Research into Housing Support Funding Levels and Service Volume in Scotland

2009/10

Housing Support Enabling Unit



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Executive Summary

Background

The removal of the Supporting People ring fence in 2008 eliminated any requirement on local authorities to spend a specified amount on housing support and account for housing support expenditure on a separate basis.

Housing support providers and stakeholders raised concerns that that this would have a negative effect on the long term provision of housing support in Scotland. In answer to these concerns, the HSEU decided to undertake research to monitor the effects of this change on housing support provision over time.

Method

The research comprised two elements:

- The Annual Housing Support Survey
- Research with individual local authorities

The HSEU annual survey of registered housing support providers commenced in May 2008. It gathers information to help build a picture of changes in the housing support sector resulting from the new setup. The objectives of the survey, now in its third year of circulation, are to:

- Establish if local authorities in Scotland pay the full cost of the housing support services they commission

- Track whether the amount of housing support local authorities purchase is changing as the new funding arrangements take effect.

The 2009/10 survey was issued to 1,129 managers of housing support services registered with the Care Commission in summer 2010. Survey participants were asked to complete the survey online or submit a return by post. The on-line survey was administered via Survey Monkey. The profile of support services registered with the Care Commission in 2010 was almost identical to that of previous years.

The survey response for the 3 years is shown in Table 1. A total of 314 valid responses was received in 2010. This is equivalent to a response rate of 29% compared to 18% in 2008. This higher response rate is attributed to contacting potential respondents (where their address was known) by email. This proved an effective method of communicating with potential respondents and encouraging them to respond. From the user's perspective, the design of the on-line survey also appeared to prove simpler and encouraged completion.

Table 1 Response rates and partial completions 2008 to 2010

Year survey completed	2008	2009	2010
No of providers surveyed	1189	1080	1129
Total Responses (inc invalid)	323	261	372
Total Valid Responses	221 (18%)	232 (21%)	314 (29%)
Invalid Reponses	102 (46%)	29 (12.5%)	58 (16%)

As in the 2008/9 survey, the largest share of respondents (48%) were large organisations employing over 100 staff, but there was a significant increase in the numbers of small (26%) and medium sized (26%) organisations responding. Most survey respondents (78%) were from the voluntary and RSL sectors. This correlates with the Care Commission register which classifies 63% of registrations from these two sectors.

In tandem with the survey, local authorities were contacted to establish how, in their role as commissioners, they are funding housing support following the removal of the Supporting People ring fence. Between July and November 2010, 28 from a total of 32 local authorities responded to this request.

Key Findings and Conclusions

The main conclusions of this year's survey can be summarised as follows:

- Steps taken to reduce costs and secure additional funding in the past have had some effect on providers' financial status, with a drop in the percentage of providers reporting a deficit and slight rise in those in surplus compared to 2008/9. However, this drop could be attributed to the fact that this figure is skewed by the significant number of respondents who stated that they were unaware of their service's financial status (23%) and so are not accounted for in this comparison. In addition, when reported funding and costing information is examined for the whole sector, a total deficit of 4.6% is revealed. Of those providers who reported a deficit, 50% indicated levels of deficit above 10%. In addition, the majority of those in surplus (71%) indicated that the surplus was within 10%. This suggests that the housing support sector is vulnerable to future funding reductions.

- Providers are now more frequently subsidising housing support from core organisational funding, including company reserves and other areas within the organisation, and there is less focus in this survey on cost reduction strategies such as management restructure and staff reorganisation. However, an increasing number of providers are also sourcing additional external funds for housing support due the fact that funding from local authorities has remained static over the last two years.

- It is becoming increasingly difficult for providers to report cost and funding information for housing support services. Only a third of providers were able to supply this information compared to over 90% last year. It is clear that there has been a shift to managing funds centrally in place of distinct housing support service budgets. This means that it is becoming increasingly difficult to track changes in housing support funding patterns. This is mirrored in the number of local authorities with distinct housing support budgets halving since 2007/8.

- In terms of the volume of service delivered, the majority of providers delivered the same level of service or more in 2009/10 compared to the previous year. In spite of a tendency for local authorities to direct less funding in real terms towards housing support, most indicated they commissioned the same or an increased volume of housing support this year compared with previous years. Providers are currently expressing concern that they are stretching staff resources to the limit to sustain levels of service. In one local authority area, cuts of up to 25% were planned and, not surprisingly, there has been a corresponding reduction in service volume.

- The survey findings indicate that overall levels of small packages of support fell in 2009/10. As in last year's study, most providers who exclusively deliver small packages of support are in deficit or just breaking even. For providers that deliver housing support only, these low intensity packages constitute half of their service provision. This suggests that small packages of housing support may be becoming less financially viable and may explain a shift to higher intensity packages so as to benefit from economies of scale. This may also be a sign that local authorities are increasing the eligibility criteria for support and are effectively moving away from supporting people with low support needs.

- As in previous years, older people are still the most likely group to receive small packages of support and it is likely that they will be most affected by the move away from this type of provision.

These findings give a snapshot of the situation prior to the outcome of the Government Spending Review announced on 20th October 2010. Given that providers have been preparing for much publicised cuts in funding, in the last year they have clearly taken action to protect the day-to-day running of existing services.

However, in light of the fact that the Scottish Government has now indicated it will apply cuts of 2.6% to local authority budgets on condition that council tax is frozen and 6.4% if this condition is not met, there is no doubt that the funding situation will have an effect on the already fragile position of housing support providers. This fear was expressed by the majority of providers who attended the HSEU's regional events in October and November 2010 and also in the May 2010 CCPS Business Optimism Survey[1] which revealed that 59% of respondents are less optimistic about the general business situation in the sector.

In the case of housing support, 13 local authorities use fixed term contracts which are coming to an end in March 2011. This is something which may be a source of particular uncertainty in the light of reduced local authority spending power in 2011/12.

[1] CCPS Business Optimism Survey, May 2010
http://www.ccpscotland.org/assets/files/ccps/pubilcations/research%20reports/CCPS%20provider%20optimism%20May%202010%20.pdf

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1 Introduction

1.1 Background

This report details the findings from the HSEU's annual research into housing support trends in Scotland. The research comprises two elements:

- The Annual Housing Support Survey
- Research with individual local authorities

1.2 Objectives

The objectives of the research were set as follows in 2008:

- to establish if local authorities in Scotland pay the full cost of the housing support services they commission.
- to track whether the amount of housing support local authorities purchase changes as the new funding arrangements take effect.

1.2.1 Annual Survey Of Housing Support Providers

A questionnaire (Appendix 1) has been issued to all housing support services registered with the Care Commission on an annual basis over the last three years (in May 2008, June 2009 and most recently in July 2010). In all three years of the study the information required from providers has included:

- updated contact information;
- organisation profile information, nature of service provided and type of client serviced;
- volume and intensity of service provision;
- providers' housing support costs and local authority funding received for housing support services;
- how providers are managing changes in their financial situation including additional sources of funding used and cost reduction strategies.

The 2010 survey also included questions aimed at gathering the following information:

- respondents' email addresses
- providers' perceptions of the changes to the quality of service
- usage of self-directed support by clients

1.2.2 Research with Local Authorities

In tandem with the survey, local authorities are contacted each year to establish how, in their role as commissioners, they are funding housing support following the removal of the Supporting People ring fence.

All 32 local authorities were most recently contacted between July and November 2010, in the first instance by letter (see Appendix 2). Overall, 28 responses were received by a combination of mail or follow up telephone interview. Local authorities were asked a series of questions designed to ascertain:

- Whether housing support is a distinct budget from other services.
- The annual budget for housing support.
- How the level of housing support commissioned in the current year compares to the level commissioned the previous year.

2 Survey Method

2.1 Annual Survey

The 2010 survey population was based on the Care Commission register of housing support services which includes contact information for managers of services. The profile of sectors represented in the 2009/10 survey was almost identical to that of previous years. Numbers went up slightly from 1,080 to 1,129 registered services.

Table 1 Care Commission register of housing support services

Sector	2009		20010	
Local authority	215	20%	207	18%
Private	192	18%	212	19%
Voluntary sector/ Registered Social Landlord	670	62%	706	63%
Health board	3	0%	4	0%
All	**1080**	**100%**	**1129**	**100%**

In order to establish a progressive picture of the changing patterns in the housing support sector, only minor changes were made to the questionnaire used previously.

This year, for the first time, email distribution was adopted as the primary method of contacting prospective respondents. In addition:

- The survey was conducted in two ways: online and by post (depending on whether or not the HSEU had an email address for the provider).

- The online questionnaire was made accessible through the Survey Monkey on-line survey tool and an invitation email containing a unique survey link for each respondent. This enabled response tracking.

- A compact A5 booklet design was developed for the paper questionnaire which featured the invitation letter on the first page and included a link and password to the online questionnaire to encourage respondents to complete their questionnaire by this method. This effectively reduced the number of mail responses and therefore manual data entry of hard copy responses.

- The overall survey response rate increased significantly from the previous year. This could be attributed to the email distribution method which proved a cost-effective method of contacting and reminding respondents from the organisation's perspective and, from the respondent's perspective, a convenient and time-saving method of retuning the information.

- This year, both the online survey and postal survey were issued in July 2010. A reminder email was issued to the online sample of providers, two weeks prior to the deadline of 1^{st} September.

2.2 Analysis and reporting

The survey data was transferred from the Survey Monkey package to SPSS statistical software by Newhaven Research. Newhaven carried out data checking and cross-tabulations analyses to present the information in a suitable format to allow further insight into the data trends. The data was then resupplied to the HSEU by Newhaven for the detailed analysis and report-writing stages of the project.

2.3 Respondent profile

2.3.1 Mode of response

A total of 314 valid responses was received from 1129 providers invited to take part - an overall response rate of 29%. This compares with a response rate of 21% in 2008/9 and constitutes a 35% increase in respondent numbers since last year.

Table 2 Response rates and partial completions compared

	2007/08	2008/09	2010
No of Providers Surveyed	1189	1080	**1129**
Total Responses (inc invalid)	323	261	**372**
Total Valid Responses	221 (18%)	232 (21%)	**314 (29%)**
Invalid Reponses	102 (46%)	29 (12.5%)	**58 (16%)**

Partial Completions

This year, around 58 returns from the email invitation were not included in the analysis as they were not sufficiently completed. Although a higher number than last year (29 in 2008/9), this represents only a small increase of 3.5% due to the larger number of respondents completing this year's survey.

