



House of Commons

ODPM: Housing, Planning,
Local Government and the
Regions Committee

Supporting Vulnerable and Older People: The Supporting People Programme

Tenth Report of Session 2003–04

Volume I - Report



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written evidence*

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The ODPM: Housing, Planning, Local Government and the Regions Committee

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1 Introduction

1. This report examines aspects of the Government's Supporting People Programme, which began in April 2003. The programme was independently reviewed by Eugene Sullivan of RSM Robson Rhodes less than one year after its launch. This review, coupled with some concerns expressed by the Hanover Housing Group, resulted in the Urban Affairs Sub-Committee announcing an evidence session in February 2004, with a view to exploring the following issues:

- The reasons behind the commissioning of a review less than one year after the programme had been launched;
- The effects of capital and revenue funding streams operating in silos;
- The allocation of funding to Home Improvement Agencies,
- The significance of the transfer of administrative responsibility for the programme within ODPM

2. On 30 March 2004, the Committee took oral evidence from the National Housing Federation, Foundations, Hanover Housing Association, London Borough of Hammersmith and Fulham, Women's Aid Federation of England, Derbyshire County Council and Yvette Cooper MP, Parliamentary Under-Secretary of State at ODPM. Supplementary written evidence was also supplied by the National Housing Federation, Foundations and Hanover Housing Association.

3. Since the March 2004 oral evidence session, things have of course moved on, in reaction to the Robson Rhodes report and in preparation for the 2004 Spending Review. In this report, we reflect the findings of the Review report and look ahead to the future of the programme.

2 Context

Origins

4. In 1998 the then DETR published a consultation paper on a new policy and funding framework for providing housing related support services for vulnerable people, entitled Supporting People: A new policy and funding framework for support services. This came in the context of a 1997 High Court ruling restricting the use of Housing Benefit for such services, and of a wider policy agenda of expanding the community leadership role of local authorities in providing or commissioning such services, reflected in the November 1998 White Paper Modernising Social Services. Local authorities would prepare to take on a new role, based on five-year strategies and mapping of existing provision. Following a transitional period up to April 2003, during which demand-led Transitional Housing Benefit [THB] would be paid, local authorities would become the commissioners of local housing-related services for vulnerable people. ODPM would make an annual ring-fenced grant to individual authorities at a level to be determined more or less by the level of “legacy provision” – that is, the level of existing qualifying services at the time of the change.

Preparation

5. There was no apparent lack of preparation for this change. In July 2000 the then DETR published an action plan for authorities, and offered substantial funds to help them prepare. In January 2001 the DETR, together with the Department of Health and the Home Office, produced a lengthy document entitled Supporting People, Policy into Practice. Annex 2 of this document was entitled Product list: further guidance to be provided by DETR: it listed 61 sets of further detailed guidance to be produced. There was to be a first “audit of readiness” in February 2001.

6. In December 2002 a more or less final estimate, the so-called “gold cut”, was made of the sums likely to be required for the first year of SP grant, of £1.4 billion, based on aggregating the estimates from each authority. That compared with the rough estimate made back in 1998 of £350-750 million. That must have set some alarm bells ringing in the Treasury, if not the ODPM. In March 2003 the final estimate came in for the financial year about to start, the “platinum cut”, of £1.8 billion. This was the sum passed on in grants to local authorities in 2003-04.

The programme vision

7. The vision behind the programme, of bringing together at local level better integrated and more securely funded housing-related services for vulnerable people, commanded general support, and still does. It is intended to help many categories of people – older people who wish to remain living independently or are moving back home after time in hospital; people in sheltered housing of many kinds; those with learning difficulties or mental health problems who wish to live with greater or lesser degrees of support in the community; homeless people; victims of domestic violence; teenage mothers; those leaving prison; and others. It is evident from this list that past provision has grown up piecemeal, financed from many different sources and under the auspices of a number of different

branches of government. There are widely diverse service providers involved, and many of them.

8. Our witnesses were unanimous in concluding that the programme, as a whole, had been successful in meeting its aim and objectives, even though the programme encountered many teething problems from the onset. This is encapsulated by Danny Friedman from the National Housing Federation:

“Supporting People has been a tremendous opportunity to offer support for vulnerable tenants to live independently, safely and as good neighbours..... I think we would argue that it has been successful, and one phrase to use would be to say that to a certain extent it has been ‘too successful for its own good’ in that it has stirred up more expectations.”¹

Target Groups

9. The support given to those in specialist housing (generic support) and to people in their own homes (floating support), is primarily focused on older people, people with learning difficulties, people with mental health problems, and homeless people. Services for these groups represent 75% of the total Supporting People allocation, which for the first year of operation (2003/4) was £1.8bn.²

Implementation

10. The Supporting People programme gave local authorities responsibility for commissioning and funding support services and developing a needs-led planning framework. It was their opportunity to build on good practice and enhance provision. Local authorities were asked to develop Supporting People Plans (five-year strategies based on client need) and become an “Administering Authority”, of which there are 149 in England, comprising counties, London Boroughs, and Metropolitan and Unitary local authorities. In the majority of cases the Administering Authorities contract Service Providers - the specialist front-line bodies that provide services direct to the client - to meet the needs of the clients, by means of a time-limited Service Agreement. There are over 6000 service providers and approximately 37,000 individual contracts.³

