

Supporting People and the future of housing related support

Introduction and update

In April 2009, the ring fence around Supporting People funding was removed. The £1.66bn will continue to be paid as a named grant in 2009-10 but will not be protected. All local authorities will have the freedom to spend the money how they see fit locally.

Supporting People has helped some of the most vulnerable and socially excluded people in society who do not qualify for statutory care. The removal of the Supporting People ring fence creates a significant risk that vital services for vulnerable people will suffer as funding is diverted away to other priorities and the experience, expertise and focus of Supporting People will be lost.

However, the new funding regime also creates opportunities to respond to local needs in more flexible ways, by joining up expenditure across health, adult social care and housing related support. This will mean new or expanded partnerships with different local authority service areas. As we move through the transition to new funding arrangements there is a need to prepare for opportunities and preserve and build on the successes of Supporting People.

This transition year is an important opportunity to influence government centrally and locally to communicate the value of housing related support and demonstrate its ability to deliver outcomes across health and social care. The Federation has worked with the Department of Health's Care Services Efficiency team to demonstrate the cashable savings that housing related support can deliver to health and adult social service budgets, through, for example, the avoidance of hospital admissions and reduced numbers of 'looked-after' children.

The recently updated CapGemini cost-benefit analysis of the Supporting People programme concluded that the £1.6bn investment delivers £3.41bn of financial benefits to the public purse.¹ The financial model used in the report is available as an accessible spreadsheet so local authorities can enter their own data to understand the levels of financial benefit provided by the Supporting People services in their area. Using this tool can help demonstrate the financial benefits of providing housing related support to meet local needs and could therefore be used to influence local discussions over budget setting and commissioning priorities.

This joint briefing by National Housing Federation and Sitra pulls together the key points from both organisations' evidence to the parliamentary enquiry on Supporting People and informs our members what we are doing, highlighting some of the actions we will take over the coming year to influence government to protect services and improve commissioning.

The big issues

Both the Federation and Sitra's submission to the current parliamentary enquiry were informed by input from our members. Consultation by Sitra and the Federation brought together the perspectives of over 900 organisations, through surveys, written responses and events. Our written and oral evidence highlighted the issues below which were raised

¹ CLG, *Research into the financial benefits of the Supporting People programme* (July 2009) www.communities.gov.uk/publications/housing/financialbenefitsresearch

by housing associations, third sector support providers and the local authority SP commissioners who responded who represent over 25% of commissioning authorities.

Housing related support is important and should be valued

Housing related support is vital in helping vulnerable people to live independently, develop life-skills, participate in their community and fulfil their potential. Supporting People currently helps around one million people at any one time. Housing related support emphasises prevention and early intervention to meet needs before they escalate. Services can demonstrate their effectiveness in transforming the lives of vulnerable people through a range of robust approaches to outcome measurement and have been shown to create cash savings to health and adult social service budgets by saving the public purse more expensive and acute services.

In the future, providers and housing associations will need to engage with a broader range of partners and local authority departments to convince commissioners to invest in housing related support. Many of our members are already working hard to get the case for vulnerable people heard locally by health, adult social care commissioners and drugs teams among others. The Federation and Sitra will lobby government to provide a supportive environment in which housing associations and service providers can make links across services and demonstrate their effectiveness.

Vital services are at risk

The removal of the Supporting People ring fence creates a significant risk that vital services for vulnerable people will suffer as funding is diverted away from preventative services to other priorities. This is not helped by the absence of a specific statutory duty to support Supporting People client groups. The fear that money will be diverted away is heightened by the additional pressures on public spending in an economic downturn.

Early evidence from the Scottish experience of lifting the ring fence in April 2008 shows an increasing number of local authorities do not have identified staff to provide a clear lead and co-ordination of housing related support and can not track expenditure on it because of the funding arrangement. There is also limited evidence to suggest that money has been diverted from socially excluded groups in Scotland.

The achievements of Supporting People need to be preserved

Supporting People's successes need to be protected as the ring fence is withdrawn and the identity of the programme is threatened. This includes the development and the use of the QAF to assess and demonstrate the quality of services. Sitra and the Federation were closely involved in the refresh of the QAF and Sitra has an ongoing role in promoting the framework. Our members have emphasised the importance of its continued use and support. Assessing outcomes for service users, involving users in design and delivery of services and placing them at the centre of decisions about the support they receive are also important aspects of the programme to preserve and build on. Providers' forums are valued ways to share good practice and can help to further improve and join-up services in the future. The development of strategic needs-based commissioning through the Supporting People commissioning bodies has contributed to the robust and targeted provision of excellent support.

These achievements risk being lost. A number of Supporting People teams have already been disbanded or restructured and moved into social care. Providers are concerned at the potential loss of focus, experience of housing issues and expertise in assessing and commissioning to meet local needs these changes represent.

Contract prices have been squeezed

These big changes to the funding environment come at time when services are being squeezed by pressure on contract prices. Last year, a survey of Federation members

found that providers had to manage with real terms reductions in contract prices. The average increase in contracts was just 1.4% and in 35% of contracts covered by the survey no uplift was received at all. If this trend continues services will decrease in quality or cease to be viable.

Commissioners need to focus on full value for money

The removal of the ring fence creates the opportunity for commissioners to meet local needs more effectively by joining up commissioning across health, adult social care and housing related support. However, in many areas the cross-departmental dialogue and systems this requires are not in place. Commissioners need a more sophisticated understanding of value for money than seeking the lowest costs available or maximising throughput. A broader concept of value for money should take into account outcomes across the whole lifecycle of a service, including savings to other services such as health and crime prevention. Repeated competitive tendering processes create massive bureaucratic burdens. Intelligent commissioning needs to consider the full range of options for developing a service including partnering, collaboration and framework agreements and should not assume a full competitive tendering process is always the most effective way of securing value for money services.