Email versus Postal Completions

The strategy to increase the number of electronic replies to the survey has proved successful with over 70% of replies originating from the email invitation, even though there was a 60/40% split in the distribution of email v postal questionnaires.

Of 483 postal questionnaires distributed, around 9% (39) paper responses were returned. However, the strategy to convert postal returns to on-line submissions proved successful with around 55 of the services issued with postal questionnaires opting to use the web link as directed in the mailer, or choosing to complete a spreadsheet proforma developed to enable larger providers to submit one return for multiple services. The remainder of responses (around 220) came directly from the email invitation.

It is evident that the online survey method encourages a higher participation rate. The paper version tends not to be returned if not fully completed, whereas the on-line survey design encourages responses, even though some of the information requested is not supplied.

2.3.2 Service Profile

Size of Organisation

- As in the 2008/9 survey, the majority of providers responding to the survey in 2009/10 (48%) were large organisations employing over 100 staff. This figure came down from 63% in 2008/9.
- The numbers of respondents in all size categories increased in 2009/10.
- Small and medium-sized companies were equally represented for the first time in this year's study (25.5% and 26.5% respectively) - up from 22% and 16% in 2008/9.

Table 3 Responses by size of organisation

	2008		2009		2010	
	No	**%**	**No**	**%**	**No**	**%**
Small	55	25	50	21	80	25.5
Medium	32	14	36	16	82	26.5
Large	134	61	146	63	152	48
Total	**221**	**100**	**232**	**100**	**314**	**100**

Sector

- The number of local authority respondents doubled in this year's survey representing 13% of survey respondents. This compares to overall representation of local authorities on the Care Commission register of housing support services of 18%.

- There was an increase in Registered Social Landlord (RSL) representation with the number of respondents up 46% from the previous year.

- The number of voluntary organisations responding remained static. However due to the increased overall response, participation dropped from 45% to 34% of total survey responses.

- The number of private providers responding to the survey doubled (up from 12 to 27). However, private providers are still slightly under-represented in the survey if compared with their 19% presence on the Care Commission register.

- As in the last two years, the majority of survey respondents were from the voluntary and RSL sectors – in total 78%. This correlates with the Care Commission register which classifies 63% of registrations from these two sectors.

Table 4 Responses by sector

	2008		2009		2010	
	No	**%**	**No**	**%**	**No**	**%**
LA	23	10	22	9	42	13
RSL	78	35	94	41	137	44
Voluntary	101	46	104	45	108	34
Private	19	9	12	5	27	9
Total	**221**	**100**	**232**	**100**	**314**	**100**

Client Group

There were some similarities with the previous two years:

- Providers for older people strongly represented - 39% of survey respondents compared to 36% last year.

- This category increased by 40 respondents

- Providers for people with learning disabilities were the next largest category, representing almost a quarter of respondents (23%).

- The number of providers for the homeless client group remained steady with numbers down slightly from 55 to 51.

- However, more providers of services for people with mental health issues responded (up from 25 to 37).

Table 5 Responses by client group

	2007/8		2008/9		2009/10	
	No	**%**	**No**	**%**	**No**	**%**
Older people (including dementia)	78	35	83	36	123	39
Learning Disability	50	23	45	19	71	23
Mental Health	15	7	25	11	37	12
Homeless	57	26	55	24	51	16
Other/undefined	21	10	24	10	32	10
Total	**221**	**100**	**232**	**100**	**314**	**100**

2.3.3 Repeat respondents

The HSEU encouraged every service that had participated in the surveys undertaken in 2008 and 2009 to do so again. This allowed the funding and service volume of individual services to be tracked and to provide an insight into whether or not local authorities continued to fund housing support to the same level as they did under Supporting People.

Of the 77 services that responded in 2008 and 2009, 62 responded in 2010, including 57 RSL providers and 5 voluntary organisations.

Those services that chose not to participate this year had a number of reasons for not doing so including:

- The manager was new in post and did not feel he/she had enough knowledge of the service to fill in the questionnaire
- The service had reconfigured and so meaningful comparison was not possible.
- The service had stopped providing housing support

The findings from the analysis of the information from these repeat respondents are outlined in **section 3.2.8.**

3 Key findings

3.1 Introduction

This section outlines the key findings from the survey on the range of issues tested. Comments were sought from providers who attended the HSEU's four regional events on some of the initial trends which emerged from the study. These are included throughout this section.

3.2 Annual Survey Findings

The survey asked for feedback on three main topics - service provision, funding and managing change.

3.2.1 Provision of Housing Support Services

In this part of the questionnaire, information was sought on how services are delivered and structured.

As in the last year's survey, there is still a clear split in the way that providers deliver housing support services. Over half deliver housing support as part of a combined service, and just under half (46.5%) deliver only a housing support service.

The significant rise in the proportion of providers delivering housing support only illustrated in table 6 is likely to be due to improved response rates from smaller and medium sized organisations, rather than fundamental changes in the way services are delivered.

Table 6 Split between housing support only and combined services

	2008/9		2009/10	
SERVICE TYPE	**No**	**%**	**No**	**%**
Combined - housing support and other e.g. Care at Home	**152**	**61**	**168**	**53.5**
Housing support only	**97**	**39**	**146**	**46.5**
Undefined	**2**	**0**	**0**	**0**
Total	**251**	**100**	**314**	**100**

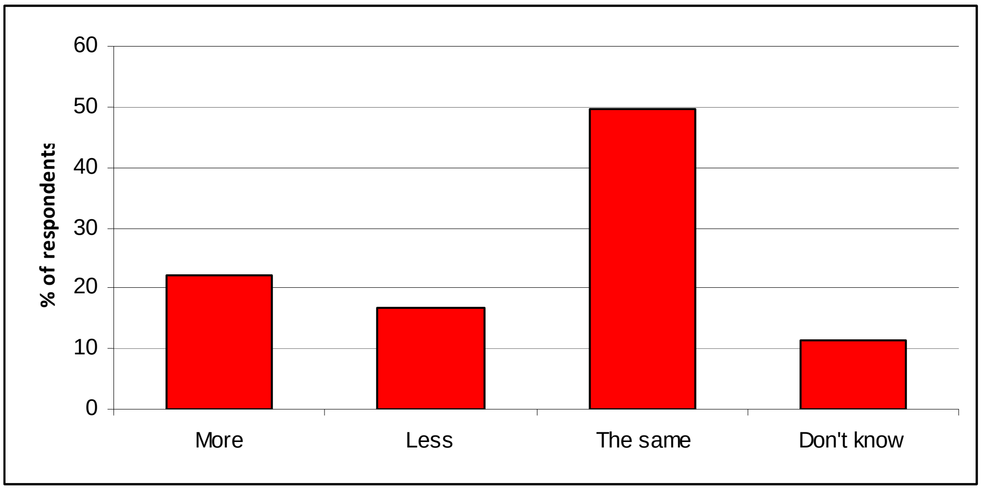
Volume of Housing Support Compared With 2008/9

In terms of volume of service delivered, it would appear that service levels remain stable, with just over 16% of providers reporting that they provided less housing support than last year.

The majority of providers (almost 50%) reported that they delivered the same level of service in 2009/10 as the previous year.

Almost a quarter (22%) of respondents said that they provided more housing support than last year.

Figure 1 How does service compare with the previous year?



Packages of support

Again in this year's survey, the trend of providing small packages of support dominates service provision provided by organisations delivering housing support only.

In 2009/10, 50% of all support provided by organisations that deliver housing support only was for support packages of less than four hours. A third of support packages was for less than two hours. In 2008/9, comparable proportions were 70% and 45% respectively. Much of this apparent decline may reflect changes in the numbers and profile of housing support only respondents. However, analysis of those who participated in previous surveys suggests there has been some shift away from small support packages.

In terms of support delivered by organisations that provide a combined service, 23% of the total support delivered in 2009/10 was in the form of support packages of less than 4 hours compared to 38% in 2008/9.

Although it is difficult to draw firm conclusions, these findings support anecdotal feedback that lower level housing support is under threat.

Table 7 Packages of support provided by service type

		2008/9	2009/10
Housing Support	**0->2 Hours**	45.1%	33.5%
	2 ->4 Hours	24.2%	16.6%
	4->10 Hours	14.9%	19.2%
	10->20 Hours	5.8%	10.1%
	20->40 Hours	7.6%	10.1%
	Over 40 Hours	2.5%	10.4%
	Total	**100%**	**100%**
Combined	**0->2 Hours**	23.8%	12.7%
	2->4 Hours	14.6%	10.5%
	4->10 Hours	15.6%	16.2%
	10->20 Hours	11.9%	18.9%
	20->40 Hours	11.5%	20.1%
	Over 40 Hours	22.6%	21.7%
	Total	**100%**	**100%**

Older people

As in previous years, older people are the most likely group to receive small packages of support. In 2009/10 36% of the total support provided to older people was is in the form of support packages of less than 2 hours per week and 47% of support packages involved less than 4 hours support per week.

As Table 8 shows, support provided to older people, comprising of support packages of less than 2 hours per week, has fallen significantly (from 72% to 36%) whilst the proportion of support packages for 10 or more hours has increased sharply (from 11% to 39%).

Amongst providers that deliver housing support only, there has also been a shift away from low intensity to high intensity support packages. The sector which shows the greatest shift is the RSL sector. In 2008/9 over 60% of provision in this sector was for packages of less than 2 hours. This has dropped to 29%. Moreover, this sector reports that high intensity provision (10 hours or more) has doubled from around a quarter to just over 50%.

There are several possible explanations for this shift. Local authorities may be upping the eligibility criteria for support given the pressure on funds so that only people with greater needs are provided with support and that support has to be more intense. It may also be the case that some local authorities are using single shared assessment (SSA) to determine support needs and this might increase the intensity of support packages as SSA is geared at identifying community care needs rather than low level support needs.

It is, however, difficult to know the extent to which this apparent shift is due to changes in profile of respondents as opposed to changes on the ground.