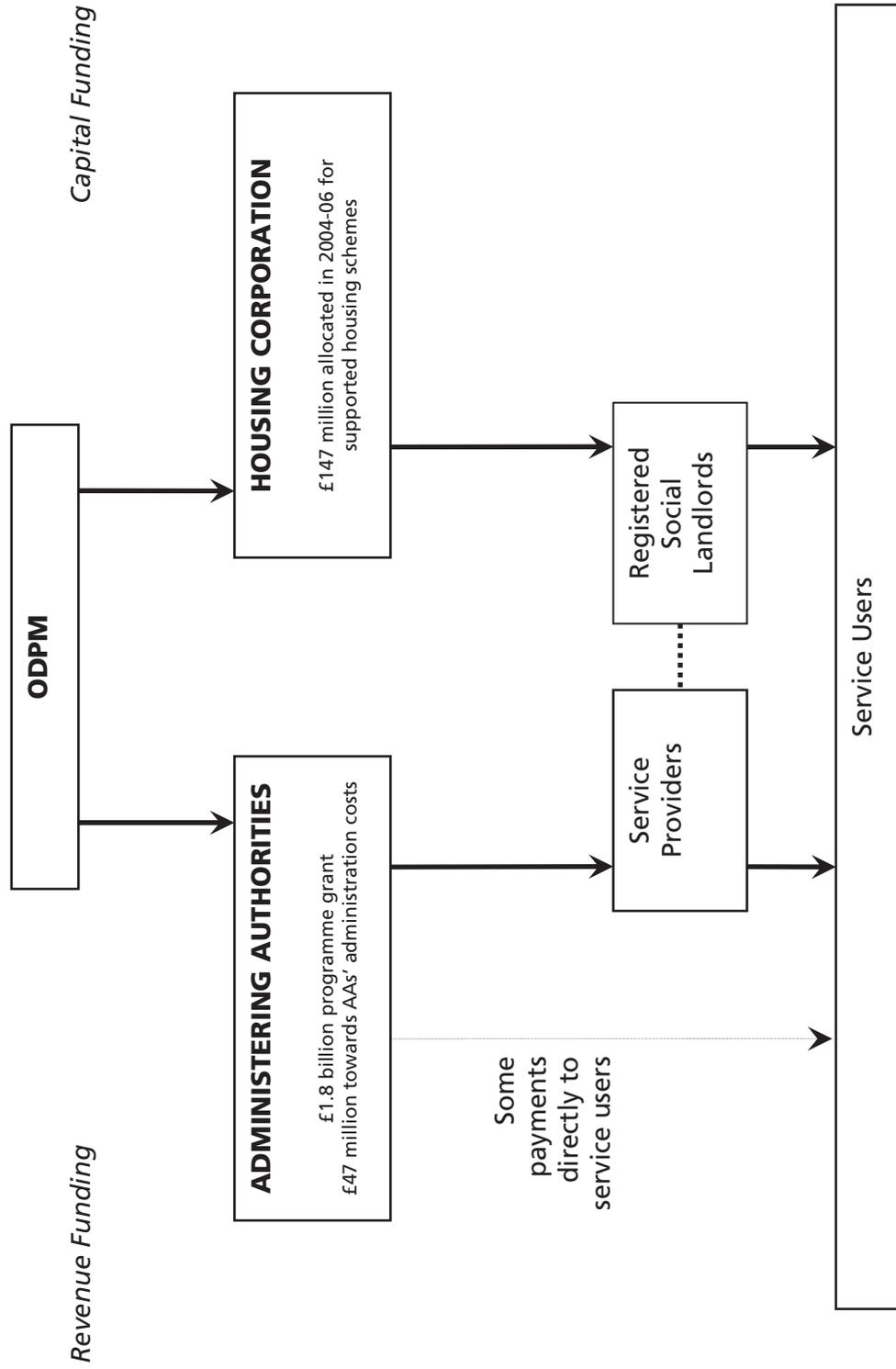
11. Home improvement agencies are one type of service provider, set up to assist elderly and other vulnerable people to get the repairs and adaptations they need to remain independent in their own homes. Home Improvement Agencies began in the 1970s and grew through the 1980s with Government encouragement. Since 1991, the Secretary of State has provided support for their work. In April 2003, the funding of Home Improvement Agencies became part of the Supporting People programme. Home Improvement Agencies are small not-for-profit bodies managed locally, either by housing associations, local authorities or charitable organisations. At present there are 227 recognised agencies.

¹ Q2 and Q3 [Mr Danny Friedman, Director of Policy, National Housing Federation]

² RSM Robson Rhodes, Review of the Supporting People Programme: Independent Report, January 2004 (page 1)

³ RSM Robson Rhodes, Review of the Supporting People Programme: Independent Report, January 2004 (page 4)

Structure



3 Review

Why review?

