

**The Supporting People Programme in Wales:
Final Report on a Review commissioned by
Jocelyn Davies AM
Deputy Minister for Housing and Regeneration,
Welsh Assembly Government**

**Executive Summary,
Conclusions and Recommendations**

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**Professor Sir Mansel Aylward CB^{1,2},
Dr Kerry Bailey², Professor Ceri Phillips³, Keith Cox² and Eleanor Higgins²**

¹ Cardiff University; ² Public Health Wales; ³ Swansea University.

1. Executive Summary

'We work with people in the gutter and that step up from the gutter to the pavement is the hardest 4 inches that anyone is going to make in their life' Provider

- 1.1. On 2 December, 2009 Jocelyn Davies AM, the Deputy Minister for Housing and Regeneration in the Welsh Assembly Government announced that she had commissioned this review of the Supporting People Programme in Wales. The review would provide her with advice on current policies, arrangements, systems and resources, including the making of recommendations that would strengthen the Programme and maximize the contribution it makes to the health and well-being of people for whom the Supporting People Programme is intended. The report on the review would also identify short, medium and long term priorities. Terms of Reference were agreed and these formed the essential framework for the conduct of the review and securing of the review's desired objectives.
- 1.2. A number of issues had emerged since the Programme's inception in 2003 which required thorough investigation and resolution. These related to the process for allocating funds to the Programme across Wales which many considered was an inequitable distribution; the fitness of the division of funding into two separate streams administered respectively by Local Authorities and the Welsh Assembly Government; the cost-effectiveness of the Programme and achievement of value for money; the lack of clarity surrounding the roles and responsibilities of the Welsh Assembly Government, Local Authorities, service providers and other key players. Equally, matters relevant to the Programme's governance, accountability arrangements, procurement and commissioning process and, indeed, the accessibility of services to the people that needed them were perceived as in need of greater understanding.
- 1.3. More than 260 people were interviewed, some on more than one occasion, primarily drawn widely from key stakeholders (including the Welsh Assembly and Local Government), service providers, people who need the services, analogous services provided in England, Scotland, Northern Ireland and the international arena and from groups and organisations (including public health and health services) that could provide informed comment on the Supporting People Programme in Wales. Moreover, some 278 documents were examined in evidence in the course of the review. Two literature reviews were also completed during the period of the review: *Supporting People programmes across the UK* and *Housing related support interventions*. The documents reviewed also included those solicited from, or volunteered by, a number of organisations in Wales involved in providing housing-related services, support for homeless people and the coordination of such services.
- 1.4. The review was also informed by an Advisory Group made up of representatives from Welsh Assembly Government, Cymorth Cymru, Welsh Local Government Association (WLGA), Community Housing Cymru (CHC), and Supporting People Leads. To assist in reviewing the evidence and advising on emerging conclusions and recommendations independent or impartial experts were consulted.
- 1.5. The review has gained a very considerable and in-depth understanding of the Supporting People Programme in Wales and in other countries. In Wales the Programme is providing commendable and sorely needed assistance, support and relief for the most

vulnerable and disadvantage people who have either lost or are at risk of losing their homes. It is estimated that around 50,000 disadvantaged people are helped in this way in Wales every year over recent years. Although there are conventional health and social services to which these citizens may have access, the complexity of their needs and individual circumstances place them at risk of losing their homes or, indeed, have rendered them homeless. Without the support provided by the Programme their additional adverse personal or situational circumstances would not only have compromised their obtaining secure accommodation but would most likely have moved them further down a trajectory to more severe disadvantage and social exclusion. Moreover the review recognises the considerable work of the third sector and their advocacy over decades to direct Government funding to deliver sustainable services.

