



# **Government Response to the House of Commons Communities and Local Government Select Committee Report into the Supporting People Programme**

*Presented to Parliament  
by the Secretary of State for Communities and Local Government,  
by Command of Her Majesty  
January 2010*

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# Government Response to the Communities and Local Government Select Committee Report into the Supporting People Programme

## Introduction

1. On 3 November 2009 the House of Commons Communities and Local Government Select Committee published its report on the Supporting People Programme.

2. The Committee looked at:

- the extent to which the Government has, so far, delivered on the commitments it made in *Independence and Opportunity: Our Strategy for Supporting People*<sup>1</sup>; and
- the implications of the removal of the ringfence, asking what needs to be done to ensure that the successes of the programme so far are not lost, or services cut, following the change; and what opportunities this change in the funding mechanism will offer for innovation and improvement in the delivery of housing related support services.

3. The Government is grateful for the work that members of the select committee have put into this report. The report provides a positive endorsement of the Government's decision to remove the ring-fence from the Supporting People programme in order to devolve decision making and control over budgets to the local level. The committee agrees that local authorities should be free to manage their own budgets – but they must also be prepared to justify any decisions to redirect Supporting People funds to deliver other locally targeted services.

4. In this respect, the report is clearly in tune with the vision of central government: that local government has to be at the heart of providing innovative and better value public services; to allow local authorities to allocate funding more efficiently and more innovatively by unring-fencing grants. However, the committee also recognised the need to maintain stability by continuing with three-year financial settlements – particularly important for third sector providers of Supporting People services.

5. The report also acknowledged that the 'invest to save' nature of the Supporting People programme has been a success and has been demonstrated in robust financial terms. This is based on financial modelling work that was commissioned from Capgemini in March 2009. Capgemini found that the best overall estimate of net financial benefit from the Supporting People programme is £3.41bn per annum, for the client groups considered, against an overall investment of £1.61bn.

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<sup>1</sup>*Independence and Opportunity – Our Strategy for Supporting People, Communities and Local Government, June 2007.*

6. The committee's recommendations are shown in bold and the paragraph references at the end of each recommendation correspond with those in the committee's report. The Government's response is given beneath each recommendation or group of recommendations.

## Keeping people that need services at the heart of the Programme

**Recommendation 1. Supporting People has been good at raising the profile of vulnerable groups, but there are still some whose needs are not being properly addressed. As the Supporting People programme develops, further steps need to be taken to ensure that those needs are met. As we have seen, particular care needs to be taken as delivery mechanisms for Supporting People services are developed. Generic and specialist services are both important but local authorities need to be careful not to lose specialist services in the rush to rationalise delivery and 'make the money go further'. In particular, while Supporting People has been excellent in helping people to 'move on' to independence, there is a shortage of low-level, long-term preventative support services, such as supported housing, for people who are less likely to 'move on' and instead need to 'maintain' independence. (Paragraph 18)**

**Recommendation 2. We agree with Hact that a clear evidence base demonstrating the effectiveness of different models of intervention in meeting the needs of service users is crucial if the problems described in the above paragraph are to be addressed and providers and commissioners of Supporting People services are to make decisions which keep users at the heart of services. We recommend that CLG take steps to ensure that evidence base is developed and made widely available to Supporting People providers and commissioners. (Paragraph 19)**

7. The Government has established a Supporting People Transition Board made up of key stakeholders and representatives from local authorities, service providers, umbrella organisations including Hact, and the Audit Commission to identify further work that is needed to support the sector to continue to deliver housing related support services in the new unring-fenced environment. We also sought the views of local authority Supporting People teams via the chairs of the Supporting People regional improvement groups (RIGs).

8. The work of the Supporting People Transition Board will build on the existing transitional package that is already being delivered.

9. Taking into account the committee's recommendation and the views of the sector, as represented on the Supporting People Transition Board and the chairs of the RIGs, we will establish whether it is appropriate to commission research into the benefits of different types of service configurations; for example, generalist (e.g. services to multiple client groups or a service that provides both short-term and long-term input) versus specialist (e.g. services to a specific client group for a specific length of time) types of housing related support services.

**Recommendation 3. We recommend that the Quality Assessment Framework (QAF) and the Outcomes Framework should be mandatory for all local authorities unless and until they can demonstrate that they are achieving a high level of involvement, communication and consultation with service users, and a commensurately high level of client satisfaction. (Paragraph 31)**

**Recommendation 9. We have already recommended that the Quality Assessment Framework remain mandatory in the context of ensuring continued service user involvement. We further recommend the QAF should be retained to ensure quality considerations are always made when commissioning services and to protect against any potential loss of dedicated Supporting People commissioning and procurement teams. (Paragraph 54)**

**Recommendation 24. Apart from the issues with competitive tendering which we discuss above, the administration and bureaucracy associated with managing Supporting People contracts and services seems appropriate – a ‘necessary evil’, producing useful outcomes. However, the inconsistent use of the QAF – and the use of different versions of the QAF in different areas – is a concern. We have already recommended the retention of the QAF as a requirement. We further recommend that local authorities be required to use the same version of the framework, to ensure consistency to providers of SP services across local authority boundaries. (Paragraph 151)**

