

Report of: Neighbourhood Renewal Business Unit

To: Executive Board

Date: 20th February 2006

Item No:

Title of Report : Supporting People Strategic Reviews



Summary and Recommendations

Report was presented to Housing Scrutiny Committee providing information on the decisions made by December's Supporting People Commissioning Body meeting with regard to the strategic reviews. This meeting attended by the Strategic Director for Housing, Health and Community and the Portfolio Holder Strategic Planning, Housing and Economic Development, with the Strategic Director holding the delegated power on behalf of the authority (in the event of the Strategic Director not attending, these powers are transferred to the Business Unit Manager of Neighbourhood Renewal).

The lead Authority is the County Council and decisions have to be made unanimously by all partners. However, City Council members have the right to call in decisions as in this case.

An outline summary of the report was presented to Housing Scrutiny Committee is provided below. The Housing Scrutiny decisions and comments to Executive Board are set out in Annexe 1.

Purpose of report: Call-in of December's Supporting People Commissioning Body Decisions

Key decision: Yes

Portfolio Holder: Councillor Turner

Scrutiny Responsibility: *Housing Overview and Scrutiny Committee*

Area(s) affected: All

Report Approved by: Andy Collett: Financial and Asset Management, Jeremy [redacted]: Legal and Democratic Services, Cllr Ed Turner: Portfolio Holder for Strategic Planning, Housing and Economic Development.



Policy Framework: Supporting People 5 Year Commissioning Strategy



Revision number: 1.0
Date

Recommendation:

The Executive Board is asked to note the Commissioning Body decisions and consider the recommendations made by the Housing Scrutiny Committee.

BACKGROUND

1 Supporting People is a government led national programme of funding to services providing housing related support to vulnerable people. Oxfordshire's partnership is between the five Oxfordshire District Councils, the County Council, Primary Healthcare Trust and Thames Valley Probation with the County Council acting as the administering authority.

2. The Supporting People partnership currently has a five year strategy in place, approved by the Office of the Deputy Prime Minister (ODPM) in April 2005. It is a current requirement of the programme that all services are reviewed in line with the ODPM's Quality Assessment Framework. The strategic reviews are reviews of services by individual client groups to determine whether services offer value for money and are strategically relevant. Given the budgetary reductions from £21.1 million in 2003/4, when the programme went 'live', to £19.2 million in 2006/7 with further decreases expected, four of the six reviews undertaken were also tasked with finding 15% savings.

3. There were 5 Strategic Reviews going to December's Commissioning Body for the following client group areas: Older people, services for homeless people, young people and teenage parents, community alarm services and services for people with mental health problems.

Financial Implications of the Strategic Reviews

| | Cherwell | Oxford | South | Vale | West | County |
|---------------------------------|-----------|--------------------------------|----------|-----------|----------|---|
| Older People | -£101,541 | -£137,403 | -£85,384 | -£136,782 | £0 | |
| Homeless People | -£15,315 | -£368,006 | -£15,410 | £0 | -£59,717 | |
| Learning Disabilities | | | | | | -£782,184 |
| Mental Health | | -£39,104 | | | -£20,054 | -£100,000 |
| Young People | -15% | -£53,193 -15% | -15% | -15% | -15% | Overall savings target of 15% across the 5 districts, the overall savings target for the county totaling £441,649 |
| Total Savings target for Oxford | | £544,512 | | | | |

4. The above table summarises the financial impact on Supporting People funded services in Oxford. Whilst, when implemented, the reviews will result in the loss of funding for some client groups in Oxford and in some cases services being decommissioned, the reviews will not result in support to individuals being withdrawn. Where possible, the savings target has been reached without reducing the number of units of support.

5. Where services in Oxford subject to efficiency savings are considered to be a strategic priority to the City Council, officers have endeavoured to ensure that alternative funding is sought to meet the shortfall through internal budgets or through partnership funding.

Issues for the Future

6. Discussions are underway with regard to procurement processes. There is a move towards joint procurement and client led services. Local Authorities are likely to be given the option of taking the lead on procurement in individual client groups and contracting services jointly. This may be appropriate for the services coming under the auspices of the Supporting People Homelessness Review. Many providers are jointly funded through a number of different funding streams such as the City Council Grants budget and ODPM Revenue funding, as well as funding from other partnership organisations.

7. Over the long term, Oxfordshire Supporting People Team is expecting funding cuts of 50% of the platinum cut figure (£21.1 million), although the ODPM is undertaking consultation regarding the pace of change in a paper on the Distribution Formula. The maximum year on year reduction expected is 5%.

8. This year's budget announcement in December 2005 has given a 2.5% budget reduction, lower than the expected 5% cut, giving an additional £500,000 more than was expected. In view of this, there will be less pressure to implement the recommendations of the Strategic Reviews enabling a more planned approach to contract negotiations.

FINANCIAL & STAFFING IMPLICATIONS

9. The main impact of the decisions made by the Commissioning Body with regard to the Strategic Reviews will be upon Supporting People funded providers of housing related support operating within the Authority's area. Where services that are considered to be a strategic priority are required to find savings, there may be an indirect impact on other budgets, in particular, the Grants Budget.

10. Oxford City Council also holds Supporting People contracts that have been reviewed: wardens for sheltered housing, community alarms, Riverside Court and support in homeless hostels. Funding through Supporting People is unlikely to be continued to Riverside Court and funding to homeless hostels and warden services are likely to be reduced. Housing Services have been fully involved in the strategic review process and it is expected that the support provided through these services will continue to be financed through other means, probably through the General Account.

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Annex 1

A report went to Housing Scrutiny Committee on 25th January and the Committee agreed:



- (a) To welcome and support the report;
- (b) To thank Val Johnson and Lisa Watson for their work;
- (c) To inform the Executive Board:
 - (i) Of the Committees extreme concern of the increase in the funding cuts in the medium to long term;
 - (ii) That the funding formula was still wrong for Oxfordshire and Oxford;
 - (iii) That despite the cuts in funding the Committee was pleased to see that the City Council was attempting to support good causes and services when no-longer provided by the Supporting People scheme (such as the Temporary Accommodation Managers and Riverside Court).