Table 8 Older people and packages of support

Support Package	2008/9	2009/10
0->2 Hours	72.2%	36.0%
2->4 Hours	11.3%	10.6%
4->10 Hours	5.3%	14.1%
10->20 Hours	3.8%	13.1%
20->40 Hours	6.5%	14.7%
Over 40 Hours	0.9%	11.5%

3.2.2 Balancing Costs and Funding of Housing Support Services

This survey sought to establish the financial situation of housing support providers in 2009/10, building on the picture formed from the last two years' research.

3.2.3 Funding Status of Housing Support

Providers were asked to describe the funding status of their services. As Figure 2 shows:

- 31% stated that they had broken even and 21% in surplus. These proportions are in line with those reported for 2007/8 and 2008/9.

- By contrast there was a marked fall in the proportion reporting a deficit. A quarter reported a deficit (25%) for 2009/10 compared to over 40% in 2007/8 and 2008/9. However, this may partly reflect the sharp rise in respondents (23%) who answered 'don't know' to this question and therefore whose financial status is unclassified.

Around 20 follow-up telephone interviews were held with service managers who did not answer this question or answered 'don't know'. Service managers reported that they had difficulty answering the question for the following reasons::

- Budgets now managed centrally with managers having no involvement in budgetary control.

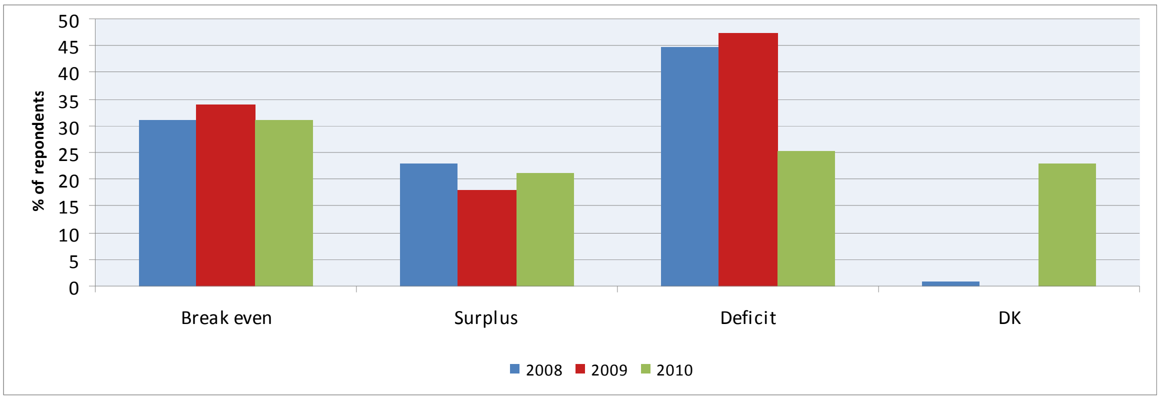
- Inability to separate out housing support activity from the organisation's core activities therefore difficult to isolate cost.

- Final year accounts not yet completed and therefore wary of supplying unapproved figures.

- Anxiety that they would provide incorrect figures.

This year's results point to a growing lack of availability of financial information relating to individual housing support services.

Figure 2 How would you describe your financial status?



Service Funding by Sector

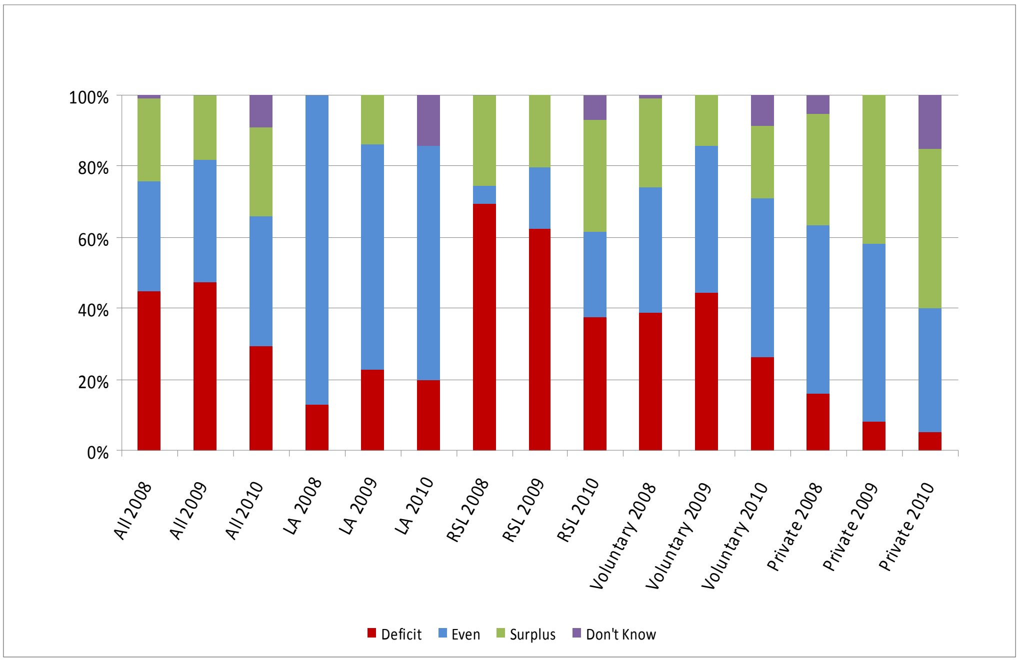
Figure 3 shows that RSLs were the most likely sector to be in deficit but the numbers reporting a deficit fell from 62% in 2008/9 to 38% in 2009/10.

In terms of the other sectors:

- The percentage of voluntary sector respondents reporting a deficit was down to 27% in 2009/10 from 44% in 2008/9. More reported a surplus, rising from 14% to 20% and more reported breaking even, up from 41% to 45%.

- As in the 2008/9 survey, the private sector is most likely to report surplus; 45% in 2009/10 compared to 42% the previous year.

Figure 3 Financial Status by Sector



This suggests that steps that RSLs and the voluntary sector have taken to reduce their deficits, as highlighted in previous surveys, have begun to have an effect in terms of balancing costs and income. However, it is debatable whether there is room for any further cost cutting. Anecdotal evidence received from providers at regional workshops demonstrates that they have grave concerns that service quality is now under threat.

3.2.4 Vulnerability of Housing Support Services

Providers were asked to supply information on the cost of their housing support services in 2009/10 and the funding received from local authorities for housing support. If unable to provide separate figures for housing support, respondents were asked to provide the total for their integrated service cost.

This year, there was a marked shift in the numbers of service managers able to supply financial information. Only 64% of respondents (201) provided figures whereas in 2008/9 some 72% of respondents (179) supplied funding information. Moreover,

- The majority of last year's respondents (91%) supplied separate figures for housing support. This year only 58% did so.

- The remaining 85 respondents (42%) supplied information relating to their total service. Last year only 16 providers reported total costs.

This further indicates that it is becoming increasingly difficult to monitor housing support finances as a separate entity from core services.

Table 9 compares the aggregate reported cost and funding for housing support services and integrated services. It shows an overall deficit. In other words, looking across all 201 providers, the aggregate costs of providing the commissioned service was greater than the aggregate level of funding received from local authorities to provide the service.

In the case of housing support services, the deficit was in the region of £1.9 million. For integrated services the deficit was around £2.2 million.

Table 9 Costs and funding of housing support and integrated services

AREA OF FUNDING	Cost	Funding	Difference	Difference %	No of replies
Housing support (where known)	£41.4m	£39.5m	-£1.9m	4.6%	116
Integrated service cost (from services who could not extrapolate housing support figures)	£48.8m	£46.6m	-£2.2m	4.5%	85
Total	**£90.2m**	**£86.1m**	**-£4.1m**	**4.3%**	**201**

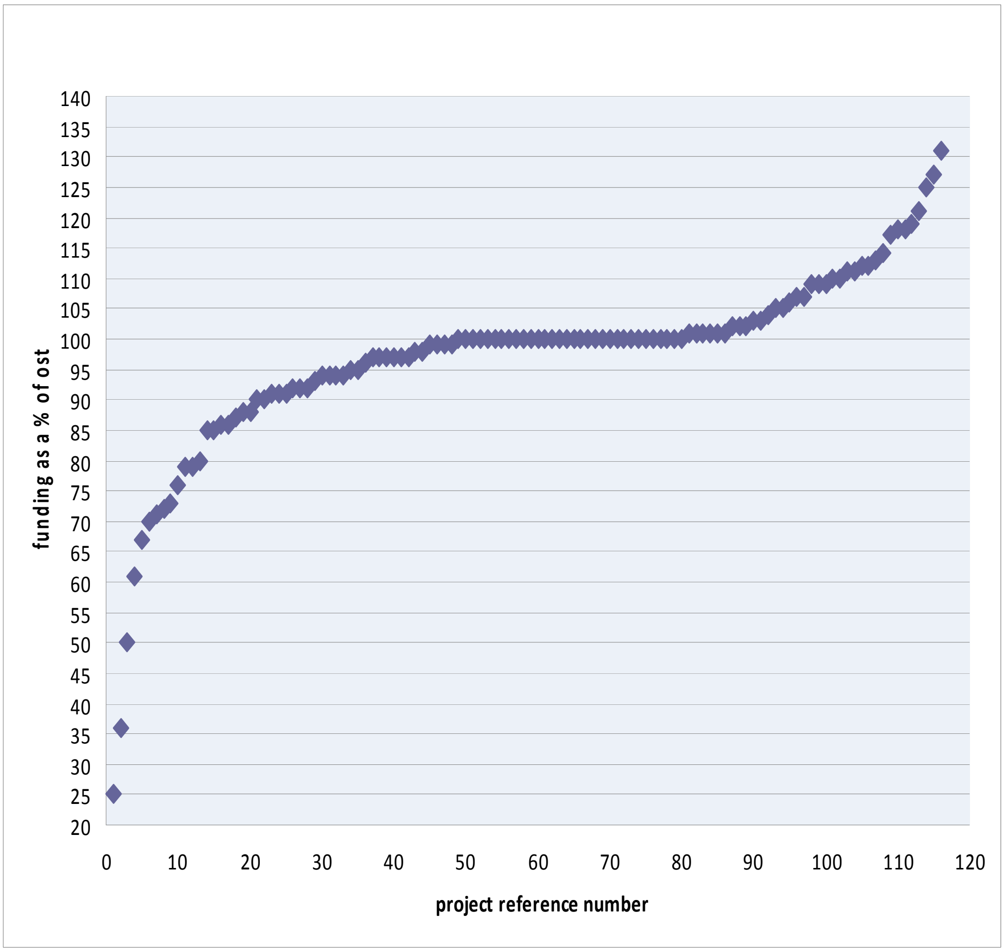
Gap Between Housing Support Project Costs and Grant

Aggregate figures generally hide more than they reveal. Figure 4 looks at the financial status of respondents that provided housing support costing and funding information. It shows that:

- The remainder of respondents (28%) reported breaking even.
- 41% reported a deficit with around 50% of these reporting a deficit of above 10%.
- Although 31% reported a surplus, 71% of these respondents indicated that the surplus was within 10%.
- The remainder of respondents (28%) reported breaking even.

