

HEREFORDSHIRE FIVE YEAR SUPPORTING PEOPLE STRATEGY

PROGRAMME AREA RESPONSIBILITY: SOCIAL CARE AND STRATEGIC HOUSING

CABINET

24TH MARCH, 2005

Wards Affected

County-wide

Purpose

To consider and agree the Supporting People Strategy 2005-2010 for Herefordshire, for submission to the Office of the Deputy Prime Minister (ODPM) on 31st March, 2005. A letter from the Office of the Deputy Prime Minister announcing the Supporting People programme and the draft Supporting People Strategy 2005-2010 for Herefordshire are being circulated separately to Cabinet Members. Copies are available in the Members' Room, on the Council's Website and on request.

Key Decision

This is a Key Decision because it is significant in terms of its effect on communities living or working in an area comprising one or more wards. It was included in the Forward Plan.

Recommendations

- THAT (a) the financial implications of the proposed Supporting People Distribution Formula as it affects Herefordshire's Supporting People Programme and Supporting People Strategy 2005-2010 be noted;**
- (b) the approach to managing the implications of the distribution formula set out in the Supporting People Strategy 2005 – 2010 be endorsed;**
- and**
- (c) the Supporting People Strategy 2005 – 2010 for Herefordshire be approved.**

Reasons

The Council is the Administering Authority for the Supporting People Programme in Herefordshire and is required to submit a Five Year Supporting People Strategy to the Office of the Deputy Prime Minister no later than 31st March, 2005.

Further information on the subject of this report is available from
Ian Gardner, Supporting People Manager on 01432 383074

Considerations

1. The Supporting People Programme was launched across the country on 1st April, 2003.
2. The programme aimed to establish a joined-up policy and funding framework, tailored to local needs and priorities, for the purpose of funding housing-related supported services for vulnerable people. The programme brought together a number of funding streams providing for housing-related support and placed them into a single grant.
3. Supporting People is administered by the Council and is a working partnership between the Council's Social Care and Strategic Housing Directorate, Herefordshire Primary Care Trust (PCT) and the West Mercia Probation Service.
4. Prior to the launch of the Supporting People Programme, the Office of the Deputy Prime Minister required administering authorities to produce a 'Shadow' Supporting People Strategy for 2003/4 outlining how the Supporting People Partnership intended to meet the support needs of local people. Cabinet approved Herefordshire's Shadow Strategy in December 2002 and the strategy was subsequently assessed by the ODPM as 'Good'.
5. Herefordshire was allocated Supporting People grant for 2003/2004 totalling £7.5 million, a sum reflecting the success of the Supporting People local implementation programme in securing funding for housing-related support services within Herefordshire.
6. Currently, in excess of 2,500 vulnerable or disabled people in Herefordshire are receiving housing-related support funded through the Supporting People programme.
7. The Government made clear a requirement that administering authorities would be required to produce a five year Supporting People Strategy and Annual Plan in the period following the launch of the Shadow document. The national timetable for this process was subject to change, however, the date for submission was finally set as 31st March, 2005.
8. The Herefordshire Supporting People Strategy 2005 – 2010 has been developed with reference to ODPM guidance. It sets out to critically examine current service provision and focus services and investment on local need and strategic priorities. In doing so, the strategy also aims to illustrate how Herefordshire Council and its partners plan to meet the identified needs and priorities and how it proposes to fill gaps in knowledge and understanding of needs.
9. However, the Herefordshire Supporting People Strategy 2005 – 2010 has been developed against a background of considerable challenge to the future funding of the programme nationally and, more specifically, within Herefordshire.
10. Nationally, the ODPM has been seeking to realise savings and a re-distribution of funding within the programme. Efficiency savings, imposed by the ODPM, have seen the grant allocation to Herefordshire reduce to £6.8 million for 2005/6. Furthermore, the ODPM has announced details of a proposed distribution formula for the allocation of Supporting People funding for 2006/7 onwards.
11. If the distribution formula is implemented as it stands, Herefordshire would be the seventh most adversely affected authority in England, facing a loss in Supporting

People Grant of approximately 25% (£1.85 million) over the five year strategy period and further losses beyond that period.

