

# Decision Report

<b>Mrs Jupp, Cabinet Member for Adults and Health</b>	<b>Ref No: AH11 (18/19)</b>
<b>December 2018</b>	<b>Key Decision: Yes</b>
<b>Housing Related Support</b>	<b>Part I</b>
<b>Report by Executive Director Children, Adults, Families, Health and Education and Interim Director of Adults' Services</b>	<b>Electoral Divisions: All</b>
<b>Summary</b> <p>As part of the Council's budget proposals consideration has been given to aims and responsibilities underpinning the Councils' expenditure on Housing Related Support Services (HRS). These currently total £6.3 million per annum.</p> <p>These services are delivered by multiple providers in a variety of forms across the County, the remit of which is to support individuals and families through services connected with their housing needs and provision and to support the prevention of homelessness.</p> <p>Funding for HRS was originally provided through the ring fenced "Supporting People" grant from 2003. This was subject to annual reductions until 2011 when the ring fence was removed. Funding for these services is now met from the core County Council budget. Some of the procured services enable the Council to fulfil statutory responsibilities and others are discretionary in nature.</p> <p>The Council has decided that it must consider options for changing or removing investment in HRS so as to focus funds on areas of greatest benefit in relation to defined responsibilities. This has been undertaken by opening consultation to consider the impact on individuals and families, service providers and local strategic relationships, and the practical, statutory and legal implications of any change. The evaluation of this impact is summarised in the report and provided in detail at Appendix one. On the basis of this analysis it is proposed that the Council implements a measured approach to these changes, retaining commitments to discharge statutory duties and support the wider prevention agenda.</p> <p>For that purpose a budget of £2.3m is assessed as being appropriate. This will result in a spending reduction of £4m, which will be implemented over two financial years to enable time to remodel services and explore impact mitigation.</p>	
<b>West Sussex Plan: Policy Impact and Context</b> <p>The proposal for continued investment in Housing Related Support contributes to the West Sussex Plan objective for the Best Start in Life and contributes to the agendas of Independence for Later Life and a strong safe and sustainable place.</p>	
<b>Financial Impact</b> <p>This proposal will deliver a saving of £4million recurrently once fully implemented.</p>	

## **Recommendations**

The Cabinet Member for Adults and Health is asked to approve that;

- (1) The County Council allocates a core budget of £4.6 million in 2019/20 and £2.3 million in 2020/21 for investment in Housing Related Support, this investment to be used to meet the Council's statutory duties and address the risk that reducing targeted prevention will lead to increased demand pressure in other areas,
- (2) All current Housing Related Support Contracts to be terminated by 30<sup>th</sup> September 2019 and new contractual arrangements developed to commence on the 1<sup>st</sup> October 2019. Additional assurance on the implementation period and impact mitigation will be provided through a continuous review process with providers and partners between January and September 2019 to ensure that the revised contracts are deliverable and the impact of these changes are minimised.
- (3) The County Council works closely with strategic partners, providers and stakeholders to remodel the service offer in line with statutory responsibilities, revised service priorities and the financial envelope.
- (4) The County Council will collaborate with the District and Borough Councils to facilitate a county wide Homelessness Reduction Strategy so that funding streams available from Central Government can be sourced.

## **Proposal**

### **1. Background and Context**

- 1.1 The purpose of this report is to set out the context of the budget for HRS, outline the consultation responses, impact assessment and consideration of options, and to set out the rationale for the revised budget proposal
- 1.2 This report is accompanied by the consultation feedback and impact assessment (appendix one), a summary of the relevant statutory responsibilities (appendix two), a report on behalf of the districts and boroughs (appendix three), a summary of the online survey findings (appendix four) and a note of the recommendations from the Health and Social Care Select Committee HASC meeting of 12<sup>th</sup> December (appendix 5)

### **Housing Related Support**

- 1.3 The purpose of HRS is to reduce the risk of tenancy breakdown and homelessness for individuals who, for a variety of reasons, may struggle to maintain independence without these inputs. Services are a mixture of 'accommodation based' that is support linked to specific properties, and 'floating' which can be provided to individuals in a variety of different accommodations, including accommodation they secure.

