

A report on providers' experience of local authorities' Supporting People service review

January 2007

Supporting People Enabling Unit

The Unit would like to thank all the providers who participated in this research

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EXECUTIVE SUMMARY

The purpose of this research was to find out how providers of housing support have found Supporting People service review.

In 2003 the Scottish Executive gave local authorities the task of reviewing all housing support services in their area to assess them for cost effectiveness, strategic relevance and quality. The findings of the review were to be used to decide whether or not the service should receive continued funding and enter into a full contract with the local authority.

The Scottish Executive issued guidance on how to conduct service review but each local authority was free to develop their own method if they chose to. Initially all service reviews were to be completed by March 2006 but this was extended to March 2007 when it became apparent that local authorities were having difficulties meeting the original timescale.

The Scottish Executive receives reports and information about service review from local authorities on a regular basis. This research has been an opportunity for providers to give feedback on how service review has affected them.

Key Findings

After discussing service review with 47 providers 6 key findings emerged.

1. The Scottish Executive has laid out principles which local authorities are expected to demonstrate whilst carrying out service review. Providers do not think these principles have always been followed.
2. There has been considerable delay in undertaking service review. The deadline for completing reviews is March 2007 and providers have become concerned that reviews are not being completed within this timescale. This delay is having an impact on business planning.
3. Providers now question the relationship between service review and Supporting People funding decisions.
4. There has been significant concern amongst providers about the accuracy of service review reports with some being completed 18 months or more after the review had been carried out. Providers are keen to ensure that records kept about them and their services are accurate and want an appropriate avenue for correcting errors or appealing decisions.
5. Providers have concerns about the sustainability of housing support services under the current funding and review system.

6. Providers face a considerable amount of duplication in the information requirements of different regulatory bodies and service review added to this burden.

Service Review

A wide range of methods have been used to undertake service review. Some reviews have involved a detailed examination of every aspect of a service where as others have been a brief look through information the local authority already held. This has led providers to question the value of service review as it is so different in different areas.

For a minority of services within the survey group service review has been a positive and worthwhile process. Service review:

- encouraged some services to assess and improve policy and practice
- highlighted funding issues for some services which resulted in the suspension of previous decisions to make cuts
- allowed the service to plan for the future in partnership with the local authority

For the majority of services within the survey group service review has been a difficult process which has had a number of problems including:

- wide variety of service review processes has meant that providers working across several local authority boundaries have not been able to devise centralised systems to deal with information requests
- changing service review method midway has resulted in providers having to duplicate information
- delays in starting service review has meant that providers have not been able to plan for service development
- some providers have faced a stop/start approach to service review which has left services in a period of review (and considerable uncertainty) for over 18 months
- delays in notifying providers of outcomes has left some providers concerned that the information they have given will be out of date by the time it is used to make decisions about their service.
- delays created by local authority restructuring and changing personnel within local authorities have made it difficult for some providers to build strong relationships with local authority partners

Recommendations

Following on from the research the Unit has a number of recommendations to make:

1. Local authorities should clarify for providers how they are going about service review and make reference to the key principles set out in the Scottish Executive's guidance regardless of the process they have decided to adopt.
2. Providers would be assisted if local authorities (who have not already done so) developed a time table for service review. This should include timescale for reporting outcomes of the service review process.
3. Where local authorities have not done so already, steps should be taken to clarify Supporting People funding decision processes with providers.
4. Decisions made about funding should be explained to providers and should be based on current information.
5. Local authorities should ensure their complaints procedure is known by providers and ensure that any concerns providers have about fairness or accuracy are addressed swiftly
6. Local authorities should use service review to examine service provision and costs in the light of local needs and priorities and move into a full contract where appropriate – as guided to do so by the Scottish Executive
7. The needs of specialist, national providers should be addressed and consideration should be given to lessening the number of contracts/funders that national specialist providers have to work with.
8. Local authorities should acknowledge the distinction between regulation and commissioning and maximise use of existing information about services.

A report on providers' experience of local authorities' Supporting People service review

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Introduction and background

Supporting People

1. Supporting People is a new funding regime for housing support and replaces the transitional housing benefit system.
2. The Housing (Scotland) Act 2001 paved the way for local authorities to be paid a Supporting People grant by Scottish Ministers for housing support. Housing support was then defined in the 2002 regulations (1)
3. Housing support includes services which help people maintain independent living by offering, for example, help with budgeting, help to maintain security, help to organise repairs. Housing support can be provided within a supported accommodation setting or on a visiting support basis across all tenures. Housing support services can help people in a variety of situations e.g. setting up home after experiencing homelessness or domestic violence as well as helping older people or people with disabilities on a longer term basis.
4. Housing support is delivered by voluntary organisations some of whom are Registered Social Landlords as well as the private sector and local authorities' in-house teams.
5. The Scottish Executive regarded the first 3 years of the Supporting People programme as a 'transition' stage during which local authorities were required to review all services using SP funding and to decide whether or not to continue to do so under a full contract. The timescale for completing service reviews was extended on 7th June 2005 (2) from March 2006 to March 2007 because of the problems local authorities were having in completing reviews on time.