This demonstrates that housing support services are operating with little or no room for manoeuvre and are clearly vulnerable to increases in service costs or to reductions in funding. The chart illustrates that the majority of providers are at, or below, breakeven (100%).

Figure 4 Housing support funding as a percentage of costs



Small Packages of Support and Funding Status

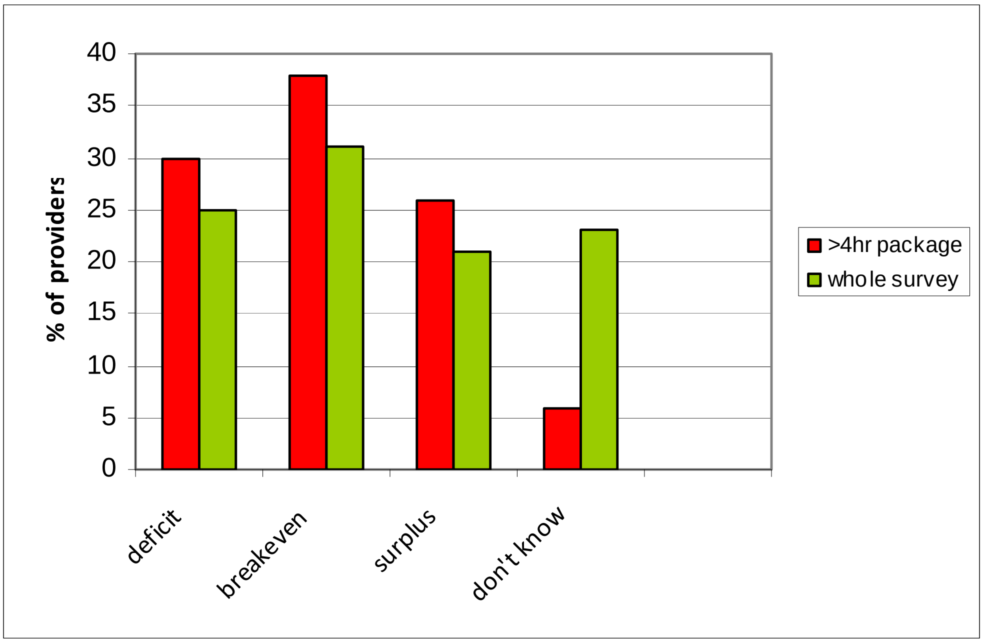
This year, the study looked at providers with 90% or more of their service provision for less than four hours.

- They were more likely to report a deficit (30% as opposed to 25% in the whole survey).
- They were also more likely to report a surplus (26% as opposed to 21%).
- In total, 68% reported either being in deficit or breaking even.

However, on closer examination it was identified that one major provider accounted for virtually all projects in surplus. If this one provider is excluded, then 41% of the remaining services are in deficit, 48% are breaking even and only 11% are in surplus.

This again suggests that providers who almost exclusively offer small packages of support are more vulnerable to increased costs and reductions in funding.

Figure 5 Funding status of services mainly delivering housing support packages of <4hrs



3.2.5 Managing Costs

During 2007/8 and 2008/9 providers sought to address funding concerns by reducing costs or securing alternative income sources. In 2009/10 this pattern continued:

- The most common method of covering deficits in individual housing support services in 2009/10 was to source funds from elsewhere in the organisation. 77% of providers either drew on the organisation's reserves or redistributed funding from other sources. In 2008/9 only 14% of providers did so.

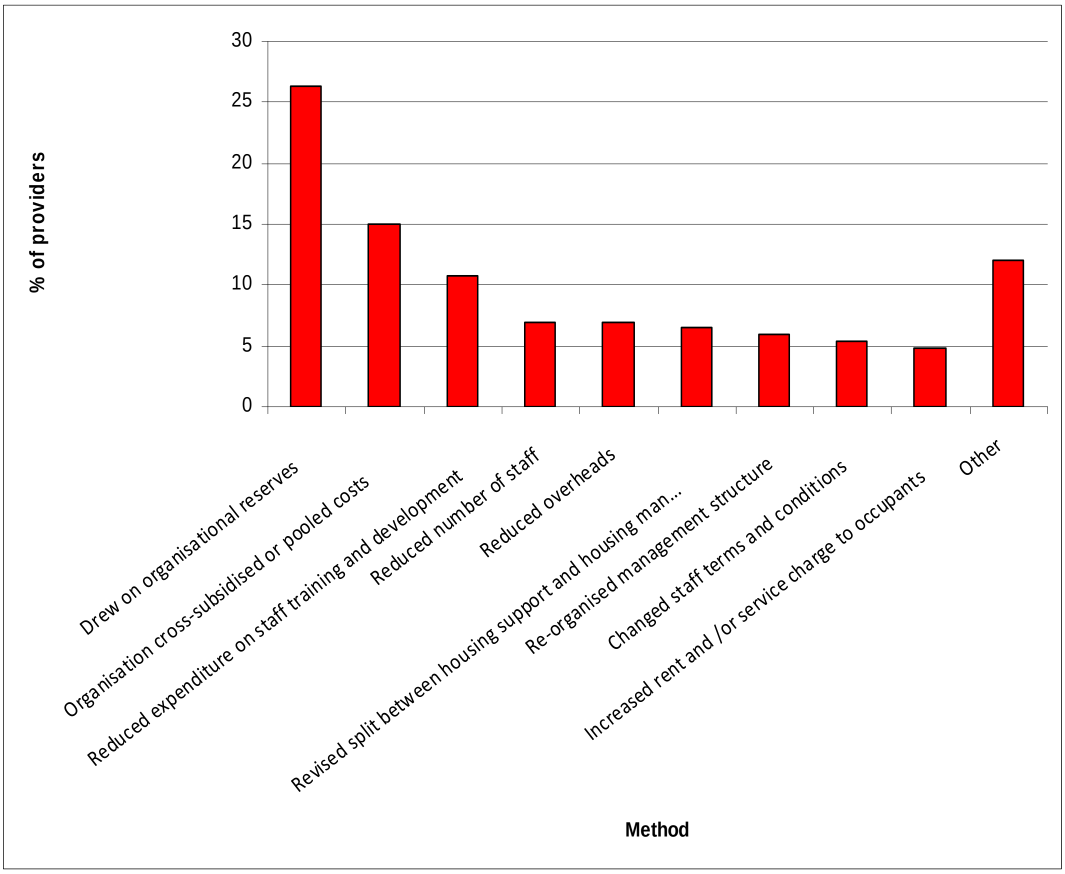
- Again, following the pattern of previous surveys, few providers (only 5%) increased income by increasing rent and service charges.

- In 2008/9 a third (32%) of providers said they had revised the split between housing support and housing management costs but in 2009/10 only 6% took this course of action.

- Fewer providers pursued measures to reduce staffing costs in 2009/10 than in previous years. This year only 5% of respondents reduced staff numbers compared to 53% in 2008/9 and only 6% had reorganised management structure compared to 67% in 2008/9. Likewise, only 7% had changed staff terms and conditions compared to 37% in 2008/9. This highlights the limited scope there is for organisations to repeatedly review management structure or terms and conditions to reduce staffing costs.

- However, 11% of providers continued to reduce staff training and development budgets.

Figure 6 Methods used by providers to manage deficit



From the provider's perspective: Comments on managing costs

'I do think that is increasingly difficult due to financial constraints. However we look at how we can make savings that will not have a major impact on our service users who deserve the best service possible.'

'We have been able to maintain services in 09/10 but are now reviewing overheads, management structure and various other areas of our work, including small services to aim to reduce our deficit in 2010/11 and beyond.'

'Service was restructured last year in anticipation of financial pressures resulting in fewer staff working longer hours and reduction of management team.'

'The service budget for 2010/2011 has been reduced by the local authority by 5%. This means additional cost reductions across the service i.e. service reductions and staffing reductions during the financial year.'

'I find it very difficult to fund on-going training and development for the carers especially with The Care Commission requiring more and more training. The SSSC now requires many more qualifications for our carers and managers which I think could put companies out of business due to the funding costs. I am of the opinion that companies could close down due to Care Commission and SSSC expectations. Small companies who work mainly for the local authority make little profit as we are not paid enough to cover the rising costs. I was informed by my local authority in March this year that the hourly rate they pay will remain frozen during 2010/2011.'

'We have been informed that a reduction in our housing support grant will take place this year. We are unsure by how much but any reduction will see us going into deficit and possible reconfiguring the service will take place leading to a limited service being offered.'

Providers at the HSEU regional events commented:

- Budget responsibility is taken very seriously – free training or mandatory training is often the only staff training undertaken.
- Partnership working in terms of sharing back office functions and marketing and training is also being used as a way of cutting costs. Pooling resources will help to save money on travel and staff.

More generally, feedback from the regional events confirmed that service providers have implemented considerable cost reduction programmes in order to balance their books. In addition, some service providers have had to redistribute funding received by the organisation in order to shore up some projects which receive less generous funding: in effect, organisations are increasingly involved in pooling costs and cross-subsiding projects vulnerable to funding shortfalls. It is clear that although providers are striving to manage the situation by the means outlined above, they are concerned that these measures will only have a short-term effect and that are reviewing the situation in anticipation of cuts to service funding.

3.2.6 Additional Funding Sources

In 2008/9, 56 services found income from other sources. This year, 120 services used additional funding sources to balance the books.