- 1.4 In West Sussex these services support the delivery of a range of statutory duties and discretionary responsibilities on behalf of the County Council and the District and Boroughs. The primary statutory responsibility for addressing or preventing homelessness falls to the districts and boroughs as housing authorities. Council social care responsibilities may be discharged through housing support and homelessness prevention services. These services also support the prevention of demand on other services.
- 1.5 Funding for these services was historically funded by central government through a range of sources. In 2003 a review of funding streams resulted in the creation of a 'Supporting People' Grant, a reducing ring fence grant which was administered by the Council. In 2011 the ring fence was removed.
- 1.6 These housing related support services are now funded from the Adults and Health budget as part of the County Council's base budget.

## **2. Proposal Details**

- 2.1 The scope of the strategic budget options exercise, published in August, 2018 included a proposal to consider the option of withdrawing some or all of the investment in HRS. This was to allow the Council to examine how such services could be focused on the most critical and effective interventions and support aligned to the Council's priorities and core responsibilities. This would enable budget planning across the whole Council to be rationalised rather than be based on an assumption of continued provision or funding levels.
- 2.2 The first requirement was to explain the aims and scope of the proposal and to invite response and feedback from all stakeholders so that the impact of all options could be fully considered against the range of legal and statutory duties. There has been significant feedback and engagement in relation to this proposal. This has proved extremely helpful in understanding the impact of this proposal which includes;
  - Legal and practical considerations with relation to existing contractual relationships with providers,
  - Implications for those in need of services and support in relation to the Council's discharge of its statutory duties,
  - Implications for strategic partners, in particular the districts and boroughs in discharging their statutory duties and Health in terms of the impact on mental health and other health needs.
  - Implications for the potential impact on demand pressure in other parts of the system.

## **Contractual Considerations**

- 2.3 The Council has recognised that its investment is currently tied up in existing contracts and that adequate time is needed to consider alternatives, to plan the changes to or withdrawal from contracts and the impact on those in receipt of services from these contracts. As such, the Council has agreed to extend all current contracts until September 2019, subject to agreement with the existing providers.

- 2.4 The period from January 2019 to August 2019 will be used to remodel and procure new contracts. New contracts will be issued in September 2019 to reflect the new investment levels and service priorities.

### **Statutory Considerations and the prevention agenda**

- 2.5 The services support the delivery of statutory functions in relation to addressing and preventing homelessness. The primary responsibility for these services falls to district and borough councils as housing authorities. These councils also carry the duty to maintain a homelessness strategy (as explained in appendix 2). Duties to advise and support those at risk of homelessness as well as those who present as homeless form the core of that set of duties. A summary of the housing authority and social care authority responsibilities is provided in appendix two. This sets out the complex set of overlapping and related responsibilities which need to be fully understood in terms of alignment and purpose in order to identify the aims of services provided through housing support service contracts. Their current connection with HRS services is set out in Part 2 of Appendix 2.
- 2.6 The Council has duties to meet the care needs of those adults considered eligible for care and support under the Care Act 2014. In addition, social care authorities have duties in relation to the promotion of wellbeing and the need to prevent, reduce and delay needs for care and support. In the implementation of plans based on service priorities an additional factor will be how housing related support services contribute to this prevention outcome. This is particularly the case where the potential removal of particular services may lead to an increase in demand for formal assessments and the need for the provision of more intensive support.
- 2.7 The Council has a range of social care responsibilities in relation to children and young people: to unaccompanied child asylum seekers, to children who are at risk of harm, to young people under 18 who may otherwise not have accommodation available to them as well as to young people leaving the care of the Council who were formerly looked after.
- 2.8 The Care Act 2014 and the Homelessness Prevention Act 2017 create reciprocal duties to co-operate in relation to prevention. This duties cover the County Council as well as the district and boroughs and NHS organisations.

### **Proposal**

- 2.9 Recognising these implications, the Council is proposing to implement a measured approach to changes to its requirements and funding of these support services. This will result in a reduced Council funding offer. This reduction will be managed through a staged approach. The Council will support a partnership approach to reviewing the contracts and identifying the options available to minimise the impact on individuals within the system.
- 2.10 In reference to the request to delay all of the savings into 2020/21 the Council's view is that it is reasonable to identify those services which can be varied or withdrawn without significant adverse impact or which can be managed effectively through the required change with joint service planning.

It is therefore proposed that some of the changes should be delivered within 2019/20. The Council will ensure that work is undertaken with providers and partners to ensure planning and transition arrangements mitigate any adverse impact of the proposals.