- 1.6. The existing structure and distribution of grants disbursed from the Programme's fund is a historical legacy which is recognised almost universally as in need of adjustment. Allocation by way of the Supporting People Grant (SPG) and the Supporting People Revenue Grant (SPRG) may well have been based on sound reasons for initially structuring the funding streams in this way. However understanding of the ways in which the Programme is currently delivered, the burden imposed upon the Welsh Assembly Government in administering the SPRG and the vagaries inherent in the disbursement by two separate funding streams argue strongly against the retention of this complex mechanism for allocating the Programme's funds. The introduction of a single, unified, Supporting People Programme Grant (SPPG) is essential for the Programme to emerge unshackled from the obstacles inherent in the current system to achieve its maximum potential. Allocation of the SPPG to Local Authorities outside the Revenue Support Grant (RSG) and ring-fenced, emerged as the preferred option.
- 1.7. Administration of the allocated portions of the proposed single Supporting People Programme Grant (SPPG) was an issue which taxed the deliberations of the review team. Widely divergent views were expressed by some representatives of Local Authorities, Accredited Support Providers and subcontracted providers but these were in the minority. The general opinion favoured a more collaborative and consensual approach. The single most important concern was the potential demise of the Supporting People Revenue Grant (SPRG) and a unified stream of funding to Local Authorities. Frequently, assertions made among those who opposed this was that it risked diversion of some of that funding by Local Authorities to support people for whom they held statutory obligations. It was most evident to the review team that there had to be robust and visible mechanisms in place to appease concerns. This was considered essential to ensure that the grant, even if ring-fenced, was used solely to fund support to meet the needs of disadvantaged and vulnerable people strictly within the context of the Supporting People Programme.
- 1.8. To address these concerns and to exploit the substantial benefits which would be brought by an administration which would rest on a collaborative and multisectorial arrangement, the review advances such a proposition. Arrangements are described for establishing a duly constituted committee to include representatives of the Local Authority, housing related services, probation service, providers of supporting people services, public health, Local Health Board, service users, and independent members. This collaborative committee at the level of the Local Authority would undertake the administration, commissioning, procurement, quality assurance, local regulation and oversight of supporting people services. The committee would have an abiding

emphasis on co-design and co-production and the securing of tangible outcomes and their evaluation. It is also advanced that this collaborative arrangement could well form a subcommittee of the relevant Local Service Board.

- 1.9. Excellent examples of cross-boundary working in the context of the Supporting People Programme already exist and merit strong support by the Welsh Assembly Government. These existing arrangements bring benefits to short, medium and long-term planning and a strong platform for the more efficient and effective use of available resources. This strongly argues in favour of the proposed local collaborative committees as an interim step towards the setting up of single geographically determined collaborative committees across Local Authority boundaries. These would subsume the roles and functions of the constituent Local Authority collaborative committees lodged in Local Service Boards.
- 1.10. The basis upon which Supporting People funds are currently assigned to each Local Authority also needs urgent adjustment. This is yet another historical legacy which frustrates the more equitable distribution of funds at the local population level. It has been long accepted that the nature of this distribution does not represent actual needs. The review has identified the considerable amount of work which had been commissioned by the Welsh Assembly Government to develop a formula-based mechanism informed by a statistical analysis of needs and costs. A range of options for the development of such a formula has stalled. A preferred option was arbitrarily selected but difficulty was experienced in securing the data necessary to populate this formula which involved an intensive multi-level modelling approach. The current allocation still rests on legacy funding which is far from being equitable and appropriate.
- 1.11. Experts in the Public Health Wales Observatory were consulted. On the basis of that advice and discrete analysis by the review team of the mapping of funding in relation to gross measures of deprivation across Wales, led to the evolution of an empirical distribution formula. In essence the formula reflects a small number of appropriately weighted items which are robust, transparent, readily available from existing data sources and includes appropriate adjustments for measures of deprivation or its component parts. After careful consideration the following five variables, appropriately weighted, were selected for inclusion in the distribution formula:
 - Welsh Index of Multiple Deprivation
 - Social Fragmentation Index
 - Number of people in receipt of at least the middle rate of the care component of Disability Living Allowance
 - Age structure of the population: the proportion of older people living alone
 - Local measures of homeless people
- 1.12. The proposed distribution formula is recommended for adoption in the short term to disburse the Supporting People Programme Grant to Local Authorities. This formula may be amended over a period of three to five years for the phasing in of a formula which more accurately defines the resources required to deliver the support required by constituent populations. It is strongly felt by the review team that this would also drive forward the pressing need for the gathering of pertinent data which more accurately reveals the nature and extent of citizens' needs requiring support under the Programme.

