

## **The Western Bay Regional Collaborative Committee Response to the Public Accounts Committee on the Wales Audit Report, August 2017.**

The Public Accounts Committee (PAC) has agreed to undertake a short inquiry into the Welsh Government's management of the Programme specifically considering:

- The impact of wider policy development
- Funding distribution and financial planning
- Monitoring and evaluation

This paper reflects the view expressed from members of the Western Bay Regional Collaborative Committee (RCC).

### **The impact of wider policy development**

Key areas of policy development at present relate to

1. Department of Works & Pensions (DWP) public consultation on the rents and eligible for Housing Benefit (HB) services charges
2. Welsh Government (WG) proposals to implement the Full Flexibilities Grant merging Supporting People Programme Grant (SPPG) with a range of other grants.

### **The overall clarity of the Programme's objectives;**

There has been clarity on the overall programme objectives i.e. that it focused on prevention of homeless and supporting individuals to maintain their accommodation in community who without this support would need a more institutional setting for a wide range of client/support needs groups.

In recent years the WG steer on strategic aims for the programme has been characterised by a series of letters from Ministers highlighting priority areas at emerging at various times which they felt the programme should focus on e.g. to focus on Homelessness Act, Tackling Poverty, the aims of the Health Social Care and Wellbeing act, Adverse Childhood Experience, Domestic Abuse and Substance Misuse.

It would be beneficial at a Welsh Government level if it were to consolidate its own view on the purpose of making the grant available and publish this taking into account recent policy developments and implementation developments.

In relation to long term support services recognition needs to be given to the contribution to wellbeing aims and maximising independence voice, choice and control in line with the Welsh Social Services & Wellbeing Act and outcomes for individuals. There is concern the sight will be lost of the programmes contribution to early intervention and prevention for social care groups such as those with mental health issues.

Concern expressed that the current non-statutory Local Authority (LA) key priorities will fall by the way-side as LA will only be able to afford statutory services.

In the letter to Chief Executives of Local Authorities in Wales, 24/10/2017, it states that

*“The Full Flexibility pathfinder will give 100% flexibility across grants in order to achieve increased programme alignment, make more effective use of funding and meet local needs. This greater financial freedom and flexibility is expected to enable pilot areas to work differently, giving more scope to design services to support the Governments drive for more preventative, long-term approaches.”*, however there is limited understanding with regards to some of the less well known grants in the list contained within the appendix in regards to what those grants currently deliver on.

Currently, the majority of Supporting People Programme Grant funded services are focused on preventative work and there could be a lack of a regional preventative programme of service delivery if the SP Grant were to be subsumed into a ‘super grant’. There is a view that this grant should remain focused on early intervention and prevention and there is real concern that the SP Programme would be ‘diluted’ if merged with other grants programmes

At present, there is a clear local governance process which includes a Local Plan, a Commissioning Plan, Housing Plan, Regional Strategic Plan. Strengthened governance processes would need to be established which deliver the confidence to administer the grant. Concern has been expressed relating to the time it would take WG to release the Guidance for implementation of the amalgamation of potentially ten grants.

In relation to the Full Flexibility Pathfinder pilot will run from April 2018 to March 2019 with the proposal to implement the super grant from March 2019 to April 2020. There is concern about the lack of time to put in place procurement and contract regulations prior to the proposed roll out of the super grant in 2019.

There is no time to undertake a monitoring and evaluation exercise within the pilot areas prior to the super grant roll out. There’s a danger that failures of the pilot will be inherited in the transition to the super grant. There doesn’t look like any monitoring and evaluation will be in place prior to the emergent of grants.

## **The implications of and emerging response to the UK Government’s Supported Accommodation review;**

### **In Summary**

The current consultation proposal as we understand it is for a devolved pot for short term temporary supported accommodation grant. However, Long Term and Sheltered & Extra Care remaining in the welfare system with increased regulation and monitoring of rents and service charges e.g. with a sheltered rent and eligible service charges to be established.

