

EXECUTIVE SUMMARY

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A summary of research carried out by the Scottish Council for Single Homeless (SCSH)

In Need of Support?

A Survey of Supporting People Providers Six Months On.

On 1 April 2003, funding for housing support services moved from Transitional Housing Benefit (THB) funding to Supporting People (SP) funding. SCSH, along with everyone involved in housing support, welcomed the introduction of SP and the additional funds it brought to housing support services. During April and May 2003, SCSH became aware of a number of issues which its members were experiencing and sought to establish whether these were isolated problems or wider issues experienced more generally by housing support providers. SCSH compiled a survey and this was distributed to providers using the Supporting People Lead Officers Network.

Key findings of the research are in relation to how well informed providers felt before the transition from THB to SP, the proportion of providers with contracts six months after the transition, how well the transition went, whether providers experienced cash flow difficulties and how providers have been affected by the voids calculation.

- 104 providers completed the survey. These providers worked across 29 local authority areas and received an estimated 11% of the national Supporting People grant.
- Local authorities were the crucial source of information and acted as an 'anchor' of information. Providers typically felt more informed when the local authority source was complemented by at least one other source.
- 69% of providers had some form of contract at the time of the survey (August 2003). 20% of providers did not have contracts in place for all their services and therefore would not have been receiving SP funding during the first six months.
- 55% of providers felt that they had had little or no consultation on their contracts.
- Half of providers felt they had little or no involvement in the development of their local authority's Supporting People strategy. Over half of providers either didn't know how widely their strategy was publicised, or felt it had received only minimal publicity or no publicity at all, indicating low levels of strategic 'sign-up'.
- 85% of providers felt the time they spent on administration had either increased or significantly increased as a result of the changes.
- Two thirds of the providers surveyed had either expanded their existing services or set up new projects.
- Nearly half of providers had experienced cash-flow difficulties. The two main reasons for this, which covered four out of five cases, were delays in payments and smaller than expected payments.
- Almost three-quarters of providers said they were not informed in advance of the revised guidance on void rates and how it would affect their service.
- Just over half of providers received their expected level of SP grant, 40% of providers received a lower than expected level of SP grant. The survey suggests that there are approximately 6 providers with lower SP grants for every one provider with a higher SP grant.

Background to the Survey

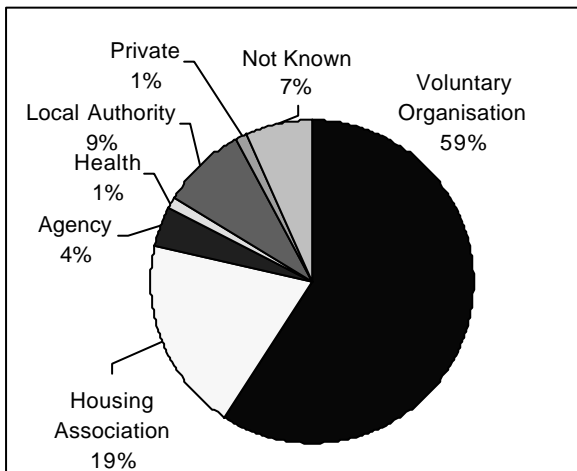
The survey was conducted in July and August 2003 to establish whether concerns expressed by SCSH members were isolated problems or problems experienced by housing support providers more generally.

In addition to gathering some background information on the providers who responded, the survey sought views on four main areas. These areas were information, contracts, the transition and the issue of void rates.

The report gives a snapshot of the position at the end of August/ beginning of September 2003, around six months into the new funding regime. Those responding to the survey were self-selecting and so it is not claimed that the findings are necessarily representative of all SP providers. However, the findings are an accurate representation of the views of those providers who did respond.

The Providers

A total of 104 responses were received by SCSH by the closing deadline. A range of providers responded and their organisational types are illustrated in the chart below.



The housing associations who responded owned approximately 29,100 tenancies, accounting for 19% of all RSL tenancies in Scotland.