- 1.13. However introduction of the proposed formula should be phase-in and tapered. It became evident early on in the review that Local Authorities receiving larger sums under the current distribution had evolved some highly effective support services. These services would be adversely affected were levels of funding to fall as a consequence of implementing the proposed new formula. Similarly, Local Authorities receiving funds at the lower end of the distribution spectrum currently lack capacity and arrangements to make immediate and effective use of additional funding. It is, therefore, imperative that changes in the levels of grant allocation should not be precipitate. A period of close monitoring should be undertaken of both intended and unintended consequences of the redistribution of allocated funds. Another mechanism which could mitigate the effects of abrupt changes in funding would be greater cross-border working.
- 1.14. The review reveals mounting evidence that the Supporting People Programme in Wales requires strengthening of its governance arrangements, lacks transparency, at times confuses commissioning and procurement, and is prey to the uncertainty of roles and responsibilities of the Welsh Assembly Government, Local Authorities and principal providers of support services. Strategic direction is wanting and visible leadership needs to be reinforced. The review team considered ways in which these deficiencies might be remedied. To that end a National Advisory Board is advocated. This would be chaired by the Deputy Minister for Housing and Regeneration and provide her with advice and information to assist her in discharging her functions and accountabilities in regard to the Supporting People Programme. The National Advisory Board's objectives, constitution, functions and relationships are offered in this report for consideration by the Deputy Minister.
- 1.15. The present structures and arrangements for the administration, commissioning, regulation and monitoring of support services were the butt of many concerns which surfaced in the review. This pertains at the national, local and community levels. To temper these concerns a more collaborative, consensual and multi-sectorial modus operandi at the level of the Local Authority is called for. The proposed collaborative committees working in conjunction with, and overseen by, the National Advisory Board would further facilitate the resolution of these concerns.
- 1.16. Collaborative mechanisms proposed in this report are also key to more effective and targeted commissioning. The collaborative committees must ensure that all key players are part of the decision-making process. The review also identified a greater role for public health in commissioning decisions. Health and healthcare intelligence from a population perspective would be brought by expert advice from public health to commissioning decisions. This would also facilitate the introduction of a required element of academic rigour and the more robust evaluation of outcomes.
- 1.17. Outcome agreements with Local Authorities have been introduced by the Welsh Assembly Government as part of the "New Understanding Agreement". There is welcome evidence that an outcome-based system, based on support plans, has been adopted by a growing number of support organisations. Furthermore, the review commends the sterling work accomplished by the "Outcome Development and Pilot Group". That Group has articulated a number of defined outcomes that serve to measure key strategic aims advanced by the group. The review concludes that this essential approach is promoted and actively supported by leadership and direction from the

Welsh Assembly Government and Local Authorities. Of cardinal importance is the setting-up of a National Framework for data collection along lines which are described in this report.

- 1.18. The accreditation process is well liked and useful. Currently it is only used for those applying for SPRG funding directly from the Welsh Assembly Government. However there is an opportunity to expand this process to all providers. There needs to be a balance among Local Authorities of the monitoring, regulation and inspection of service providers. All providers funded by the proposed SPPG should be included in this process. A light-touch approach to outcomes monitoring would be benefitted by the development of national guidelines based on the current experience gained from SPRG inspections.
- 1.19. Although the tariff has been seen as a useful guide for funding services the final amount that the end provider receives is usually less than the tariff rate. Furthermore the imposition of tariffs are a barrier to outcomes based commissioning. They are a process based approach to funding. Current financial arrangements are not seen as transparent; the use of the tariff system contributes to this. Tariffs neither support open commissioning nor cost effectiveness. The evidence gathered in this review does not support the continuation of the tariff system.
- 1.20. The review elicited some strong opposition to automatic eligibility for Supporting People funds by those who resided in Type II Housing (“Sheltered Accommodation”). This is related to tenancy not need. It is recognised that there are a growing number of older people with support-needs who do not live in “Sheltered Accommodation”. There was very considerable support for basing eligibility on need rather than age or tenure.
- 1.21. Discovering discrete and robust evidence for the cost-effectiveness of the Supporting People Programme in Wales posed a considerable challenge to the review team. This necessitated the garnering of relevant evidence from a variety of pertinent alternative sources including an analysis of available literature of analogous schemes in the international arena. A recent cost-benefit review completed by Carmarthenshire County Council is of signal importance. That exercise estimated that the value of costs avoided by the programme is over twice the costs of the programme itself. These findings reinforce the benefits identified in an earlier report which took into account the cost-effectiveness of the programme across Wales (Matrix, 2006). The review supports the contention that the Supporting People Programme in Wales is cost-effective and in several respects delivers value for money in the context of a broad public sector perspective.
- 1.22. Until a robust outcome framework is in place with more rigorous evaluation of supporting people services and outcomes set against alternative mechanisms of support, precise and sturdy data on cost-effectiveness will not be gained. The review has demonstrated that the Programme’s benefits in terms of avoided costs are dispersed across a range of public sector organisations. This renders the Programme vulnerable to under-investment. The returns from the Programme are, thus, not readily identified; no single part of the public sector fully appreciates its value. This skewed perception of the financial benefits which the Programme brings is a major obstacle to recognising fully its salutary and profitable nature and features.