Expectations about service review

6. Although the carrying out of service reviews is a requirement made of local authorities the actual process or format a review might take has not been prescribed. The Scottish Executive did, however, issue guidance (3) on the process in 2003 and then revised it in 2005 after consultation with a range of stakeholders.

The Housing (Scotland) Act 2001 (Housing Support Services) Regulations 2002 – SSI 2002 444
www.scotland.gov.uk/Resource/Doc/1035/0015929.pdf
www.scotland.gov.uk/Publications/2003/03/16940/21294

7. In the Scottish Executive's 2005 guidance on service review there are various requirements:
 - All services receiving Supporting People funding must be subject to a review no later than 31 March 2007. These reviews:
 - should be programmed following consultation with providers and users;
 - should follow a methodology for conducting reviews that is consistent with this guidance and appropriate to local circumstances;
 - should provide a structured and transparent process of managing change where this is necessary to achieve service improvement;
 - should balance the need for continuity and stability with the need for quality and Best Value, and where appropriate, broaden the range of services that are available to users;
 - are an opportunity for local authorities to work in partnership with the provider to examine ways in which the service delivery might be changed to better reflect the local strategic objectives and / or to improve service to users; and should take account of any legislative/policy changes.

Financial context within which service reviews have been carried out

8. In the run up to the launch of Supporting People in April 2003 there was an expansion of service provision across Scotland. The Scottish Executive had expected the total annual cost of housing support to be around £50 million but the final cost at the end of March 2003 was £461 million. Since that time the programme has come under increasing pressure at a national level. This has led to a redistribution of the grant between local authorities and an overall reduction of 5% by 2007/08 compared to SP grant levels in 2004/05.
9. Voluntary sector providers have reported⁽⁴⁾ facing increasing problems securing full cost recovery through SP for this reason and have regarded the service review to be an important opportunity to address apparent disparities between the cost of delivering services and funding levels through SP. Part of the focus of this piece of research, therefore, has been to find out about funding outcomes of service reviews.

(4) www.ccpscotland.org/news/index.php#2

Purpose of the research

10. The role of the Supporting People Enabling Unit is to work with providers in the voluntary sector, Registered Social Landlords and the private sector. Its remit includes gathering information from providers about the impact that Supporting People is having on them and the services they deliver.
11. The focus of this research has been the process and outcome of service review for providers in the voluntary and private sectors. This piece of work has been undertaken to complement the information local authorities submit to the Scottish Executive through periodic returns about service review. The first set of returns has been analysed and reported on. (5)
12. The Scottish Executive has yet to make a decision as to whether or not local authorities will continue to be required to conduct Service Reviews. It is hoped that this report will play some part in informing this decision.

Aims and objectives of the research

13. The aims of the research have been to:
 - consider how service review is being undertaken in Scotland in the light of the Scottish Executive's guidance and
 - consider the impact service review is having on providers in the voluntary and private sectors.
14. The objectives of the research have been to:
 - find services that have gone through service review
 - find out whether providers think that local authorities have undertaken reviews in line with the Scottish Executive's guidance with particular regard to consultation, consistency, appropriateness to local circumstances, transparency, timing and fairness
 - find out about service review funding outcomes
 - find out about the duplication providers are facing with regard to review and regulation.

(5) www.scotland.gov.uk/Resource/Doc/1035/0027287.pdf

Methodology

15. To undertake this survey the Unit worked with 53 services to find out their experience and opinion of Supporting People service review. A mixture of telephone interview, face to face interview and focus groups was used to collect the information on which to base the report's key findings and recommendations.
16. The services involved in the survey included representation from:
 - **voluntary organisations** including national providers as well as small community based providers
 - **private companies** including those that provide agency staff
 - **registered social landlords** including large national housing associations as well as smaller, locally based hostels
17. When developing the survey group care was also taken to represent different geographical areas and client groups.
18. For many services service review was a prolonged process and most had not been completed by October 2006. This means that there is limited information on the outcomes of service review. Some services however, have been able to update the Unit on outcomes as they have developed since the survey was carried out.
19. Further detail about the methodology adopted in this research can be found in Appendix 1.