2.11 Work is required to develop an implementation plan however the significant milestones to ensure delivery can be seen in the table below.

Date	Action
December 2018	Cabinet Member Decision
By end of January 2019	Plan for prioritised contract renegotiation and timescale for review of all services
By end of March 2019	Notice given on existing contracts
January – August 2019	Remodelling of services and contracts
By end of September 2019	2019/20 budget reductions implemented New / revised contracts issued

2.12 It is recognised that this is a challenging timescale and will require the cooperation of all partners, providers and stakeholders across the system. The level of engagement with the consultation process suggests that there is willingness for this engagement. There will be additional focus on the timing of contract changes to respond to concerns expressed about the need to manage and mitigate the impact of change and the expressed preference for more time to accommodate the proposals.

## **Factors taken into account**

### **3 Consultation**

- 3.1 A significant programme of consultation has been undertaken on this proposal. The feedback from the consultation is outlined above and can be seen in the attached impact assessment at appendix one. Analysis of the consultation themes can be seen at appendix four.
- 3.2 This decision was scrutinised at the Health and Social Care Select Committee HASC at its meeting on 12 December where a number of representations were made and questions asked by members. This resulted in a number of recommendations which are set out in Appendix 5. It should however be noted that these recommendations were originally set out in a document prepared by the District and Borough Councils and submitted as part of the consultation process and so these had already been considered in the preparation of the report to the Select Committee.
- 3.3 The recommendation to delay the implementation until 2020/21 has previously been made and fully considered during the review of the consultation and the work with provider partners. The expressed concern around the ability to remodel services within the timescale is understood. Having considered this during the consultation process it will be a matter that will be looked at for each service and contract review area individually so that the Council and its partners can continually review the viability of the change plan and implementation timetable. Implementation can be adjusted

case by case as required. It is not felt that a general delay for all changes can be justified. Most issues should be resolved within the timetable set out in this report. To add additional assurances the Council is proposing to implement a period of continuous review during the period January to September 2019 to address the underlying concerns regarding the timescale for implementation.

- 3.4 All remaining recommendations will be responded to through the approach to the implementation period.

**4 Financial (revenue and capital) and Resource Implications**

4.1 The current budget for services provided through the housing related support contracts is £6.3million and supports services across the county. This is funded from the base Council budget rather than through any dedicated or general grant. Council wide pressures across the entire range of services means that all financial commitments have to be tested and challenged.

4.2 Opportunities to close the budget gap that the Council faces are limited due to the requirements to fulfil its statutory duties and demand pressure in children and adults services. The Council also recognises that districts and boroughs also face significant financial pressures and that it is unlikely that other parts of the system can simply plug the gap if this funding is removed.

4.3 It is proposed that the Council allocates a budget to meet its statutory obligations and contribute to the wider prevention agenda:

4.3.1 To meet statutory duties a commitment of £1m per year is considered necessary. This is based on a review of services currently considered as meeting or contributing to County Council statutory duties.

4.3.2 It is proposed that, in addition, the Council continues to invest up to up to £1.3m per annum in services which support the prevention agenda. Provision at that level will enable a continued contribution to commissioning for youth homelessness and services covering rough sleeping and domestic violence refuges, however it recognises that this may require providers to access alternative revenue streams or reduce the overall offer.

4.3.3 The contracts will continue in their current form until September 2019. The remodelled contracts will commence from September 2019 based on the recurrent £2.3m financial envelope. £300k will be held as a contingency to provide some additional flexibility in year if this is required.

4.3.4 A breakdown of the investment for 2019/20 is in the table below:

	Current Year 2018/19 £m	Year 1 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m
current spend	6.3	3.15	0	0
Spend on new contracts	0	1.15	2.3	2.3

Contingency	0	0.3	0	0
Total	6.3	4.6	2.3	2.3

4.3.5 The reductions will fall mainly within;

- Homelessness prevention and resettlement, since responsibilities fall largely within the domain of the districts and boroughs,
- Schemes for younger adults and young parents' schemes,
- Older people's services (e.g. subsidies to social landlords to provide additional support to residents) where spending does not form part of a statutory duty, and
- Offender schemes, responsibility for part of which is expected to be assumed by the National Probation Service

4.4 Officer capacity will be made available to work with the district and boroughs, providers, other partners and users of the services, to review the current arrangements and remodel the services to maximise the beneficial outcomes for those in need and to mitigate the impact on users of the services and those whose needs may need to be met through other routes.