- 1.23. Due regard must be given to the extent of financial resources required to meet the magnitude and complexity of the Supporting People Programme in Wales. At all times during the conduct of this review, the risks potentially posed to the programme by the current economic climate were uppermost in people's thoughts. The review confirms that the evidence for the programme's effectiveness is strong and there is a plausible demonstration of its cost-effectiveness and value for money spent. These findings should weigh heavily in its remaining a priority for adequate funding by the Welsh Assembly Government.
- 1.24. Informed by the findings and conclusions of this review, recommendations have been formulated. These are by way of advice to assist the Deputy Minister for Housing and Regeneration in discharging her functions and meeting her accountabilities in regard to the Supporting People Programme in Wales. They are offered for her consideration to achieve her objectives of strengthening the Programme and maximising the contribution it makes to the health and well-being of the people for whom the Supporting People Programme is intended.
- 1.25. The recommendations are wide-ranging and are primarily directed at:
- revising the process for allocation of funds to the Programme and the manner in which they are distributed throughout Wales;
 - proposals for the introduction of new collaborative, multi-sectorial structures for administration, commissioning and oversight of the delivery of support services;
 - improvements in governance, planning, funding and provision of these services and their regulation;
 - engendering a greater focus on securing tangible outcomes and their robust evaluation;
 - setting in place mechanisms which would establish precise estimates of the cost-effectiveness of the Programme and its component services and the value for money offered.
- 1.26. In regard to allocation of the single, unified Supporting People Programme Grant the preferred option is recommended, that its disbursement is made via Local Authorities, ring-fenced and outside the Revenue Support Grant (RSG). Arrangements analogous to "Indicator Based Assessments" should be explored to establish a robust mechanism.
- 1.27. Recommendations also reflect the pressing need for a collaborative approach across Local Authorities, housing-related services, providers of support services, public health, health services, probation service and other relevant stakeholders with an abiding emphasis on co-design and co-production. Also, emphasis is not lost on assuring that the Supporting People Programme is constantly subjected to review to ensure that it is accessible to all people who need its services, that funds are used solely to meet the needs of those disadvantaged and vulnerable people and that the Programme meets these needs.
- 1.28. Recommendations also stress that due regard should be given to the literature reviews undertaken as part of this exercise which form appendices to this report. These provide valuable information for guidance on the planning, utilization and evaluation of the provision of support to vulnerable people, homeless or at risk of homelessness.

- 1.29. A principal recommendation is that the Deputy Minister for Housing and Regeneration considers the establishment of a Supporting People National Advisory Board, chaired by her, to provide her with independent advice and information. This would provide tangible and visible assurance that processes and practices are fair, transparent and equitable; that procurement and commissioning policies are clearly defined and have proper guidance, regulation and accountability arrangements in place. It would also represent a step-change to ensure clarity around the roles and responsibilities of the Welsh Assembly Government, Local Authorities, service providers and key players in the Supporting People Programme. The Board would also provide a forum to advise the Deputy Minister on matters where legislation might be pertinent. Arrangements are proposed for establishing a National Advisory Board along these lines.

2. Conclusions

- 2.1. The Supporting People Programme in Wales is highly regarded throughout the United Kingdom. There is compelling evidence that the Programme in Wales is providing commendable and sorely needed assistance, support and relief for the most vulnerable and disadvantaged people who have either lost or are at risk of losing their homes. Though precise figures are not available, it is very likely that around 50,000 disadvantaged citizens across a wide age spectrum are helped in this way each year in Wales.
- 2.2. Although the people for whom the Supporting People Programme is designed may well have access to conventional health and social services, the complexity of their needs and individual circumstances place them at high risk of losing their homes or failing to secure appropriate accommodation. The review confirms that the Supporting People Programme in Wales looks beyond the bricks and mortar and the roof overhead. It manifestly seeks to provide the necessary further support, interventions, counselling and skills to the people for whom it is designed to enable them to move along a trajectory away from disadvantage, vulnerability and social exclusion.
- 2.3. The existing structure and distribution of the Programme's fund is a historical legacy which is recognised almost universally as in need of adjustment. Allocation by way of the Supporting People Grant (SPG) and the Supporting People Revenue Grant (SPRG) needs urgent revision. A cogent analysis of factors favouring retention of existing funding streams or the adoption of an alternative method, strongly supports the latter in bringing together the SPG and SPRG to constitute a single, unified Supporting People Programme Grant (SPPG). For the Programme to emerge unshackled from the vagaries and obstacles inherent in the current system to achieve its maximum potential, the introduction of a single funding stream is an essential prerequisite.
- 2.4. The basis upon which Supporting People funds are assigned to each Local Authority in Wales also needs urgent adjustment. When the Supporting People Programme was introduced by the UK Government in 2003 it brought together several funding streams including the Transitional Housing Benefit Grant, the Supporting Housing Revenue Grant and the Probation Accommodation Grant Scheme. However the allocation of funding rested on data provided by each Local Authority very largely focussed on the numbers of people who were being supported by these grants. It was understood at the time that the nature of this distribution did not represent actual needs. The present review strongly endorses that view. The distribution is very largely provision based; thus must move to a distribution based on needs which is more equitable at the local population level.
- 2.5. A considerable amount of work has been commissioned by Welsh Assembly Government to develop a formula-based mechanism informed by a thorough statistical analysis of needs and costs. A range of options for the development of such a formula was produced. However that work has stalled due to lack of agreement on the preferred option to be taken forward and difficulty in securing the additional data to populate a proposed intensive multi-level modelling approach. The current allocation thus rests still on legacy funding and is far from being equitable and appropriate. The review

reveals a desperate need for the more equitable distribution of funds at the local population level.