Finding One

The Scottish Executive has laid out principles which local authorities are expected to demonstrate whilst carrying out service review. Providers do not think these principles have always been followed. A quarter of providers have not found service review to be an opportunity to discuss Best Value.

Recommendation:

Local authorities should clarify for providers how they are going about service review and make reference to the key principles set out in the Scottish Executive's guidance regardless of the process they have decided to adopt.

Working together to develop the service review process

20. Local authorities have employed various methods to carry out service reviews as Appendix 2 highlights. Given the lack of a standard service review process providers have relied on individual local authorities to communicate with them about what to expect and there has been scope for local authorities to consult with providers before deciding how to conduct service reviews.

21. In one case a local authority conducted a pilot service review process with providers.

A local authority working with providers to develop a service review process

A private provider of services for people with learning disabilities agreed to pilot the review process so that the local authority could receive feedback on the effectiveness of the review design.

The service review included gathering of financial information and the breakdown of the hourly rate e.g. by teasing out the proportion spent on management, salary, administration. The SP Team then used this information to do a benchmarking exercise which highlighted discrepancies between the costs of services. Some differences were easily explained but if the service was simply paying too much for an item the SP Team was able to offer advice on how to cut costs. The provider found this useful.

During the pilot service review the provider was able to identify a number of information requests that had already been submitted to the local authority. The SP Team made a note of where this information was stored and used this for subsequent service reviews rather than asking for data to be resubmitted.

The review itself was carried out by the SP Team (as opposed to consultants) which meant they got a deeper understanding of the service.

The provider found the service review report to be fair and reflective of the service they provide. At the end of the report the issue of reducing budgets was raised and the SP team gave a number of options outlining how this could be done. Each option included the positive and negative points of following that course of action. The provider was then able to meet with the SP Team and negotiate a way forward.

22. By developing the service review process together the local authority and providers were able to approach difficult issues, such as financial constraints, openly.
23. This example also highlights the concerns that providers sometimes have about consultants being brought in by local authorities to conduct service reviews.

Table 1: Adherence to the Scottish Executive’s guidance on conducting service reviews

During the service review the local authority...	Yes	No	Somewhat
Showed sensitivity to service users	79%	6%	15%
Acted fairly and objectively	70%	13%	17%
Assessed strategic relevance	66%	21%	13%
Acted in a transparent manner	62%	21%	17%
Maintained good communication	60%	21%	19%
Looked at obtaining Best Value	57%	26%	17%

Source: SPEU survey 2006

No. of respondents: 47

24. Most services felt local authority staff had been sensitive to the needs of service users. Sometimes this meant not consulting with service users directly as the local authority had accepted that the Care Commission had already done some work in this area and that service have their own quality assurance systems in place.
25. Most services felt that local authorities have been fair and objective and about 2/3 of services felt the review had involved a strategic assessment.
26. About one fifth felt the service review process had not been transparent although about 2/3 of providers were satisfied with their local authority in this respect.

27. Two fifths of the survey service group mentioned that the local authority had not been able to maintain good lines of communication during the period of service review. This was a particular problem for services because it meant they did not know how to prepare for service review.

28. The area where providers most often feel local authorities stray from the Scottish Executive's guidance was around best value, with about a quarter of providers feeling that best value was not addressed during service review. This may be due to the financial pressures on local authorities to reduce spend on housing support.

29. For some service providers the experience of service review has been a positive one and has helped to put service delivery on a firmer footing.

Helping services develop and improve

A small visiting support service found service review to be a positive experience which has put the organisation on a sound footing for the future.

The service provides day services for older people with dementia. As part of its work the service has a housing support service which provides befriending and support to older people.

The housing support project was developed under Transitional Housing Benefit. This meant there was an emphasis on getting the project set up within a particular timeframe and there had not been a lot of time to develop organisational policies and procedures.

When the service was reviewed by the local authority's supporting people team it became apparent that the organisation would have to formalise its ways of working if it wanted to develop further. The local authority produced a detailed action plan which asked the service to look at:

- Policies and procedures
- Staff record keeping on service users
- Induction
- Training
- Professional development

The action plan proved to be a useful document to explain to both staff members and management committee members why the service needed to formalise its way of working. Part of the action plan included staff training on policies and procedures which was particularly useful. Staff responded well to the training and showed an increased pride in their work.

30. This example highlights the way an action plan can be a helpful part of the service review process although this is not mentioned in the Scottish Executive's guidance except in the context of stage 3 reviews(2).

(2) www.scotland.gov.uk/Resource/Doc/1035/0015929.pdf

Finding Two

There has been considerable delay in undertaking service review. The deadline for completing reviews is March 2007 and providers have become concerned that reviews are not being completed within this timescale. This delay is having an impact on business planning.

