

**REPORT**

By: Caroline Highwood – Director of Resources, Adult Social Services

To: Supporting People in Kent Commissioning Body

**26 June 2008**

**Subject: Supporting People Budget**

**Classification: Unrestricted**

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**For Recommendation**

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**Summary: This report provides an overview of previous financial commitments that the Commissioning Body has entered into and a request that providers enable a financial assessment for those service users who ask for this, and to address additional funding for handyperson services.**

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## **1.0 Introduction**

Following the notification of grant allocations from the Communities and Local Government Department (CLG), and amendments to the timings of the agreed funding of extra services the Supporting People Team has revised their Five-Year forecast.

## **2.0 Forecast for 2008/2009**

The Commissioning Body report in March 2008 indicated a total predicted spend within 2008/2009 of just under £34.3m. The predicted spend is now just under £32.3m.

This is due to the following reasons;

- The commissioning of services to clear the floating support waiting list backlog for 'B' and 'C' banded service users has been delayed because providers have been unable to recruit as quickly as they had anticipated.

- The commissioning of services to clear the floating support waiting list backlog for 'A' banded service users has been delayed due to legal advice which recommended the tendering of these services.
- The commissioning of accommodation based services has been substituted by the tendering for floating support services, this is due to take place shortly. This floating support service is intended to act as a substitute until the accommodation based services are up and running following a further tendering process. However the developer has indicated that some of the accommodation based services may be available sooner than was anticipated. If this is the case we will tender for accommodation based services as appropriate.
- In addition negotiations are taking place to reclaim £196k from a provider due to non-delivery of a service.

### **3.0 Reserve**

The Commissioning Body report in March 2008 indicated a cumulative figure of just under £8.8m. The cumulative total now stands at just under £9.3 m. There is a differential of £500k.

The reserve has increased from the previous forecast for the following reasons;

- Reclaim on three services due to under utilisation and non-delivered services.
- An unclaimed commitment against the reopening of a service.
- The closure of a unit.
- Temporary closure of a unit due to refurbishment.
- A belated notification of a unit reduction.

### **4.0 Five-Year forecast**

This is attached at Appendix 1.

### **5.0 Accommodation-Based Services**

Following agreement by the Commissioning Body, work is in progress to utilise the original funding of £820k put aside for accommodation services to tender for floating support to the following services until the accommodation units can be commissioned. Initially it was hoped to commence this service in the early part of this financial year, however due to the complex nature of the tender it will be early January 2009 before the tender can be awarded.

These services are for:-

- Young people at risk in Sevenoaks, Tunbridge Wells and Sevenoaks
- People with mental health problems in Ashford and Tonbridge and Malling
- Women fleeing domestic abuse in Sevenoaks/Tonbridge and Malling Areas
- People who misuse alcohol in west Kent
- Teenage parents in Maidstone

## **6.0 Floating Support Waiting List for B and C Banding**

The Commissioning Body agreed an allocation of £463k to assist in clearing the floating support waiting list backlog within the respective banding of 'B' & 'C'.

All identified service users have been allocated to providers, however not all services have commenced due to providers being unable to recruit immediately.

This has had an impact on the 5-year forecast (see Appendix 1).

## **7.0 Floating Support Waiting List for A Banding**

It is anticipated that the allocated £2.5m identified for funding service users on an 'A' band, will not now commence till September with the hope that the new services will be in place by January 2009.

This has also had an impact on the 5-year forecast (see Appendix 1)

## **8.0 Home Improvement Agencies Handyperson Services in West Kent**

It was previously requested that the Supporting People Team match-fund a handyperson service in west Kent (£222k), with the proposed funding from East Kent and Coastal Primary Care Trust (PCT) for the east of the county.

Following the Commissioning Body on 20 March, East Kent and Coastal PCT have indicated that they are not yet in a position to fund this service.