- 2.6. In the short term serious consideration should be given to the introduction of a distribution formula in which the weighting reflects a small number of items which are robust, transparent and include appropriate adjustment for measures of deprivation or its component parts. Moreover the sources of data should be readily available and retrievable. As a short-term partial solution an adjustment of the inequity of distribution would be achieved on the basis of a *per capita* allocation of the proposed Supporting People Programme Grant (SPPG). There are risks however that the adoption of such a mechanism would compromise funding of Local Authorities with the lowest constituent populations without further adjustment of the allocated grant.
- 2.7. The vast bulk of the funding formula weighting should, therefore, include “generic drivers” such as population estimates with valid measures reflecting deprivation or its components. On that basis an empirical formula has been devised and is recommended for adoption in the short term. This formula should be amended over a period of three to five years for the phasing-in of a distribution formula which more accurately defines the resources required to target groups in constituent local populations. This would also drive forward a desirable emphasis on the identification and gathering of data which more accurately and properly reveals the nature and extent of needs of citizens requiring support under the programme.
- 2.8. Local Authorities receiving larger sums under the current distribution have evolved highly effective and targeted services and projects. These would be adversely affected were levels of funding to fall as a consequence of introduction of the recommended formula or any other which seeks to adjust the current mechanism. Similarly, the review has recognised that Local Authorities receiving lesser funds would currently lack capacity and arrangements to make immediate and effective use of additional funding. It is, therefore, imperative that changes in the level of grant allocation should be phased in and tapered.
- 2.9. There is mounting evidence that the Supporting People Programme in Wales lacks robust governance and accountability, is not sufficiently transparent, confuses commissioning with procurement and is prey to the confusion of roles and responsibilities. Although laudable work is progressing to move from a process-driven, out-put based system to one primarily focused on the achievement of tangible outcomes, progress has been slow and hesitant. Leadership is wanting and strategic direction is ill-defined. A Supporting People National Advisory Board chaired by the Deputy Minister for Housing and Regeneration and providing her with independent advice and information in discharging her function and meeting her accountabilities, properly constituted, would remedy the greater part of these deficiencies. Proposals for setting up a National Advisory Board, its objectives, constitution, functions and relationships are described in Appendix 6 to this report. A principal recommendation in this report is the early establishment of this National Advisory Board along the lines of these proposals.
- 2.10. Many of the concerns which surfaced in the review revealed considerable discontent with present structure and arrangements for the administration, commissioning, regulation and monitoring of support services and projects. This pertains at the national,

local and community levels. A more collaborative, consensual and multi-sectorial approach, in the first instance at Local Authority level, would offer a tangible solution to many of these concerns.

- 2.11. To temper these concerns and in consideration of the obstacles to more effective administration of the funds which have been identified in the review, the introduction of collaborative, multi-sectorial committees within each Local Authority's boundaries is advocated. These collaborative committees would ensure a stronger platform for co-design and co-production of services, facilitate more efficient use of available resources and secure a greater emphasis on an outcome-based approach.
- 2.12. Collaboration is key to commissioning. The review has emphasized the pressing need for collaborative working if successful commissioning is to be achieved. The local collaborative committees which are proposed must be designed to ensure that all the key players are part of the decision-making process. This, at present, is sorely lacking. There is also an evident greater role for public health in commissioning decisions. This requires strengthening. It is essential that health and healthcare intelligence brought by public health expertise from a population perspective is fully exploited. This would also help to introduce an element of academic rigour to the decision-making process and the more robust evaluation of outcomes. The potential which would be offered by a consortia approach to administration, commissioning and procurement would also underpin an enhanced collaboration between health and social care services. Fractured pathways between health and social care services are frequently encountered as obstacles to achieving seamless and comprehensive support services.
- 2.13. Consideration of various options for the allocation of funds from the proposed Supporting People Programme Grant (SPPG) to meet the support needs of the local populations at community level substantially favours allocation to Local Authorities outside the Revenue Support Grant (RSG). This allocation should be ring-fenced and used solely to fund support services, projects and programmes to meet the needs of disadvantaged and vulnerable people within the context of the Supporting People Programme for whom that programme is intended to support. Arrangements analogous to "Indicator Based Assessments" should be explored to establish a robust mechanism which rests on the criteria for such an allocation expressed above.
- 2.14. Administration of the allocated portion of the SPPG should be undertaken by the proposed collaborative, multi-sectorial committee; the structure, form and make-up of which is advanced in a recommendation in this report. The collaborative arrangement could well form a sub-committee of the relevant Local Service Board. Its administrative remit should include planning, commissioning, procuring and monitoring the delivery of Supporting People services. A culture could thereby be engendered to ensure that leadership and engagement are encouraged; that the voice of the citizen is heard; that co-production and co-design is an abiding feature and that short, medium and long-term planning is firmly established and unified. Moreover, consideration should be given by the Welsh Assembly Government to lodging with some of the new local collaborative committees, responsibilities for administering and commissioning service provided at the All Wales National level.
- 2.15. The review has also captured from the wide-range and diversity of those interviewed and others responding to requests for information and opinion that progress should be

