

EFFECTIVE **ACTION**

CHANGING STRUCTURES IN COMMISSIONING FOR HOUSING-RELATED SUPPORT



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INTRODUCTION

BACKGROUND

Since the removal of Supporting People (SP) ring-fencing in 2009, there have been significant changes to the structures and approaches of local authority housing-related support (HRS) teams across the country. Budget reductions have led to further changes in the ways that services are commissioned and monitored, leading to a mixed picture across the country.

Some HRS teams have maintained a strong identity within their local authority, while others have been absorbed into different teams and many have changed directorate. This has had significant implications, both positive and negative, on the commissioning of HRS. Some teams have been restructured and reduced in size as a result of budget reductions, and many report a reduced capacity for monitoring providers' performance effectively. These changes, along with the threat of further cuts, have left many frontline officers confused, anxious and uncertain about how they will deliver their services in future.

While challenging conditions have presented significant difficulties, many teams have managed to adapt to new circumstances by working creatively, through effective partnerships with providers, service users, and other departments, to make savings and develop new approaches. Sitra has introduced a Common Data Framework (see section 6) which encourages authorities to continue to collect data in order to produce informed pictures of HRS outcomes both locally and nationally.

It is important that, where possible, authorities recognise the positive opportunities that recent changes present. Commissioning teams now have greater freedom to provide highly targeted services that respond directly to local context, need and priorities. Removing some of the bureaucracy that used to exist has allowed authorities to target their time and resources more effectively.

AIM OF THE GUIDE

In this guidance we present an overview of changing practice within commissioning of HRS throughout the country. The guidance is relevant to all local authority teams involved in HRS commissioning.

Recognising the difficult decisions that councils are having to make, we hope this guidance provides some useful suggestions for how they may be able to continue to work effectively, maintaining strong relationships with service providers and coping with challenging financial circumstances. We look at six key areas that need to be considered, outlining the risks, opportunities and good practice examples within each. By sharing ideas and good practice from other local authorities, we hope to inspire positive change and influence those with responsibility for overall direction. Ultimately, we hope that the guidance will help to protect the interests of service users who depend on HRS.

While authorities face the need to respond to immediate pressures such as financial concerns, we would like to support authorities in preparing for the longer term and considering the sustainability of services, especially as public funding is likely to be under pressure for several more years to come.

The guidance considers evidence gained from detailed case studies of seven local authority areas across England. These include both rural and urban areas as well as unitary and two-tier authorities. Research involved a combination of interviews and focus groups with a range of local authority staff, providers of HRS and their clients.

The guidance highlights approaches that appear to be working effectively in the areas we looked at, however it is important to note that there is no one 'right answer'. Each authority should take the opportunity to make decisions that are appropriate and specific to their own local situation.

2. RESTRUCTURING OF COMMISSIONING TEAMS

2.1 CURRENT SITUATION

There is some concern amongst authorities that HRS will disappear as a distinct, valuable service if moved from Housing into Adult Social Care (ASC) or other departments. Some HRS teams with the strongest identities have always been in ASC, however, and there are several examples of how joint working with other departments can have positive results.

As budgets have been reduced it has become necessary to pool resources, share expertise and develop creative solutions to problems. This has been most effective when teams have maintained a strong identity (see section 3) and have achieved high levels of respect amongst other services.

Team stability, along with skills and expertise of individual members can be identified as significant factors determining the performance and reputation of HRS teams.

One of the teams we looked at had had stability of membership for over five years. They were very highly regarded amongst providers and other departments. Members had backgrounds in policy, contracting, care management, social work and housing, and providers reported a highly efficient and professional approach.

2.2 WHAT ARE THE RISKS?

- Levels of skill and expertise within teams may decrease as they are merged, restructured or reduced in size.
- Teams may experience a decline in stability and cohesion.
- Escalating workloads and greater demands on providers may cause increased pressures and stress levels within teams.
- Two-tier authorities could risk friction and a lack of understanding between tiers.
- Providers may be left confused and frustrated if the roles of different departments and tiers are not made clear.
- Team performance and service delivery may suffer.

2.3 WHAT ARE THE OPPORTUNITIES?

- To form relationships within new structures and departments that will help to offer better provision for service users.
- To ensure that teams offer maximum levels of skill and expertise.
- To inspire greater cohesion and collaboration between departments, teams and colleagues.
- To identify scope for sharing budgets and joint commissioning with other departments such as Public Health, Housing Benefit, Social Care, Children's Services and Housing Strategy.

