



## **Report to Cabinet**

**Date:** 4 August 2011

**Author:** Head of Strategy & Performance

**Subject:** Supporting People programme budget reductions

### **1. Summary**

- 1.1. Nottinghamshire County Council has decided to reduce its Supporting People budget by 47% over the next four years, and to reduce the number of people for whom support is provided from 14,037 to an estimated 2,847.
- 1.2. The vast majority of this reduction in people is accounted for by the removal of all funding for warden and alarm services currently provided to older people living in sheltered housing. This will affect over 10,000 people across the County, including around 1,200 people in Gedling.
- 1.3. In other service areas, the general approach has been to greatly reduce support hours and floating support rather than decommission building-based services, so that funding will be spread much more thinly, rather than selective cuts being made.
- 1.4. Relatively speaking, the County Council has protected spending on domestic violence, learning disabilities and mental health, at the expense of drugs & alcohol, offenders and gypsies & travellers. There will be no specialist floating support for these latter client groups by 2014/15, although almost all supported accommodation will be retained, albeit with reduced funding. There will be a new generic floating service which will be able to assist some of these client groups.
- 1.5. As the purpose of the Supporting People programme is to help people to live independently and avoid homelessness, there is a risk that more vulnerable people may encounter difficulties and present to GBC needing assistance to avoid becoming homeless. Service users who present in this way are more likely than the general public to have complex needs, such as substance abuse, mental health problems or an offending history. Some may have to be placed in temporary accommodation or bed & breakfast by GBC, and there

is a risk that placing them in appropriate permanent accommodation may be a lengthy and challenging process.

1.6. As each individual person will respond differently to the reduction or withdrawal of support services, it is impossible to quantify the future impact in the number of additional requests for housing assistance. However, it is recommended that GBC closely monitor the number of clients approaching the Housing Needs service, homelessness applications and acceptances, and the number of clients in temporary accommodation, to identify whether any additional resources are needed to deal with the impact of the Supporting People programme reductions.

## 2. Background

2.1. As a local housing authority, GBC has to assess each person who makes a homelessness application and determine whether a “main homelessness duty” exists.<sup>1</sup> If it does, GBC has a responsibility to secure accommodation for them, including temporary accommodation if they have nowhere to go in the short-term. GBC also has to secure temporary accommodation for an applicant where we have reason to believe that a duty may exist, and while enquiries are made to determine this. This can be a time-consuming and complex process, which can take up to several weeks.

2.2. The Supporting People programme was launched in 2003 as a means of combining funds allocated by Government to numerous different bodies, including NHS, probation and local authorities, to create an integrated programme focussed on helping vulnerable people to remain in their homes, and avoid them being admitted to hospital or residential care, or becoming homeless. The funding included Supported Housing Revenue Grant, which was previously payable to local housing authorities such as Gedling Borough Council. Decisions on how to spend the Supporting People Grant received by NCC were taken by a Supporting People Commissioning Body (later replaced by Supporting People Partnership Board), which included representatives from the agencies whose funding had been merged.

2.3. In October 2010, the County Council announced that it would consult on reductions to its Supporting People budget, (prior to then the SP budget had been ring fenced, but this protection was removed, and its spend was to be determined by the County Council) as part of a wider savings programme over the next four years. In February 2011, the County Council resolved that the overall annual budget would reduce from £22m to £12m by 2014/15. Supporting People has been the subject of a large reduction because the services it funds are discretionary, at a time when the County Council has highlighted a growing demand for statutory services which it cannot refuse to provide, such as children’s care and assistance for older people assessed as eligible for it.

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<sup>1</sup> A person is owed a main homelessness duty under s. 193 of the Housing Act 1996 if they are found to be eligible for assistance, homeless, in priority need, not intentionally homeless and have a local connection (there are some cases where no local connection is required, e.g. survivors leaving domestic violence)

2.4. Between February and June 2011, the County Council consulted on how the savings should be made and how the reduced budget should be used across the different service areas. The final proposals, modified in light of this consultation, were agreed by the County Council on 30th June 2011.