4.5 Revenue consequences of proposal

	Current Year 2018/19 £m	Year 1 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m
Revenue budget	6.3	4.6	2.3	2.3
Change from Proposal	0	1.7	2.3	2.3
Remaining budget	6.3	4.6	2.3	2.3

## 5 Legal Implications

5.1 A summary of statutory duties can be seen in appendix two. There is a complex set of overlapping statutory duties and associated powers, most usefully exercised to prevent or reduce the potential emergence of greater needs and their demands on other services. All of the duties considered together illustrate the need for cooperation and joint working across agencies to identify a shared strategy and set of objectives and to reach a common set of aims and commissioning plans to meet them. The appendix also provides, for illustrative purposes the implications of current HRS arrangements for the various statutory functions.

## 6 Risk Assessment Implications and Mitigations

6.1 Reductions in funding create a risk that services will be forced to close leaving individuals and families who may require support unable to access this. The impact could be an increase in homelessness, or an increase in request for assessment and support from adult or children's social care. The

proposed approach provides some stability by clearly profiling the financial constraints and allowing flexibility on how the changes are delivered.

- 6.2 There is a risk that services may become destabilised whilst the remodelling work is undertaken. This will be mitigated through early engagement and clarity of purpose amongst all the partner agencies. It is important that this is seen as a collective set of responsibilities where the beneficial outcomes for those in need in our community are shared and the need to maintain a coherent system of support and intervention is planned jointly within the financial constraints which exist.
- 6.3 There is a risk that, in remodelling these services insufficient additional resources can be identified across the system to fully meet the responsibilities shared by the agencies. Careful attention will be given to the impact of particular proposals for change and the need to adapt or modify those proposals as such impact and available mitigation are identified.
- 6.4 The timescale for remodelling the services is challenging. This situation will be kept under review during the implementation period.

## **7. Other Options Considered**

- 7.1 In view of the scale of the financial challenge facing the Council, it cannot rule any areas out of consideration. Clarity of purpose and priority of outcome for all contractual arrangements must be achieved to make the most effective use of resources. To do nothing is therefore not an option
- 7.2 The option to withdraw the full Housing Related Support budget would not achieve the aims of ensuring these services meet the responsibilities of the County Council in a planned and measured way. This would have a significant impact across the County at both a strategic level and potentially on an individual level if services were to close with insufficient planning or impact assessment. Since it would also leave the Council at risk of not being able to fulfil some of its statutory responsibilities, this has never been treated as a viable option to pursue.
- 7.3 The option to retain a core element of investment linked to the delivery of statutory functions and supporting prevention with the remaining reductions staged in two parts is therefore the recommended option.

## **8 Equality and Human Rights Assessment**

- 8.1 A detailed impact assessment has been designed and undertaken (described at appendix one). The work planned to develop future service priorities and how they can best be met will continue the approach which takes fully into account the Council's duty to have regard to its public sector equality duties.

## **9 Social Value and Sustainability Assessment**

- 9.1 The proposal to jointly review and remodel the commissioned services will take into account the social value that these deliver for the people of West Sussex. The particular elements of the Council's Social Value Policy which

have been considered or will be included in the implementation of the proposals are set out as part of the impact assessment in appendix one.

## **10 Crime and Disorder Implications**

- 10.1 Several commissioned services contribute to the County 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. The relevant statutory duties are included in the summary of responsibilities provided in appendix two.

## **11 Human Rights Implications**

- 11.1 A number of the Articles of the Convention on Human Rights are engaged by proposals to alter service support to those with needs linked to their accommodation and wellbeing. The rights enshrined in Article 8 (private family life and home) will be the focus of the impact assessment and future service plans together with other fundamental rights identified as relevant as the process of service redevelopment is implemented.

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## **Appendices**

- Appendix one: Consultation feedback and Equality Assessment
- Appendix two: Summary of legal duties and responsibilities
- Appendix three: Housing related support: A report on the impact of a reduction in financial support to housing related support contracts on West Sussex Housing Authorities.
- Appendix four: Housing Related Support Consultation themes
- Appendix five: Housing and Adult Social Care Select Committee Letter of recommendation

## **Background papers**

[Consultation responses from providers, stakeholders and partners](#)