Cynulliad Cenedlaethol Cymru | National Assembly for Wales
Y Pwyllgor Cyfrifon Cyhoeddus | Public Accounts Committee
Rhaglen Cefnogi Pobl Llywodraeth Cymru | The Welsh Government's Supporting People Programme
PAC(5) SP 16
Ymateb gan Cymdeithas Llywodraeth Leol Cymru | Evidence from Welsh Local Government Association

The WLGA has provided verbal evidence to the Committee as part of their Inquiry at their meeting on 27th November, which was supported by some initial written evidence. This response builds upon the previous evidence submitted.

Introduction

Local authorities highly value the Supporting People Programme and it provides a range of valuable and necessary housing-related services to support people to live independently and maintain their tenancies. While funding levels for the Programme have reduced over recent years primarily as a consequence of austerity, we recognise that Welsh Government has tried to protect the funding levels as far as possible, particularly given the positive impact of the Programme working with a range of vulnerable people.

With such a significant investment, it is right that the Programme has been reviewed both by Professor Aylward in 2010 and the Wales Audit Office more recently. Other pieces of work have also been undertaken during these times, with the aim of strengthening the governance arrangements and to evidence positive outcomes of the Programme. However, the arrangements remain complex, are not well understood (or commonly understood) despite these reviews and amendments to the operation of the Programme. The findings of the WAO reinforce these views and while SP services are crucial in assisting a range of vulnerable people, further work is required in clarifying the objectives and management of the Programme and this will assist in raising awareness and spreading confidence and outside of the sector as to the important role housing-related support provides in helping people maintain their independence.

Since the publication of the Wales Audit Office report Welsh Government has announced its intention to form a Prevention and Early Intervention Grant comprising of different funding streams, including the SP Grant. It is unclear at this time what the implications of these changes will be on the operation of the Programme, however it is hoped that opportunities to embed housing-related support within a broader context of supporting vulnerable people in a holistic way will be maximised, with stable housing being a key requirement and basic human

right for all. In moving forward, it is necessary to consider delivery of SP services within a broader context and its contribution to the wider goals and aspirations for Wales as set out in the Well-being of Future Generations Act, ensuring that housing-related support is provided to those who need it, and valued for its contribution to the achievement of these goals.

The impact of wider policy developments on the programme

We welcome the development of revised guidance and new strategic objectives for the Programme, and hope that these will bring greater and refreshed clarity to the aims and purpose of the Programme. The Auditor General's Report rightly identifies the key legislation and policy reforms relevant to the Programme, at the time of writing, all of which are evolving as implementation of each is taken forward, and the inter-relationships between them becomes more evident, for example, how the Programme can be better aligned with the Well-being of Future Generations Act. The overall context within which the Programme operates is both complex and evolving, and needs to be kept under regular review in order to ensure that the Programme continues to be effective and efficient and appropriately fits with the new developments, including proposals for local government reform.

Within the Supporting People Programme there are a broad range of services and types of services commissioned for a wide variety of vulnerable clients. Expectations of the Programme are considerable, understandably so given the relative size of the budget. However, these expectations have increased over time with the Programme being seen as necessarily contributing to the resolution of a successively wider range of issues as Welsh Government policy has developed. As recognised in the Auditor General's Report this can result in tensions between the outcomes of local and regional needs assessment and service planning, and expectations required by Welsh Government.

- The overall clarity of the Programme's objectives

It is well understood that the SPP provides housing-related support to help vulnerable people to live as independently as possible, however, we would agree that further clarity on the aims and purpose of the Programme would be beneficial. We welcome the development of new strategic objectives that were consulted upon earlier this year and believe that these reflect the current but would also highlight the difficulty in needing to respond to a changing and evolving legislative and

policy context and in highlighting the added value' SP services can do provide. However, these objectives should remain the same for a period of time (and be well communicated) so that there is long-term clarity on the purpose of the Programme and services to be delivered and the expected outcomes to be achieved to meet these objectives.

The six stated aims of the Programme may be less understood, inconsistently applied or are actually out of date in the current vision for the programme and the development of its strategic objectives and these should be revised in line with the new objectives.

- The implications of, and emerging response to, the UK Government's Supported Accommodation review

The recent announcement from the UK Government relating to future funding for supported accommodation is significant and will need to be taken into account in any future plans for the SPP (see further information below). The WLGA will continue working with Welsh Government and other stakeholders in discussing options for taking this change forward in Wales.