made to regional or cross-border collaborative working. The review supports that view. The proposed collaborative arrangements at Local Authority level could well prove to be an interim measure in progressing towards developing further arrangements to set up across-boundaries, single geographically determined collaborative committees which would subsume the administrative functions of the constituent collaborative committees in Local Service Boards. To this end the Welsh Assembly Government should strongly support the cross boundary working that already exists and encourage an extension of cross boundary collaboration and working throughout Wales.

- 2.16. Currently commissioning and monitoring of service delivery projects are very largely process-driven. This approach is evidently not focused on factors and findings which reflect and measure benefits, or otherwise, brought to the individual person for whom support is provided. It is essential that the nature, quality and delivery of support services are assessed by reference to the impact that interventions bring to the individual person and the community. Though this outcome-based approach is by no means universally adopted, there is clearly an acknowledgement among the great majority of respondents and those interviewed that the setting and assessment of tangible outcomes is an essential objective. Outcome agreements with Local Authorities have been established by the Welsh Assembly Government as part of the “New Understanding Agreement”. The review commends the sterling work of the “Outcomes Development and Pilot Group” which has articulated a number of outcomes that serve to measure key strategic aims formulated by the group. There is welcome evidence that a number of support organisations have adopted an outcome based approach to formulating support plans. Now there is a need for greater leadership and direction from the Welsh Assembly Government and certain Local Authorities in promoting and actively supporting this essential approach. The “Outcomes Development and Pilot Group” have produced a series of recommendations (August 2010, Welsh Assembly Government, Local Authority and Providers Joint Working Group, August 2010, personal communication), which this review endorses and urges the Welsh Assembly Government to consider urgently.
- 2.17. Informed by the work of the “Outcome Development and Pilot Group”, and the Supporting People Information Network, and based on the findings of this review, several recommendations are made for the continuation and enhancement of these initiatives over the short, medium and long term. Of cardinal importance is the setting up by the Welsh Assembly Government of a National Framework for data collection the principal elements of which are described in this report.
- 2.18. The review focused extensively on regulation and monitoring. The review found that the Welsh Assembly Government is perceived to be focusing excessively on ‘micro’ management and process rather than executing policy development, strategic and regulatory roles. It was also evident that the Welsh Assembly Government was not monitoring or ensuring that all the required annual returns from ASPs were complete and accounted for. During the review, annual returns totalling over £8 million relating to SPRG funding were not on file. The report makes recommendations on Local Authorities, in conjunction with Local Collaborative Committees, regulating and inspecting providers and this should replace the inspection process currently operated by the Welsh Assembly Government. The system for accreditation of service providers

was however welcomed by most organisations and the report makes recommendations on how this should continue and be strengthened.

