People budget by 5% each year from 2012-13 until 2016-17. Plans were put in place to manage these cuts without significantly impacting on service levels in 2012-13, 2013-14

and 2014-5 and also to develop and consult on a fair and transparent strategic prioritisation framework to inform the management of the cuts in 2015-16 and 2016-17.

In July 2013 we were advised by Welsh Government to expect further cuts from April 2014 in the region of 12% - though this was not confirmed by Welsh Government. We have now been given to understand that these additional cuts will not go ahead.

The LCP is therefore focused on managing the known reductions whilst also being in a position to respond to additional budget cuts in a way that minimises the impact on service users.

We have taken a mixed and flexible approach. For planning the 2014-15 budget, this has involved abandoning projects that have not been commissioned, decommissioning some projects with the consent of providers and finally, negotiating reduced contracts for projects that were not fully occupied or struggling to maintain service delivery.

For 2015/16, the challenges will be tougher. Again, we aim to minimise the impact on service users, wherever possible, through negotiating efficiency savings and reconfiguration with individual service providers. Supporting People Programme Grant guidance requires us to review all projects before remodelling them; therefore it is difficult to make definitive commitments before reviews are completed.

We may not be able to achieve all of the savings we need in this way and we may also need to consider reducing contracts where savings have not been negotiated. We are, however, seeking to achieve savings by consensus and we have already negotiated a significant proportion of savings in this way. While promoting a strategic approach to identifying efficiencies, Welsh Government has explicitly required constructive engagement from providers to deliver savings, and this has been helpful.

We are committed to taking a strategic approach to the difficult choices we face, potentially including decommissioning services. To this end we are continuing to develop our Strategic Priority to Fund (SPTF) framework.

### **Implications for Denbighshire**

Indicative figures received from Welsh Government show 5% cuts for 2014-15 and 6.2% cuts for 2015-16. We are also anticipating at least another 5% cuts for 2016-17. These cuts represent a very substantial loss of funding, with impacts likely on SP services delivered internally by the Council, including; Housing Services, Adult and Business Services and Children and Family Services. These reductions have been expected for a number of years, the Supporting People team continue to work with the affected services to ensure that these reductions have minimum impact on service delivery. There is also financial provision set aside in order to dampen the impact of funding reductions on internal services. The largest proportion of internal cuts for 2014/15 will be found through the decommissioning of extinct services, this significantly reduces the impact on service delivery for the existing internal services.

### **Actions listed in the SP LCP for 2014-15 & 2015-16**

Details of the actions are included in Appendix 1 of this report. The main strategic priorities identified are:

- **Women & Men experiencing Domestic Abuse**

All Domestic Abuse services (presently provided by Glyndwr Women's Aid, Hafan Cymru and north Denbighshire Domestic Abuse Services) are being reviewed in 2013 with a view to being re-modelled. It is anticipated that the remodelled services will

incorporate financial savings. It is intended to remodel the services in two phases, focusing on Floating Support and Supported Housing in 2014/15.

- **People with Learning Disabilities**

As identified in The Scrutiny report dated 24/06/13, Denbighshire County Council Adult Services will reduce overall funding to reflect overall grant cuts.

- **Young people with Support Needs (16 - 24)**

The Denbigh Young People 24hr Supported Housing Project is due to start in early 2014 – with a potential link to the Tai Clwyd 5 YP young people floating support project.

- **Generic/Floating support/Peripatetic (tenancy support services which cover a range of user needs)**

Consider remodelling the Nacro Rhyl Resettlement and Nightshelter services to provide a more responsive and flexible service for rough sleepers, possibly as a collaborative project which may involve other stakeholders and the cross boundary commissioning of some elements.

## **The SP Spend Plan**

Given the uncertainty around cuts, it has not yet been possible to produce a final SP Spend Plan. Summaries of the grant calculations and the anticipated impact of the spending reductions for 2014-15 are shown in the table at Appendix 2.

The final reduction of 5% in 2014/15 (£323k) and assumed 6.2% further reduction in 2015/16 (£360k) equates to approximately £683k. This is in addition to the £549k already managed and absorbed up to and including 2013/14.

The SP guidance requires the submission of a 3 year spend plan. However, we are not in a position to plan this far ahead until we are given some degree of certainty around likely funding levels.

All projects are subject to a review process. As this develops, the reviews may help inform other options to deliver the required level of savings. All reviews will consider; the eligibility of services, strategic relevance and performance against contracts and outcomes.

### **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 for vulnerable groups which is important in relation to corporate priorities.

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

In line with previous correspondence from Welsh Government, the total known reduction in SP grant is projected to be approximately £1.469m for Denbighshire (this is based on the 23% over 5 years 2012 – 2016/17). This will have an impact on the Social Care and Housing budgets. The overall impact on the SP budget would be £323,000 in 2014-15 and £360,000 in 2015-16.

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

### **7. What consultations have been carried out?**

The Supporting People Planning Group held three meetings during the development of this report and considered Needs Mapping (NM) data, supply map information and feedback from stakeholders and consultation meetings. Three meetings were attended with Service Users, an additional ten meetings with individual providers. The draft plan was also presented to the Provider forum in August.

An eight week consultation process encompassing current support providers and service users and other stakeholders was held from July to September. Views, comments and suggestions from the process were reported back to the SP Planning Group to inform the development of this plan and are summarised briefly below.

The final document was submitted to the Denbighshire Supporting People Planning Group on 17<sup>th</sup> September 2013 and to Denbighshire County Council's Communities Scrutiny Committee on 17<sup>th</sup> October 2013 – subsequently Welsh Government has issued indicative local authority allocations notices (23/10/13) – this report has been updated with these figures accordingly.

The document will be submitted for the consideration of the North Wales Supporting People Regional Collaborative Committee in January 2014, to inform the development of the North Wales Regional Commissioning Plan. Finally, this Plan will be passed to the Department of the Minister for Housing and Regeneration in the Welsh Government.

The final document will be published on the Supporting People pages of the Denbighshire County Council website and circulated to all existing planning groups and forums linked to Supporting People in Denbighshire.

## **8. Chief Finance Officer Statement**

The proposed reductions in grant funding remain significant and the implications on the Supporting People programme - and the wider impact on other council budgets - must continue to be carefully managed. The council has been prudent and made some financial provision to dampen the impact of reductions, but the programme should be kept under review to ensure expenditure does not exceed the funding allocated.

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

The proposals to manage the reduction in grant funding in 2014-15 are reasonable. Any in-year shortfall in social care budgets could be met from the reserve established to manage the planned grant cuts. The proposal to distribute grant reductions equally over all SP services spreads the impact more evenly but does pose risks within the context of a regional committee with potentially differing views around priorities within the overall SP funding. A more even distribution of cuts means the impact upon the council generally is more manageable and would provide more flexibility in use of the SP reserve to deal with the issue.

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

Section 111 Local Government Act 1972