**Recommendation 25. We are concerned that decisions about future regulation appear to be made by CLG and DH in separate silos. With an increasing emphasis on housing-related services being ever more joined up and flexible, providing a continuum of support to service users, from low-level preventative interventions to high end critical care, the risk of support services which straddle the line between social care and housing becoming lost in the complexities and bureaucracy of insufficiently aligned regulatory regimes represents a huge threat to the sustainability of many providers of housing-related support and care services. We recommend that CLG take the lead in addressing this issue of regulation with the Department of Health, with a view to creating a more joined-up approach to the regulation of housing and social care services. (Paragraph 156)**

**Recommendation 32. The uncertainty of future arrangements for the commissioning and procurement of Supporting People services leads us to conclude that any loss of robust mechanisms for assuring quality and assessing outcomes would be a serious threat to the future of housing-related support. The QAF and Outcomes Framework have proven their worth in ensuring quality, promoting effective and consistent local and regional commissioning, and providing an unambiguous evidence base of the value of Supporting People services. (Paragraph 207)**

10. The Government agrees that the Quality Assessment Framework (QAF) and Outcomes Framework have developed into key valuable tools for ensuring quality when local authorities commission Supporting People services. They provide the opportunity for a consistent approach to commissioning services across local authorities, although we recognise that not all use the same version.

11. The Government is not in favour of making the QAF and Outcomes Framework mandatory (**recommendations 3 and 32**). The view from the local authority representatives on the Communities and Local Government Supporting People Transition Board is clear – making these mandatory could have a ‘silo’ effect on Supporting People, whereas the focus for local authorities must be moving towards mainstreaming the programme. The transition board argued the use of mandatory instruments specific to Supporting People could be seen as a form of ‘ring-fencing’ and would not be conducive when working with partners to develop joint commissioning and contracting arrangements. Supporting People frameworks should complement and support alternative arrangements and not take precedence over them.

12. The Government proposes that Communities and Local Government and the Department of Health work closely with the Care Quality Commission (CQC) to extend the QAF to take account of the new CQC standards where applicable, and develop a framework that could work for both Supporting People and Adult Social Care funded services. However, it must be recognised that it will not be feasible to move towards implementing a single framework as the CQC will need to retain its own set of standards to use when inspecting fully funded care services. This approach supports local authorities’ view that the focus should be on ‘quality frameworks’ rather than a specific Supporting People framework.

13. London Councils and the Local Government Association have indicated that they would be willing to support the Government in this approach and would work with local government to encourage the use of complementary frameworks.

14. The Government supports **recommendation 24** that all local authorities should use the same version of the QAF but central government cannot currently require local government to do so. Furthermore, this would run counter to the Government’s policy objective of devolving decision making to the local level. Nevertheless, in the interests of consistency, there is merit in authorities using the same revised version of the QAF. A recent survey of local authorities showed that a majority of them are using the revised QAF or have plans to use the revised version in the future. Communities and Local Government will work with the remaining local authorities, through the regional resource teams and by promoting the Sitra training course on the revised QAF, to encourage and support a move to using the new version.

15. The Government recognises the value of having dedicated Supporting People teams (**recommendation 9**) and during the current spending review we have continued to provide funding to contribute towards the administrative costs of the teams. However, we cannot mandate or require local authorities

to have dedicated teams. We are aware that a number of local authorities have begun to integrate the Supporting People teams within the Adult Social Care teams in order to share the experience and good practice of Supporting People staff in cross-disciplinary commissioning for vulnerable people.

16. The Government agrees with the committee's recommendation **(recommendation 25)** on the need to take a more joined-up approach to regulatory issues, and Communities and Local Government will work with the Department of Health, the Audit Commission and the CQC towards a more joined-up approach to the regulation of housing and social care services in the context of comprehensive area assessment.

17. As with the QAF, Communities and Local Government will explore the similarities between the Supporting People Outcomes Framework and the Department of Health Outcomes Framework in order to look at how we could align them in the future to support delivery.

**Recommendation 4. Progress with Charters for Independent Living has been too slow. Consequently, there has been an inadequate focus on clarifying complaints mechanisms and other means of ensuring that individual service users get the services they need. We recommend that CLG prioritise the implementation of Charters for Independent Living, with a particular focus on clarifying complaints handling mechanisms. (Paragraph 32)**

18. We are already undertaking work on complaints procedures within the Timely Information to Citizens pilots. The pilot began in September with a final evaluation due by July 2010.

19. The Government does not wish to pre-empt the evaluation of the pilots. However, we are aware of a number of local authorities who have developed and launched their own Charters for Independent Living and we will collect and disseminate the information on these to Supporting People teams and local authority staff working on Supporting People who are now integrated within other functions of the local authority.