2.5. A summary table of each service area is attached to this report. The rest of the report provides brief commentary on each service area, and how the changes proposed may affect Gedling in particular. Older People and Homelessness are covered first, as these service changes will appear to have the most impact.

### 3. Older People

<b>2010/11 budget</b>	<b>2014/15 proposed budget</b>	<b>Current number of service users</b>	<b>Proposed number of service users</b>
£4,859,285	£2,097,278	11,458	1,158

3.1. This service area is where potentially the most far-reaching changes will occur. All funding for sheltered housing wardens and alarm services will cease in April 2013, and these services will be replaced by an intensive floating support service, focussed on tenants assessed as having the highest level of needs. Technically, this issue is a contractual matter between the County Council and service providers, but Gedling BC does continue to have an interest through its community leadership role.

3.2. As at 1 April 2011 there were 1228 properties of this type provided by housing associations in Gedling, of which 896 were owned by Gedling Homes and the remaining 332 by six other housing associations.

3.3. The current situation is that Gedling Homes have changed from providing a service with a dedicated warden on each site to one with mobile scheme managers, whose role is to provide support to vulnerable tenants, check on their welfare and deal with any problems to do with the communal areas of the schemes. This service was designed following extensive consultation carried out with residents in 2010. Gedling Homes have signed a new one year contract to provide this service from April 2011, with the option for the County Council to extend it for a further year until April 2013.

3.4. A condition of Gedling Homes's new contract is that they submit a "funding withdrawal plan" to the County Council by 30 September 2011, showing how service users can be assisted to move to a situation where they no longer need support, or support can be provided by another means.

3.5. Gedling Homes are not currently in a position to state what service they could continue to provide past April 2013, when funding is withdrawn, but further discussion will take place with GBC over the next eighteen months, and more detailed briefings can be provided to

members as required. At this stage, we are not aware of the plans of the other housing associations.

#### 4. Homelessness

2010/11 budget	2014/15 proposed budget	Current number of service users	Proposed number of service users
£4,816,920	£1,997,333	801	411

4.1. Across the County, there are very significant changes to services for homeless people, some of which have stemmed from the strategic review carried out in 2009/2010. A number of small services are to be decommissioned, with funding concentrated on a rationalised set of

- quick access accommodation
- move-on supported accommodation
- generic floating support and homelessness prevention service.

4.2. The quick access accommodation in Gedling is Elizabeth House in Daybrook, managed by Framework. This comprises 21 flats for single homeless people, of which Gedling, Broxtowe and Rushcliffe Borough Councils have rights to refer clients to seven flats each. In the twelve months to September 2010, GBC referred 36 people to Elizabeth House; it is a vital resource for the council to meet its responsibilities (see 2.1). This service is to be retained with 92% of its current funding, which reflects its importance as a modern “flagship” facility. Elizabeth House has retained more of its funding than comparable quick access schemes in Bassetlaw and Newark & Sherwood.

4.3. Framework also manage the move-on accommodation in Gedling. This comprises eight flats as a “half-way house” between the 24 hour staffing of Elizabeth House and independent living in the community. All move-on accommodation, is to be retained with 50% of the current contract value. This will translate to a reduction in the hours of support provided to each client. This may have an impact if each client is receiving less help as the services are designed as a pathway. If a person is receiving less help to find permanent housing and move out, they are taking up a flat that prevents the next person moving out from Elizabeth House, and they in turn are taking up a flat and delaying the next homeless person being able to move in. This could mean that GBC has to increase the use of temporary accommodation and Bed & Breakfast to meet this need.

4.4. The floating support service (known as the South Notts Tenancy Sustainment Service), which is again provided by Framework, and focuses on preventing people becoming homeless, will retain 40% of its value for the remainder of 2011/12. From April 2012, it will be replaced by a generic floating support service, available to service users from all groups with the common aim of preventing homelessness. This will draw together residual funding currently allocated to the Alcohol & Drugs, Offenders, Single Homeless, Gypsies &

Travellers and Young People & Teenage Parents service areas. However, the total number of people who can be supported will be less than the combined current capacity of these different services.