12. In October 2003 the Treasury and the ODPM commissioned an independent review of the Supporting People programme from Robson Rhodes, in view of the substantial rise in the 2003-04 cost of the programme from the projections made in December 2002.⁴ The review was asked to “gauge the true picture of how the funding is being utilised” and had to report swiftly enough to be able to inform SP grant allocations for the coming financial year. The review considered:⁵

- the variation between the Administering Authorities costs and patterns of service provision estimated during the transitional period and that of the requested allocation;
- the legacy of provision looking at total allocations, unit costs, regional/local authority cluster variations and provider prices;
- grant provisions and re-deployment of funding for services which were previously paid for out of other budgets;
- governance and whether Supporting People is meeting its original objectives, including schemes which raise questions about compliance with grant conditions;
- service user group issues and an appreciation of the two specific types of provision – floating and generic.

The review process included consultation with a wide range of stakeholders and was overseen by a steering group with broad representation.

Outcomes

13. The Robson Rhodes report was provided to Ministers in January 2004 and published on 12 February 2004. It made recommendations in four broad areas: improvements in high costs authorities, the 2004/5 Supporting People allocation and distribution, future allocations and growth.⁶ In general it concluded that the £1.8bn was “too much to pay” for the legacy provision, but not necessarily too much for the needs of the vulnerable groups. In publishing the report, the Minister announced that local authorities would be expected to make up to 2.5 percent annual efficiency savings, with a proportion of them reallocated to fund services that had come on stream in 2003-04 and were “reaching unmet need”. She also announced that the Audit Commission would be undertaking detailed inspections in a number of local authorities.

14. The report exposed in broad terms what had happened over the three year transitional period, and in particular the last few months between December 2002 and April 2003. Both statutory and non-statutory providers saw the period as a “window of opportunity” to

⁴ Q 24 [Ms Voller, Supporting People Team Leader, Derbyshire County Council]

⁵ <http://www.spkweb.org.uk>

⁶ RSM Robson Rhodes, Review of the Supporting People Programme: Independent Report, January 2004 (Appendix C)

improve existing service provision or develop new services, funded by Transitional Housing Benefit [THB]. Alongside an admirable and wholly proper desire to provide better and more housing-related services for vulnerable people, there was a degree of opportunism, including -

- De-registration of residential homes to create THB-eligible person-centred accommodation
- Transfer to THB funding of services previously funded by local authority housing or social services budgets, or local health budgets: and of voluntary sector services hitherto funded by local authorities
- “Provider-led” development of new schemes driven by the funding opportunity.

15. Authorities and providers who could get services funded under THB knew that the funding stream would be taken over as part of the “legacy provision” by SP funding. The report noted that one reason for the scale of the legacy provision was that “the THB guidance and the role of Housing Benefit Officers as gatekeepers allowed schemes and prices which would not be eligible under the current definition for SP eligibility”.⁷ It does not go into how this came about. The report also drew attention to the scale of “floating” support, which increased in the last few transitional months from £160 million to £332 million, and “generic” support. The sense of the report was that some of this new provision was opportunistic.

16. It was generally agreed that the Review and report had provided some useful focus, although limited time had meant that a thorough investigation could not be carried out.⁸ The review referred to the absence of a detailed examination of small and/or vulnerable client groups. Home Improvement Agencies were not acknowledged at all. Foundations (the co-ordinating body for Home Improvement Agencies) commented that:

“The review really did not address the improvement agency sector at all; I think it is probably fair to say..... We did put in a submission to [the Review] in order to raise the profile of HIAs and ensure that they were considered within the review. I suppose we were surprised that they were not mentioned at all.”⁹

17. There was dispute over the report’s implication that the Supporting People programme was not giving value for money. Diane Henderson from the National Housing Federation explained that:¹⁰

“I do not think in the time that they had available they were able to determine that. They were certainly able to determine that there were very differing unit costs and per capita costs which definitely need exploring, but that does not necessarily mean that the individual schemes were not value for money.”

⁷ RSM Robson Rhodes, Review of the Supporting People Programme: Independent Report, January 2004 (page 17)

⁸ Q7, Q30 and Q43

⁹ Q43 [Ms Jane Rosser-McBane, Director, Foundations]

¹⁰ Q7 [Diane Henderson, Head of Care, Support and Diversity, National Housing Federation]

The Way Forward

18. The ODPM's brief response to the review was posted on the Supporting People website in March 2004, outlining how they would be taking forward the recommendations made.

“It is our intention to address all the recommendations made in the Independent Review in our work programme. This will be carried out in full consultation with local authority representative bodies and other key stakeholders including the Administering Authorities, providers and service users.”¹¹

The main focus in the ODPM plan is on funding. It also anticipates working with Administering Authorities to address issues such as identifying and filling gaps and service reviewing.

19. We welcome the Robson Rhodes review of the Supporting People programme. It has been useful in drawing attention to serious shortcomings in control of public expenditure. But in the short time available a full audit of the Supporting People programme was plainly impossible. Its conclusions on the extent to which the programme as a whole represents value for money can therefore have only limited validity. The forward plan set out in the ODPM's response now needs to be rapidly and fully implemented. The Committee would welcome a written update in March 2005 on how successfully these plans have been implemented.