Recommendation

Providers would be assisted if local authorities (who have not already done so) developed a time table for service review. This should include timescales for reporting outcomes of the service review process.

Prolonged process

31. One of the big issues for providers has been the time that service review has taken to start and, once started, to reach a conclusion.

32. The information gathering stage of the process has varied considerably in how long it has taken.

Table 2 : Length of time it took to complete the information giving stage of service review

34%	1 month
34%	2 to 5 months
32%	over 6 months

Source: SPEU survey 2006**Number of respondents: 47**

33. Some providers have found that service review has started but then the process has been suspended for six months or so while the local authority has reviewed the process.

34. This process of starting and suspending service review sometimes happened several times which meant some services found themselves in a state of semi-permanent review for 18 months or more. This has been difficult for providers to manage.

Table 3: Service reviews completed by November 2006

29% of service reviews concluded
71% of service reviews not concluded

Source: SPEU survey 2006**Number of respondents: 47**

35. The lack of progress on service review in some areas has had particular consequences for providers who face Supporting People shortfalls. Providers have been looking to the service review process as an opportunity to address funding and service level issues.

Impact of delays on carrying out service reviews

A national Housing Association who participated in the research currently manages more than 5,000 houses in 22 local authority areas throughout Scotland. Delays in several local authorities service review process has meant that the Housing Association has not been able to enter into negotiations with local authorities about future funding and this is starting to have a considerable impact on the organisation's ability to plan for the medium to long term.

In the run up to the start of Supporting People in April 2003 a national Housing Association was asked by each local authority it operated in to submit financial information of their current running costs. The Housing Association complied with this and the Supporting People grant was calculated using the costs from 2002/03. Since then the Supporting People grant has not kept up with inflation and the Housing Association is now running at a loss in every local authority area. The national deficit for its Supporting People services in 2004/05 was 15%.

The Housing Association is keen to address the costs of providing services with local authorities but have found that no local authority is prepared to discuss price and contracting before service review has taken place. This means that the slow progress of service review has created real difficulty. Of the 22 areas the Housing Association works in by August 2006:

- 3 have completed their review process
- 7 are in the process of completing the review but have no stated end date,
- 10 have not started the service review process
- 2 have chosen to use a different monitoring process

As a major Housing Association it has a rolling programme of refurbishment and renewal for its properties which is planned 10 – 30 years in advance. The management committee is now concerned that the current deficits will compromise the organisation's future development in the medium and long term and mean that plans for renewal will have to be revised. They have made the decision that if service review is not completed by December 2006 they will move to contract discussions because they must have a price in place for April 2007/08. In addition the committee has decided that the price agreed through contract decisions must reflect the actual running costs of the service as the Housing Association cannot continue to carry a deficit in funding. If the local authority and the Housing Association cannot agree a price that reflects actual running costs then cuts in service provision will be inevitable.

36. The lack of progress on service review has also impacted on the ability of some providers to review organisational structure in order to consolidate expansion.

Impact of delays in carrying out service review on business planning

A small housing association on the west coast of Scotland has experienced considerable delay in starting its service review and this has had an ongoing impact on the organisation's future development.

The Housing Association has three warden services, two of which came as part of a stock transfer process. The Association has been keen to review its warden services to ensure that all its employees were on equitable terms and conditions and that the services provided were appropriate to the needs of the tenants. The local authority agreed that the housing support service needed re-organisation but said this should be done in conjunction with the Supporting People team's service review.

In preparation for the review the housing association produced 3 fully costed options which it wanted to discuss with the local authority and submitted these in December 2005. The service review process was started in December 2005 but personnel changes within the SP team meant that meetings planned for February 2006 had to be postponed and by August 2006 the service review had still not been completed.

Organisational and personnel changes within the local authority have caused problems for the Association and local authority workers alike and has meant that communication with the local authority had become more difficult. This has been disappointing as previous relationships were very good and included regular forums which allowed for positive working relationships to develop.

The Housing Association's staff have been consulted about changes to their conditions of service and working operations and are keen for this to be resolved quickly. The delays and the uncertainty over the service review have meant that staff have not been given an accurate time scale for change. This has been unsettling for them. The changes also impact on the tenants and will involve considerable tenant consultation to progress. This process takes time and it has been frustrating that delays in service review means that a review which everybody agreed was needed from early 2005 has not progressed to a conclusion.

37. Delays in starting and completing service review has had a serious impact on providers ability to recover costs and to plan for the future.

Finding Three

Providers now question the relationship between service review and Supporting People funding decisions.