20. We will also assess the complaints handling guidance being produced for residents of sheltered housing to see if this can be adapted to apply more widely across all Supporting People services.

**Recommendation 6. Personalisation of services is good for increasing service user choice, but sometimes too much choice is overwhelming or even inappropriate. Careful consideration must be given to how to balance personalisation with important commissioned services for people who need emergency support, or who are unable – or unwilling – to choose. Careful consideration is particularly needed of how personalisation will work in accommodation-based facilities. We recommend that the Government extend the Individual Budget pilots to learn more about how personalisation works in practice. (Paragraph 41)**

21. The Department of Health took the lead on the Individual Budget (IB) pilots – these have now been concluded and the evaluation report published.

22. Supporting People was identified by the IBSEN<sup>2</sup> evaluation as

- integral to the success of the Individual Budgets
- the most successful funding stream in terms of integration and alignment with social care processes

23. The evaluation also recognised that if FACS (Fair Access to Care Services) had not been the gateway for people seeking an IB, then many more Supporting People service users may have benefited.

24. The Government recognises the value of personalisation, but also that Individual Budgets may not be the most appropriate way of delivering personalisation for all. A working group which includes representatives from umbrella organisations (e.g. National Housing Federation, Sitra), providers and local authority representatives has been established by Communities and Local Government to consider how personalisation and choice can best work for recipients of Supporting People services. A report on the work of the group will be published in early 2010.

25. In addition, officials from across central government departments have established an interdepartmental group on personalisation, led by the Cabinet Office, and Communities and Local Government's Supporting People policy team is contributing to the work of the group. The policy team is also working with the Office of Disability Issues to consider how Supporting People might be incorporated in the 'Right to Control' initiative.

**Recommendation 7. We welcome the progress, albeit slow, which has been made on developing more integrated assessments of service users' needs. The consideration of housing and housing-related support in the context of needs assessment in the Social Care Green Paper is a positive development, and we look forward to seeing further progress in the inclusion of housing and housing-related support in the Common Assessment Framework for Adults. (Paragraph 44)**

26. Communities and Local Government has been working with the Department of Health which is in the lead on piloting the Common Assessment Framework (CAF) for adults. Housing partners and the third sector have also engaged in the original consultation. Currently, two of the nine pilot areas include a focus on housing. Communities and Local Government is working to support developmental work in, and increase the coverage of, housing related support in the original pilot areas and in new sites which take on the CAF pilots in 2010.

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<sup>2</sup>Individual Budgets Evaluation Network (IBSEN) The report was written by a combined team from The University of York Social Policy Research Unit and the Personal Social Services Research Units of Manchester University, LSE and University of Kent; and Kings College London. They were collectively called The Individual Budgets Evaluation Network (IBSEN).

27. The CAF programme is looking to develop approaches to improve information-sharing utilising the Transforming Adult Social Care agenda, moves toward the personalisation of care and support arrangements, and the wider aspirations of 'Putting People First' regional services which other local authorities can feed into.

28. A national evaluator has recently been appointed for the three-year demonstrator programme to provide detailed information on the quality, cost and cost-effectiveness of different approaches. Early work of the demonstrator sites, which started in April 2009, has focused on revising local business processes around assessment and care planning from the client's view. It is also looking at ensuring the base for appropriate governance and security arrangements for IT systems if they are to enable people's personal information to be shared. The background and lessons learned by the sites is being shared more widely through the Department of Health Care Network<sup>3</sup>.

## Enhancing partnership with the third sector

**Recommendation 8. Our evidence reinforces the importance of the contribution made by the third sector to the Supporting People programme. The third sector has a major role both in delivering services and in identifying the needs of vulnerable client groups in the first place. The knowledge and expertise of the sector has significantly contributed to the success of the programme so far and it is crucial that it continue to be retained and exploited. (Paragraph 48)**

**Recommendation 10. Constant cycles of competitive tendering are burdensome and expensive and this has a disproportionate impact on third sector and smaller providers. The use of short term contracts to procure services should be avoided where possible by local authorities: we make further recommendations about how this can be achieved below. Meanwhile, however, the problem of the uncertainty of funding, which is at the root of some of the short-termism which has affected some Supporting People commissioning, needs to be addressed both by individual local authorities and by CLG itself. CLG's announcement of three-year funding settlements for local authorities has been a welcome step: the benefits which this has brought not only to the Supporting People programme but across local authority services must not be lost as the financial settlements for local authorities become tighter. Meanwhile local authorities must continue to pass on the certainty of three-year financial settlements to third sector providers, in line with the Supporting People strategy. (Paragraph 59)**

29. The Government agrees with the committee that the third sector has had a major role to play in the development and delivery of services and in identifying the needs of vulnerable client groups. The third sector has a long history of campaigning for social change and of innovating and working creatively to bring together the resources and services to make change happen. Third

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<sup>3</sup> <http://www.dhcarenetworks.org.uk/CAF/>

sector organisations have also proved themselves to be particularly adept at working with disadvantaged and vulnerable people, in disadvantaged areas and communities.