Reporting to Parliament

20. The Supporting People programme at £1.8 billion is a pretty substantial slice of public expenditure, even by ODPM standards. When we raised the rather modest profile of the programme in oral evidence with the Minister in March 2004, she told us that it had indeed taken up quite a bit of her time since she had taken over responsibility for it in August 2003.¹² The Office's 2004 Annual Report has two substantive references. Under “Other housing policy activities” is one paragraph stating that “during the year ODPM took over responsibility for funding the programme from DWP. ...Through our efforts, the programme now provides high quality, strategically relevant and value for money housing –related support services which are tailored to assist some of the most vulnerable people in our society”.¹³ Later in the report is half a page setting out briefly the progress made in introducing the programme, including some detail on the system of monitoring by quarterly milestones.¹⁴ Neither the Minister for Local and Regional Government's written statement of 13 July 2004 on the outcome for local government of SR04¹⁵ nor the Deputy Prime Minister's oral statement to the House on 13 July 2004 referred to the SP programme.¹⁶ **Given the chequered history of the programme to date, its scale and its significance for vulnerable people, we expect the 2005 Departmental Report to give a fuller account of how ODPM has managed the Supporting People programme.**

¹¹ http://www.spkweb.org.uk/Evolution/5.1.1DocumentDetail.asp?Doc_ID=17336 [ODPM Forward Plan]

¹² Q 62 [Yvette Cooper MP, Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister]

¹³ ODPM Annual Report 2004 (page 25)

¹⁴ ODPM Annual Report 2004 (page 55)

¹⁵ HC Deb, 13 July 2004, 61WS-62WS

¹⁶ HC Deb, 13 July 2004, Col 1257-1262

3 Funding

Revenue Funding Allocation

21. The funding for the Supporting People programme grant is grouped under the category of Social Security Benefits and is classed as Annually Managed Expenditure (non cash limited). In the 1998 White Paper, the annual cost of the programme was estimated at between £350m to £700m in Great Britain. Costs however, had risen to the ‘golden cut’ of £1.4bn in December 2002 and finally rose to the ‘platinum cut’ of £1.8bn in 2003/4 allocations to Administering Authorities, in England alone.

22. The review highlighted two perspectives concerning the rising costs – the “public purse” and the “allow us to manage”. Those who argue the “public purse” perspective claim that the £1.8bn expenditure is unevenly distributed and not related to need, that some of the increased cost should be, and had in the past been, funded from other mainstream programmes, and question the value for money and service quality. Those who argue the “allow us to manage” perspective claim that the legacy provision could never have been wholly in line with rational needs-led commissioning and any change to the existing programme would have to be managed over a three-year period to avoid disabling existing services.¹⁷ Regardless of these perspectives it was generally agreed that the costs had been expected to rise during the transitional period, as confirmed by a Service Provider who submitted information to the review:

“It came as absolutely no surprise to me, nor I am sure to most others involved in the SP programme, that the costs of the SP programme escalated so dramatically....The huge increase in costs was completely predictable and was widely predicted long before 31 March 2003.”¹⁸

Hanover Housing Association supported this statement in evidence to us:

“The transfer of ‘the pot’ from Housing Benefit to Supporting People was not well controlled and the massive increase in annual cost was widely predicted.”¹⁹

Julia Voller from Derbyshire County Council upheld the point and in addition she offered a reason for the increase:

“I think in terms of the growth, we would expect there would be growth because part of the reasons for the transitional housing benefit was to increase quality and sustainability of services...The other thing is that it did coincide with other strategic developments like Valuing People, Teenage Parents. The Drug and Alcohol National Strategy suggests there should be a 10 per cent growth in accommodation funded through Supporting People. So there are a whole range of other strategies that

¹⁷ RSM Robson Rhodes, Review of the Supporting People Programme: Independent Report, January 2004 (page 5)

¹⁸ RSM Robson Rhodes, Review of the Supporting People Programme: Independent Report, January 2004 (Annex A)

¹⁹ EV1 [Hanover Housing Association]

coincided with the Supporting People development...They would not have been funded otherwise.”²⁰

23. There was general consensus that the amount of funding the Supporting People Programme required was going to increase well beyond that estimated in 1998 particularly as local authorities realised that there was an apparently bottomless pot on which to draw for a range of desirable programmes.

Other Government Departments

24. The Department, Administering Authorities and Service Providers are all aware that the Supporting People programme is supporting initiatives and services which are primarily the responsibility of other Government Departments. The ODPM are endeavouring to quantify the benefits the Supporting People programme provides for other services. Yvette Cooper MP outlined the ODPM’s action on this:

“One of the pieces of research we commissioned as part of the review of the Supporting People programme as a whole is to look at the benefits and to attempt to quantify what the benefits might be, including the actual tangible benefits in terms of savings to other services or to other departments. There are some things which you can identify as benefits but you cannot quantify them as savings necessarily. We have a project underway which I think Matrix is doing for the Department which looks across the board at trying to quantify benefits and secondly trying to quantify savings to the other departments as a result of this sort of investment.”²¹

25. The ODPM response to the Robson Rhodes review stated that the department would commission an analysis of savings that other Government Departments gain from the Supporting People programme. This should ideally have been done before the Spending Review 2004. Other Government Departments should be contributing towards non-housing services which the Supporting People programme is funding; we recommend that appropriate transfers be carried through in the 2005-06 Estimates, once the relevant levels of funding are identified.

