

CWOP/31/10

Policy & Scrutiny Committee Community Wellbeing and Older People

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Supporting People Action Plan

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Scrutiny Board - Supporting People Administration Grant Removal

Background to Supporting People

The Supporting People Programme in Essex is funded via grant from the Department of Communities and Local Government. Historically, the grant was divided into an Administration Grant (which paid for the SP Team) and a Programme Grant (which was used to commission services). From this year, both elements are part of the Area Based Grant, so it is a local decision as to how funds are spent.

The Programme Grant is currently £28.5m, reduced from £29.6m in 2008-9. It is used to commission services which support over 23,000 vulnerable adults at any one time. There are over 650 separate services managed within 140 contracts.

SP is a cross-cutting commissioning programme that supports a range of client groups including:

- Older People in sheltered schemes
- Adults with Learning Disability
- Adults with Mental Health Problems
- Homeless Families and Singles
- Women Escaping Domestic Violence
- Young People Leaving Care
- Young People at Risk
- Offenders and those at Risk of Offending
- Teenage Parents

The programme delivers benefits across the council and its partners e.g.:

- Reducing repeat incidents of domestic violence – *Safer Essex*
- Reducing numbers of households in temporary accommodation – *Sustainable Essex*
- Young People leaving care in settled accommodation – SCF
- Ex-offenders in settled accommodation - Probation

Removal of the Administration Grant

The Administration Grant for 2010-11 was £670k and this has been removed as from April. The grant had been reduced over the past three years and this taper has been met partly by shedding posts (Deputy Head of SP; Strategy & Performance Manager) and partly by ECC contribution. The ECC element is currently £153k. The removal of the Admin Grant part way through the year without notice creates an immediate budget pressure for AHCW, within which SP sits.

Responses by other authorities so far indicate that most are seeking to use their Programme Grant to subsidise the Administration costs this year. This is most easily done where there is a surplus. In Essex, it is felt that whilst there is no significant surplus in the Programme Grant, there is scope to find efficiencies and recover costs in the current year. Combined with reducing costs, it is felt that the cost of administration can be met this year.

Addressing the Administration Grant Removal

In order to urgently address the funding shortfall, the Head of Supporting People presented a range of options to the AHCW Executive Board. These were:

- Option A – SP Admin costs are reduced by 30% in line with forecast cuts to Programme Grant
- Option B – Separation of Social Care and Social Exclusion/Prevention Functions
- Option C – Local Authority Commissioning Vehicle
- Option D – Grant is divided amongst partners
- Option E – Delivering Transformation

Option E was preferred. In summary, this option is based on reducing the size of the SP team at an early stage by five posts. Activity is now focussed on reducing costs; simplifying processes to support mainstreaming; supporting or delivering transformation (e.g. personalisation), and managing reductions in the Programme Grant with partners.

In addition, the SP Team have suggested a range of efficiencies in relation to service review, strategic review, contract management and other areas which are now being implemented. Where processes can be simplified or eliminated, this will make it easier to transfer SP functions across to other areas, e.g. the Commercial Team or to Quality and Monitoring.

Reduction in Programme Grant

Cuts of 30% are being forecast across the public sector in the coming years. We are currently considering the impact of this on the SP Programme. Options and principles are being developed with partners. Any changes will be subject to an Impact Assessment and we will aim to protect services for the most vulnerable.

Whilst closing some services cannot be ruled out, our first call will be seek efficiencies through driving down hourly rates and recommissioning of services more efficiently.