30. It is recognised that a majority of the services now being delivered under the Supporting People branding were developed from existing services being provided by the third sector prior to the introduction of Supporting People.

31. The Supporting People programme has, since its introduction, always been managed and delivered at the local level with strategic decisions about the services to be commissioned being made at the local level. Communities and Local Government recognises the need for the third sector to have continuity of funding. However, it must remain the decision for local authorities to determine the length of contracts based on local needs and priorities and the need to ensure maximum efficiencies across all funding streams.

32. The Supporting People strategy, *Independence and Opportunity – Our Strategy for Supporting People*<sup>4</sup>, published in June 2007, set out how we expected local authorities to work with the third sector. We said local authorities should:

- pass on three year funding certainty to third sector providers, explicitly including Supporting People contracts when appropriate
- comply with their commitments under the compact, and with full cost recovery – commissioners and funders should be prepared to meet the full costs and reasonable overheads associated with third sector delivery
- continue to support innovation, challenge and benchmark processes and costs against each other, to identify potential areas for further improvement
- ensure that their providers have the level of support they need, including capacity building
- continue to work with national organisations such as the National Housing Federation, Hact, Foundations and Sitra to support and build capacity in the sector.

33. We will, through the Supporting People Transition Board and in conjunction with national organisations such as Sitra and the National Housing Federation, continue to promote and encourage this line and approach to support the third sector.

**Recommendation 11. In letting contracts for Supporting People services, we believe that EU procurement rules are being used by councils as an excuse for their own inertia and risk aversion. It is clear to us that unambiguous guidance is needed to assist local authorities in developing approaches to commissioning and procurement which are legal, proportionate to the size of contracts being let and focused on both cost and quality outcomes. This is something CLG should prioritise. The Commission for the Compact published guidance on grants, contracts**

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<sup>4</sup>*Independence and Opportunity – Our Strategy for Supporting People*, Communities and Local Government, June 2007.

and EU procurement rules for third sector organisations and public sector commissioners in July 2009. We recommend that CLG take advantage of this opportunity to disseminate best practice guidance and encourage greater consistency across all local authority areas in approaches to commissioning and procurement. (Paragraph 68)

**Recommendation 12.** Some good procurement practice exists in effective local authorities. That practice needs to be shared much more proactively. With the uncertainty over future funding, we are concerned about the threat to the providers – particularly small and third sector providers – in lower performing local authorities where commissioning and procurement practice is already poor. Furthermore, even where there is good practice, the fact that local authorities take different approaches to commissioning and procurement can create a massive administrative and bureaucratic burden for providers working across local authority boundaries. (Paragraph 73)

**Recommendation 13.** The new regional improvement and efficiency partnerships (RIEPs) are the obvious vehicle for challenging poor and inefficient procurement practice, as well as for coordinating tendering and commissioning procedures across local authority boundaries. However, at present their role is unclear in many local authority areas. RIEPs need to be much more involved in tackling poor and inefficient procurement practice, and in joining up procurement practice across local authority boundaries. We recommend that tackling the complexities of commissioning and procurement with the third sector become a focus for the ongoing work of RIEPs. (Paragraph 74)

**Recommendation 14.** Capacity building on commissioning and procurement in the third sector should continue, but we recommend that the government focus its major energies on developing and issuing clear guidance to local authorities on commissioning and procurement and in joining up different local authorities' practices with regards to procurement. These measures would significantly reduce the burden on third sector providers. (Paragraph 80)

34. The Government is already taking work forward on commissioning and procurement as part of the transition package put in place to support the Supporting People community in an unring-fenced environment (**recommendation 12**). The Supporting People Transition Board has already identified the need to work more closely with the Office of the Third Sector, the Department of Health, the Office of Government Commerce, CIPFA and the IDeA to ensure consistency in this approach.

35. The Local Government Association and London Councils are also working with Communities and Local Government and other statutory bodies to develop capacity in local government and the third sector to deliver services. This programme includes enabling local partnerships (including the NHS and others) to deliver services effectively and efficiently and to support new providers in achieving and maintaining contracts. The associations will issue

advice in early 2010, continue to promote strong practice, will refresh advice using the web, and offer tools for elected members and senior officers to support practice and delivery. A seminar will be organised to strengthen practice and promote consistency (**recommendation 14**).

36. A small working group, made up of key stakeholders including local authorities and umbrella organisations, will be put in place to work with the Local Government Association and London Councils (as set out above) to take this work forward and to disseminate best practice.