- The most common source of funding for providers was from social work departments with more than half (57%) securing income from this source. This compares with 23% in 2008/9.
- Self funding was another key source of extra income with just under 40% supplementing funds using this method. The majority of self funding however can be attributed to providers for older people.
- Funding from the Independent Living Fund increased. This year, almost a third of providers who sourced additional income (30%) accessed funds from this source. It should be noted that this fund is currently being reassessed under the Comprehensive Spending Review. Although it will continue, it is expected that there will be no uplift to reflect increased costs of care faced by recipients and that the fund will continue to be closed to new applicants. This obviously has implications for the sector.
- The pattern of individual fundraising continued with 17% of respondents using this method.
- Other sources included the homeless strategy (11%), the NHS (12%) and the Children and Young People's Fund (11%).
- Less respondents sourced additional funding from trusts and charities - around 12% (down from 41% in the last year's survey).
- 78 providers (a quarter of all respondents surveyed) reported that they sourced no additional funds during 2009/10.
- Service providers funded by individual budgets increased from 7% in 2008/9 to 13% in 2009/10.

Self directed support

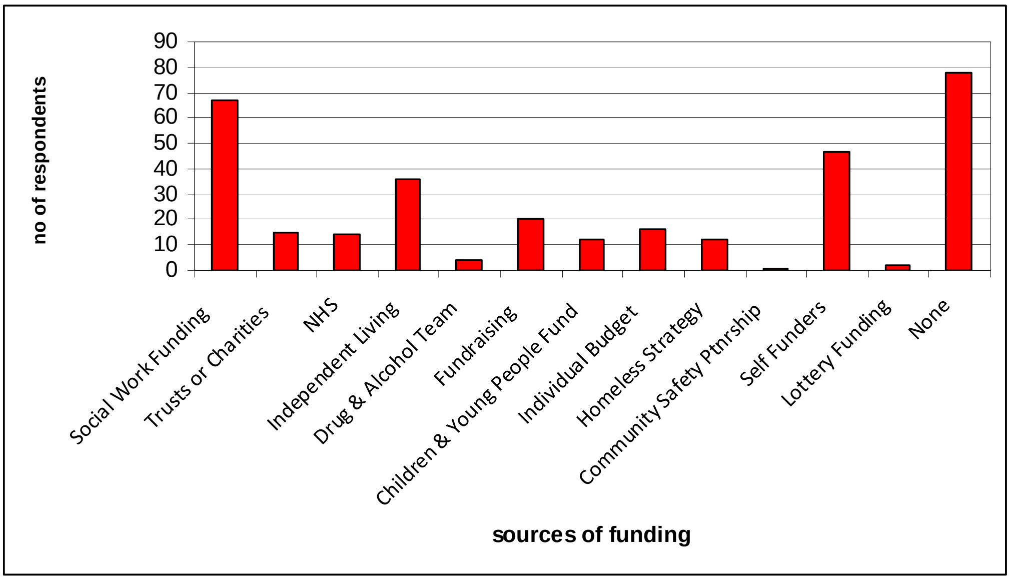
A supplementary question on self-directed support was added to the questionnaire to assess whether individual budgets were becoming more of a common feature for providers.

- Only 15 providers gave details of a limited impact on their service with only 11 of these providers indicating that this had increased over the last year.

- The majority of respondents (178) responded that there had been no increased funding from this source whilst 88 did not know if individual budgets were having an effect on their services.

This points to the conclusion that there is limited knowledge of, and exposure to, individual budgets in Scotland.

Figure 7 Additional external sources of funding



From the provider's perspective: Comments on additional funding sources

'Our service provision would drop dramatically if the funding from the Scottish Government is not continued. No information has been forthcoming and this funding is currently only in place until March 2011. This makes for a very uncertain future as other funding sources appear limited and as an organisation we cannot plan ahead. This has an unsettling affect on workers who do not know if their position will be funded beyond March 2011.'

Providers at the HSEU regional events expressed the following concerns relating to additional funding:

- Although always looking for external funding it is very time consuming.
- Other funding streams are not available to all services.
- It is difficult to find new funding sources – potential skills gap and resource issue.
- Housing support is seen as a core LA responsibility therefore it is difficult to obtain alternative funding.

3.2.7 Quality and Funding Perceptions

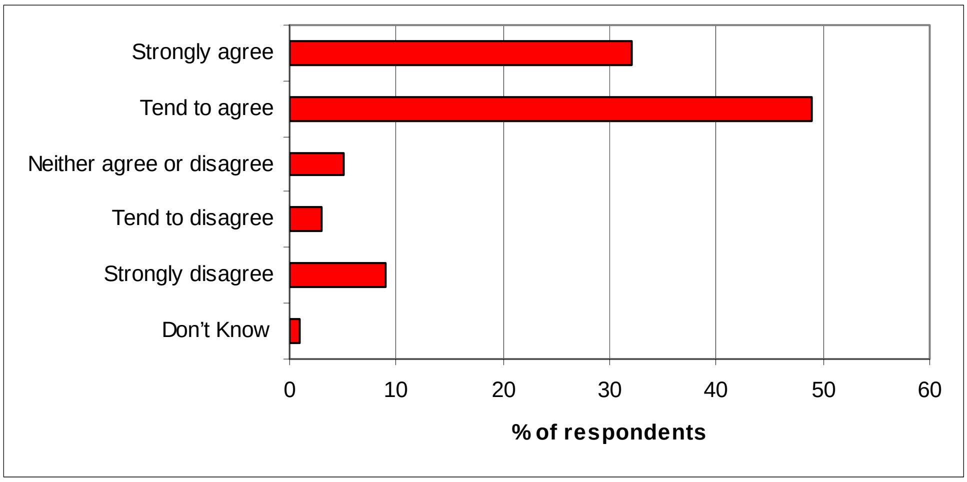
A supplementary question to assess perceptions of the effects of funding changes on the quality of service delivered was included in this year's questionnaire. Providers were asked to rate how strongly they agreed to three statements relating to quality i.e.

- It has been possible to maintain service quality in 2009/10.
- It has been possible to improve service quality in 2009/10.
- There is a link between funding and service quality.

Maintaining Service Quality

Overall, providers felt that quality had been maintained in the last year. 32% strongly agreed and 49% of respondents tended to agree with this statement. Only 12% of respondents disagreed in some way with the statement.

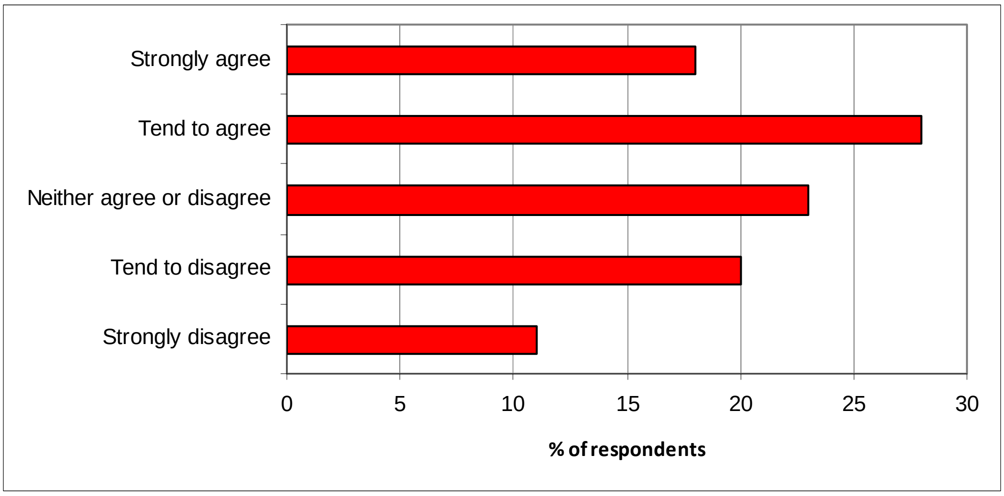
Figure 8   It has been possible to maintain service quality in 2009/10



Improving Service Quality

Providers were much less likely to agree with this statement. Only 18% strongly agreed that quality had been improved in the last year and 28% tended to agree. Almost of third of respondents 31% expressed disagreement with this statement.

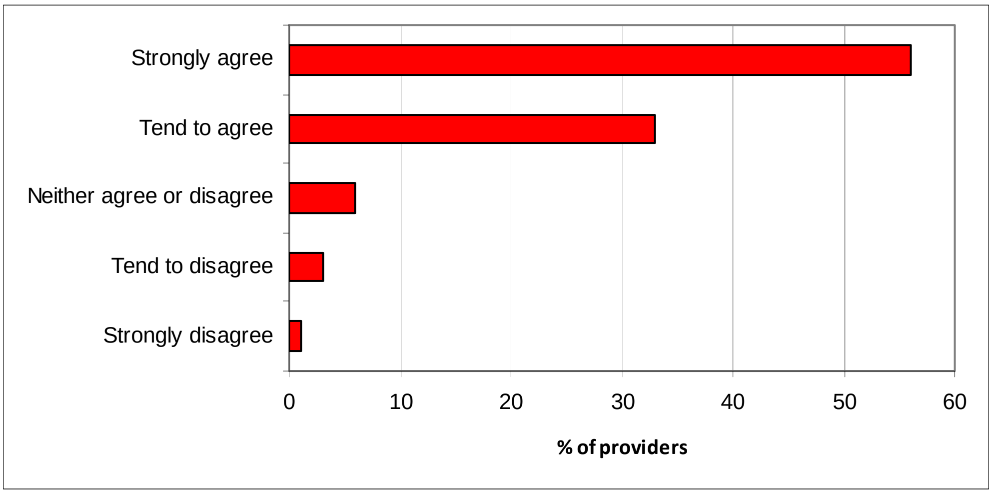
Figure 9   It has been possible to improve service quality in 2009/10



Funding and Service Quality

Respondents expressed their agreement most strongly with this statement, with 56% expressing strong agreement, and 33% tending to agree that there is a link between the quality of service that they are able to provide and the level of funding received. In total, only 4% of respondents expressed some level of disagreement with this statement.

Figure 10 There is a link between service quality and funding



From the provider's perspective: Comments on quality

'I do think that it is increasingly difficult due to financial constraints, however we look at how we can make savings that will not have a major impact on our service users who deserve the best service possible.'

'The energy of managers and the board is focused on survival instead of improving quality We have tried to protect direct service provision from inadequate funding and the threat of tendering. The effects of inadequate funding and tender issues are still being monitored.'