### **Short term supported accommodation grant to be devolved.**

- Concern about how the pot for short term accommodation costs will be sized, use of the definition up to two years, whether it will sustain existing provision i.e. whether it will be reduced prior to being devolved.
- Concern as it is unclear how growth will happen for short term supported accommodation grant nationally or by WG.
- Concern about the definition used by DWP to include provision in the amount to be devolved. Will dispersed temporary accommodation be included in the definition?
- Development of the WG policy on the administration of the short term supported housing grant needs to be coordinated with the development of the full flexibility grant fund in relation the revenue support for these services currently predominantly from SPPG. There also need to be a link strategically to the levels of public capital subsidy which impacts on rent and service charge setting of providers.
- Little detail is known yet of WG intension but from England if the intension is to block fund provision to Registered Social Landlord’s (RSL) to cover the rent and service

charge costs with limited affordable charges to tenants then this presents some benefits for individuals in relation to affordability to take up work opportunities and increase the focus on getting work ready whilst in supported accommodation. It may reduce some aspects of housing management e.g. eviction for rent and service charge arrears.

- LAs would welcome Wales following England to allocate to LA to administer. This fits with their local roles and statutory duties under Homelessness legislation and as commissioners for supported housing for revenue and in prioritising locally allocated public capital subsidy such as Social Housing Grant (SHG) for RSL's.
- RCC provider members have concerns that funding is maintained for this group of individuals many of whom may be non-statutory groups at present. Their view is that a form of ring fencing or scrutiny to assure this resource should be in place for temporary supported housing grant and supporting people programme grant.
- The DWP consultation document suggests in England the introduction of a framework for needs assessment process and strategic plans etc. In Wales these are already in place.
- In Wales there has been no regulation of RSL rent or service charges in supported housing or sheltered by the regulation at WG level. Currently these rental and service charge costs for temporary supported housing are understood and scrutinised predominantly by Housing Benefits sections. If the short term accommodation funding is devolved from WG to LA's there may be a lack of capacity to undertake this work as housing benefit section decline in capacity as central welfare reform is rolled out. WG need to ensure the skills and knowledge and understanding around rent and service charges costs and capacity are supported. WG should consider making new burdens allowance for this work.

### **Sheltered & Extra Care**

- Under these proposals there is concern in relation to the impact the Sir Mansel Aylward recommendation might have on services which have moved to be fully compliant i.e. may not have a support package tied to the service any longer still meet the definition of sheltered to be accounted for in the Welfare Benefit System rather than be regarded as general needs.
- Also some newer build Old Age Pensioner (OAP) designated accommodation may have been developed with similar physical facilities which necessitate higher rents and service charges but may not meet the definitions of sheltered due to the lack of commissioned support.

### **Long Term Supported Housing**

- The consultation suggests there will be regulation of these rents and service charges by central government and there is no detail yet.
- Will this regulation be devolved to the RSL regulator in Wales?
- Caution that the balance of the Programme shifts too much towards homelessness services rather than the Programme Objective being to "supporting individuals to maintain their accommodation in the community who without this support would need a more institutional setting".

### **How the Welsh Government might improve communication about the priorities for the Programme and the impact of wider developments;**

- It would be beneficial at a Welsh Government level if it were to consolidate its own view on the purpose of making the grant available and publish this. The current SPPG Guidance is heavily focused on administration grant conditions and details the governance and the bureaucratic aspect of process.

- Develop an up to date strategic document on the intension of the national programme aims and ensure WG is resourced to regularly engage in the Supporting People Information Networks (SPIN) and RCC's and their role with relevant guidance.

### **How best to align the work of the Regional Collaborative Committees with other collaborative governance arrangements;**

- Alignment of the various regional governance arrangements need to be at the Welsh Government level in the first instance.
- Strengthen link to Social Services & Wellbeing Partnership Boards
- Strengthen links with the Social Services & Wellbeing Boards with Housing and Homelessness and the RCC's.
- The local programme delivery is driven by local homeless strategy priorities but yet there is no equivalent regional direction for the statutory Housing or Homelessness to work regionally e.g. WG have asked for the Homeless Strategies to be done by LA area.
- The regional networks that have existed for Housing Strategy including homelessness have been on different footprints to Western Bay.
- SPPG is only one of a number of tools (but significant in its level of resource) to tackle and prevent homelessness and fund the model of accommodation and support yet it has highly prescribed and bureaucratic structure imposed for administration of the grant whilst the others do not.

