

Cabinet Member for Adults and Health	Ref No: AH4 (18/19)
September 2018	Key Decision: Yes
Strategic Budget Options: Housing Related Support	Part I
Report by Executive Director Children, Adults, Families, Health and Education and Interim Director of Adults' Services	Electoral Division(s): All
<p>Summary</p> <p>The Council commissions a range of housing related support services through contracts with voluntary sector organisations. These services include specialist accommodation based schemes for residents who are at risk of homelessness as well as 'floating support' to residents living in community settings.</p> <p>Funding to support these services used to be provided to the Council via a ring-fenced government grant as part of the Supporting People Programme. This was removed in 2011, and since then the Council has continued to fund services from its base budget. In view of the discretionary nature of many of the services involved it is proposed that consideration be given to whether it is sustainable to continue to fund these services.</p> <p>The Cabinet Member will be asked to approve a process which could lead to the termination of current housing support contracts with providers from April 2019 onwards. This process of engagement will be used to gather evidence to inform funding decisions in December 2018 and to plan for their impact.</p>	
<p>West Sussex Plan: Policy Impact and Context</p> <p>Housing Related Support contributes to the West Sussex Plan's objectives for Independence in Later Life, Stronger Communities and Start of Life. This proposal is one of several strategic options being put forward as part of the Council's budget process 2019/20 and in light of the current financial challenges.</p>	
<p>Financial Impact</p> <p>Every part of the Housing Related Support budget is in scope for this process. It is expected to result in savings, potentially of up to the whole of that budget, the detail of which will be contained in a further decision to be made in December 2018.</p>	
<p>Recommendation</p> <p>The Cabinet Member for Adults and Health is recommended to approve a process of engagement with providers and stakeholders which may result in the termination of contracts to provide housing related support during the financial year 2019/20.</p>	

Proposal

1. Background and Context

- 1.1 The Council currently spends £6.3m p.a. on commissioning housing related support services for people who are vulnerable or at risk of homelessness. The definition of housing related support is broad and covers a range of activities designed to help a vulnerable person achieve or maintain independence in their own home. Typically, this may include support to manage money, comply with tenancy conditions or cope with health or social problems that might otherwise result in homelessness or a loss of independence.
- 1.2 Housing related support may be provided either in an accommodation-based setting, such as a hostel, shared houses or refuges or alternatively in a community setting through 'floating support' where residents live independently in their own home. Funding for housing related support expressly excludes meeting accommodation costs since these are charged to residents through rents and service charges and to a significant extent are eligible to be met by housing benefit. Support costs on the other hand, are ineligible for housing benefit.
- 1.3 These services provide support to vulnerable people whose lives are complex and sometimes chaotic. So, whilst the Council contributes significant levels of funding to housing related support it is the district authorities who own the principal statutory role in preventing and responding to homelessness.
- 1.4 The current arrangements for funding housing related support reflect a historical legacy of welfare reforms which involved shifting costs contained within the benefit system to local government. Specifically, the Council's role was defined by the creation of the Supporting People Programme in 2003. This was a national scheme in which the Government rolled up eight different revenue funding streams relating to supported housing which were then paid to upper tier authorities as part of an annual 'ring-fenced' grant.
- 1.5 Supporting People funding continued to be provided in this way, with the Council acting as 'administering authority', until 2011 when specific funding for this purpose was abolished. Since then, the Council has continued to commission many of these services, albeit at a reducing level, from its base budget. The legacy of the Supporting People regime is that the Council has been left with a funding responsibility for several services which are beyond its formal statutory duties. Whilst these services are valuable and contribute to its objectives, they constitute discretionary spending at a time when the Council faces unique pressure in meeting its own statutory duties. It is appropriate to consider ways in which the burden of this expenditure could be reduced.