- 2.19. There were clearly differing views on the value and appropriateness of the tariff system. Those in favour pointed out that tariffs helped protect quality of service, staff tenant ratios and staff salaries whilst those against felt that tariffs restricted ASPs from obtaining value for money from other providers. It was evident from the review that it has become common practice among ASPs to sub-contract to another provider at below tariff rates. This had led to suspicion by many that the ASP would or could use the surplus grant to fund non SPRG projects. Although the review found no evidence of this, it was clear that this potential exists. Although the tariff has been seen as a useful guide for funding services, given that the final amount the end provider receives is usually less than the tariff rate and that tariffs are a barrier to outcomes based commissioning, the evidence gathered in this review does not support the continuation of the tariff system. Since the tariff system is only applicable to SPRG, the creation of a single SPPG provides the opportunity to discontinue this funding mechanism.
- 2.20. Two literature reviews were completed during the review period: *Supporting People programmes across the UK* and *Housing related support interventions*. These provide a valuable source of guidance and information in relation to planning and commissioning services for the homeless and those at risk of homelessness, and evaluation of a wide range of interventions. Evidence from the United States and United Kingdom suggest providing vulnerable people and families with housing related support can lead to significant reductions in homelessness and lead to wider benefits. Housing related support in the community relating to money management and independent living skills can enhance other community support and is more effective than hospital treatment for encouraging independent living. However, there is currently insufficient evidence on the exact nature of the intervention.
- 2.21. It was clear that the automatic eligibility for Supporting People funds by those over 55 years of age (50 in some cases) who reside in Type II housing (sheltered accommodation), is the cause of much concern. As a consequence eligibility for Supporting People funds is based on age and tenancy and not on need. This results in others who may have a high need not receiving the appropriate support. There is a strong consensus for an open debate and Welsh Assembly Government leadership on this issue and the report makes recommendations to this effect. There were also suggestions that the 'befriending' initiative supported by the Big Lottery Fund and others could be utilised to work closely with these services.
- 2.22. The review was challenged in discovering robust evidence for the cost-effectiveness of the Supporting People Programme in Wales. A particular emphasis has thus been placed upon the gathering of relevant evidence and information from a variety of sources, including a thorough analysis of published literature of analogous schemes in the international arena. Despite the shortcomings, the evidence and allied information permits a conclusion that the Supporting People Programme in Wales can be justifiably regarded as being relatively cost effective and in several respects delivering value for money.
- 2.23. However, the absence of an outcome framework and rigorous evaluation of the Supporting People services in Wales compared with alternative mechanisms of support

have made it most challenging to establish precise estimates of cost- effectiveness. Nevertheless, utilizing the available evidence it is reasonable to conclude that the Supporting People Programme within the context of a broad public sector perspective does offer value for money.

- 2.24. The above conclusion is reinforced by recent Carmarthenshire County Council estimates that the value of the costs avoided is over twice the cost of the services provided by the Programme. This figure is greater than the benefits identified in the Matrix report (2006) which took into account the whole of Wales. Because the benefits (avoided costs) are dispersed across different organisations in the public sector, the Programme is vulnerable to under-investment. The return from the Programme is not easily identified and no single part of the public sector fully realises its value. This situation needs to be remedied.

3. Recommendations

- 3.1. The current funding streams require urgent revision. The Supporting People Grant (SPG) and the Supporting People Revenue Grant (SPRG) should be brought together to constitute a single, unified Supporting People Programme Grant (SPPG).
- 3.2. It is recommended that the SPPG is allocated to Local Authorities outside the Revenue Support Grant (RSG), ring-fenced and used solely to fund support-services, projects and programmes to meet the needs of disadvantaged and vulnerable people within the context of the Supporting People Programme for whom that programme is intended to support. Arrangements analogous to “Indicator Based Assessments” should be explored to establish robust mechanisms for this allocation of the SPPG.
- 3.3. Administration of the allocated portion of the SPPG to each Local Authority should be undertaken by a collaborative, multisectorial committee duly constituted to include representatives of the Local Authority, housing related services, probation service, providers of supporting people services, public health, Local Health Board and independent members. The overriding purpose of the committee shall be a collaborative approach to the administration, commissioning, procurement, quality assurance, local regulation and oversight of services, projects and programmes with an abiding emphasis on co-design and co-production and the securing of tangible outcomes, their assessment and evaluation.
- 3.4. It is recommended that this collaborative arrangement could well form a subcommittee of the relevant Local Service Board.
- 3.5. It is recommended that the collaborative arrangement would be best placed for developing short, medium and long-term service planning that is more effective and unified. A culture could thereby be engendered to ensure that leadership and engagement are encouraged, that the voice of the citizen is heard and that allocated funds are used solely to meet the needs of those people for whom the Supporting People Programme is intended to support.
- 3.6. It is strongly recommended that Local Collaborative Committees lodged in Local Service Boards are an interim measure towards the aim of developing further arrangements to set up across Local Authority boundaries single geographically determined collaborative committees. These would subsume the administration roles of the constituent Local Authority collaborative committees located in Local Service Boards.
- 3.7. It is recommended that the Welsh Assembly Government supports the cross boundary working that already exists in Wales and encourages the development of further cross boundary working throughout Wales.
- 3.8. The current formula for distribution of the Supporting People Grant to Local Authorities is in need of urgent adjustment. The existing distribution is very largely provision-based and should move to a distribution based on needs which is more equitable at a local population level.