Home Improvement Agencies

26. The central cost for Home Improvement Agencies is one very small element of the Supporting People integrated budget. The funding arrangements for Home Improvement Agencies are complex. Unlike most of the other Supporting People providers Home Improvement Agencies are only part funded by Supporting People. Other sources are housing authorities, social services, Primary Care Trusts, charities and income from service fees. Home Improvement Agency services currently receive £8.6m from a total SP allocation of £1.8bn (less than 0.5% of the budget). They advise and support over 90,000 clients a year, many of them in client groups covered by Supporting People

27. Foundations (the co-ordinating body for Home Improvement Agencies) believe that the Supporting People programme has enabled many support services to be robustly

²⁰ Q36 [Julie Voller, Supporting People Team Leader, Derbyshire County Council]

²¹ Q69 [Yvette Cooper MP]

funded for the first time and has put in place a mechanism whereby services can be strategically planned and co-ordinated, made cost effective and accountable to service users. They believe that it has been a great achievement and provides a sound base to proceed from. However there has been no inflationary increase to funding over the past three years. Jane Rosser-McBane from Foundations said:

“We were certainly hopeful that there would be an inflationary uplift at the beginning of this financial year. One of the concerns for HIAs is that there have been a number of years where there has not been an inflationary uplift for the service. Back in 2001 there was a pay off, I guess, in that up until then HIAs had been living off annual cycles, very short term cycles. In 2001 three years' funding was committed but the trade off was that there was not an inflationary uplift there. One of our concerns within the outcomes of the independent review is that HIA funding was really just lifted and put into the Supporting People pot without any of the inflationary uplift that occurred for the other funders. They certainly had no role in increasing the pot; it has just sat there and gone through. There is an obvious concern that, as authorities look for savings, as they are required to do, that HIAs might suffer from that when in fact they have not contributed in any way to the increasing crisis.”²²

28. The ODPM and Department of Health issued a consultation paper in September 2002 and commissioned research to establish the most appropriate structures and arrangements for a successful Home Improvement Agency sector in the new environment of Supporting People. In May 2003 the Government announced its policy on developing the HIA sector.²³ The amount allocated for implementation of the policy, however, was inadequate to deliver in full the Government's original intention to achieve full geographical coverage across England by April 2005. Instead Government extended geographical coverage. Home Improvement Agencies now cover 85% to 90% of the country. In addition a further £5.2m was to be made available over the next three years to support the running costs of Home Improvement Agencies, and the Department of Health provided £9.5 million over the same period, in relation to older people on discharge from hospital.

29. Home Improvement Agencies are good value for money. We recommend that the ODPM ensure that full geographical coverage of the agencies is achieved by 2006 and that year on year inflation increases are made from 2005-06, ring-fenced if necessary.

Future funding allocations

30. The overall SP budget may now be possibly unjustly seen by the Treasury as overblown, and by the ODPM to be carrying some costs more properly attributable to other departments. Work is underway to disentangle the legacy provision, and to identify where services can be provided at lower cost or more efficiently. In the long run, housing-related services for vulnerable people may well be the better for having been brought together under the Supporting People umbrella. But for the next few years there is a danger that, in an attempt to deal with elements of the legacy provision, valuable services for the

²² Q57 [Jane Rosser-McBane, Director, Foundations]

²³ HC Deb, 6 May 2003, col 28WS

vulnerable may suffer from undue financial constraints: curing the disease but killing the patient.

31. We understand that there will be no inflationary increase in the SP budget until 2006-2007. Administering Authorities are expected to make up to 2.5% annual “efficiency savings”. Some cuts will be targeted and focussed; a blanket cut in funding could have an effect on many schemes, especially smaller ones. The prospect of cuts has frustrated the Administering Authorities and Service Providers; as Diane Henderson from the National Housing Federation explained:

“.....because it [Supporting People] uniquely identifies the individual, if you cut, you are potentially taking money away from an individual.”²⁴

32. We endorse the tighter regime of financial control introduced by ODPM for the Supporting People programme: it could hardly have done otherwise in the wake of the Robson Rhodes report. But real terms cuts in annual provision, applied blindly to each authority, could damage services for vulnerable people in an unacceptable way. It is incumbent on the ODPM to ensure that ill-effects are minimised, by targeting reductions in grant on those authorities which the Audit Commission has identified as having excessively high costs, and protecting properly priced and run services for vulnerable people.

Fairer distribution of funding

33. ODPM are continuing to work on a formula intended to ensure fairer distribution of Supporting People grants for the future. Funding is currently allocated on a needs ‘legacy’ basis, allowing ad hoc rates to be charged by Service Providers, without national consistency or reflecting regional variations. Those Service Providers and Administering Authorities not able to put the facilities and structures in place for drawing down the funding are losing out. Groups of people who need support are just not getting it. Linda Delahay from the Women’s Aid Federation endorsed this:

“..... unpopular – “not very glamorous” is the phrase often used. We are only 3 per cent of the total. Where they mention ring fencing for the vulnerable groups, that is a really whacking good idea and we would support that totally, that we do not lose yet again with money leaching off to the bigger fish.”²⁵

34. We are concerned that despite a long period of preparation for this important programme, involving copious written guidance and centrally allocated expenditure on local administration, it should be necessary some 18 months after it has started to re-address basic realities of how it is to operate in practice. ODPM should as a matter of urgency establish clear criteria as to what money can properly be spent on, and if necessary ring-fence funding for less “popular” groups. We also recommend that the Office undertake a lessons learned exercise on the way in which the Supporting People programme was brought into operation.