37. Regional improvement and efficiency partnerships (RIEPs) have been set up to help local authorities and their partners to deliver better services, which are more closely aligned with citizens' needs, in more efficient ways. The Government agrees that the RIEPs do have a clear role in tackling poor and inefficient procurement practice, by promoting alternative ways of working that offer greater value for money and better outcomes for localities (**recommendation 13**). In many places this is already happening, for example:

- the North West RIEP's health and social care commissioning programme has developed four joint commissioning action learning sets, with 41 participants from local authorities and 30 from primary care trusts. A commissioning website has been developed, which has been nominated for an e-government national award and scored 26,000 visits in 2008-09
- in the South West, the RIEP supports the Peninsula Commissioning Group, which has reduced the number of children with three or more placements per year from 17 per cent to 10 per cent (2 per cent lower than the national average) while also saving local authorities £1.6m in its first 18 months (from summer 2007). The success of this project was recognised in March 2009 when it was awarded Beacon Status
- a learning network for sustainable procurement is supported by the East Midlands RIEP, which includes private sector and third sector organisations to ensure that the business needs of the region are understood
- the West Midlands RIEP is working with the region's Government Office to develop a series of 'social clauses' that can be used to encourage and support engagement and procurement activity with small businesses and the third sector in the West Midlands.

38. Bill Roots' independent review into procurement efficiency<sup>5</sup>, which reported in 2009, also made several recommendations about steps RIEPs should take to encourage and help authorities to procure goods and services better. Among other things, it envisages all RIEPs providing easy access to 'best deals', benchmarking data, and good practice advice on key issues including working with small and medium sized enterprises, social enterprise and the third sector. The RIEPs are working together in response to these recommendations.

39. The role of RIEPs should be to communicate clearly with all local authorities the opportunities available from coordinating procurement activity and developing a better relationship with the third sector, and to stand ready to work

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<sup>5</sup>The Review of Arrangements for Efficiencies from Smarter Procurement in Local Government, Bill Roots, 2009.

with any authorities judged to be underperforming so that they can improve. The role of Government is not to direct RIEPs about how to do this, but to engage in a structured dialogue with them to ensure they are taking action on issues of national concern, such as those highlighted by the committee.

**Recommendation 5. Comprehensive area assessment cannot alone be relied upon to ensure the continued quality of Supporting People services. The development of local strategic partnerships (LSPs) as decision-making forums for Supporting People services may pose a risk to user involvement in some areas. In order to retain a proper focus on housing related support and facilitate good service user involvement in the decisions of local strategic partnerships, there is a very strong argument to keep the existing Commissioning Body and associated service user involvement structures established under the Supporting People programme. We return to this point later in this report. (Paragraph 35)**

**Recommendation 15. In the evidence we heard, there was general consensus amongst witnesses that the Supporting People decision-making and delivery structures were so effective that they should be considered as providing a blueprint for partnership working within local area agreements and other partnership arrangements. We therefore see the potential loss of these structures not only as a risk, but also a wasted opportunity to showcase and replicate good practice in multi-agency partnership working across the board. We recommend that local authorities retain Supporting People governance and delivery structures (Teams and Commissioning Bodies). We also recommend that the Government further promote these structures more generally as models of good partnership working for local authorities and their partners. The retention of these structures will also assist in addressing the risks to service user involvement which we discussed earlier in this report. (Paragraph 87)**

**Recommendation 16. The increased flexibility and local decision-making which the removal of the ring-fence and the funding of Supporting People services through area-based grant have brought is a positive development. However, the maturity of some local strategic partnerships, and consequently the ability of some LSP partners effectively to commission services jointly, are in doubt. There is a risk of losing some of the excellent practice which has been developed in the commissioning of these services. For these reasons we consider that Supporting People services require some continued protection as LSPs continue to develop. (Paragraph 108)**

40. The Government welcomes the committee's acknowledgement of the effectiveness of the Supporting People decision-making and delivery structures and how they should be considered as a blueprint for partnership working within the local area agreement and other partnership arrangements. However, the structures within local authorities are changing and many key commissioning decisions are now made by local strategic partnerships (LSP) or thematic groups (from the LSP). Supporting People needs to ensure that it is embedded within these new structures or has direct links into the structures if it is to retain a high profile across council business.

41. The Government will draw on the work already undertaken by Sitra to gather and examine information from local authorities on commissioning structures and engagement with partners and work with them to identify evidence of good practice and disseminate this to local authorities.

42. A number of local authorities have begun to integrate the Supporting People teams within the Adult Social Care teams in order to share the experience and good practice of the Supporting People staff. Communities and Local Government will identify where this is working well and will disseminate information about how they are achieving this and ensuring the learning from Supporting People is being integrated into other areas of local authorities' work.

## Delivering in the new local government landscape

**Recommendation 17. We recommend that CLG ensure that guidance is drawn up and disseminated for delivering housing-related support in two-tier areas. CLG does not necessarily have to be the author, or main instigator, of this guidance: indeed, in line with the conclusions of our recent report, *The Balance of Power*, on the relationship between local and central government, we consider that it may be more appropriate for local government itself – whether through the LGA or otherwise – to take the lead in ensuring that this is done. (Paragraph 111)**

43. The Government accepts that timely and focused guidance has played a significant role in ensuring the delivery of targeted local Supporting People services since the start of the programme. We also recognise that authorities now have to consider and deliver Supporting People support in a new strategic context, as LSPs continue to develop.