The Scottish Executive estimate there to be a total of 3,400 providers in Scotland. Therefore approximately 3.1% of all providers responded to the survey. However, this measure does not take account of the size of the providers.

The providers in the survey worked in 29 of Scotland's 32 local authority areas.

The 35 providers who gave financial information had a combined SP grant of approximately £6.6m. This suggests a total SP grant estimate

of £20m for all 104 providers who completed the survey, which equates to 11% of the money distributed to providers from 1 April 2003 to 30 September 2003.

Information

When asked to rank how well informed they felt on a scale of 1 (poor) to 10 (excellent), 29% of providers scored '3' or lower indicating they felt poorly informed. 50% of providers scored between '4' and '7' suggesting they felt neither poorly informed nor well informed. 21% of providers scored '8' or higher indicating that they felt well informed.

Local authorities acted as the main source of information for SP providers with other sources of information including voluntary organisations, Scottish Executive Guidance, the Scottish Executive website and networking with colleagues. Where providers used local authority sources in conjunction with at least one other source, providers felt more informed, on average, than providers who used only local authority sources. This suggests local authorities were the crucial source of information and acted as an 'anchor' of information.

Providers felt most informed about the general principles of SP including the "purpose" and "philosophy". However SP providers felt least informed about the actual transition and processes, including "actual mechanisms of how the transition would be made", "practical arrangements for the change in funding", "how services would be commissioned" and "how people would access services."

Providers most commonly felt they would like more support. Examples of this included an overall support agency, an allocated 'link person' from each local authority to enable "one to one meetings ...to go through any outstanding issues and to discuss monitoring and reviews of contracts", regular LA provider forums and clarification on how providers communicate with their local authority.

More information was also required on funding, included how the level of SP grant is calculated – and who decides this, ongoing proposals for attracting funding, detailed information on how to claim SP funding and timescale information on completing the pricing of contracts. Information was also sought on how a new project could be introduced and funding agreed.

Contracts

The survey revealed that 69% of providers had a contract at the time of the survey. This included interim contracts, letters of agreements

and full contracts. 20% of providers did not have some or all of their contracts in place and so would not have received all of their SP funding during the first six months.

More than half of providers felt they had had either little or no consultation with their local authority. One provider commented that the contact *“seems to have been used as a weapon. Sign contract and we will get the money.”*

The majority of providers did not have any issues over the amount or type of information they needed to gather. However, a third of providers were unclear about what to provide or had concerns about the level of duplication.

Around one in four providers had ‘de-registered’ from social work departments, whereby services moved from ‘home care’ to housing support in order to take advantage of SP funding. Half of these providers had been encouraged to de-register.

When asked if they had been involved in the production of their local SP strategy, the most common response given by providers was that they had not been involved at all. The next most common response was that involvement had been limited. Commenting on the level of involvement, one provider wrote *“very little in reality - outcomes did not match discussions held at SP strategy meetings”*. Another provider felt their local authority was *“was caught up in [their] own and Scottish Executive requirements”*, and unable to consult more widely. Further comments included, *“local authorities have pretty much called the shots with regard to development”* and *“the process for arriving at current strategies has been questionable as it has been resource rather than needs led.”* Over half of providers didn’t know how widely their SP strategy was publicised, or felt it received only minimal or no publicity at all, indicating low levels of strategic sign-up by providers.

The Transition

34% of providers felt the transition had gone badly, 11% felt the transition had gone well and 56% of providers did not have strong views. The reasons for feeling the transition had gone badly included financial problems due to late payments, lost applications and disagreements over contract values and claims. Other providers felt the transition had been rushed and under resourced, or cited changing information and confusion.

85% of providers had experienced an increase or significant increase in administration as a result of the changes. Underlying reasons

included reporting requirements and chasing up payments.

Two thirds of providers had either expanded their services or set up new projects, providing support to an additional 3,340 people.

Around half of providers had experienced cash flow difficulties as a result of the transition, and the two main reasons for this were delays in payments being made or payments which were smaller than expected. Some providers had incurred bank charges as a result or had needed to divert funds from elsewhere. Other providers had applied to their local authority for additional funding to maintain services.