1.6 The current overall spend is provided in the table below.

Client Group	Current Pattern of Commissioned Services	Risks	Stakeholders impacted	Spend £m p.a
Older People	Support to address housing related risks around, provided mainly on a 'floating' basis to residents who are not AS eligible but at risk of becoming so.	Increased propensity for vulnerable adults to require social care interventions if housing risks are not managed	Adult Social Care & NHS	0.9
West Sussex Homelessness Prevention Partnership	Co-located housing support with district & borough councils, resettlement support for formerly homeless adults, homelessness prevention.	Increasing pressure on district & borough councils homelessness services, rising costs of placing families & adults in temporary accommodation. Increasing intentional homelessness.	Adults & Children, district & borough councils	1.8
Accommodation based services for homeless adults	Includes rough sleeper provision, refuges, hostels, ex-offender accommodation and other schemes for vulnerable residents at risk of homelessness	Closure of key accommodation based services would put additional pressure on district & borough councils, increase rough sleeping and potentially increase costs for other public sector providers.	County Council, NHS, Police & district & borough councils	1.7
Young People (16-25)	Youth homelessness prevention, Foyers, Supported housing for vulnerable young people (16-25)	Some schemes would close or change eligibility criteria reducing access to client groups on the Council's radar & involving more expensive services. 16 & 17 year olds may have to enter care system.	Children's services and district & borough councils	1.9
Total Housing Support				6.3

2. Proposal Details

2.1 The current basis for funding housing support, based on Government funding streams which no longer exist, is not sustainable in the current financial context. A different approach which utilises capacity and resources across the housing system is now required. It requires a better understanding of

the issues and costs associated with homelessness and dependency at county and district level and a more collaborative model in which services are remodelled in ways which promote synergy, avoid duplication and reduce costs from the system. Such an approach needs to be aligned with the steps district and borough councils are taking to implement the Homelessness Reduction Act 2017 which recently came into effect and also with the Government's Rough Sleeping Strategy which was published this summer.

2.2 The Council recognises that it is not realistic to deliver this vision by acting on its own. Instead the process of evaluating options for future commissioning will be overseen by a task and finish group within the West Sussex Strategic Housing Group – on which all West Sussex councils are represented – and which is chaired by the Chief Executive of Crawley Borough Council. The task and finish group will be chaired by the Chief Executive of Arun District Council. This approach was agreed at a West Sussex Leaders' Board meeting on 10 September 2018.

2.3 In order to facilitate this process, the County Council will provide dedicated officer support to work with the providers and local authorities in exploring what can be achieved in the co-production of services in the future. This will involve steps to;

- Analyse the needs and demand of the client groups currently supported in the existing commissioned services,
- Provide clarity about where this sits with the statutory responsibilities of the district and borough housing services and those of the County Council
- Identify what monies and funding streams are currently in the wider homelessness and prevention system, and
- Consult and work with the district and borough councils and providers to analyse what efficiencies and savings can be identified in existing provision and what alternative provisions and funding within the whole system there are to shape new models of services reflecting the reduced resources available
- Provide an outline of what those new models of service might be together with costs and deliverable savings

2.4 The importance of housing related support in preventing homelessness and protecting vulnerable members of the community is well recognised and it is understandable that opening a debate about future funding arrangements and potential service reductions will result in a degree of concern. There is also a risk that savings in this area could lead to an increase in pressure on other services in the long-run. This will require the process of consultation and engagement to extend well beyond existing providers and local housing authorities to include a range of statutory and voluntary sector agencies who may be impacted by changes in the pattern of services which are commissioned. In particular such agencies would include;

- Clinical commissioning groups (CCGs),
- Police and Crime Commissioner, and
- National Probation Service

- 2.5 At this point it is important to stress that no decisions on where potential savings can be made have been taken. The timeline within which this work is to be completed and decisions to be taken will run until December 2018. This will allow an open consultation with opportunities to consider the views of affected providers and stakeholders before decisions are made. Key elements of this process, the detail of which will be overseen by the West Sussex Strategic Housing Group (see 2.2) will include;
- A 'place-based' appraisal at the level of each district and borough,
 - A sector-based appraisal considering impacts on vulnerable young people,
 - A sector-based appraisal of the prevention of homelessness and impact on accommodation-based service providers,
 - A sector-based appraisal on the impact on older people facing housing risks, and
 - An appraisal of the role of ex-offender housing provision