Recommendation

Where local authorities have not done so already, steps should be taken to clarify Supporting People funding decision processes with providers.

Decisions made about funding should be explained to providers and should be based on current information.

Using service review to inform funding decisions

38. One of the purposes of service review was to allow local authorities to get to know the housing support services in their area so they could make decisions about their longer term funding.

39. In some cases, it has been clear that the information gathered during service review has informed local authority decisions on funding.

40. *One service found that the service review included cost comparison of similar services which highlighted that it was not being paid enough. This resulted in additional funding being agreed.*

41. *In another case a service had been told to expect a cut but the service review resulted in the decision being suspended though it remains unclear what the final funding will be.*

Delays in starting and/or completing service reviews

42. As table 3 has highlighted, many service reviews have not yet been completed which means that local authorities have had to make decisions about funding year on year without having a service review to base it on. This has led some providers to question the relationship between service review and Supporting People funding decisions.

Successful service review does not always lead on to continued funding

43. Some providers have found that a service review has been carried out successfully but then a decision made not to confirm continued funding.

44. *One service underwent a successful service review and had been given some positive verbal feedback but then was told that all services in their sector would be going out to tender.*

Funding decisions being made in advance of the service review

45. *One small voluntary organisation providing services for older people found that their service review took place very quickly.*

46. *The provider was given 24 hours notice that the review would take place and the review itself consisted of a thirty minute interview. The provider accepted this because:*

- *they have a well established relationship with their local authority commissioners and had no new information to pass on*
- *a previous desk top exercise conducted by the local authority (with information it already had) had shown the strategic need and value of the service*
- *they knew that a cut in the local authority's Supporting People grant meant that financial decisions about the service's future had been made prior to service review*

Table 4: Providers perception of how service review impacts on funding decisions

The extent to which the service review process affected decisions about funding of services	Survey group responses
Decisions were made based on the information gathered during service review	21%
Previous decisions were revised as a result of service review	4%
Decisions had been made before the process of service review	17%
No decisions have been made about funding yet	57%

Source: SPEU survey 2006

Number of respondents: 47

Completing service review

47. *Despite completing service review many services have still not had any indication what their funding would be until 2008. This has become a particular problem as services were aware they may have to make redundancies if they do not receive an inflationary uplift and would have to complete the ground work for this in December 2006 if it was to be implemented in time for the 2007/08 budget.*

48. **In December 2004 local authorities received SP grant offers for the next 3 years up to 2007/08. This security was not passed onto providers who have been told year on year if they will retain funding. This has led to insecurity within the sector. Service review was one method of resolving this and ensuring that strategic, well run services could gain some security but delays in the process means that insecurity has been heightened rather than lessened.**

Finding Four

There was significant concern amongst providers about the accuracy of service review reports with some being completed 18 months or more after the review had been carried out. Providers were keen to ensure records kept on them were accurate and wanted to make sure there would be an appropriate avenue for correcting errors or appealing decisions.

Recommendation

Local authorities should ensure that their complaints procedure is known by providers and ensure that any concerns providers have about fairness or accuracy are addressed swiftly.

Accuracy of service review reports

49. Concern has been expressed by providers about the accuracy of some of the service review reports written by local authorities and some have faced difficulties in correcting these reports.

50. *A local authority reported back to one provider that they should develop an appraisal system for staff. In fact the provider had been successfully operating an appraisal system for the previous ten years. In this case the mistake was made because the person who undertook the service review was not the person who wrote the final report.*

51. *Another provider noticed that the wrong organisational name had been put on their draft service review report. They informed the local authority of this but the name was not corrected for the final report.*

Changing staff

52. The time delay in completing service reviews means it has not been uncommon for local authority staff with responsibility for conducting service review, to leave or be redeployed before final (or interim) service review reports were issued.

53. *One provider received its service review report 18 months after the service review was conducted. In the meantime both the local authority reviewer and the provider's service manager had left their positions. This meant that neither the person who wrote the report nor the person who received the report had been involved in the actual process of service review.*

54. Providers are keen that information presented in service review reports is accurate and so would like to have a clear procedure for correcting mistakes. Providers would be assisted if they were to receive an interim report if the process of service review is going to be protracted. This is particularly important if the person undertaking the review is leaving his or her post.

Finding Five

Providers have had concerns about the sustainability of housing support services under the current funding and review system.

Recommendation

Local authorities should use service review to examine service provision and costs in the light of local needs and priorities and move into a full contract where appropriate.