One authority, whose new HRS lead was also responsible for commissioning ASC, reported easier availability of care packages and personalised budgets for homeless clients, as well as a better range of more specialised services.

2.4 POINTS TO CONSIDER:

- Try to capitalise on new contacts and relationships available to you.
- Identify key individuals within your new department and try to influence them.
- Keep working as a team – meet regularly, share information, advice and ideas.
- Two-tier authorities should make efforts to work collaboratively. Ensure that your providers have a clear understanding of each tier’s responsibilities and priorities.
- A professional and efficient approach will help secure trust from your providers.
- Try to engage with other teams and departments, letting them know what you’re doing and how they can fit in.
- Think creatively about partnerships – who can contribute what?

3. MAINTAINING A STRONG IDENTITY

3.1 CURRENT SITUATION

HRS teams appear to be working most effectively when they have managed to maintain a strong identity or ‘brand’ and believe in the value of their work. This does not depend on directorate, and teams sitting within Housing, Adult Social Care and other departments have all reported the maintenance of a strong identity, either as ‘Supporting People’ or through using another locally recognised name.

3.2 WHAT ARE THE RISKS?

- HRS teams may lose their identity through being absorbed into new departments or directorates.
- Authorities may lose sight of the preventative and cost saving values of housing-related support.

3.3 WHAT ARE THE OPPORTUNITIES?

- To promote the value of HRS amongst other departments, proving its value through evidence of positive outcomes.
- To heighten the profile of HRS through getting elected members involved.

One HRS team protected its services against cuts through proving the ‘good business sense’ of HRS. They worked closely with other departments, negotiating funding through Drugs and Alcohol Teams and Adult Social Care. They have become a well-established core service within the local authority and its work is widely understood and respected.

One authority invited councillors to visit their local HRS projects which resulted in them becoming more proactive in supporting HRS in their area.

3.4 POINTS TO CONSIDER:

- Try to remember the value of HRS and present evidence of this to others.
- Don’t lose sight of the preventative role that HRS can play.
- Try to encourage the involvement of elected members– think about including them in visits to services or inviting them to sit on your Commissioning Board.

4. MANAGING REDUCED BUDGETS

4.1 CURRENT SITUATION

Authorities face significant challenges in managing budget reductions and we have seen several different approaches amongst the authorities we have studied. It has been useful for some to view current challenges as a chance to review and align local need and provision. This may present opportunities for re-design of services, better targeting and retendering. Different approaches to retendering include some authorities moving from commissioning for inputs such as hours, to commissioning for outcomes such as successful move-on for service users. Others have considered commissioning on principles of 'payment by results'.

Providers in some areas have been able to remodel to reduce waste successfully and work more efficiently. Although some authorities have issued fewer contracts as a result of budget reductions, this reduction in contracts has sometimes led to a better quality of services being maintained, which has had a positive impact on service users.

4.2 WHAT ARE THE RISKS?

- Authorities may make cuts to funding without having a proper understanding of need and long term impact, especially in the light of wider welfare benefit reform.
- Authorities may make decisions without effectively consulting or involving service users.
- Authorities may close under-performing services without working with providers to implement improvements, considering retendering or undertaking impact assessments.
- Service users may experience increased waiting lists, reduced quality of support, tougher criteria to access services or rationing services altogether.
- Providers may become keen to absolve responsibility for service users and 'pass them on' to others.
- Commissioners may prioritise cost saving over quality of service.

One authority introduced blanket closure of all floating support having chosen only to fund high support and crisis management services.

Providers reported this approach having negative effects on clients' independence as some are forced to accept levels of support they don't need. They are concerned about potential loss of tenancies and a return to homelessness for those who do not receive the support they need to live independently.

One rural authority focused almost all their services on the largest town, which meant that there was a gap in provision within outlying areas.

Providers expressed concern that homeless people in outlying areas did not want to move to the town, and if there wasn't local provision in smaller towns and villages their needs would be left unmet.