Factors Taken Into Account

3. Consultation

- 3.1 The overall approach described in this report has been discussed and agreed by the West Sussex Leaders' Board as indicated at 2.2.
- 3.2 Initial communication has also taken place with specific representatives within the health and criminal justice sector given the potential impact on these services and the need for them to engage in this process.
- 3.3 This decision report was discussed at the Health and Social Care Select Committee (HASC) on 27 September 2018. The HASC was asked if it wished to explore issues relating to the forthcoming engagement process in terms of timing; stakeholders to be engaged; process for member engagement; how engagement should be carried out and how the information would be analysed and reported, and how it would inform the final funding decisions.
- 3.4 Following its debate the HASC recommended that all service users likely to be impacted by the proposals have the opportunity to be consulted; that members of HASC have the opportunity to receive evidence prior to and at the next meeting, where practical, from different providers, voluntary sector organisations, service users, local authorities, NHS including CCGs and the Police; and that the next meeting includes an invitation to the members of the Children and Young People's Services Select Committee and the Chairman of the Corporate Parenting Panel to help take into account any cross cutting issues. It was agreed that more detailed or finalised proposals would be subject to scrutiny at a further meeting of the Select Committee in November 2018, following the engagement exercise as informed by the committee's discussions.
- 3.5 In addition to the above structured consultation with key stakeholders, the Council welcomes views from the wider community and has established a generic mailbox to receive individual or community comments. This mailbox is Housing.Related.Support@westsussex.gov.uk

4. Financial (revenue and capital) and Resource Implications

- 4.1 There are no financial implications at this stage. These will be determined by a decision that will be taken in December, which will be informed by the outcomes of the engagement process. Due to the scale of the financial challenge facing the Council, no commitment can be made to exclude any part of the £6.3m Housing Related Support budget from savings consideration.

5. Legal Implications

- 5.1 As indicated in paragraphs 1.3 and 1.5, the housing support services currently being commissioned fall largely outside the Council's formal statutory duties. The principal duty to prevent homelessness and to secure accommodation for eligible homeless households falls to district and borough councils under housing legislation.
- 5.2 The Council has no statutory housing function or responsibility for addressing homelessness or destitution. Its obligations are found in legislation relating to children and to adults with care needs.
- 5.3 The key exception to this is where commissioned supported housing schemes accommodate homeless 16 and 17 year olds. This is a duty which would otherwise fall to the Council.

6. Risk Assessment Implications and Mitigations

- 6.1 The key risk involved with this process revolves around the quality of the consultation and the effectiveness of the engagement with providers and stakeholders.
- 6.2 Decommissioning services in this area does involve a risk of increasing homelessness and which in turn could lead to a net increase in demands for statutory services, whether provided by the County Council itself or within the wider public sector. Accurately forecasting the risks associated with this will be a key element of the consultation and this will ultimately depend on the effectiveness of the partnership process which will be overseen by the West Sussex Strategic Housing Group.

7. Other Options Considered

- 7.1 The recommendation within this report is to proceed with a process of engagement to identify a range of options for a final decision in December 2018. No other options are put forward at this stage.

8. Equality and Human Rights Assessment

- 8.1 The Equality Act requires the Council to promote equality and to eliminate discrimination, paying particular regard to the need for equality of opportunity for those that share a protected characteristic and those who do not. Final decisions on changes to the pattern of commissioning will need to

be accompanied by Equality and Impact Assessments. It is not appropriate to do this at this stage of the process.

9. Social Value and Sustainability Assessment

- 9.1 Understanding Social Value and Sustainability implications will form key elements of the engagement process which will inform final recommendations on future commissioning arrangements.

10. Crime and Disorder Reduction Assessment

- 10.1 Several commissioned services contribute to the Council's role in reducing crime and anti-social behaviour. Stakeholders from the criminal justice sector will be encouraged to participate in this process so that this is properly recognised.

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Appendices: None

Background Papers: None