12. A period of consultation in respect of the proposed distribution formula is due to commence in May 2005 during which local authorities will have the opportunity to make representations to the ODPM.
13. The Supporting People Programme in Herefordshire has achieved considerable efficiency savings as a consequence of a robust approach to service reviews and contract monitoring since April 2003. Savings have been rolled forward in anticipation of funding the development of new schemes and services to address local priorities. However, whilst the ODPM has recently confirmed that efficiency savings can be rolled forward into the forthcoming financial year 2005/06, there will be no announcement until the autumn of 2005 as to whether efficiency savings can be rolled forward into 2006/07.
14. Developing a strategy against a background of an anticipated severe contraction in funding, and uncertainty over the long term use of efficiency savings, has presented a considerable challenge. An approach has been adopted within the strategy that seeks to address the major risks whilst acknowledging that a potential loss of 58% in funding since the launch of the programme cannot fail to have a severe impact on all partners and service users, connected with the delivery and receipt of Supporting People services.
15. The strategy has addressed this challenge by scoping the impact of the proposed contraction in funding as follows:-
 - Identification of where Supporting People can meet local ambitions contained within key national and local strategies
 - A critical analysis of the supply and future need has been undertaken by reference to the strategies and priorities of partner agencies involved in the delivery and commissioning of Supporting People services.
 - Identification of development priorities that address needs in Herefordshire in partnership with our commissioning partners.
16. Furthermore, two financial scenarios have been modelled which set out the impact of the likely funding position associated with the implementation of the proposed distribution formula. Table 1, Page 6, within the strategy, illustrates that the impact of an assumed 5% reduction per annum would result in a £1.5 million deficit over the five year strategy period were identified priorities delivered during 05/06 and commitments to existing services retained at the current level. No further development beyond 2005/06 has been assumed.
17. Table 2, Page 7, sets out a scenario in which the impact of a 5% reduction is assumed and efficiency savings are retained for rolling-forward over the life of the strategy. This position assumes that commitments to existing services are retained at the current level and development priorities for 2005/06 are delivered. This approach leads to a credit position at the end of the strategy period.
18. Common to both the approaches is that no development has been assumed beyond 2005/06 although the strategy identifies development priorities for both 2005/06 and 2006/07.

19. In view of the uncertainties surrounding the funding the Herefordshire Supporting People Strategy 2005-2010 proposes that a process of review should be undertaken during 2005/06. The review will address the impact of subsequent announcements from the ODPM with regard to the proposed distribution formula and the approach to the roll-forward of efficiency savings.
20. The Herefordshire Supporting People Strategy will be sent to the ODPM with a covering letter highlighting the depth of concern surrounding the extent to which the proposed changes will undermine the success of Supporting People in Herefordshire.

Alternative Options

Despite the extreme challenges in developing a strategy for Herefordshire within the context of current uncertainties, the ODPM expect the delivery of Supporting People Strategies no later than 31st March, 2005.

Risk Management

As administering authority for the Supporting People Programme, the Council is ultimately responsible for financial liabilities associated with the funding of the Supporting People Programme within Herefordshire. The approach taken within the Herefordshire Supporting People Strategy 2005-2010, proposes a process of review within the first year of the strategy to enable a robust and planned response which aims to mitigate the identified risks to the programme, the local authority and its partners.

Consultees

Consultation on the Supporting People Strategy 2005-2010 was carried out in partnership with the following :

Herefordshire Supporting People Partnership Commissioning Body: DAT (Drug Action Team); Hereford and Worcester Connexions; Herefordshire Council; Herefordshire Primary Care Trust; West Mercia Probation Services, Herefordshire Supporting People Provider Forum, Herefordshire Women's Aid; Worcester and Hereford Youth Offending Team; SHYPP (Supported Housing for Young People Project); Home Point Herefordshire; Social Services Aftercare Team, Herefordshire Council; Enabling Team, Herefordshire Council; Integrated Mental Health Service; Social Care, Herefordshire Council; Housing Options, Herefordshire Housing; Strategic Housing Services, Herefordshire Council.

Background Papers

None identified.