Providers need to be able to get their case heard locally

In the future, funding for services will be more dependent on convincing Local Strategic Partnerships (LSPs) to make support a priority for the local area. LSPs are too often inaccessible to the voice of vulnerable people because of a lack of understanding or representation. The specific ways of prioritising housing related support will vary locally. Whatever the method used that works for a local area, central government needs to give a range of incentives to ensure local partnerships and statutory authorities focus on and prioritise housing related support services.

A broad spectrum of services are required to meet the full range of needs

Where Supporting People has worked well, clear strategies have been developed to meet a wide range of needs from high-end accommodation based services to floating support. Without a ring fenced programme to provide a focus and rallying point, extra effort is required from government to ensure there are the structures and opportunities for a range of providers to work with commissioners in a co-ordinated way to tackle major long-term issues. Several commissioners have highlighted their concerns that the new funding arrangements will make it harder to plan ahead to strategically develop support services. In order to meet the diverse needs of clients, the health and diversity of the sector must be maintained.

Need to safeguard investment for specialist housing

Capital investment in housing is a vital component of effective housing related support. Supporting People has removed the link between developing new specialist accommodation and funding for housing related care and support, making it harder for housing associations to deliver new supported housing. Given the uncertainty of ongoing revenue funding, local authorities need to work with housing associations and service providers to gain a better understanding of the need for supported housing and feed this into plans for revenue support.

Clearer local strategies for older people's housing

Concerns have been expressed by some tenants and providers about the impact of Supporting People cuts on sheltered housing. These are often the result of the absence of a clear local strategy for sheltered housing based on an understanding of what would best meet older people's needs in the area. This can lead to an inflexible approach where new models of service are imposed on residents and providers, without asking older people what they want and without allowing an adequate time for providers and residents to discuss the options available.

What we need to see

We are still far away from the partnerships, commissioning environment and levels awareness of housing related support needed to ensure that removing the ring fence will deliver better, more flexible services. Because of this, Supporting People should be retained as a 'named grant' available to local authorities for the time being. This will make it easier to track the expenditure and outcomes of housing related support. A longer transition period, with additional support and an exploration of alternatives is needed to ensure the removal of the ring fence delivers more flexible and joined-up services.

Through CLG, central government needs to champion housing related support, co-ordinate data on the national outcomes framework, encourage commissioners to support and use the QAF and pick up good practice in user involvement and begin more joined-up commissioning.

While greater local freedom and flexibility creates opportunities for better, more outcomes focused commissioning, it does not guarantee it. For there to be confidence that the removal of the ring fence will deliver improved services and better commissioning we need to see a range of measures to help connect housing, health and social care more effectively:

- A clear understanding of needs for specialist housing is linked to an area's Joint Strategic Needs Assessment, and fed through into local investment programmes.
- Housing related support hard-wired into the strategic priorities of local partnerships and regional strategies and local commitments to delivering to socially excluded groups. These should be assessed through the Audit Commission's Comprehensive Area Assessment.
- Work with the Office of Government Commerce and the Office of the Third Sector to communicate to local commissioners the importance of a broad concept of value for money that includes community-wide outcomes and recognition of preventative savings to a number of budget areas and clarify viable alternatives to competitive commissioning where appropriate.
- Work with the representative bodies for local government and service commissioners to share, promote and publicise practical advice and examples of jointly commissioning housing, support and health and social care services so that all authorities are able to catch up with the highest performing local authorities in this area.
- Support from government to build the capacity and maintain a healthy and diverse sector of providers, and ensure that the voice for supported and specialist housing is heard within local partnerships either as direct contributors to strategies and plans or through representatives.
- The role of housing related support needs to be recognised across government as a critical part of the future care and support system.
- The next Spending Review round should commit to a new Public Service Agreement target on social exclusion that takes into account a broad range of socially excluded groups.

Actions we will take

We are committed to representing our members and lobbying government to ensure that their voice is heard and vital services are maintained. The Federation and Sitra's work on the future of Supporting People will develop, adapt and respond. Currently, we are prioritising the following actions,

- We are lobbying government to retain the status of Supporting People as a named grant and expenditure that can be monitored.

- We are working with CLG to influence and promote the package of transition support on offer to help smooth the way to funding through the Area Based Grant and will continue to promote the QAF, outcomes tools and cost-benefit tool.
- The Federation will lobby government to encourage local authorities and health services to integrate health, social care and housing related support expenditure and invest more on preventative services. We will build on work by Federation / Department of Health as well as the CLG's financial benefits toolkit to identify cashable savings housing related support makes to a variety of different local authority budgets and communicate these to central government and commissioners.
- The Federation will survey its members over the Summer and Autumn to get to get up-to-date information on what is happening to housing related support contracts
- Sitra and the Federation will work together to map involvement support providers and housing associations in local strategic partnerships.
- We will collate any examples of how services are being prioritised and protected through local partnerships and strategies and share these with our members
- Sitra will organise, with support from the Federation and other partners in the sector, a national showcasing event in Autumn 2009 to promote the value of housing related support to an audience of commissioners and decision-makers in local government
- We will actively explore the connections between more flexibility over Supporting people and the sector's ability to deliver the personalisation agenda.

Stay involved

It is vital that NHF and Sitra members are involved and engaged in this work to ensure we accurately take into account of the up-to-date achievements, issues and concerns you have. We will contact you with specific surveys and requests evidence we are looking for to underpin our national lobbying work.

Outside this, we are keen to hear from you about work you are doing to protect and preserve Supporting People services locally, changes to funding you are aware of or general feedback on priorities for national lobbying in this area.

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