55. During the time of Transitional Housing Benefit there was substantial growth in the housing support sector with upwards of two thirds of providers stating they had expanded from 2000 - 2003

56. Since 2003, the vast majority of services have had a standstill budget or have received a cut.

Table 5:

Supporting People funding levels in 2005/06 compared to 2003/04	
Less	49%
More	6%
Standstill	45%

Source: SPEU survey 2006

Number of respondents: 47

57. Providers have been keen to avoid cutting service levels as there is a genuine need for the services they provide and they do not want to leave vulnerable people unsupported.

58. Providers have been looking to use service review to discuss funding levels with local authority commissioners and have attempted to maintain service levels (despite operating at a loss) in the meantime.

59. Most providers have found a way of maintaining service levels in 2005/06 but almost one third of providers are operating in deficit and say this situation cannot carry on indefinitely.

Table 6:**How services have managed Supporting People funding cuts**

16% of services in the survey had reduced their service volume as a result of funding cuts they had received.

27% used organisational reserves to cover deficit

25% found funding from other sources

32% made efficiency savings

Source: SPEU survey 2006

Number of respondents: 47

60. There have been examples of providers restructuring their organisation to accommodate funding cuts and have been able to avoid reducing service provision.

Managing cuts - reorganisation

An east coast based provider found that Supporting People has helped expand and improve the support available for people with learning difficulties and while the administration of Supporting People and service review can pose challenges, the provider believes the benefits of the programme to individuals has been significant.

During the time of transitional housing benefit (THB) the provider was able to develop and expand its service. The provider was able to use funding from THB to assist people to live a more independent life, in their community. This work has led to a substantial improvement in the quality of life of people receiving the support.

In 2005/6 the provider went through a service review process, which was rigorous and exacting. The provider had anticipated this and agreed that local authority commissioners should have detailed knowledge of the services they fund. The most difficult part of service review was the uncertainty that went with it. The system was new and nobody knew how it would work and what the consequences of service review would be. Once the process was underway it was possible to comply with the local authorities requests and things became more straightforward. At the end of service review the provider was able to reflect on the local authority findings and found this to be a useful form of evaluation.

The provider received a cut in funding which has needed careful management. Through re-organising support the provider has managed to deal with the funding cut without lessening the service available to current service users. However, the provider is concerned that there are a significant number of people with learning difficulties who require housing support and are finding it difficult to access services.

Over the next year the provider is hoping to work with other stakeholders (including local authority colleagues) to look to the future and think of new and innovative ways of working that allows all people in need to access appropriate support.

61. The reduction in Supporting People funding in real terms resulted in providers turning to other sources of funding to help cover the cost of delivering housing support

Managing cuts – finding additional sources of funding

A small voluntary organisation providing visiting support in the West coast of Scotland found that they were able to expand during the time of transitional housing benefit. Since then their Supporting People funding has been cut but the organisation has been able to maintain the same level of service provision.

In the 1990s the service was aware that the need for housing support was far greater than they could supply. However, they had never been in a position to accurately quantify what the unmet need was.

During the time of Transitional Housing Benefit the service was encouraged by its local authority commissioners to expand the service provided to cover all unmet need in the area. The service did this and found it grew very quickly over a two year period.

The service set annual budgets but these were largely estimates as nobody knew what the scale of unmet need was. Once the service had been operating on a larger scale for two years (and following the introduction of Supporting People) the service had a much better idea of need and annual running costs which meant they were in a position to produce accurate annual budgets. The service found that the actual operational costs of the service were a little less than had been estimated.

In 2004 the local authority received a substantial cut in its SP grant which was passed onto services in the area. Although the service's operational costs were slightly less than had been estimated, the level of cut in Supporting People grant meant the provider was no longer able to cover the costs of providing the housing support service via Supporting People funding alone. The service went to other funding sources to make up the shortfall including:

- Trusts and charities
- The community planning partnership
- The community safety partnership

Supporting People still makes up the largest part of the services funding and without it the service would not be able to operate. Other funding sources are now vital in order to maintain service volume.

The need for advocacy

62. The cuts to Supporting people budgets have led to concern that service user needs will be overlooked and vulnerable people will be left unsupported.
63. Advocacy agencies are beginning to find that service users are coming to them for help with accessing housing support services and in some cases maintaining the level of housing support service they already have.
64. *A central belt advocacy agency that provides advocacy service for people with learning difficulties has found that the number of people requesting their service has increased markedly since 2004. The kind of issues it supports people with includes:*
- *maintaining service levels*
 - *changing support packages to accommodate changing needs*
 - *accessing services (particularly for people who were not receiving service during the time of THB).*
65. The expansion of services and development of more independent models of living under transitional housing benefit has raised peoples' expectations.
66. *A north east based advocacy agency found that since the time of THB the expectations of their clients in terms of individualised packages are much higher than before - which is placing more demands on social work services. The agency has been supporting a number of people who are finding it very difficult to get the packages which would enable them to live in the place of their choice.*
67. Three advocacy agencies report that clients say it is difficult to obtain support before a state of crisis is reached.
- 68. Providers have experienced a period of expansion followed by a period of cuts in real terms. This has led to concerns that valuable services will be cut. Many providers are operating in deficit while they wait for the results of service review when they hope that funding issues can be resolved.**

Finding Six

Providers face a considerable amount of duplication in the information requirements of different regulatory bodies and service review added to this burden.