²⁴ Q17 [Diane Henderson, Head of Care, Support and Diversity, National Housing Federation]

²⁵ Q20 [Linda Delahay, Housing Policy and Services Officer, Women’s Aid Federations]

Managing Change

35. There are concerns at the prospect of further change to the Supporting People programme. Diane Henderson from the National Housing Federation told us:

“..... any major shift of money from one area to another now is going to be quite difficult, because there are schemes with people in them; this is not a pot of money that is not being used..... I think we need to be very careful about speed. We would love to see more stability in the sector and for things to stop moving and for us to operate this programme, but any quick change or removal of money could be detrimental to the individuals currently receiving support. So I think the pace of change for us is quite important, that we would not want to see yet another major change. This is a huge change program, one that we are fully engaged with and happy to work with, but more change, particularly if that change means a reduction in funds, which is the way everyone is feeling at the moment, we need to take that carefully.”²⁶

This was supported by Danny Friedman from the National Housing Federation:

“...the downside for our providers at the moment is the lack of stability that the current funding regime is putting up and, although I think as a federation we say it is successful, to some of our members it does not feel very successful because it is difficult to plan support in the future.”²⁷

36. The Committee acknowledges that the changes to be implemented as a result of the review may unsettle those many organisations and individuals working in the Supporting People sector. The pay-off will come if there can then be a period of long-term stability founded on an assured level of future funding.

Capital Funding Allocation

37. Capital funding for supported housing schemes is allocated by the Housing Corporation through a two-year bidding cycle. The deadline for applications for 2004-2006 funding was set for January 2004, with decisions to be made mid-February.

38. The Housing Corporation decided not to fund projects requiring revenue funding from the Supporting People programme until the review was complete. The review however, was due to be completed after the Housing Corporation bidding round had closed. This meant that projects requiring both revenue and capital funding were put in jeopardy and fewer projects were funded. This was illustrated by Danny Friedman from the National Housing Federation who confirmed that there had been a reduction in new units built for Supporting People:

“.....they are well down on the numbers in previous years. I think our suspicion is, because of the delays in getting the two funding streams lined up, this has discouraged associations going forward with bids that provide them with the new support that they require because there was this uncertainty about whether the

²⁶ Q11 and Q12 [Diane Henderson, Head of Care, Support and Diversity, National Housing Federation]

²⁷ Q42 [Danny Friedman, Director of Policy, National Housing Federation]

revenue support would be available to make those schemes actually work from day one. So I think that is a bit of a disappointment.”²⁸

39. The Minister acknowledged this:

“We did have problems in terms of timing, we recognised that and I think everybody recognised that. I do not think we had a choice in the matter.... I think there is also a longer term issue about trying to closely link capital and revenue decisions and it may be that the regional boards can play a stronger role in this in the future as well.”²⁹

40. Social housing capital and revenue programmes need to be more closely linked in future. Regional Housing Boards should take a lead role in ensuring that Administering Authorities and Registered Social Landlords can take a co-ordinated approach to seeking capital and revenue support.

²⁸ Q11 [Danny Friedman, Director of Policy, National Housing Federation]

²⁹ Q73 [Yvette Cooper MP]

4 Service Delivery

Service Reviews

41. Service Reviewing is the method and process by which the Administering Authorities examine the work and organisational practices of the Service Providers. It enables the Administering Authorities to ensure the services being paid for from the Supporting People programme are value for money and that they meet all relevant standards.

42. There was a general consensus that the service reviews were potentially highly beneficial. However, there are concerns that timetables have seriously slipped and that they are some way down on the agenda of Administering Authorities. Julie Voller from Derbyshire County Council highlighted this:

“..... there is definitely a lot to be gained from doing the service reviews. A lot of the services who are now moved into Supporting People will not have had a detailed or strict monitoring and quality regime.”³⁰

This was also supported by Linda Delahay from the Women’s Aid Federation who made direct reference to refuges for victims of domestic violence:

“..... the scheme reviews are definitely a positive move forward. Most of the refuges that have been reviewed have had a positive outcome from their scheme review. However, these have slipped seriously off track and dates that were given for a scheme review last June have yet to take place.”³¹

43. There are many administering authorities who simply do not have the capacity to carry out the reviews. Almost half of the Administering Authorities have rated their skill capacity as poor or average.³² Those evaluators who do exist may have little or no knowledge of the client group or the organisations that they are visiting. Again Linda Delahay illustrated the problems.