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

In our view that Welsh Government communicates well with the SP sector but would suggest that further work is required in communicating outside of the sector, with other areas that would benefit from a better understanding of how SPP services contributes to their work and achievement of outcomes. As an example, the Supporting People Bulletin published by Welsh Government provides an update on developments and matters of interest to the delivery of the Programme but it would also be helpful if the updates also referenced the potential impacts or benefits to the SPP to better highlight linkages and opportunities for join-up. More specific briefings on key matters of interest to the SPP would also be beneficial.

- How best to align the work of the Regional Collaborative Committees with other collaborative governance arrangements

Before considering how RCCs may best align with other regional arrangements, the question as asked by the WAO review is whether RCC arrangements remain fit for purpose in the context of other collaborative governance arrangements. It is clear that despite reviews and the introduction of a MoU, confusion still exists around

the role of RCCs that need to be clarified - is their role to scrutinise local authorities, are they a decision-making body or is their role to drive regional collaboration or all three? It must also be recognised that local authorities remain accountable for the spend of the SP grant they receive. As is highlighted in the WAO report (para 2.11), the main concerns and challenges identified in the 2014 Independent Review about the effectiveness of RCCs remain and have not yet been fully addressed.

Given the cross-cutting nature of the SPP, there is a need for the work of RCCs to link into and influence a number of other groups that exist, for example, Public Service Boards, Social Services Regional Partnership Boards, Community Safety Partnerships to name just a few, however, some of these are local groups, while others are regional, adding to the complexity of making appropriate links. The local/regional/national landscape is currently extremely complex and crowded and the SPP operates and is governed on all 3 levels at present, which is complex in itself. While these arrangements reflect the Aylward recommendations, much has changed since 2010 and it would be timely to review these arrangements to assess whether they remain fit for purpose or are the most effective way to manage the SPP and make effective links to other related work.

Local government reform proposals, with the aim of encouraging/mandating regional working, would also introduce different governance arrangements to how RCCs have been established through Joint Governance Committees. The new grant arrangements may also necessitate to some change to the role of RCCs. All of these changes will need to be considered moving forward, and the basic role and purpose of RCCs will continue to need to be clarified in how they fit and link to other groups to raise awareness of how housing-related support and SP services can support their work.

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

While there has been some criticism as to the limited development of cross-boundary or collaborative working between local areas that has been evidenced over recent years, in some ways, the specific and prescribed requirements to be met by RCCs, in terms of governance and reporting may have hindered rather than encouraged regional working. As an example, the region of Gwent has developed less regional working since RCCs were required in comparison to the collaborative

working that emerged when the arrangements were voluntary as more time is now spent meeting bureaucratic requirements of RCCs.

Anecdotal evidence reflects that working collaboratively works better when it has evolved naturally in response to an identified need/evidence that benefits will be gained rather than being required to work collaboratively when no potential benefits (either saving money or delivering better outcomes) have been shown to be achieved. More work is required to evidence 'what works' from increased regional and collaborative working that can be used as a spur to encourage further change.

- 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

This is an area where further development is required. While many of the ways in which the SPP is delivered align with the Act, for example, identifying sustainable longer-term solutions, taking a preventative approach, the involvement of service users, identifying specifically how the SPP also contributes to the well-being goals would also be beneficial.

Monitoring and evaluation

While local authorities and partners fully understand the need to provide evidence of the impact of the Programme (particularly to highlight the benefits of the programme and to ensure the continuation of budgetary levels during a period of reducing overall resources), it should be recognised that evidencing positive outcomes of a Programme that works with such a diverse group of individuals, with a diverse range of support needs, is inherently complex. Outcomes achieved are multi-faceted and therefore it is often difficult to evidence the impact purely in numbers, especially around individual and personalised outcomes. As concluded within the report, the use of case studies provides examples of very positive qualitative indicators to illustrate the effectiveness of the Programme for some individuals and groups. We welcome the revision of the current Outcomes Framework.

All stakeholders are committed however to evidencing the real and positive impacts that SP services achieves with individuals and communities and both qualitative and quantitative methodologies should be used to better reflect the

impact of the Programme and the outcomes that are achieved. There are numerous outcomes frameworks that could possibly be better aligned, also assisting with reducing bureaucracy and administrative processes and over time, the new Grant arrangements may enable such an approach.