4.3 WHAT ARE THE OPPORTUNITIES?

- To gain a thorough understanding of local need to inform the decisions that you make. This could involve use of a combination of:
 - strategic reviews and assessments
 - analysis of outcomes monitoring data

- service quality reviews
 - consultation and partnerships with service users e.g. through focus groups and peer monitoring programmes.
 - Market Position Statements (as used in the Department of Health's Developing Care Markets for Quality and Choice programme¹)
 - assessments produced by other departments and sectors such as Joint Strategic Needs Assessments (JSNAs).
- To think creatively about cost savings, working in partnership with other agencies and departments, sharing skills and expertise.
 - To evidence the benefits of HRS services in relation to more highly dependent interventions in health and social care.
 - To recognise problems and inefficiencies within services and work closely with providers and service users to implement improvements and savings.
 - To consider competitive retendering, ensuring that only the highest performing and best value services are maintained (providers have generally been supportive of this approach, as long as they feel authorities have been open and transparent throughout the process).
 - Explore different approaches to retendering and/or decommissioning.
 - To develop a clear pathway through services.
 - To involve front-line officers in strategic decision making.
 - To develop cross-tier collaboration in two-tier authorities – implementing and communicating changes together.

One authority conducted a detailed market analysis and re-commissioned services based on evidence of long term impact as well as immediate need.

One authority developed a service pathway leading from low to high support and corresponding closely to local need. They highlighted the preventative benefits of low support projects.

4.4 POINTS TO CONSIDER:

- **Base your decisions on a range of detailed assessments of local need, provision and long-term impact of changes.**
- **Consider how you can best develop partnerships with service user groups and involve service users throughout the decision making process.**
- **Try to approach change creatively – do your best to work with providers to make savings while minimising disruption to their services.**
- **Try to be flexible and work on a case-by-case basis.**
- **You may want to consider retendering to retain the best quality services.**
- **Consider different approaches to retendering and decommissioning e.g. commissioning for outcomes rather than inputs or introducing payment by results.**
- **Continue to show respect for the concerns of providers and an acknowledgement of their expertise.**

¹ <http://www.dh.gov.uk/health/2012/09/dcmqc-launch/>

http://ipc.brookes.ac.uk/services/documents/What_is_a_Market_Position_Statement.pdf

- **One provider negotiated taking a larger percentage reduction in return for a two-year rather than a one-year contract.**
- **One provider negotiated with their authority to secure capital rather than revenue funding.**
- **Some authorities now issue fixed price contracts rather than block subsidies, giving providers a greater sense of certainty and stability.**
- **One HRS team managed to transfer some of its services to ASC, and negotiate with DAT to fund HRS to deliver drug services.**

5. IDENTIFYING CHANGES IN CLIENT NEEDS

5.1 CURRENT SITUATION

Most of the authorities we looked at reported the emergence of more complex client needs in recent months. This has added to the existing difficulties faced when making commissioning decisions.

Changes to client needs include:

- Greater alcohol dependence including physical health problems and end-of-life issues.
- More mental health problems, gambling, physical health and criminal justice issues contributing to increased homelessness.
- More learning disability and mental health clients as a result of changes in eligibility criteria for social care/FACS.

They also report a greater number of people who have ‘fallen on hard times’ as a result of the economic downturn and may not otherwise have become homeless. These include:

- More people from ‘middle class’ and professional backgrounds
- More young people
- More women

Other factors relating to the wider economic and political context were all identified as having a major impact on clients’ move-on and housing need. These include:

- Affordability of the private rented sector (PRS) and changes to Local Housing Allowance (LHA)
- Changes to Housing Benefit
- Welfare reform and JobCentre Plus sanctions

In most of the areas we looked at, these factors were considered to be exacerbating homelessness and vulnerability. Debt was seen as an increasingly prevalent problem, and some authorities noted an increase in crime as a result of changes to welfare provision and tougher benefits sanctioning.

5.2 WHAT ARE THE RISKS?

- Providers may be unable to deliver specialist services for increased numbers of people with highly complex needs.
- Providers may struggle to support service users who have not traditionally been associated with homelessness.
- Demand for services may exceed provision.
- Local authorities may not prioritise HRS and the needs of providers and service users may be overlooked.
- Market forces may force short term closures on some HRS services.

5.3 WHAT ARE THE OPPORTUNITIES?

- To justify future investment in HRS through highlighting its role in preventing vulnerable people from 'falling through the net' in provision.
- To work with service user groups to conduct peer research and peer monitoring projects.
- To work with providers to develop highly specialised and adaptable services that respond to local priorities.
- To map emerging trends so that authorities gain a better understanding of service user needs and can commission appropriate services.