It is proposed that the Commissioning Body awaits further information from the East Kent and Coastal PCT on their ability or otherwise to fund a handyperson service. It does not seem appropriate for the Commissioning Body to give further consideration to funding a handyperson service in the west of the county until further information is received from the PCT. In addition, the Supporting People Team will liaise with key stakeholders in order to assess how further support for handyperson services could be delivered.

A report will be brought to the commissioning body in September outlining the current situation in relation to funding, specification for service and confirmation or otherwise that East Kent and Coastal PCT is prepared to fund handy person services. An option appraisal will be presented to the Commissioning Body to determine a way forward.

## **9.0 Block Subsidy/Fixed Capacity Contract**

Payments for block subsidy contracts are made in relation to the number of service users on housing benefit. The contract process for both parties is administratively time consuming despite contract numbers varying very little over the year.

The new fixed capacity contracts are capped at an agreed number of units and allow for a 10% variance over the course of a year. The agreed contract value is divided into 13 equal payments and paid four weekly in advance.

From 1<sup>st</sup> April 2008 all providers of services for older people have now transferred from block subsidy to fixed capacity contracts. The process is to be continued throughout the year to apply such contracts to services for other service user groups.

The Supporting People recommendation is that providers continue to allocate the funding for those in receipt of housing benefit and for those who are not in receipt of benefits but meet the criteria for assistance following a financial assessment

## **10.0 Rent Deposit Scheme**

There may be scope for underspend to be spent on a rent deposit scheme in partnership with districts and boroughs which would facilitate additional housing opportunities within the county's private rented sector. In devising the action plan to meet the Audit Commission's recommendations, the Core Strategy Development Group identified issues in the private sector as worthy of exploration. A further scoping meeting was held and inconsistent access to rent deposit was highlighted as a barrier to maximising use of the private rented sector. Such a scheme would also assist with meeting the Local Area Agreement 2 National Indicator 141 target.

We are not yet in a position to establish how much grant funding would be required. Further research with districts and boroughs is required

## **11.0 Conclusion**

Now that we have greater certitude over levels of funding for the next 3 years of the programme, it is appropriate that the programme utilises the savings that have been accumulated in order to further enhance the services that have already been commissioned over the last year or so.

The savings can only be spent once and therefore floating support will need to be expanded, and then contracted as the accumulated savings reduce assuming no future increases in grant. This will be scoped within the preparations for the Five-Year Strategy, and the strategic review of investment.

## **12.0 Recommendation**

The Commissioning Body is asked to agree to:-

- i) providers continuing to allocate the funding for those in receipt of housing benefit and for those who are not in receipt of benefits but who meet the criteria for assistance following a financial assessment.
- ii) the scoping of a rent deposit scheme by the Supporting People Team in partnership with districts and boroughs.

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**Background Documents:**  
**None**

**Appendix 1 Supporting People 5 Year Forecast\_**

## Appendix 1 Supporting People 5 Year Forecast

	2008/09	2009/10	2010/11	2011/12	2012/13
Grant '£000'	32,025	32,025	32,025	32,025	32,025
Contract Commitments	29,561	32,280	35,683	35,352	34,309
* Inflationary Uplift * (Included for illustration only. There is no contractual obligation to add an inflationary uplift to contracts over these periods.)	30,153	33,086	36,575	36,236	35,167
FS/Accommodation Based Services Jan 09	204	631			
FS Clearance Jan 09	624	1,922	-649	-1,927	
HIA Handy Person East & West Kent	444				
FS Waiting List B/C	463		-474		
Service User Involvement	100				
Horizons Thanet FPI Bid from 1.11.2008 Full year 97K	37	62			
Dual Diagnosis MH Service Dover from 1.11.2008 Full year 131K	50	82			
Rent Deposit Scheme	100		-100		
PFI MH Legal Costs	300	-301			
Reclaim	-196	201			
Annual Total	32,280	35,683	35,352	34,309	35,167
Balance (Expected Grant less Expected Spend)	-255	-3,658	-3,327	-2,284	-3,142
Achieved Savings B/F	9,275	9,021	5,363	2,035	-248
Saving	9,021	5,363	2,035	-248	-3,390