“An example of one validation officer going to a refuge in Lancashire and stating from the outset, “I have no knowledge whatever of domestic violence.” Well, interviewing women who have experienced domestic violence, this does not bode very well. Another of a man, a validating officer down on the south coast, who entered the refuge and believed he was reviewing a nursing home. I think it highlights a training need for the validation officers. Women's Aid, along with the ODPM, provided training on understanding domestic violence to the whole of the Supporting People team, Supporting People officers, in the North East of England. It was very well received and we had hoped to roll that out across the country, but things happened, like the Robson Rhodes report coming in, and that sort of slipped off the agenda, but maybe we can resurrect it because it was very, very positively received.”

³⁰ Q122 [Julie Voller, Supporting People Team Leader, Derbyshire County Council]

³¹ Q23 [Linda Delahay, Housing Policy and Services Officer, Women’s Aid Federation]

³² National Housing Federation, Brief of Robson Rhodes Review, March 2004 (page 25)

44. It is disturbing that the timetable for scheme reviews should have slipped so far. There are obvious minimum requirements for a system of scheme reviews as envisaged in central guidance from ODPM over the past few years, but early practice suggests some endemic problems. We recommend a rethink of the Supporting People service review system based on practical experience to date, and taking into account the range of other forms of review and inspection to which many of the services concerned may already be subject.

Communication

45. The Robson Rhodes Review recommended that the SPKWeb should be enhanced to provide a wide variety of services. Some witnesses were supportive of the SPKWeb.³³ Linda Delahay from the Women's Aid Federation told us:

“..... it does have its down side. Sometimes if you read a document one day, then the next day it is gone and it has gone who knows where. It has been a good source of information, but it does need to be made more user friendly definitely. That is what I would say on that.”³⁴

46. There is considerable room for improvement of the SPKWeb website. We recommend that an external consultancy be invited to make proposals designed to make it more user friendly and to ensure that information can be more easily accessed.

ODPM Restructuring

47. Restructuring in the ODPM was raised by a letter to the Committee from Hanover Housing Association, who believed that the move of the Supporting People to the Homelessness Directorate may result in elements of the programme not concerning homelessness, such as Home Improvement Agencies being reduced in importance. The Minister explained the situation in oral evidence.³⁵ **There is no evidence to suggest that the transfer of responsibility for the Supporting People programme within the ODPM has had or is likely to have any adverse effects.**

³³ eg Q30 [Steve Cowan, Deputy for Housing, London Borough of Hammersmith and Fulham]

³⁴ Q28 [Linda Delahay, Housing Policy and Support Officer, Women's Aid Foundation]

³⁵ QQ60-61

Conclusions and recommendations

The Way Forward

1. We welcome the Robson Rhodes review of the Supporting People programme. It has been useful in drawing attention to serious shortcomings in control of public expenditure. But in the short time available a full audit of the Supporting People programme was plainly impossible. Its conclusions on the extent to which the programme as a whole represents value for money can therefore have only limited validity. The forward plan set out in the ODPM's response now needs to be rapidly and fully implemented. The Committee would welcome a written update in March 2005 on how successfully these plans have been implemented. (Paragraph 19)
2. Given the chequered history of the programme to date, its scale and its significance for vulnerable people, we expect the 2005 Departmental Report to give a fuller account of how ODPM has managed the Supporting People programme. (Paragraph 20)

Funding

3. The ODPM response to the Robson Rhodes review stated that the department would commission an analysis of savings that other Government Departments gain from the Supporting People programme. This should ideally have been done before the Spending Review 2004. Other Government Departments should be contributing towards non-housing services which the Supporting People programme is funding; we recommend that appropriate transfers be carried through in the 2005-06 Estimates, once the relevant levels of funding are identified. (Paragraph 25)
4. Home Improvement Agencies are good value for money. We recommend that the ODPM ensure that full geographical coverage of the agencies is achieved by 2006 and that year on year inflation increases are made from 2005-06, ring-fenced if necessary. (Paragraph 29)
5. We endorse the tighter regime of financial control introduced by ODPM for the Supporting People programme: it could hardly have done otherwise in the wake of the Robson Rhodes report. But real terms cuts in annual provision, applied blindly to each authority, could damage services for vulnerable people in an unacceptable way. It is incumbent on the ODPM to ensure that ill-effects are minimised, by targeting reductions in grant on those authorities which the Audit Commission has identified as having excessively high costs, and protecting properly priced and run services for vulnerable people. (Paragraph 32)
6. We are concerned that despite a long period of preparation for this important programme, involving copious written guidance and centrally allocated expenditure on local administration, it should be necessary some 18 months after it has started to re-address basic realities of how it is to operate in practice. ODPM should as a matter of urgency establish clear criteria as to what money can properly be spent on, and if necessary ring-fence funding for less "popular" groups. We also recommend that the

Office undertake a lessons learned exercise on the way in which the Supporting People programme was brought into operation. (Paragraph 34)

7. The Committee acknowledges that the changes to be implemented as a result of the review may unsettle those many organisations and individuals working in the Supporting People sector. The pay-off will come if there can then be a period of long-term stability founded on an assured level of future funding. (Paragraph 36)
8. Social housing capital and revenue programmes need to be more closely linked in future. Regional Housing Boards should take a lead role in ensuring that Administering Authorities and Registered Social Landlords can take a co-ordinated approach to seeking capital and revenue support. (Paragraph 40)