- 3.9. As a first step it is recommended that serious consideration be given to the introduction of a distribution formula in which the weighting reflects a small number of items which are robust, transparent and include appropriate adjustments for measures of deprivation or its component parts. The sources of data for the proposed formula should be readily retrievable.
- 3.10. It is recommended that careful consideration should be given to the following geographically based measures and their weighted contribution to the allocation (per cent), to constitute a new formula for distribution in the short term:
- Welsh Index of Multiple Deprivation [20%]
 - Social Fragmentation Index [20%]
 - Number of people in receipt of at least the middle rate of the care component of Disability Living Allowance [10%]
 - Age structure of the population (the proportion of older people living alone) [20%]
 - Local measures of homeless people [30%]
- 3.11. It is strongly recommended that the introduction of a new formula for distribution whether or not based on that proposed in the recommendation (10) above, should take careful account of transition effects which could have significant net negative impacts consequent to abrupt changes in the levels of funding to individual local authorities. A phased and tapered approach is strongly advocated.
- 3.12. The introduction of a distribution formula to address inequities in current grant distribution in the short term should move over a period of three to five years for the phasing-in of a more robust and evidence-based distribution formula which more accurately defines the levels of resources required to address more soundly the support needed by, and provided to constituent local populations.
- 3.13. It is recommended that a needs-based formula that is proposed for the disbursement of funds in the Supporting People Programme may also have wider currency and be utilised for other expenditure allocation decisions from within the Welsh Assembly Government and indeed Local Authorities where weighting for degrees of deprivation at the local population level are pertinent.
- 3.14. It is recommended that the Deputy Minister for Housing and Regeneration considers the establishment of a Supporting People National Advisory Board (SPNAB) which would be chaired by the Deputy Minister to provide her with advice and information. The SPNAB would be responsible for providing independent advice to assist the Deputy Minister in discharging her functions and meeting her accountabilities for the execution and performance of the Supporting People Programme in Wales. Consideration should be given by the Deputy Minister to the proposals set out in Appendix 6 to this report on the objectives, constitution, functions, arrangements and relationships for the suggested National Advisory Board. The SPNAB could also serve to advise the Deputy Minister when she might consider using powers enshrined in the Legislative Competence Order (LCO) to address matters which may well arise in strengthening administrative and other elements of the Supporting People Programme.

- 3.15. It is recommended that the task and finish group which is undertaking the work on outcomes should continue to be led by Supporting People Information Network (SPIN). The work of the group would benefit from statistical / data and health intelligence advice from organisations such as the Public Health Wales Observatory and appropriate database providers.
- 3.16. Work towards the realisation of a comprehensive database to inform the selection and evaluation of appropriate tangible outcomes across a wide range of existing and future interventions should be taken forward with a degree of urgency. In the short term it is recommended that a national implementation group is convened to deliver in a short time-frame (preferably April 2011) the gathering of pertinent data to serve as a baseline and to derive a small set of well-defined outcome measures applicable to interventions that are currently assessed by process output. Over a period of 2-3 years this work should continue to refine and enlarge the database and document evaluated outcomes with the aim of introducing a national web-based resource to facilitate more robust planning, commissioning, outcome assessment and cost-effectiveness.
- 3.17. It is recommended that the best available evidence is used in planning and that the literature review *Supporting People programmes across the UK* at appendix 3 be widely disseminated as a reference document to inform the planning process
- 3.18. It is recommended that in the current economic climate priority is given to funding the Supporting People Programme for which the evidence of its effectiveness is strong, and value for money has been demonstrated. Further work is necessary to establish more exact measures of cost-effectiveness for which an outcomes-based framework is an essential pre-requisite.
- 3.19. It is recommended that the eligibility criteria for older people receiving Supporting People funds should be based on need rather than age or tenure.
- 3.20. It is recommended that the tariff system should no longer be used.
- 3.21. It is recommended that the Supporting People Programme should be brought into the new Housing Association regulatory framework.
- 3.22. There should be a national accreditation process for all providers with fast track entry for current accredited providers. Furthermore there should be consistent performance monitoring throughout the Programme but this should be light-touch with an emphasis on outcomes. Inspections should be multi-disciplinary and undertaken at three year intervals unless triggered earlier.
- 3.23. It is recommended that national guidance should be given to Local Authorities regarding inspections. Preferably, the national guidance should be informed by, and developed with, those people who are currently tasked with the undertaking of inspections of Accredited Support Providers.
- 3.24. It is recommended that the Welsh Assembly Government takes advantage of the current work and enthusiasm for an outcomes-based framework to introduce A National Framework for data collection, the elements of which are discussed in this report.

- 3.25. A greater role for public health in commissioning decisions is recommended. Health and healthcare intelligence from a population perspective would be brought by expert advice from public health to commissioning decisions. This would also facilitate the introduction of a required element of academic rigour and the more robust evaluation of outcomes.