Nearly half of providers had outstanding THB claims which had not been paid (as at August 2003). Half of providers, the majority of whom were providers with outstanding claims, had experienced difficulties in getting THB claims paid. As one provider stated *“processing of THB claims was a nightmare.”*

Void Rates

Guidance from the Executive prior to 1 April 2003 stated that SP grants would be adjusted to take account of voids. This would be based on the previous year’s actual void rate. i.e. the total number of unoccupied places over the whole year as a proportion of the total number of places available over the whole year. However, the guidance changed on 17 April 2003 and indicated that the void rate would be based on the number of voids on 31 March 2003 as a proportion of the total number of places available on 31 March 2003. Providers with atypically high levels of voids on 31 March 2003 were likely to find themselves with reduced levels of SP funding.

The survey revealed that 60% of providers were unaware of the guidance on void rates before 1 April 2003. However, almost three quarters of providers were unaware of how the guidance would affect their service. General comments from providers suggested the guidance had changed only days before the implementation of SP on 1st April (The letter confirming the change is dated 17 April 2003).

Just over half of providers had received their expected level of SP grant. However, the void rate calculation meant that 40% of providers received lower than expected levels of SP grants and 6% received higher than expected SP grants. Therefore, for every one provider who received a higher than expected level of SP grant there were more than six providers who received a lower than expected SP grant. At 29 August 2003, the level of SP grant had only

been adjusted to a satisfactory level for one in seven providers.

Additional Comments

A broad range of additional comments were received. Comments included specific problems, general views on SP. Comments also recognised the help given by local authority SP teams.

Specific Recommendations

1. As the major information source, local authorities should actively encourage providers to seek out other sources of Supporting People information to complement their own. For example through signposting the Scottish Executive Website, Scottish Executive Guidance and relevant Voluntary Organisations.
2. The new national support resource, provided jointly by Community Care Providers Scotland and the Scottish Federation of Housing Associations, should make sure providers are aware of its services.
3. Local authorities should encourage networking amongst providers, including establishing and advertising their own local provider forums, if they have not done so already.
4. Local authorities should standardise and streamline the information and format of information which they require from providers.
5. As part of the ongoing SP strategy process, local authorities should ensure that all providers have the opportunity to take part in the development of their local strategy (or strategies) in order for their views to feed into the process. Local authorities should ensure that strategies are publicised widely.
6. The Scottish Executive should monitor local authority payment of SP grants to ensure they are disbursed to providers without undue delay.
7. Providers who have incurred costs as a result of late payments should be compensated. Similarly, providers whose THB claims were lost or delayed as a result of their local authority's actions, should also be compensated.
8. The position of services which faced a funding shortfall as a result of higher than expected voids on 31 March 2003 should be monitored. The Scottish Executive

should ensure funding is available to prevent important services being cut back or closed. SCSH regrets that the void rate is not derived from the number of voids which services experienced during the previous year, as stated in the original guidance.

9. As SP grants are only available to services registered as housing support services, the position of projects which de-registered should be monitored in relation to how they are considered by the Care Commission. If they are deemed to be registerable, as they fall under the Social Work remit, it is important that local authorities continue to fund them.
10. The relevant legislation should be amended to ensure that the cost of registration with the Care Commission can be included within SP grants. This is an unavoidable cost for providers and SP Grants should be adjusted to take this into account.
10. Further research into unmet need should be carried out and a budget for growth identified to meet these needs. This has particular relevance to the Homelessness etc. (Scotland) Act 2003, which places new duties on local authorities to provide housing support to households assessed as intentionally homeless and in priority need, but which was passed after SP bids had been completed.

About the Study

The survey was carried out by Dr Andrew Waugh, SCSH Policy Officer. The survey was very kindly distributed to providers with help from the Supporting People Lead Officers Network. The survey was also distributed via SCSH's newsletter –'In House'.

Further Information

Copies of the report, priced £7.50 including P&P, and further information can be obtained from:

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