4.5. These changes will also have a direct impact on the levels of Housing Benefit administered. We are currently in discussion with Framework over their proposed rent increases for 2011/12 as these are significantly higher than in previous years. These show a potential increase of 19.55% in the gross rental charge for the 21 units at Elizabeth House and up to a 34% increase for the 14 move-on properties. There are similar discussions taking place with other Nottinghamshire authorities regarding these increases and a decision will be made regarding payment in due course.

## 5. Alcohol & Drugs

2010/11 budget	2014/15 proposed budget	Current number of service users	Proposed number of service users
£939,236	£270,022	142	83

5.1. The Solutions Floating Support services specialising in drugs and alcohol are to be decommissioned by October 2012, with 30% of their present value being put towards the new generic homelessness prevention service. This will leave an estimated 15 – 20 service users in Gedling without specialist support, and at higher risk of running into difficulties and losing their tenancies.

5.2. The Solutions Accommodation Service, which provides 13 units residential support in the south of the county, is to be retained, but with its budget reduced by 50%. It is likely to either reduce in quantity (reducing the number of clients by 50%) or in quality (offering 50% less support to each service user), or a mixture of the two.

5.3. The concern is that people with drug and alcohol dependency will have to be supported by generic workers who, even if trained in this field, may not have the specialist experience necessary to spot problems at an early stage and help people avoid losing their homes.

## 6. Domestic violence

2010/11 budget	2014/15 proposed budget	Current number of service users	Proposed number of service users
£809,221	£456,420	118	80

6.1. All four refuges in Nottinghamshire, which provide places for 30 families between them, and all of which serve Gedling residents, will have their funding reduced by 25% between

November 2011 and June 2012. As with drugs and alcohol, this will mean they either admit fewer families or provide a lower level of service to those they admit, or both. 65 families approached GBC for assistance with housing owing to domestic violence in 2010.

Reduction in refuge provision will mean more of these people having to be accepted as homeless and potentially placed in Bed & Breakfast accommodation, which is likely to lead to significantly worse outcomes than receiving support from dedicated workers in a refuge.

6.2. The floating support and Sanctuary schemes provided by Nottinghamshire Women's Aid are to be retained until May 2012, after which they will be included in the tender for a revamped package of domestic violence services, which will include all DV services except the refuges. We expect further details of this to emerge in due course.

## 7. Learning disabilities

2010/11 budget	2014/15 proposed budget	Current number of service users	Proposed number of service users
£4,531,368	£3,625,094	436	436

7.1. Services for this group have been relatively protected, with the various contracts to provide supported living solutions for individuals being reduced in value by 10% in 2012/13 and a further 10% in 2014/15. The aim is to achieve this by driving down the price, rather than reducing the service. GBC is involved with discussions around securing more places in the general housing stock to resettle people with learning disabilities from residential care to more independent living, and potentially to support commissioning of new accommodation for this function.

## 8. Mental health

2010/11 budget	2014/15 proposed budget	Current number of service users	Proposed number of service users
£3,171,890	£1,779,066	490	327

8.1. Most accommodation based services for this client group are located in the north of the County, and a review was carried out before the budget reductions to try to redress this balance. In the short term, the 11 properties in Gedling provided to people with mental health problems will be retained, as will the floating support service provided by Framework, which was supporting 32 people in the Gedling community as at December 2010.

8.2. The service review process has restarted, and the intention is to redesign and retender both accommodation based and floating support services, to commence in October 2012.

## 9. Offenders

<b>2010/11 budget</b>	<b>2014/15 proposed budget</b>	<b>Current number of service users</b>	<b>Proposed number of service users</b>
£939, 236	£270,022	142	83

9.1. Funding for the floating support service provided by Catch 22 will cease by April 2012.

Although we do not know exactly how many service users live in Gedling, we estimate there is provision for around 12 people in both floating support, which will end, and supported accommodation, which will continue with 50% of its current budget. There is an acknowledged crossover between this client group and Alcohol & Drug service users, and there is an acknowledged link between these issues, tenancy failure and homelessness as a result. As with Alcohol & Drugs, we are concerned that a generic homelessness prevention service may lack the expertise and time needed to deal effectively with this client group, and that GBC may see increased homeless presentations from a client group that is among the most difficult to house safely.