The distribution of Programme funding and financial planning

It is widely accepted that the current distribution of funding is based on historical patterns and there is acceptance that this situation needs to change so that funding distribution better reflects needs across Wales. However, redistribution of funding becomes more difficult within a reducing funding envelope and a key consideration in discussions about redistribution has been the need to not destabilise the market or reduce/remove important services delivered to vulnerable people without appropriate time to plan for changes. As such, until it was paused, redistribution was taking place over a number of years so that authorities had time to plan effectively for both reductions in funding but also importantly planning for growth in funding and the commissioning of new services.

The introduction of a new funding formula for the SPP would add complexity and challenge to a continuation of redistribution of funding and would likely bring significant change in funding levels that would need to be strategically and effectively managed over a period of time. However, it is accepted that a new formula that better reflects the objectives of the Programme is needed.

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

The WLGA has been involved in discussions about the potential for a new funding formula for the SP Grant since the Aylward Review. It is has been clear at all stages that the development of a new formula is complex and it will be very difficult to satisfy all expectations. We agree with the WAO recommendation that any new funding formula should be based on the new strategic objectives for the Programme. However, it must also be recognised that a new funding formula, along with redistribution of funding based on need rather than historical patterns, is likely to bring significant turbulence to funding levels and this needs to be effectively managed to ensure such changes can be appropriately planned for and implemented.

We will work with Welsh Government, SPNAB and other stakeholders in the development of any revised funding formula but would also suggest that it would be beneficial to involve the Distribution Sub Group, a group of experienced WG and local government finance officers, along with independent experts, who advise on formula and redistribution changes across local government. A phased approach to the introduction of a new funding formula will be needed to ensure turbulence in funding levels does not destabilise the market or remove services from vulnerable people without effective planning.

- How budget pressures and funding uncertainty have affected service planning and delivery

As with any funded programme, confidence in future funding levels will assist with longer term and more strategic financial planning, both by authorities and providers, particularly if funding levels are reducing. We agree with the assertion in the WAO report that annual funding allocations, with uncertainty around the possibility of funding reductions, has had the effect of hampering local planning and service development in some areas and we fully support the implementation of Recommendation 1.

Other comments:

The UK Government's recent announcement relating to funding for supported accommodation is also significant to the future funding and financial planning arrangements for the Programme, with funding for short-term supported housing (yet to be fully defined) likely to be removed from the welfare system and devolved to Wales. This will include both core rent and additional housing management costs meaning all the funding of these settings will be within Welsh control. In England it is intended to make this funding available to local authorities as a ring-fenced grant from 2020. Detailed arrangements for Wales have yet to be decided. The recent realignment of officials' responsibilities within the Welsh Government's Housing Policy Division, which now brings together responsibility for the Supporting People Programme and the outcome and implementation of the UK Government's Supported Accommodation Review is welcomed.

The recent announcement by Welsh Government around Funding Flexibility is significant for the future funding and financial planning aspects of the Programme. Seven local authorities that piloted a grant alignment project are identified as Full Flexibility Pathfinders with flexibility across Supporting People, Families First,

Flying Start, Communities First Legacy Fund and the new Employability Grant (and a range of other grants are also under consideration for inclusion). Feedback from those authorities participating in the alignment project indicated a clear appetite for increased flexibility, reduced bureaucracy and grant structures that support and promote better joint planning and commissioning.

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 Welsh Government's drive for more preventative, long-term approaches.

In the remaining fifteen local authorities, it is proposed to give "extended flexibility" of 15% across Supporting People, Flying Start, Families First, Communities First Legacy Fund and the new Employability Grant with the aim of allowing those authorities to plan more strategically, align programmes and deliver more responsive services to meet the needs of their citizens. It is intended that both Full Flexibility and Extended Flexibility are introduced from April 2018.

The WLGA is aware of concerns that have been raised by some that the inclusion of SPP funding within these new grant arrangements will dilute the focus on housing-related support or may divert funding for other services. However, from the experience of the existing Pathfinders, these concerns cannot be evidenced and may instead be based on unfounded fear of change or mistrust of local government. The WLGA believes that the new Grant arrangements should offer opportunities for better linkages between the various Programmes, enabling a more holistic approach to addressing the multi-faceted needs of individuals and families through better and more integrated commissioning of services. The WLGA is keen to work with WG and all stakeholders to ensure that the importance of housing-related support is well understood and equally valued by those outside the sector and in ensuring that the benefits of a more integrated approach through the new grant arrangements is of benefit to service users of SP services.