'Increasing rise in cost of living and salaries is not reflected in any incremental rise in unit costs received for providing service. For example, we have received only two uplifts to our unit cost base in six or seven years of providing the service. It is increasingly difficulty to manage to uphold the same quality service delivery due to both the financial constraints placed upon us and restrictions placed within the contract with the local authority.'

'The re-tendering process has reduced funding for the coming year by up to 4%. I anticipate that this will impact on quality of service delivery in future. Variances in funding impacts on service provision particularly in relation to the motivation of staff.'

'As a small provider we are really concerned that organisations such as ours will be discarded in favour of larger organisations who can cut prices and provide a poorer quality of service to individuals.'

These comments were backed up by providers at the HSEU regional events who expressed the following concerns relating to quality:

- Staff end up picking up the slack in terms of assisting after their contracted hours – a feeling that they cannot do anything else with no way for employers to reward them.
- Service quality is suffering due to the additional demands being made on staff.
- Staff are working very hard to protect clients - everything geared towards not affecting service users
- Fears around about the future staffing levels going down further and impact on quality
- Staff still go the 'extra mile' to retain standards and quality. However, when skills mix is reduced and more basic grade staff are recruited will the same willingness to go the 'extra mile' continue?

It would appear that there is a clear perception among providers of a strong link between funding and quality in the long term. Although providers are striving to maintain quality there are concerns that this is at the expense of staff goodwill which will be stretched beyond reasonable expectations at some point in the future. In this climate, there appears to be little hope for service improvement.

3.2.8 Repeat respondents

Only 62 of the 77 repeat respondents identified in both 2007/8 and 2008/9 returned their questionnaires in 2009/10. Of these, 59 supplied useable funding and costing information.

In 2008/9, 41 repeat respondents (65%) reported a deficit in spite of most having taken action to cut their operating costs. This picture has changed with a sharp drop in the number of repeat respondents reporting a deficit during 2009/10. This year, 29 (46%) reported being in deficit, a clear sign that action previously reported to reduce costs/secure additional funding has proved effective for a number of these providers.

Table 10 Funding status of repeat respondents

	2007/8		**2008/9**		**2009/10**	
	No	**Percent**	**No**	**%**	**No**	**%**
Even	2	3.2	5	8	3	4.8
Surplus	19	30.2	17	27	30	47.6
Deficit	42	66.7	41	65	29	46
No response	NA	NA	NA	NA	1	1.6
Total	**63**	**100**	**63**	**100**	**63**	**100**

Reported costs and funding were compared for the three-year period of the study. This comparison indicates:

- Most projects have experienced a fall in housing support funding in the three-year period. 30 of the 59 providers who supplied funding information (just over 50%) reported a drop in funding, whilst a further 5 providers received the same funding.

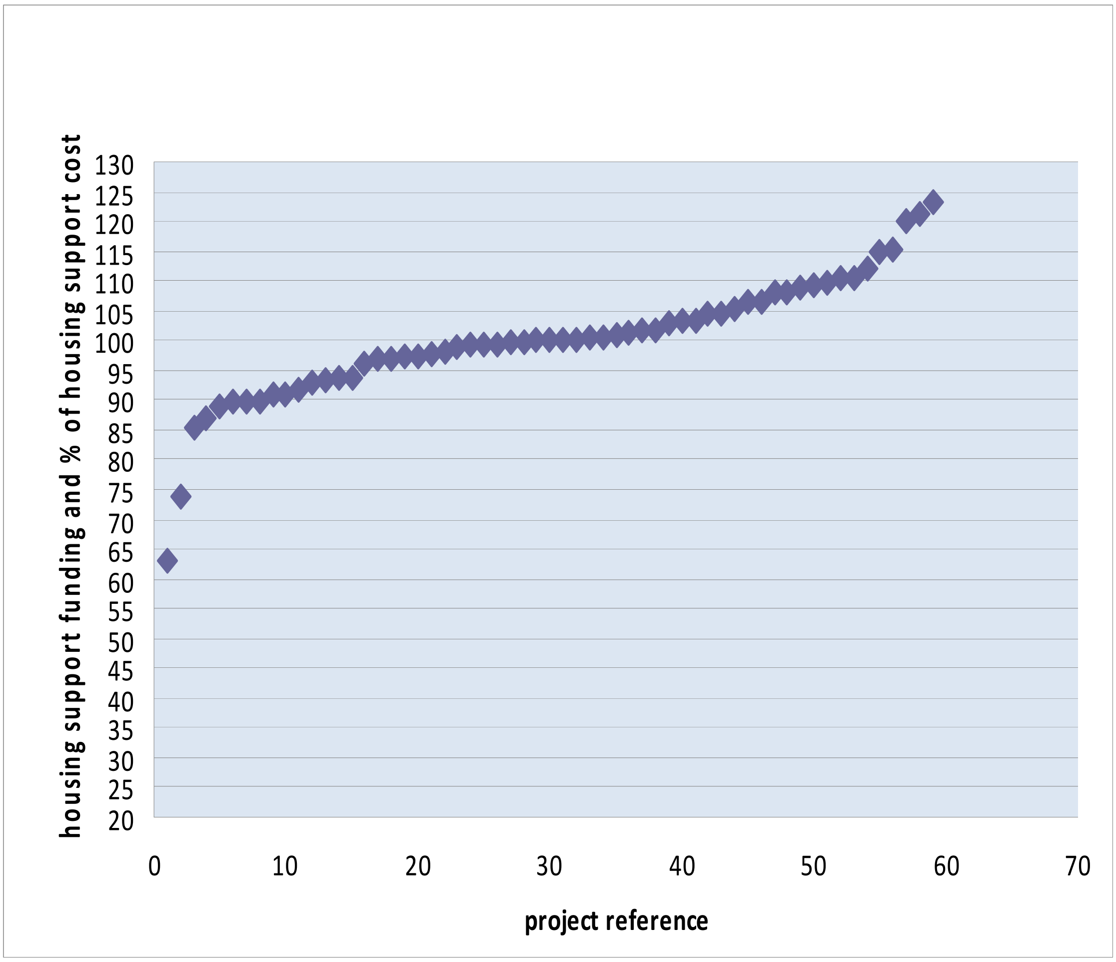
- In most projects, there has been a sharper fall in housing support operating costs than in funding received from the local authority. The most likely reason for this is that projects have sought to reduce the scale of their deficit or eradicate it altogether.

- 33 of the repeat respondents (56%) revealed that housing support costs have fallen at a sharper rate than housing support funding from local authorities. Of these, 14 projects still reported a deficit for 2009/10. However, the deficit is relatively small - less than 10%.

- Only 7 reported that housing support costs had increased. However, this increase is, in most cases, minimal and represents a fall in costs in real terms. In only 2 instances has the reported cost increased by more than 3% in the 3 years from 2007/8 to 2009/10.

Figure 11 illustrates the relationship between housing support funding and housing support costs with 100 representing breakeven. As in the full survey, it shows the majority of providers hovering at, or slightly below breakeven.

Figure 11: Repeat respondents housing support funding as percentage of housing support costs



The ability to secure reductions in housing support costs may have been easier for repeat respondents than for other HSEU survey respondents.

In the main. repeat respondents provide accommodation based services and have been able to reduce costs through strategies such as moving to community alarms and reducing sheltered wardens. Whether similar scales of cost reductions could be made by other forms of housing support services is far from clear.

Intensity of support

The underlying trends for repeat respondents mirror the pattern for the whole survey response with some reduction in the provision of small packages of support (under 4 hours) in 2009/10.

Again this is consistent with informal feedback that providers are moving away from less intense support as this form of service delivery is becoming less financially viable.

Table 11 Small packages of support and repeat respondents

Package	2007/8	2008/9	2009/10
0-<4 Hours	67.5%	70.3%	42%

3.3 Research with Local Authorities

The Local Authority as Commissioner and Funder of Housing Support

Between 2003 and 2008, under the Supporting People programme each local authority area was required to appoint a Supporting People Lead Officer and most Lead Officers had a dedicated housing support team to assist them with their duties. The Supporting People ring fence meant that funding for housing support was administered as a specific programme giving housing support a separate identity whilst being associated with housing and social work departments.

Following the signing of the concordat the ring fence around Supporting People funding was removed on 1st April 2008 and local authorities were able to choose if they wished to retain a dedicated housing support team or distribute the responsibility for housing support across departments or teams, and were able to decide how much to spend on housing support.

Some local authority areas continued to commission and fund housing support as a distinct task but others have chosen to reorganise commissioning arrangements often combining the former Supporting People budget with social work funding or allocating it partly to social work and partly to housing.

The Unit contacted each local authority in Scotland to find out how the removal of the Supporting People ring fence has affected the way they administer funding for housing support. The Unit asked each local authority to address the following questions:

- Is housing support a distinct budget in your local authority area?
- How does the level of funding for housing support compare with the previous year?
- How does the level of housing support commissioned this year compare to the level commissioned last year?

This exercise was carried out again in 2009 and 2010.

Local Authority Budgets and Housing Support

The situation regarding distinct budgets has gradually changed over the three years of the study.

- In 2008, 21 local authorities had distinct housing support budgets.

- In 2009, 18 local authorities had distinct housing support budgets. Of these 18, 3 were planning to amalgamate with other departments within the local authority.

- In 2010, only 11 local authorities had distinct housing support budgets, a further 9 stated the funding for housing support was split across budgets held by different teams or departments. 6 local authorities did not have distinct housing support budgets, whilst the remaining 2 said they had distinct budgets for housing support to some extent. The remaining 4 local authorities did not respond.

Table 12 Local authority budget structure

	2007/8	2008/9	2009/10
BUDGET STRUCTURE	**No of LAs**	**No of LAs**	**No of LAs**
Distinct budget	21	18	11
No distinct budget	11	14	6
Distinct budget to some extent	0	0	2
Split across budgets	0	0	9
No response	0	0	4
Total	**32**	**32**	**32**

Local authority Funding of Housing Support

In 2009/10 12 local authorities reported that housing support funding had increased to some extent, whilst 6 said it had remained the same, and 9 had reduced funding. The funding situation appears to have improved from that in 2008/9 when only 4 reported an increase, while 8 reported budget cuts and 12 local authorities reported no change in budget. Where increases have been reported it should not be assumed that all services in those areas necessarily saw increases in their funding. In 2 cases local authorities explained that funding decisions depended on service reviews or other factors and that whilst some services were offered increased funding others stayed the same. In a further case the funding increase related to funding for a new service and existing services were funded at the same level as in 2008/09.