44. However, the local authority associations are of the view that further guidance may not be the most effective and helpful approach for authorities in two-tier areas at this stage, a view which we share. For further guidance to be meaningful and effective, there is a need first to develop capacity in local government. As mentioned in paragraph 35 above, Communities and Local Government is working with the local authority associations and other statutory bodies to develop capacity in both local government and the third sector, and we will look at the requirements in two-tier areas as part of that work. Among the aims of the work are to enable local partnerships to deliver services effectively and to provide support to new providers.

45. The Government will revisit the need for further guidance in the light of this work.

46. Through the Supporting People inspection programme, the Audit Commission has identified evidence of good practice in two-tier authorities which Communities and Local Government can disseminate more widely.

**Recommendation 18. We recommend that the development of joint strategic needs assessments be accelerated as a priority in planning for the provision of Supporting People services. Specifically, we recommend that a reference to housing-related support be included in the JSNA guidance. (Paragraph 121)**

47. Communities and Local Government and the Department of Health will undertake further measures to widen the dissemination of good practice linked to the joint strategic needs assessment (JSNA) to ensure that the role of housing related support is understood and taken into account when commissioning decisions are being taken at local level. The Department of Health has confirmed that it has no plans to issue revised JSNA guidance but has agreed to work with Communities and Local Government to ensure that housing related support and the needs of vulnerable adults and not just PSA16 client groups are taken into consideration.

**Recommendation 19. With greater local freedoms, improved accountability is needed. To ensure that comprehensive area assessment (CAA) is capable of providing that accountability, therefore, we support the proposal by Westminster City Council and others that there should be a requirement for strategic commissioning and contract monitoring frameworks to be in place in each administering authority so that inspectors know where to look for the information they need for CAA. We also reiterate our recommendation that the Outcomes Framework should continue to be a requirement in all local authorities. The Outcomes Framework will be able to provide a clear focus for CAA inspectors' assessment of the effectiveness of SP services in an area. (Paragraph 136)**

**Recommendation 20. There are steps which should be taken by the inspectorates themselves to ensure robust and effective inspection. Crucial among these is ensuring service user input. The previous inspection regime was very effective at enabling such input; the new, lighter touch inspections may find it more difficult. We recommend that the inspectorates develop clear guidance and procedures for inspectors on ensuring user input to inspection results. (Paragraph 137)**

**Recommendation 21. It will be important to continue to review the outcome of CAA in the light of experience – not only, of course, in the context of the inspection of Supporting People-related services, but more widely – and to adjust the regime, and the elements such as those we have recommended above, which support it, to ensure that it remains both effective and also as unburdensome as possible. (Paragraph 138)**

**Recommendation 30. Concerns remain about less well-performing local authorities with regard to their understanding of the value of Supporting People and in their approaches to commissioning and procurement of services. We understand that CLG is targeting support to such authorities but, despite this, we are concerned that additional freedoms in the spending of Supporting People funds could be misused in local authorities where Supporting People is misunderstood or not seen as a mainstream part of service delivery. We support moves to devolve decision making and control over budgets to the local level. However, as we relate above, we are uncertain at this stage how well the new comprehensive area assessment will identify where the needs of vulnerable people are not being met and believe that there is a possibility that the needs of vulnerable people could go un-served and unnoticed in some areas without a continued specific focus on housing-related support. (Paragraph 205)**

**Recommendation 31. We see this as a serious risk to the future of housing-related support and believe that the continued existence of such structures is critical in the absence of a ringfence on Supporting People funding. (Paragraph 206)**

48. Now that the first year of the comprehensive area assessment (CAA) has reported, there are a number of local authorities where housing related support matters have received a red flag which highlights that the CAA can and does identify where the needs of vulnerable people are not being met. We are currently working with the Audit Commission to strengthen the information we provide in relation to housing related support within the CAA process. For example, the Audit Commission has now agreed to include the Supporting People outcomes within its risk tool which will add weight when assessing housing support services.

49. Communities and Local Government will continue to work with the Audit Commission to ensure that any related inspections, including specific housing support inspections, which may take place due to poor CAA results are programmed appropriately alongside other key issues for each locality.

50. We are currently in conversation with the Audit Commission on how the current risk assessment can be strengthened for the second year of CAA and on what follow-up work is being planned after first year reporting. We will write to the committee setting out how we can respond further to the recommendations made.

**Recommendation 22. We agree with the prevailing view amongst our witnesses that there is at present no strong case for putting Supporting People services on a statutory basis. Those services would be extremely difficult to define in legislation, and to attempt to do so would be to risk hampering attempts to join up health, social care and housing in a continuum of services appropriate to the needs of service users. We consider that the recommendations which we make elsewhere in this report should be sufficient to protect Supporting People services. However, the situation should be monitored and we recommend that the case for placing SP services on a statutory basis be reconsidered at a later date in the light of the evolving social care agenda. (Paragraph 144)**

51. The Government agrees with this recommendation and will monitor the provision of Supporting People services and high level outcomes through the local government national indicators. In addition, the Government will continue to encourage authorities to submit data on client outcomes via the Supporting People local systems.

