

REPORT TO: POLICY COMMITTEE ON 5 MARCH 2008

SUBJECT: SUPPORTING PEOPLE BUDGET 2007/08

BY: DIRECTOR OF COMMUNITY SERVICES

1. REASON FOR REPORT

- 1.1 This report considers financial pressures on some Housing Support Service providers. It also considers some of the implications of the removal of the “ring fence” on Supporting People grant.
- 1.2 This report is submitted to Committee in terms of Section A(62) of the Council's Administrative Scheme relating to budgetary and monitoring arrangements for voluntary organisations and Section A(65) in relation to dealing with Homelessness.

2. RECOMMENDATION

2.1 It is recommended that Policy Committee agrees:-

- i) additional funding of £0.065m for Hanover Housing Association during 2007/2008 and beyond;**
- ii) an additional £0.005m funding for Castlehill Housing Association during 2007/2008 and beyond;**
- iii) that funding be provided for the establishment of 2 Housing Support posts to address issues identified in this report; and**
- iv) that a review of the current staffing arrangements be carried out as a result of changes to the funding arrangements.**

3. BACKGROUND

- 3.1 The Supporting People Grant was introduced in 2003. It is an integrated funding and policy framework for housing support services. Supporting People is primarily funded by a ring-fenced grant that has to be used on 21 prescribed housing support services. These services were previously eligible for Housing Benefit. Supporting People funding cannot be used to provide Care.
- 3.2 The total Supporting People Grant for 2007/08 is £5.677m. In Moray approximately (65%) of Supporting People expenditure is directed towards supporting people with learning disabilities to live in the community. Other areas of expenditure are sheltered housing (11%), Welfare Rights (1%), services to woman fleeing domestic abuse (2%), services to vulnerable homeless people (17%), and services to people with mental health difficulties (4%).

- 3.3 Issues relating to Supporting People have been reported regularly to Committee since 2001. The most recent report was to Community Services Committee on 14 February 2007 (paragraph 9 of the Minute refers).
- 3.4 Over the last three years, the Council's Supporting People Grant has been reduced by 18% in monetary terms, but in real terms this equates to a reduction of around 25%. The Council has sought to minimise the effect of this reduction on vulnerable clients through a combination of efficiency savings, reconfiguration of services and additional funding primarily by Community Care. In addition, in 2007/08, the Council agreed contingency funding of £0.5m. The Council has allocated £0.370m to support services. Despite this, the reduction in funding resulted in service providers having to use their reserves to fund the continuation of services.
- 3.5 All Supporting People Services were reviewed between 2005 and 2007 to identify possible savings. As a result, Officers believe that the potential to identify further savings is very limited.

4. PRESSURES ON SUPPORTING PEOPLE GRANT 2007/08

- 4.1 Hanover Housing Association requires an additional £0.065m in the current year to maintain its sheltered and amenity housing service at 20 different locations in Moray. Since the introduction of Supporting People, the Association has been affected by inflation, increased staff costs, new Care Commission requirements and mandatory training for housing support staff. In recent years, Hanover has funded the deficit between the cost of service provision and Supporting People Grant by utilising reserves but has indicated that this position is not sustainable and unless addressed, could result in the withdrawal of warden services.
- 4.2 Hanover's costs have been scrutinised by staff within the Supporting People section and Accountancy who conclude that there is no scope to identify further savings. Hanover's costs are comparable with other sheltered housing provision.
- 4.3 Castlehill Housing Association has also been using reserves to subsidise services. Castlehill requires an additional £0.005m per annum to maintain service provision.

- 4.4 The Council's Housing Service, through the Housing Needs Team, employs a Young Person's Officer to support vulnerable young homeless people and a Resettlement Worker to support vulnerable adults in their own tenancies. In 2007, the Care Commission recommended that there should be provision for cover for both posts during periods of holidays and sickness. In addition, demands on the support provided are increasing as a result of the Council's expanded homelessness duties and the increasingly complex needs of some homeless people. It is therefore proposed that an additional 2 Support Workers be appointed to work with all categories of homeless people. It is estimated that the cost of employing 2 additional Support Workers with oncosts is £0.060m. per annum. A review of housing support is currently underway and underlines the need to increase staffing resources.

5. CHANGES 2008/09

- 5.1 As part of the Concordat with CoSLA, the Scottish Government has agreed to remove the "ring fence" for Supporting People Grant for 2008/09. Funding for Supporting People will therefore be included in the Council's overall settlement. There will be no need to report separately on Supporting People services to the Scottish Government.
- 5.2 As a result of this, it makes sense to move from central budgetary control of Supporting People Grant funding to management of the specific services within the relevant section of the Community Services department eg. Learning Disabilities, Mental Health Services and Housing Needs. This enables service provision to be moved between care and housing support to meet clients needs but within a wider caveat that Supporting People Grant was primarily introduced to provide low level services to maintain people in the Community.
- 5.3 At present the Council employs a Supporting People Officer, a Supporting People Assessor and clerical support. Given the changes to funding arrangements described in this report, it is intended that a review of this section be carried out.

6. SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan

This report is consistent with the aims of the Building Stronger Communities theme of the Community Plan. It is also consistent with the Service Improvement Plan in sustaining vulnerable people within their communities.

(b) Policy and Legal

There are no direct policy or legal implications arising from this report.

(c) Resources (Financial, Risks, Staffing and Property)

The financial costs arising from the recommendations in this report total £0.130m. These can be met from unallocated resources in the Supporting People Contingency Fund.

(d) Consultations

Consultation has taken place with the Director of Community Services, the Chief Housing Officer, the Supporting People Officer, the Housing Needs Manager, the Head of Community Care, and Lorraine Paisey, Principal Accountant.

7. CONCLUSION

- 7.1 Over the past few years, reductions in the level of the Supporting People Grant received by the Council has resulted in budgetary pressures on support providers. This report provides details of specific pressures identified in relation to Sheltered Housing Support services and makes proposals to address the issues identified. The report also considers pressures in the area of housing support and the need for the Council to respond to Care Commission recommendations. The report finally identifies that the current staff configuration should be reviewed in the light of the recent changes to funding mechanisms, agreed through the Concordat between CoSLA and the Scottish Government.**

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Background Papers: with author
Ref: IT/SP2/8/HB403707