### **The lessons to be learned from the mixed effectiveness and impact of regional working over the past five years;**

- Harmonisation of processes reducing workload for providers
- Cross fertilisation of innovative ideas and good practice
- Sharing of quality and performance information
- Sharing of resources
- Increased some unnecessary bureaucracy (individual Housing Strategy instead of a regional one)
- The uncertainty regarding changes to Local Government and Health footprint.
- There is less of a regional drive for housing strategy and homeless and any regional networking has had different boundaries to SPPG.
- Perceived duplication with other Regional Governance Structures.
- Improved relationships

### **The extent to which the governance and management arrangements for the Programme reflect the ways of working expected under the Well-being of Future Generations (Wales) Act 2015.**

The current system does consistently reflect the five ways of working under the Wellbeing of Future generations.

- Long Term – Annual funding settlement prevent long term planning
- Prevention - Performs well as SPPG has very strong prevention focus
- Integration – It has not been able to fully deliver on this.
- Collaboration - Performs well on collaboration
- Involvement - Performs well on involvement at a range of levels.

For example, Swansea is piloting a Directorate commissioning for people with Learning Disabilities which cover all aspect of the lives of people from education through to independent living including preventing homeless and accessing work and aging. This is to respond to the Wellbeing of Future Generations Act.

## **Monitoring and evaluation.**

**How monitoring/outcome data is used to inform decision-making about programme expenditure and contract monitoring;**

**The revised outcomes framework that the Welsh Government is proposing and the extent to which it will address the limitations of the current framework;**

- With the development of the Health Social Care and Wellbeing Outcomes there is an opportunity to have a single set of national outcomes consistently used reducing the bureaucracy and administrative process at a time where LA and providers are under extreme pressure.
- Welsh Government may wish to consider a single set of outcomes across Welsh Government Directorates
- WG may wish to reflect on that nationally WG have decided that social care outcomes for individuals will not be collected nationally yet for SPPG they have decided they must be.

**How any revised outcomes framework arrangements can be best communicated and embedded;**

- Guidance and training
- Embedded in practice frameworks and service specifications.
- Using a common language.

**Other opportunities to strengthen monitoring and evaluation, including in assessing the relative value for money of comparable services.**

- Development of effective longitudinal studies on the effectiveness of policy and programme changes. E.g. Secure Anonymised Information Linkage (SAIL) project with Swansea University which showed a very positive impact of the SPPG programme on health service usage. There is an opportunity for Welsh Government to do this for impact on Homelessness and Social Care.
- There is a case for a nationally procured consistent data base for returning performance data.
- Establish a benchmarking group which recognises that there are rarely identical service specifications / models of service

## **Distribution of programme funding and financial planning including:**

**The issues that need to be considered in developing and implementing any new funding formula;**

- The development of any formula for distribution of grant should be free on any perverse incentives related to performance measures applied by WG.

- Focus on vulnerability and recognising the levels and complexity of overlapping vulnerability.
- It should be recognised that the legacy capture under Transitional Housing Benefit (THB) in 2003 was based on need as THB captured those needing and having support at the time. Some LA were effective at capturing this but it is acknowledged that citizens in LA's less effective should not be penalised as a result of their LA performance at that time.

### **Full Flexibilities Proposals**

- There is very limited information been disseminated to date on these proposals to the RCC and it is very difficult to comment on that basis.
- The current financial worth of each of the proposed grants that are being merged is unknown and therefore it's impossible to establish the impact on SP funded services.
- A merger of grants at a reduced level may result in market uncertainty and instability. There is a lack of information as yet to assess the impact on procurement requirements.
- It has been suggested that the new budget line which indicates the emergence of grants, is greatly reduced than if the grants were emerged today. Therefore, concern expressed as to where the cost of this short-fall will be met and implication of service delivery if the funds cannot be found. There may be an impact on service delivery.