The level of increased funding reported ranges from 1% to 4%. Of those 9 local authorities that provided figures for increased spend the average was 1.9%.

Table 13 Local authority budget compared to 2008/9

	2008/9	2009/10
BUDGET STATUS	**No of LAs**	**No of LAs**
Increased	4	12
Same	12	6
Reduced	8	9
No response	8	5
Total	**32**	**32**

The level of decreased funding reported range from 1% to 25%. Of those 4 local authorities that provided figures, the average decrease was -11%. Another 4 local authorities indicated that funding had reduced from -1 to -4%.

Further information from responses from local authorities can be found in Appendix 3.

Trends in volume

Service volume remained relatively static with no change reported in 2008/9 for just under 50% of local authorities. It would appear that this pattern continues. In 2009/10 just under half of those local authorities responding (13) reported that they purchased about the same volume of service in 2009/10 as in 2008/09. However, 8 local authorities reported reduced volume and 6 reported increased volume.

Despite the tendency for local authorities to direct less funding in real terms towards housing support, most local authorities commissioned either the same, or for some a higher volume of housing support in 2009/10 compared to 2008/9. This reflects the experience of service providers presented throughout the survey. A similar pattern is expected for 2010/11 although less local authorities are planning increases in service volume.

Table 14 Local authority service volume compared to 2008/9 and anticipated in 2010/11

	2008/9	2009/10	2010/11
VOLUME	**No of LAs**	**No of LAs**	**No of Las**
Increased	3	6	3
Same	16	13	16
Reduced	7	8	8
No response	6	5	5
Total	**32**	**32**	**32**

Contract Arrangements

In 13 local authorities fixed term contracts are being used which end on 31.03.11. In these areas, organisations may be feeling particularly insecure given the context of reduced funding for local authorities in 20011/12.

Table 15 Current local authority contract arrangements

CONTRACT TYPE	NO
Fixed term ending 31.03.11	13
Fixed term but not necessarily ending 31.03.11	8
Rolling contracts or letters of agreement	3
A mix of both rolling contracts and fixed term	2
Total responses	**26**

4. Conclusions

4.1 Conclusions

The main conclusions of this year's survey can be summarised as follows:

- Steps taken to reduce costs and secure additional funding in the past have had some effect on providers' financial status, with a drop in the percentage of providers reporting a deficit and slight rise in those in surplus compared to 2008/9. However, this drop could be attributed to the fact that this figure is skewed by the significant number of respondents who stated that they were unaware of their service's financial status (23%) and so are not accounted for in this comparison. In addition, when reported funding and costing information is examined for the whole sector, a total deficit of 4.6% is revealed. Of those providers who reported a deficit, 50% indicated levels of deficit above 10%. In addition, the majority of those in surplus (71%) indicated that the surplus was within 10%. This suggests that the housing support sector is vulnerable to future funding reductions.

- Providers are now more frequently subsidising housing support from core organisational funding, including company reserves and other areas within the organisation, and there is less focus in this survey on cost reduction strategies such as management restructure and staff reorganisation. However, an increasing number of providers are also sourcing additional external funds for housing support due the fact that funding from local authorities has remained static over the last two years.

- It is becoming increasingly difficult for providers to report cost and funding information for housing support services. Only a third of providers were able to supply this information compared to over 90% last year. It is clear that there has been a shift to managing funds centrally in place of distinct housing support service budgets. This means that it is becoming increasingly difficult to track changes in housing support funding patterns. This is mirrored in the number of local authorities with distinct housing support budgets halving since 2007/8.

- Providers are now more frequently subsidising housing support from core organisational funding, including company reserves and other areas within the organisation, and there is less focus in this survey on cost reduction strategies such as management restructure and staff reorganisation. However, an increasing number of providers are also sourcing additional external funds for housing support due the fact that funding from local authorities has remained static over the last two years.

- As in previous years, older people are still the most likely group to receive small packages of support. This level of provision is still vulnerable and has reduced since the 2008/09 survey. As in last year's study, the majority of providers who exclusively deliver small packages of support are likely to be in deficit or breaking even. In general, it would appear the amount of provision involving less intense support dropped in 2009/10 This points to the fact that these small packages are becoming less viable given the financial pressures that providers are experiencing, and could represent a shift in local authorities away from providing for lower level support needs to providing more intense services.

- In terms of the volume of service delivered, the majority of providers delivered the same level of service or more in 2009/10. In spite of a tendency for local authorities to direct less funding in real terms towards housing support, most commissioned the same volume of housing support this year as last year. Providers are expressing concern that they are stretching staff resources to the limit to sustain levels of service.

- Providers are continuing to strive to deliver quality services despite funding restrictions. However, there is concern that increased pressure on funding will, in the future, affect service quality and decrease the likelihood of service improvement.

Appendices

Appendix 1 The questionnaire

Introduction

The purpose of this research is to find out what impact funding changes have had on housing support services in Scotland and to establish the issues providers are facing in securing funding for services.

This information will be used to influence policy at local and national level.

This questionnaire relates to the local authority area and care commission service number specified in the email or letter you received with this survey. If you wish to provide information for additional local authority areas, we can email you a spreadsheet which allows multiple entries. Please contact cath.cassidy@ccpscotland.org for a copy of the spreadsheet or if you have any other queries.

Thank you for your help.

Contact details

If you are not the person in your organisation who is able to provide information relating to the the funding of this service, we would be grateful if you could forward this survey to the individual who is in a position to do so.

*** 1. Please confirm your details.**

Care Commission Service No. (on letter or email accompanying this survey)

Provider Name:

*** 2. Are the addressee contact details on the letter or email with this survey correct?**

- Yes
- No

Please provide updated addressee details.

*** 3. Please provide us with your email and telephone contact details in case we need to get in touch with you.**

Email Address:

Phone Number:

About Your Organisation

*** 4. How would you describe your organisation?**

- Voluntary organisation
- Registered social landlord
- Private company
- Local authority
- Other

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*** 5. What size is your organisation as a whole? We are interested in the number of whole time equivalent staff(WTE).**

- Large (over 100 WTE staff)
- Medium (15 - 100 WTE staff)
- Small (under 15 WTE staff)

*** 6. Describe your main client group(s)?**

- Older people
- People misusing substances
- People with mental health problems
- People with dementia
- People with a learning disability
- People with physical disability/illness/sensory impairment
- Women at risk of domestic violence
- People who are homeless or sleeping rough
- Others requiring support to assist them in accessing and sustaining housing

Your Service

We would like to find out more about the nature and volume of housing support services provided by your organisation.

*** 7. How would you describe your service?**

- Housing support only
- Combined - housing support and other services such as Care at Home

*** 8. What type of service(s) do you provide?**

- Supported accommodation
- Support at home
- Outreach
- Advice service (offfice based)
- Community care alarm/telecare/telehealth

*** 9. How do you measure service volume? (Choose one only.)**

- In number of hours
- In number of service users
- No. of beds

*** 10. Please estimate the volume of housing support service delivered by your organisation during a typical week in March 2010 using the measure indicated in question 9.**

No. of hours

No. of service users

No. of beds

Don't know (Enter 0 here)

*** 11. What volume of housing support only (not including Care at Home or other combined services) did you provide for your local authority in the WHOLE of the last financial year (2009/10)? Please use the measure you indicated in question 9.**

No. of hours

No. of service users

No. of beds

Don't know (enter X here)

*** 12. How does this compare with the previous year?**

- More
- Less
- The same
- Don't know

13. What % of housing support service users receive the following hours of support per week. (Enter numbers only. Do not include % sign)

0 to less than 2 hours per week

2 to less than 4 hours per week

4 to less than 10 hours per week

10 to less than 20 hours per week

20 to less than 40 hours per week

40 hours or more

About Funding for Housing Support

We are interested in hearing about the funding of housing support services. We know some organisations may have trouble isolating housing support funding from total service funding. If this is the case, please give us information about your total funding.

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* 14. I can provide information on:

- ◯ housing support funding (not including combined services)
- ◯ total funding only

Housing Support Only Funding

* 15. How much did the housing support part of your service cost to operate in 2009/10? (Enter don't know if you cannot access this information.)

* 16. How much did your organisation receive from the local authority to provide housing support services in 2009/2010? Answer don't know if you cannot access this information.

Total Service Funding

* 17. How much did it cost to provide your total service in 2009/2010? (Answer don't know if you cannot access this information.)

* 18. How much funding did your organisation receive from the local authority to provide the total service you provided in 2009/10 (including the cost of Care at Home or other combined services)? Answer don't know if you cannot access this information.

Managing Change

* 19. How would you describe your service's financial situation during 2009/10?

- ◯ Break even
- ◯ In surplus
- ◯ In deficit
- ◯ Don't know

20. Specify any additional sources of funding being used for your service.

- [ ] Social work funding
- [ ] Homeless strategy
- [ ] Children and YP fund
- [ ] Community Safety Partnership
- [ ] Drug and Alcohol Team
- [ ] Self funders
- [ ] Independent Living Fund
- [ ] Trusts/charities
- [ ] Lottery funding
- [ ] Fundraising effort
- [ ] Health Service
- [ ] Self-directed support e.g.individual budget/direct payments
- [ ] None
- [ ] Other (please specify)

* 21. Please tell us what (if any) effect self-directed support is having on your service.

% of service users taking up this option

% of income from this source

Don't know (enter X here)

* 22. Has this increased in the last year?