Service Delivery

9. It is disturbing that the timetable for scheme reviews should have slipped so far. There are obvious minimum requirements for a system of scheme reviews as envisaged in central guidance from ODPM over the past few years, but early practice suggests some endemic problems. We recommend a rethink of the Supporting People service review system based on practical experience to date, and taking into account the range of other forms of review and inspection to which many of the services concerned may already be subject. (Paragraph 44)
10. There is considerable room for improvement of the SPKWeb website. We recommend that an external consultancy be invited to make proposals designed to make it more user friendly and to ensure that information can be more easily accessed. (Paragraph 46)
11. There is no evidence to suggest that the transfer of responsibility for the Supporting People programme within the ODPM has had or is likely to have any adverse effects. (Paragraph 47)

Formal Minutes

Wednesday 21 July 2004

Members present:

Chris Mole, in the Chair

Mr Andrew Bennett

Mr John Cummings

Mr Clive Betts

Christine Russell

Mr David Clelland

The Sub-committee deliberated.

Draft Report (Supporting Vulnerable and Older People), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 47 read and agreed to.

Resolved, That the Report be the Third Report of the Sub-committee to the Committee.-
[The Chairman].

Ordered, That the Chairman do make the Report to the Committee.

[The Sub-committee adjourned.]

Wednesday 21 July 2004

Members present:

Andrew Bennett, in the Chair

Mr Clive Betts

Chris Mole

Mr David Clelland

Christine Russell

Mr John Cummings

The Committee deliberated.

Draft Report (Supporting Vulnerable and Older People), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 47 read and agreed to.

Resolved, That the Report be the Tenth Report of the Committee to the House – (The Chairman.)

Ordered, That the Chairman do make the Report to the House.

Ordered, That the Appendices to the Minutes of Evidence taken before the Sub-committee be reported to the House.

Ordered, That the provisions of Standing Order No. 134 (Select committee (reports)) be applied to the Report.

[The Committee adjourned.]

Witnesses

Tuesday 30 March 2004	<i>Page</i>
Mr Danny Friedman , Director of Policy and Ms Diane Henderson , Head of Care, Support and Diversity, National Housing Federation	Ev 1
Mr Steve Cowan , Deputy for Housing, London Borough of Hammersmith and Fulham	Ev 4
Ms Julie Vollar , Supporting People Team Leader, Derbyshire County Council	Ev 4
Ms Linda Delahay , Housing Policy and Services Officer, Women's Aid	Ev 4
Ms Jane Rosser-McBane , Director and Mr Gordon Hinchcliffe , Development Support Team Manager, Foundations	Ev 7
Mr John Gatward , Chief Executive, and Ms Vera Breary , Regional Operations Director (Northern Region), Hanover Housing Association	Ev 7
Yvette Cooper , a Member of the House, Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister	Ev 10

List of written evidence

ExtraCare Charitable Trust (SVP 01)	Ev 15
Foundations (SVP 02)	Ev 16
Hanover Housing Association (SVP 03)	Ev 17
National Housing Federation (NHF) (SVP 04)	Ev 19

Reports from the ODPM Committee since 2002

The following reports have been produced by the Committee since 2002. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2003–04

First Report	ODPM Annual Report and Accounts 2003	HC 102-I (<i>CM 6141</i>)
Second Report	Annual Report to the Liaison Committee	HC 221
Third Report	The Fire Service	HC 43-I (<i>CM 6154</i>)
Fourth Report	Coalfield Communities	HC 44-I (<i>CM 6265</i>)
Fifth Report	Decent Homes	HC 46-I (<i>CM 6266</i>)
Sixth Report	Social Cohesion	HC 45-I (<i>CM 6284</i>)
Seventh Report	Postal Voting	HC 400-I
Eight Report	The Role and Effectiveness of the Housing Corporation	HC 401-I
Ninth Report	Local Government Revenue	HC 402-I

Session 2002-03

First Report	Local Government Finance: Formula Grant Distribution	HC 164 (<i>CM 5753</i>)
Second Report	Annual Report to the Liaison Committee	HC 288
Third Report	Affordable Housing	HC 77 (<i>CM 3783</i>)
Fourth Report	Planning, Competitiveness and Productivity	HC 114 (<i>CM 5809</i>)
Fifth Report	Departmental Annual Report and Estimates	HC 78 (<i>CM 5841</i>)
Sixth Report	The Evening Economy and the Urban Renaissance: Interim Report [Responding to issues in the Licensing Bill]	HC 541 (<i>HC 750</i>)
Seventh Report	The Effectiveness of Government Regeneration Initiatives	HC 76-I (<i>CM 5865</i>)
Eighth Report	Planning for Sustainable Communities: Sustainable Communities in the South East	HC 77-I (<i>CM 5985</i>)
Ninth Report	Reducing Regional Disparities in Prosperity	HC 492-I (<i>CM 5958</i>)
Tenth Report	The Draft Housing Bill	HC 751-I (<i>CM 6000</i>)
Eleventh Report	Living Places: Cleaner, Safer, Greener	HC 673-I (<i>CM 5989</i>)
Twelfth Report	The Evening Economy and the Urban Renaissance	HC 396-I (<i>CM 5971</i>)