## 10. Physical Disability

<b>2010/11 budget</b>	<b>2014/15 proposed budget</b>	<b>Current number of service users</b>	<b>Proposed number of service users</b>
£297,733	£220,732	69	46

10.1. Most of the County Council's provision for physically disabled adults is not funded through the Supporting People programme. The services that are affected include a floating support service for deaf adults provided by Places for People, which will continue with 50% of its current funding – it is not known how many people this currently supports in Gedling.

10.2. Disabled people in need of housing can be supported to use the Homesearch Choice Based Lettings scheme. There are systems in place to match adapted properties to people who need those adaptations, and although there is always more demand than supply for these properties, it is hoped that changes to Supporting People will not exacerbate this situation.

## 11. Gypsies & Travellers

<b>2010/11 budget</b>	<b>2014/15 proposed budget</b>	<b>Current number of service users</b>	<b>Proposed number of service users</b>
£81,836	£0	24	0

11.1. The floating support service for Gypsies & Travellers, called Travelling Together, will cease in summer 2011. As we do not know of any Gypsies or Travellers living in Gedling, this does not appear to have a direct impact on GBC.

## 12. Young People at Risk & Teenage Parents

2010/11 budget	2014/15 proposed budget	Current number of service users	Proposed number of service users
£2,726,889	£1,391,349	325	208

12.1. Supporting People currently maintains three accommodation based services for teenage parents. All these services are to be retained, with 50% of their current contract values. This is to be achieved by reducing the hours of support provided to each family by April 2012.

12.2. This is an outcome to be welcomed, as there was a real chance that a service such as this could have been decommissioned, and is an example of how the response from district councils to the consultation has guided the County Council's approach to keeping services open where possible, albeit with reduced funding.

12.3. There is also a floating support service for teenage parents across Gedling, Broxtowe and Rushcliffe, provided by Places for People, which currently supports 11 families in Gedling. This is likewise to continue with 50% of its current funding until April 2012, following which it will be merged into the generic homelessness prevention service (see above). The concerns expressed above (see Alcohol & Drugs and Offenders) about the move from specialist to generic services likewise apply to the Teenage Parent client group.

## 13. Conclusions

13.1. Although it is difficult at this stage to quantify the impact of Supporting People service reduction on the Council's duties as a local housing authority (see 2.1), it is a significant factor that coincides with changes to Housing Benefit.

13.2. It is recommended that the Council closely monitor the number of people approaching the Housing Needs service, the number of people applying and being accepted as homeless, and the number of people accommodated in temporary accommodation and Bed & Breakfast. The Council can then consider whether sufficient resources are directed to this service.



## **14. Recommendations**

14.1. Cabinet is recommended:

- To note the report
- To request the Head of Customer Services and Organisational Development to closely monitor the number of people approaching the Housing Needs service and to report back on any trends or issues that might reasonably be seen to be the result of changes to Supporting People

## Appendix – summary table of Supporting People £10m savings

Service area	Current capacity	Proposed capacity (approximate)	Current budget	2014 – 15 proposed budget	% budget remaining
Alcohol & Drugs	142	83	£939,236	£270,022	28.7%
Domestic Violence	118	80	£809,221	£456,420	56.4%
Gypsies and Travellers	24	0	£81,836	-	0%
Homelessness	801	411	£4,816,920	£1,997,333	41.5%
Learning disabilities	436	436	£4,531,368	£3,625,094	80%
Mental health	490	327	£3,171,890	£1,779,066	56.1%
Offenders	174	98	£1,043,870	£439,692	42.1%
Older People	11,458	1,158	£4,859,285	£2,097,278	43.2%
Physical disability	69	46	£297,733	£220,732	74.1%
Young People & Teenage Parents	325	208	£2,726,889	£1,391,349	51%
<b>Total</b>	<b>14,037</b>	<b>2,847</b>	<b>£23,278,248</b>	<b>£12,276,986</b>	<b>52.7%</b>