Recommendation

The needs of specialist, nationalist providers should be addressed and consideration should be given to lessening the number of contracts/funders that national specialist providers have to work with.

Local authorities should acknowledge the distinction between regulation and commissioning and maximise use of existing information about services.

69. There has been no standard approach taken by local authorities to the content or format of reports providers are required to submit as part of service review. This has posed a challenge for providers working across local authorities and made it difficult or impossible to develop information systems to help.
70. One national housing association reported that they had services in 21 local authority areas. The number of service reviews they had to complete and the complexity of the information being asked for led to the decision to deploy a member staff to work full time on service review requirements.
71. Small national providers have also found it difficult to cope with the burden of undertaking several reviews.
72. The Scottish Executive guidance deals with cross authority issues in Folder One: Section 7. At 7.1.4 it is recognised that specialist services 'may not have the resources to undertake negotiations, tender submissions etc with all authorities where potential users of their services live. In these cases, authorities may wish to use cross-authority arrangements to allow one authority to contract with the organisations, while making their services available through several authority areas.' But this is not common practice.

Small organisations completing 13 service reviews

Supporting People has had a big impact on providers who provide a highly specialist service for a small number of people across Scotland. On the one hand services were able to expand considerably during the time of Transitional Housing Benefit (THB) but on the other the administrative burden of dealing with several local authorities means it can be difficult to work in a cost effective manner.

One low incidence disability group in the survey found that the Supporting People programme allowed for a considerable degree of expansion with 40 additional clients, across Scotland, being able to access services during the time of THB. Supporting People funding now makes up 45% of the organisation's annual budget. This funding comes from 13 local authority areas. Each local authority has to be considered as a separate funder with its unit cost, contract and contract monitoring requirements. The pressure of managing so many funders means that since the introduction of Supporting People the time of one senior member of staff has been devoted to managing Supporting People issues.

Local authorities have been encouraged to develop strong relationships with providers by hosting forums and training days. While small, specialist organisations do see the value of these events they do not have the resources to attend in each local authority area. Local authorities have also been able to tailor the service review processes to their own requirements. This too has caused problems for small specialist providers who have found that they have had to undertake quite different service review procedures in different areas.

The time spent managing SP contracts has meant that less time is spent on other areas of work. For example, the organisation has spent less time responding to Scottish executive consultations. This is important because the issues related to low incidence disability are not widely known and if voluntary organisations dedicated to low incidence disability do not spend time lobbying, the needs of people are in danger of being overlooked.

Specialist providers have welcomed the additional money that Supporting People has brought. However, there is a sense that it is not possible to provide a service for such small numbers of users on a locality basis. It would be more sensible to view low incidence disability nationally which would allow providers to work more efficiently.

Volume of regulation and inspection in housing support

73. Two thirds of the services say the information requirements of the service review team duplicated that of the Care Commission inspection.

74. Some providers also stated that as well as service review they were inspected or regulated by:

- The Fire Service
- Health and Safety Executive
- Communities Scotland
- The Care Commission

75. Providers said that the burden of regulation was becoming overwhelming and while it was important to maintain standards the system for doing this could be streamlined.
76. *One participant found that they went through Service Review at the same time as completing Best Value Review and Care Commission Inspection. The service had 2 full time and 2 part time staff and the work involved in complying with regulatory information needs was burdensome.*
77. **It is not unusual for providers to deliver services in a number of different local authority areas. Having to complete a variety of different review processes has meant that providers cannot create centralized, efficient information systems. Small national providers have had particular problems as they use a small staff team to provide service across a wide geographical area and it has been hard to complete many service reviews.**
78. **The duplication of information requirements from different regulatory bodies is also a cause for concern. And while providers support the important work carried out by regulators they do believe this could be streamlined.**