### **How budget pressures and funding uncertainty have affected service planning and delivery;**

- The supported housing review has restricted the development of accommodation based service models due to uncertainties of rental income to social landlords.
- Caution and concerns from RSLs and 3<sup>rd</sup> sector providers as major partners regarding annual SPPG revenue settlements, potential cuts muted, late notifications from WG confirming funding, commitment only to annual funding/contracts from LA's. These lead to human resource difficulties some providers serving redundancy notices to staff annually until funding is confirmed and this can result in staffing retention issues. Some providers withdrawing from providing SPPG services due to the process and risk to business model to manage.
- A move to three year indicative allocation will allow planning and commissioning to factor into service development and contracting enabling longer contracts to be awarded.

### **Reasons for the identified wide variation in financial support for different client groups across local authorities;**

- Legacy commitments, long term supported living may still have people same homes from 2003.

- The analysis of the spend plan used does not reflect the intensity of the services used therefore not comparing like with like. Some groups may have more fixed or higher intensity and therefore tend to cost more.
- Local population needs may be different, and therefore locally determined priorities may be different.
- Locally determined priorities are made with regard to a wide range of factors and may be dependant of what other resources the area has for each category of need.
- Procurement plans within each area and category may be at different stages implementation.
- Implementation stage of Aylward recommendations will have an impact with a move toward generic/multi specialist or pan disability type services.
- The effect of the service evaluation of legacy services and cost analysis process changing what services are paid will have had an effect. Savings have been reinvested.
- Property prices, rural issues such as travelling costs, translation costs and salary costs based on local workforce issues.

**Reasons for the noticeable change in the overall proportion of programme funds spent on floating and fixed support;**

- The effect of the service evaluation of legacy services and cost analysis process changing what services are paid will have had an effect.
- Aylward implementation has seen fixed sheltered classification in spend plans change to OAP or generic floating support.
- Social Services and Wellbeing Act means there is more focus on early intervention and prevention. Floating support may be seen as more complementary model.
- Floating support as a model can be more efficient, flexible and effective for some groups and commissioning decision may have been made due to this. Promotes voice choice and control, people can choose where they live and support moves on without disruption to accommodation and their links within the community.
- Concerns from RSLs and commissioners regarding annual SPPG revenue settlements, potential cuts muted.
- Simplicity to switch to respond to cuts is increased.
- Reluctance to commission purpose specialist build due to the uncertainty of revenue. RLS's concerns of being left with buildings unsuitable for general needs letting or costly to convert.
- Due to the welfare reform proposal affecting rents and services charges there may have been a cautious approach to commissioning fixed provision.

- Changes in the level of capital subsidy for building and competing pressures for that subsidy with general needs pressures.
- Complexity of delivering fixed accommodation based services achieving capital subsidy, locating affordable and appropriate sites for development, achieving planning permission for supported living.

**The extent to which local and regional planning processes and spending reflect well-evidenced needs, rather than historical patterns.**

- There are legacy patterns still evident but as procurement plans are being implemented the patterns are likely to change. The complexity of change can vary by the service model and client group
- The current WB Regional Supporting People Plan was developed through a joint review of housing and homelessness data at a regional level. WB analysed together to reach a set of shared high level strategic priorities.
- All regional need mapping process are informed by local arrangements. These include a range of sources of data. Census and other population data. homeless data, evictions etc reasons for homelessness, analysis from Gateways on demand for existing services and service gaps. Stakeholder and citizen engagement.
- Evidencing need could further be developed in a consistent manner. The Western Bay regional Wellbeing assessment has progressed this but also highlighted improvements needed.
- The development of the new homeless strategies was a missed WG opportunity to formalise and develop this approach further and consistently across wales.
- Once need is evidenced for a particular group of individuals and decisions are made then commissioning of housing related support for some client groups may be part of a bigger continuum of provision and part of a wider strategic process. e.g. providing step up and step down provision in an accommodation and support pathway.