

EAST AYRSHIRE COUNCIL

SOCIAL WORK COMMITTEE - 11 SEPTEMBER 2003

THE SUPPORTING PEOPLE PROGRAMME

**Joint Report by the Director of Homes and Technical Services and the
Director of Educational and Social Services**

1. PURPOSE OF REPORT

- 1.1 To advise members of the implementation of this Scottish Executive initiative and its operation in East Ayrshire Council since April 2003.

2. BACKGROUND

- 2.1 Previous reports to Committee have detailed the policy background to the Supporting People Programme together with the funding being made available to the Council.

3. PROGRESS UPDATE

- 3.1 The Transitional Housing Benefit scheme, which was the main mechanism used to build the funding needed to operate the Supporting People Programme ceased at the end of March 2003. Reports submitted to the Department for Work and Pensions and the Scottish Executive have indicated that a total of £5.587M at 2003/4 prices is due on claims that were running at the end of the scheme.
- 3.2 That amount, together with other amounts previously paid from the Housing Revenue Account to fund housing support services as well as Special Needs Allowance Package funding previously paid through Communities Scotland, has led to a total of £6.535M being the total current value for 2003/4 of the Supporting People Programme in East Ayrshire Council. Against that amount, a final claim has been submitted to the Scottish Executive for £6.0M in Supporting People Grant, following completion of the reconciliation process required to validate the claim. The difference between these two amounts is primarily made up from the 5% contribution detailed in Section 4 of this report and the requirement for an ongoing contribution from the Housing Revenue Account as detailed in Section 5 of this report. There is also an estimated income due from charging for services of some £51,000 for 2003/4. This is due from people who do not qualify for Housing Benefit but who receive services that are now funded from Supporting People Grant, where those services were previously funded mainly from Transitional Housing Benefit. As previously reported to Committee, only short term or emergency services that receive Supporting People Grant funding are exempt from charging.

- 3.3 It was previously reported to Committee that the Scottish Executive may provide extra revenue funding for new support services. Following close scrutiny of bids submitted earlier this year, the Scottish Executive has now agreed to provide additional revenue funding for all the schemes put forward by East Ayrshire Council.
- 3.4 The additional funding will come on stream as the various projects are completed and start providing support services. Once all the additional funding is in place, an extra £310,000 per year will be received in Supporting People Grant, over and above any other inflationary or growth funding. This is additional to the figures given in Paragraph 3.2 above.
- 3.5 Negotiations are continuing to take place with a consortium of Housing Associations, led by Hanover Housing Association, on the terms and conditions of interim contracts under which the Supporting People Programme will operate in the longer term. In the interim, payments of grant are being made in terms of formal letters of agreement, as recommended by the Scottish Executive. Service Level Agreements are being put in place to regulate the funding and provision of in-house services where they are to receive Supporting People Grant.
- 3.6 Discussions are taking place with other Scottish local authorities, Communities Scotland and the Scottish Commission for the Regulation of Care (the Care Commission) on the service review process that is an integral part of the Supporting People Programme. It is essential that it is consistent with the new inspection and regulation processes being put in place by Communities Scotland and the Care Commission in order to minimise the burden on support service providers caused by inspection and regulation. A standard service review tool will be produced that will be available for all Scottish local authorities to use.
- 3.7 The Core Co-ordination Group, led by the Vice-Chair of Housing, continues to meet on a regular basis to monitor progress on implementing the Council's strategy and operational plans.

4. FINANCIAL IMPLICATIONS FOR THE GENERAL FUND

- 4.1 As previously reported to Committee, the Scottish Executive are providing 95% of the funding in Supporting People Grant that was previously provided through Transitional Housing Benefit, with the remaining 5% being met by the Council. Discussions continue between departments on how that 5% will be made up.

5. FINANCIAL IMPLICATIONS FOR THE HOUSING REVENUE ACCOUNT

- 5.1 As previously reported to Committee, the Scottish Executive required local authorities to identify all housing support services funded from pooled rent income and report on them as part of the Supporting People implementation process. The main service element identified was the cost of the Council's sheltered housing warden service. The final value for support service funding, adjusted for 2003/4 prices was identified as being £869,502, against which a total of £665,682 has been claimed in Supporting People Grant. The difference of £203,820 represents that proportion of service users who did not receive Housing Benefit as at the end of March 2003. This amount will need to be funded from the Housing Revenue Account to provide services free of charge to those existing tenants who do not get Housing Benefit, on a preserved rights basis. New tenants who do not qualify for Housing Benefit will need to be charged on the same basis as any other person receiving a Supporting People Grant funded service that does not qualify for Housing Benefit.
- 5.2 It is not possible to predict how quickly the amount that needs to be found from the Housing Revenue Account for "protected tenants" will reduce since this will depend primarily on the rate of turnover of those existing tenants who do not receive Housing Benefit in our sheltered accommodation.
- 5.3 The Supporting People Grant that has been claimed for services previously funded from rent pooled income is paid on a matching funding basis, thus freeing up resources from the Housing Revenue Account. The Scottish Executive have indicated that the funding will only be paid on condition that the freed up resources are committed to meeting the proposed Scottish Social Housing Standard. A report detailing how the freed up resources may be spent will be the subject of a separate report to a future meeting of the Housing Committee.

6. POLICY IMPLICATIONS

- 6.1 The requirement to start charging new tenants who do not qualify for Housing Benefit for the warden service in East Ayrshire Council sheltered accommodation will introduce a financial disincentive which may have an adverse impact on demand for some of the schemes. This issue will need to be addressed during the service review process, as described in Para. 3.6 above.

7. LEGAL IMPLICATIONS

- 7.1 There are no legal implications arising from this report.

8. RECOMMENDATIONS

8.1 It is recommended that the Committee note the contents of this report.

James Lavery
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8 August 2003

LIST OF BACKGROUND PAPERS

Nil

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