## Increasing efficiency and reducing bureaucracy

**Recommendation 23. CLG needs to take a stronger ambassadorial role amongst other Government Departments and agencies to promote housing-related support in the context of the health and social care policy areas. Its leadership is crucial in ensuring continued recognition of the value of Supporting People services, and setting a precedent for effective partnership working at local levels. (Paragraph 145)**

52. We support this recommendation and will continue to work with other government departments to promote housing related support. It will be important to ensure that the preventative role of housing related support is recognised in the ongoing work on the future of the care and support system, and we will be working closely across government to make sure this is the case.

53. The joint Department of Health – Communities and Local Government housing policy forum considers matters of cross-cutting interest to both departments. This forum has been used to identify areas of work where it would be beneficial to work more closely together, including identifying and taking forward work to ensure housing related support is included in the joint strategic needs assessment. The Government will build on the work of this group by using it as a strategic forum to address cross-cutting issues important to both departments and will draw in other departments such as the Ministry of Justice as necessary. In particular, we will use it to raise the profile of, and take forward work to look at amending, the QAF to take account of the Care Quality Commission standards which are due to be implemented in April 2010.

54. We also agree that Communities and Local Government has a responsibility to act as an ambassador for housing related support for government, and to ensure that the benefits of investment into housing related support are recognised. We will build on our work in this area, particularly through the promotion of the results of the Capgemini financial benefits research. We also intend to carry out further analytical work to build on this model, which will help to demonstrate further the benefits of housing related support across government.

## Sheltered housing

**Recommendation 26. We welcome the fact that a ministerial group is now considering these issues, and trust that it will take note of the volume and strength of evidence submitted to this inquiry on the topic of sheltered housing. The evidence we received suggests that this Ministerial group needs to focus on:**

- **reviewing whether sheltered housing should stay within the SP regime**
- **improving needs analysis so that evidence is available of what older people want**
- **developing a more coherent strategy for the provision and funding of housing and support services for older people, making clear the role of sheltered housing**

**The group should also consider the effect of splitting ‘accommodation’ and ‘support’ under Supporting People on builders of supported housing, and make recommendations about how to ensure that capital investment in new supported housing is not threatened by the risk of ongoing revenue funding being unavailable. (Paragraph 178)**

55. The Government accepts the need to review the issues outlined in the above recommendation. However, we do not believe the ministerial-led Sheltered Housing Working Group is the appropriate forum for this discussion. There are financial, and possibly legal, implications linked to this recommendation which need to be considered by ministers from Communities and Local Government as well as those from the Department for Work and Pensions, the Department of Health and HM Treasury. There are already a number of cross-Whitehall Cabinet Sub-Committees, e.g. MISC35 or Life Chances (Social Exclusion) where these issues may be raised, discussed and resolved and we will investigate which of the groups is best placed to do this.

## Supporting People Distribution Formula

**Recommendation 27. We accept the argument that without extra government funding for the transition, gradual movement from historical funding patterns towards fully needs-based allocations is inevitable. If a sudden redistribution of funds was made, some areas would be faced with the prospect of having to make sudden cuts to services. Nonetheless we appreciate that without adequate funding, councils will be unable to provide the services vulnerable people need. We therefore consider that there should be accelerated movement towards the needs-based allocations, and we recommend that this take place. (Paragraph 186)**

**Recommendation 28. We welcome the commissioning of a study of the Supporting People Distribution Formula itself, and the intention to address any issues found therein. We recommend that the study include consideration of the issues of rurality and of population growth which have been raised with us during this inquiry, and that steps be taken to address those issues should the concerns raised prove valid. (Paragraph 187)**

56. The Government has reservations about the committee's recommendation to move at an accelerated pace towards needs-based allocations (**recommendation 27**). In particular, we share the committee's concern about the impact on local services of a sudden reduction in grant allocation to some areas which runs the risk of either destabilising the sector or leading to an increase in council tax.

57. The removal of the ring-fence and the inclusion of Supporting People in area-based grant from April 2010 mean that there will no longer be a requirement on local authorities to use Supporting People grant to provide housing related support or wider welfare services. As a result, the outcome of any acceleration towards full needs-based allocation will not be measured.

58. However, the Government considers that any decisions about accelerating towards full needs-based allocations will need to take place as part of the discussions on the next Spending Review. Those discussions will determine the overall size of the Supporting People budget for the next period and will indicate how local authority budgets would be affected if the amount of grant available nationally were to change.

59. The Government supports **recommendation 28** in principle. Communities and Local Government commissioned a scoping review of the Supporting People Distribution Formula which was published in September 2009. This review examined the formula at three levels – overall design, function and its use of data to determine whether the data used at each level of the formula is appropriate. The review made a number of minor recommendations such as possible alternative data sources for offenders, people with mental health issues and young people at risk. It also recommended that the formula should take account of population changes in the four Sustainable Growth Areas. We are currently giving careful consideration to these recommendations ahead of the determination of allocations for 2011-12. As part of this, we will consider whether the formula should be further amended to take account of rurality and population growth.