- ( ) Yes
- ( ) No
- (•) Don't know

23. If the contract funding did not cover the cost of the housing support service)s) how was the situation managed?

	Yes	No	Don't Know
Secured funding for housing support service(s) from external sources	◯	◯	◯
Increased rent and /or service charge to tenants/ occupants (sheltered housing and other accommodation based service only)	◯	◯	◯
Drew on organisational reserves	◯	◯	◯
Organisation cross-subsidised or pooled costs across various projects	◯	◯	◯
Increased caseloads for support workers	◯	◯	◯
Changed staff terms and conditions	◯	◯	◯
Reduced number of staff	◯	◯	◯
Reduced expenditure on staff training and development	◯	◯	◯
Reduced overheads	◯	◯	◯
Re-organised management structure	◯	◯	◯
Changed service users' packages of support	◯	◯	◯
Revised split between housing support costs and housing management costs (sheltered housing and other accommodation based service only)	◯	◯	◯
Restricted access to services for new clients	◯	◯	◯

Other (please specify)

* 24. Please indicate whether you agree or disagree with each of the following statements

	Strongly agree	Tend to agree	Neither agree or disagree	Tend to disagree	Strongly disagree	Don't Know
It has been possible to maintain service quality in 2009/10.	◯	◯	◯	◯	◯	◯
It has been possible to improve service quality in 2009/10.	◯	◯	◯	◯	◯	◯
There is a link between funding and service quality.	◯	◯	◯	◯	◯	◯

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Final remarks

This information will be used to influence policy at a local and national level. If you have any additional information you would like to be included in the research please tell us here or contact cath.cassidy@ccpscotland.org

25. Do you have any further comments to make?

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Appendix 2 Letter to local authorities

Dear

Re: Housing support - annual information gathering

The Housing Support Enabling Unit is conducting its annual research into the costs and funding of housing support. Information is being gathered from housing support providers via a questionnaire survey. This has been sent across the various sectors including local authorities as service providers.

Another aspect of the research is to gain information from local authorities about how they are approaching the funding and commissioning of housing support. To this end I would be most grateful if you could provide some information in response to the following questions:

1. Is housing support funded through a distinct budget in your area? If not, can you state the various budgets involved?

2. In 2009/10 how did the budget for housing support compare with 2008/09? Did it:

   - increase by up to 1%
   - increase by 1 – 4%
   - remain the same
   - declined by up to 1%
   - declined by 1 – 4%
   - declined by a more substantial amount (5% or over)?

3. Where the budget was reduced, how did you manage the situation? Did you purchase less support/ re-modelled services/ applied a reduction across the board/ reviewed services to identify priorities for funding or something else?

4. Broadly speaking, how did the volume of housing support purchased in 2009/10 compare with the previous year? (Did it go up, remain the same or go down?)

5. How do you expect the volume of housing support purchased this year to compare with the volume purchased last year?

6. Given the current pressures on public funding have steps been taken to explain and promote the benefits of housing related support to elected members and others responsible for resource allocation?

7. Related to this – has there, or is there expected to be, a loss of small providers from the sector in your area?

8. In terms of direct payments, has there been a growth in direct payments (or indeed any other form of self directed support) to individuals in receipt of housing related support in the last 2 years? If so please outline the scale of the increase and the client groups this has occurred in.

9. Have you entered into contracts with your service providers and if so are they for a fixed term?

10. Do you measure outcomes of housing support services as part of contract management? If so, do you use one method or does it vary according to the service or client group?

I greatly appreciate your assistance with these issues and invite you to forward responses to me by 1st September. The information you provide will be extremely valuable in presenting a nationwide overview of the trends in the funding of housing support and of the steps local authorities are taking to deal with the current financial situation.

I look forward to hearing from you.

Yours sincerely,

Yvette Burgess
Unit Director

Appendix 3: Table 1 Local authority budget changes and management

Local Authority	Is housing support funded through a distinct budget?	Budget for housing support in 2009/10 compared with 2008/9	If budget was reduced how was this managed?
Aberdeen	Yes	- 12%	2 services closed
Aberdeenshire	No	2%	N/A
Angus	No, within 6 service budgets	2.5%	N/A
Argyll & Bute	Yes	-7.89%	Re-negotiation of hourly rates; re-modelling to reduce costs; review of ind. services non-reallocation of freed up hours.
Clackmannanshire	No response	No response	No response
Dumfries & Galloway	Split between Social Work and Homelessness	Same	N/A
Dundee	Yes	Same	N/A
East Ayrshire	Yes, housing support separate for non SW services but no separate SW housing support budget	- 25% reduction for non SW services. Same for SW services.	Restructuring of inhouse services (- 11 posts in Tenancy Support Team). Some amenity schemes taken off RSL alarm services and 1 sheltered scheme warden servicing decommissioned (due to level of need being insufficient)
East Dunbartonshire	No response	No response	No response
East Lothian	No response	No response	No response
East Renfrewshire	No	Unable to comment.	Unable to comment
City of Edinburgh	Split between 2 budgets – one for external providers and one for internal services	- 1 to -4%	Negotiation & tendering
Eilean Siar	Yes	Same	N/A
Falkirk	Yes	1 – 4% increase	N/A

Local Authority	Is housing support funded through a distinct budget?	Budget for housing support in 2009/10 compared with 2008/9	If budget was reduced how was this managed?
Fife	Yes	2% increase for some voluntary orgs. Standstill for those under Letters of Agreement.	Standstill budget for sheltered housing with some reconfiguring services as a result.
Glasgow City	No response	No response	No response
Highland	Yes	-1 to -4%	Purchased less housing support & contracts adjusted 'where services underproviding'
Inverclyde	Yes	2.5% increase	Some re-modelling resulting in reduction in hourly rate.
Midlothian	Yes	1 – 4% increase	N/A
Moray	Yes	-1 to – 4%	Remodelled services and working towards more homeless prevention
North Ayrshire	Not possible to distinguish housing support in social work but can do so in Housing (homelessness and sheltered housing)	2% increase for services commissioned by Housing (homelessness & sheltered housing)	N/A
North Lanarkshire	Split between Social Work and Housing	Same	N/A
Orkney	Split between Social Work and Housing	2% increase	N/A
Perth & Kinross	Split between SP, Homecare and Education and Children's budget	- 2%	Reductions to floating support in terms of funding and hours across 4 providers
Renfrewshire	Split between Housing & Property Services and SW	About the same (though increase in some areas of care overall)	Steps to reduce funding to sheltered housing where seen to be out of step with other local providers.
Scottish Borders	No	-5.3% ('to reflect reduced level of housing support required.')	Contract re-negotiation and service re-modelling – major ways of reducing budget. Some warden services have been withdrawn where housing inappropriate.

Local Authority	Is housing support funded through a distinct budget?	Budget for housing support in 2009/10 compared with 2008/9	If budget was reduced how was this managed?
Shetland	No.	Overall increase due to funding for new inhouse aspergers outreach service. Existing services stayed same.	N/A
South Ayrshire	Yes	2.25% increase	N/A
South Lanarkshire	Yes – split between Housing & Social Work	Same	N/A
Stirling	No	1% increase	N/A
West Dunbartonshire	No	-1 to -4%	Invited providers to discuss how to manage. Where reduced service would risk individual safety then other ways to gain efficiencies sought.
West Lothian	Split budgets	Same or 1% increase depending on individual service review	N/A

Appendix 3 Table 2: Local authority service volume and budget

Local Authority	Budget for housing support in 2009/10 compared with 2008/9	Volume of housing support compared to 2008/9	Volume this year
Aberdeen	- 12%	Reduced	Reduced
Aberdeenshire	2%	Same (estimate)	Expected to remain the same.
Angus	2.5%	Slightly increased – due to opening of care and support facility for 4 adults with LD leaving hospital.	Expected to be similar to 2009/10.

Local Authority	Budget for housing support in 2009/10 compared with 2008/9	Volume of housing support compared to 2008/9	Volume this year
Argyll & Bute	-7.89%	Reduced in line with budget reduction	Ongoing decrease in line with budget decrease (£6.7m reduction in 6 years)
Clackmannanshire			
Dumfries & Galloway	Same	Same	Same
Dundee	Same	Same	Same
East Ayrshire	- 25% reduction for non SW services. Same for SW services.	Overall volume decreased. SW commissioned services hourly rate went up but funding remained same. Non SW services reduced markedly due to funding reductions.	Reductions likely in 2010/11 and in 2011/12
East Dunbartonshire			
East Lothian			
East Renfrewshire	Unable to comment.	Unable to comment	Unable to comment
City of Edinburgh	- 1 to -4%	Increase	Increase
Eilean Siar	Same	Reduced	Reduce as some services remodelling
Falkirk	1 – 4% increase	Same	Same
Fife	2% increase for some voluntary orgs. Standstill for those under Letters of Agreement.	Increase in visiting support after reconfiguration.	Hours purchased the same but number of service users to increase due to centralization of referral process. (Under Fife SOA target is 5% increase in visiting support).
Glasgow City			
Highland	-1 to -4%	Reduced in line with funding reduction.	Same.

Local Authority	Budget for housing support in 2009/10 compared with 2008/9	Volume of housing support compared to 2008/9	Volume this year
Inverclyde	2.5% increase	No service reductions.	Expect volume to reduce due to financial constraints
Midlothian	1 – 4% increase	Slight increase	Broadly similar
Moray	-1 to – 4%	External purchase was reduced by ending a contract, however this money was used in house to remodel services.	External provision less but increase in in house service
North Ayrshire	2% increase for services commissioned by Housing (homelessness & sheltered housing)	Roughly same	Roughly same
North Lanarkshire	Same	same	same
Orkney	2% increase	same	same
Perth & Kinross	- 2%	Floating support down by 3%. Accommodation based support unchanged.	Accommodation based to stay same. Floating support decrease due to floating support decrease plus moving part of budget to homecare on basis that it is not providing housing support.
Renfrewshire	About the same (though increase in some areas of care overall)	Similar or slight increase	Similar or slight increase
Scottish Borders	-5.3% ('to reflect reduced level of housing support required.')	Volume reduced in line with withdrawal of some warden services.	Likely to go down as budget reductions are made across all services.
Shetland	Overall increase due to funding for new inhouse aspergers outreach service. Existing services stayed same.	Increase for inhouse sevices Same for external services	Gone up due to new inhouse service for people with aspergers syndrome. Otherwise has remained the same.
South Ayrshire	2.25% increase	Remained the same	Remained the same.
South Lanarkshire	Same	Remained same	Same
Stirling	1% increase	Relatively static. Some service reviews relating to packages of support for	Small reduction (not deemed significant)

Local Authority	Budget for housing support in 2009/10 compared with 2008/9	Volume of housing support compared to 2008/9	Volume this year
		people with learning disabilities resulted in reduced hours	
West Dunbartonshire	-1 to -4%	Some decline but not related to level of funding cuts	Was going to stablise until Council decided to cut £1M over next 2 years - so may be some reduction later this year
West Lothian	Same or 1% increase depending on individual service review	No change. But ongoing discussions and some shift likely from accommodation based to floating support to provide more flexible service.	So far no change but future shifts anticipated in commissioned housing support