Conclusions

79. Providers are keen to keep the great benefits that Supporting People has brought about but have serious concerns about the implementation of the Supporting People programme
80. There has been considerable uncertainty about funding arrangements with providers often not being told the level of funding they can expect (despite local authorities finding out their 3 year grant funding in 2004).
81. In addition funding cuts have led some providers to worry about their ability to continue providing appropriate levels of service for vulnerable people.
82. The vast majority of services have received a cut in funding in real terms since 2003. Providers have dealt with this in different ways with some finding funding from other sources, some cutting services and some operating in deficit while they wait for the results of service review.
83. There is reluctance amongst provider to cut services before service review as they feel they will be able to prove the value of what they are doing and once contract negotiations take place they hope local authorities will agree to fund their service.
84. Providers have looked towards service review as a means of showing local authorities the value of the work they do and to negotiate secure contracts for the future. However, delays in conducting service review means in many cases this has not happened yet.
85. There is some evidence that service review has had a role in strengthening services by prompting organisational change. However many providers have expressed concerns about the way service reviews have been carried out, providing evidence of
- poor methodology
 - delays
 - varying degrees of training /confidence amongst reviewing officers
 - continued uncertainty
 - inaccurate reports
86. Providers consider the information gathered via service review to be important and are willing to work with local authorities to make the process work. However, the timescale to complete service reviews seems unrealistic and there is concern that rushing through the reviews left to be done could lead to inaccurate reporting and poor decision making.

Methodology

From May to October 2006 the Supporting People Enabling Unit interviewed 47 providers about their experience of Supporting People Service Review.

The research was undertaken using a mixture of techniques namely:

- Telephone interviews
- In depth case studies
- Validation focus groups

The survey sample was designed to include the experience of different types of providers. In selecting organisations to take part, consideration has been given to:

- Geographical area including urban, island and rural providers
- Local authority areas including weighting the representation of some local authorities that had received larger grants.
- Size of provider
- Type of service provided including visiting support or supported accommodation
- Needs of service users supported by the provider
- Sector of business including if a private company, voluntary organisation or housing association

53 services across Scotland agreed to take part in the survey but only 47 interviews were carried out because 6 of the services had not undertaken service review by October 2006. Each participating service agreed to nominate a member of staff who undertook a 30 minute telephone interview on aspects of service review.

The survey covered 29 of the 32 local authority areas because 3 of the 29 local authority areas had not undertaken any service reviews by October 2006.

The telephone interviews raised a number of issues which were investigated further via one to one interviews which took on average 90 minutes to complete and were used to develop case studies.

The initial findings made from the telephone survey and case studies were presented to a validation group made up of providers and other stake holders to find out if the research findings were consistent with what providers found in practice.

Contact was also made with advocacy agencies working with people using housing support services funded through Supporting People.

Supporting People Enabling Unit Survey 2006 Participating Organisations

Number of services participating		47
Number of local authority areas represented		29
Size of providers	Large	23%
	Medium	30%
	Small	47%
Number of local authority areas that survey group providers have service in	1	46%
	2 to 5	25%
	6 to 10	8%
	Over 10	21%
Nature of business	Voluntary Organisation	53%
	Registered Social Landlord	40%
	Private Company	7%
Primary client group	Learning Disability	23%
	Homelessness	11%
	Mental Health	4%
	Older People	34%
	Young People	15%
	Physical Disability	6%
	Drug and alcohol	2%
	Families	2%
	Women fleeing domestic abuse	2%
Service provided (some organisations provided more than one service).	Short or Long Term	
	Short Term Housing Support	17%
	Long Term Housing Support	51%
	Both	32%
	Visiting Support or Accommodation Based	
	Visiting Support	36%
	Supported Accommodation	38%
	Both	26%

Validation Meeting

Once the interviews were completed the Unit hosted a meeting which allowed survey participants to view and analyse the initial findings.

13 delegates met and discussed three key questions namely:

- are there elements of good practice around service review which should be teased out more in order to promote them or is service review best left as a one off requirement?
- if service review has had an impact on service provision and what the future of housing support is.
- why reductions in SP funding do not appear to have resulted so far in corresponding reductions in service level.

The discussion and ideas that came out of the meeting were reflected in the findings of the report.

Following on from the validation meetings services were asked to update the Unit on any developments they have in their service review.

Summary of methodology

To undertake this survey the Unit worked with 53 services to find out their experience and opinion of Supporting People service review. A mixture of telephone interview, face to face interview and group discussion was used to collect the information used to establish key findings and recommendations.

APPENDIX 2

Table1: Methods used in the service review processes

Reports (bespoke)	91%
Accounts	85%
Written copies of policies and procedures	83%
Policies and procedures to be demonstrated in practice	45%
Interviewed management committee members	9%
Interviewed manager	79%
Interviewed staff	51%
Interviewed service users	53%
Inspection of offices	47%
Viewed staff personnel files	26%
Viewed service user files	47%
Viewed service user housing support plans	68%

Source: SPEU survey 2006

47 respondents