**Recommendation 33. As we discussed earlier in our report, we do not believe that it would be appropriate at this stage to put Supporting People on a statutory footing, nor are we persuaded that there is a need to compel local authorities to adopt mandatory performance indicators for housing-related support. However, we do believe that retaining the Supporting People ‘brand’ and championing its purpose will be very important in the absence of other protections. (Paragraph 209)**

60. The Government agrees with the committee’s recommendation that it is not appropriate at this stage to put Supporting People on a statutory footing or compel them to adopt mandatory national indicators. Through the work of the Supporting People Transition Board and with the national representative organisations, we will continue to use and champion the Supporting People ‘brand’ alongside the need for development of housing related support services.

**Recommendation 34. Without doubt, the Supporting People programme has achieved a great deal and it is our view that any avoidable threats to its continued success must be averted. The value of Supporting People has been demonstrated to us not only in robust financial terms, but also through the volume and strength of submissions we received during our inquiry, which show how the programme has transformed many vulnerable people’s lives. (Paragraph 210)**

61. The Government will continue to demonstrate the value of Supporting People through encouraging the use of the local financial benefits model and the national Capgemini research work to demonstrate the invest to save nature of the programme. Communities and Local Government has already commissioned further work on the financial benefits of handyman services which provide low-level interventions to enable vulnerable adults to continue to live independently.

**Recommendation 36. We conclude that fears about the loss of funding to Supporting People services can best be countered by ensuring that it is clear to all concerned how much money has been allocated to a council for those services; and how much the council has actually spent on them. We therefore recommend continued transparency in the allocation**

**of Supporting People funding in the area-based grant. Local authorities should not be required to spend funds allocated on the basis of assessed need for housing related support on those services if they consider that it would be better spent elsewhere. They should, however, be required to justify, and account for, any decision to do so. This local accountability, combined with the retention and enhancement of the other protections which we have recommended, should ensure that the Supporting People programme continues to deliver vital services to some of the most vulnerable in our society. (Paragraph 212)**

62. We support the recommendation for transparency in the allocation of the Supporting People funding within the area-based grant and will continue to provide local authorities with details of the Supporting People allocation when Supporting People is placed within the area-based grant.

63. The removal of the ring-fence and the incorporation of the Supporting People funding into area-based grant means Communities and Local Government no longer imposes separate reporting requirements on local authorities in respect of different funding streams. Communities and Local Government will, however, continue to monitor the provision of housing related support services through the national indicator set and through the Supporting People local systems data which local authorities provide on a quarterly basis.

## The ringfence

**Recommendation 29. We conclude that pressure on local authority budgets is a potential threat to the future of some existing Supporting People services and to the likelihood of currently unmet need being addressed in future. The question is how best to address that threat, recognising that it applies equally to other local authority services, and that local people should in principle be in the best position to determine how best to allocate resources. (Paragraph 203)**

**Recommendation 35. With the lifting of the ringfence, we are concerned that many ‘protections’ of Supporting People are being lost simultaneously in particularly challenging economic circumstances. Nonetheless, we are supportive of the Government’s overall policy of reducing ringfenced funding, and consider that there is much to be gained from the greater flexibility which it offers. We do not, therefore, recommend the reimposition of the ringfence on Supporting People funding. (Paragraph 211)**

64. We acknowledge that pressure on local authority budgets is a potential threat to the future of some existing Supporting People services and to the likelihood of currently unmet need being addressed in future. The question is how best to address that threat, particularly in the current economic climate, recognising that it applies equally to other local authority services, and that local authorities working with their partners are well positioned to determine how best to allocate resources (**recommendation 29**).

65. The Government welcomes the committee's endorsement for the lifting of the ring-fence for the Supporting People programme. We agree that the re-imposition of the ring-fence would restrict the flexibility of local authorities to offer better, more innovative services that are more tailored to the needs of the individual. It would also hinder the mainstreaming of the programme in local authorities' service delivery which we are keen to encourage and support **(recommendation 35)**.

66. The Government will continue to raise the profile of the Supporting People programme through dissemination of good practice and by highlighting how it can help support and deliver across a wide range of government agenda and local authorities' priorities.

67. As we set out in paragraphs 47 and 53, the work that we are taking forward with the Department of Health on the joint strategic needs assessment and building on the work Sitra have started on the local governance structures should ensure that as, strategic decisions are taken on commissioning services, the value of delivering Supporting People housing related support services is recognised.

68. As set out in paragraphs 10 to 17, Communities and Local Government will work with other government departments and local authorities to embed and link the Supporting People Quality Assessment Framework and the Outcomes data into related frameworks in order to show the benefits of providing housing related support services.



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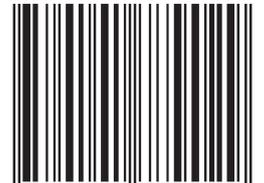
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