5.4 POINTS TO CONSIDER:

- **Try to support providers to respond to the changing needs of clients and adapt their services accordingly.**
- **Be understanding of the increased challenges and pressures that your clients and providers may be facing.**
- **Consider how you can explore opportunities to work with other departments to achieve positive outcomes for your clients.**

One SP team managed to negotiate with their Housing Strategy department to give HRS clients higher priority in their allocations policy and make it easier for clients to obtain long term housing.

6. MONITORING AND REVIEWING SERVICES

6.1 CURRENT SITUATION

There was a great diversity in types and levels of monitoring being conducted by different authorities. Several reported a more 'light touch' approach as a consequence of reduced staffing, increased workloads and time constraints. Some authorities felt they no longer had the capacity to interpret and evaluate data, and did not want to burden providers with monitoring commitments when they were also facing increased challenges and pressures on time.

Most authorities were still using a monitoring assessment based on the Quality Assessment Framework (QAF), although frequency and depth of reviews varied greatly. Some authorities still use the University of St Andrew's Centre for Housing Research (CHR) client monitoring and outcomes system, whereas others only use some aspects of it, or have abandoned its use altogether. Sitra's Common Data Framework², introduced in March 2012, provides a list of data items that should be collected for HRS and other low level preventative services. The framework advises that the St Andrews CHR system continue to be used to collect client outcomes data. Sitra has also begun to pilot its National Data Framework³ which aims to bring local data together to provide a national picture of HRS outcomes.

At the same time, new outcomes frameworks have been introduced for NHS, Public Health and Social Care, some of which are particularly relevant to HRS. There may be potential for development of a more structured interplay between these frameworks in the future.

² <http://www.sitra.org/1665/>

³ <http://www.sitra.org/1667/>

It was evident from the authorities we looked at that those who were maintaining a high level of monitoring tended to have a stronger understanding of the services in their area and stronger relationships with their providers. On speaking to providers, we found that a more rigorous approach to monitoring was often preferred. Providers appreciated 'knowing where they stood' with commissioners and knowing whether they were performing at the required level.

One authority started doing spot-checks rather than regular reviews, reporting several benefits to this approach in providing a more accurate picture of providers' performance. This was popular with providers as they were motivated to maintain continuous high standards and did not experience the increased pressures of preparing for an annual review.

One of the authorities most highly respected amongst providers had maintained a particularly robust monitoring system, setting parameters and high expectations of providers from the beginning of their relationship. HRS officers had a detailed knowledge of services and strong relationships with providers, who appreciated their "tough but transparent" approach.

One authority reported making regular informal visits to services and gaining a strong understanding of their work with individual clients. Visits were also used as opportunities to consult with clients, and this interaction helped to provide a renewed sense of meaning and satisfaction to officers' roles.

6.2 WHAT ARE THE RISKS?

- Reduced monitoring may lead to a lack of knowledge of services.
- Poor performance may continue unchallenged.
- SP teams may have reduced capacity /expertise to use monitoring data effectively.
- Providers may become frustrated and resentful if they do not understand the value of their monitoring data or if they feel it is not being used effectively.
- Authorities may not have the evidence they need to inform their decision making.
- HRS teams may be unable to prove the worth of HRS to other departments.
- Authorities fail to utilise service user groups in conducting monitoring and reviews.

6.3 WHAT ARE THE OPPORTUNITIES?

- To carry out combined inspections with departments who have jointly funded services e.g. Children's or Health services.
- To use Sitra's Common Data Framework and to contribute to a national picture of HRS outcomes through the National Data Framework.
- To use monitoring data to inform the work of other departments such as Housing Strategy.
- To use monitoring data to prove the value of HRS, provide evidence that money has been well spent and help negotiate future funding.
- To gain feedback from service users through regular visits to projects and frequent communication with service user groups.
- To maintain a detailed knowledge of services and ensure high levels of performance.
- To improve service provision and help plan for the future.
- To help ensure transparency in council spending.
- To demonstrate the value of HRS to other regulators/investors such as the Care Quality Commission, Homes and Communities Agency and/or financial institutions.

- To explore the potential for interplay between new outcomes frameworks of the NHS, Public Health and Social Care.

One authority reported using their monitoring data to conduct a value-for-money assessment which led to a reduction in budget cuts for Housing Related Support.

6.4 POINTS TO CONSIDER:

- **It is important to keep monitoring and reviewing services regularly – to provide transparency and justifications around spending, to prove value of HRS services, to help improve service provision and plan for the future.**
- **Follow the Common Data Framework and continue to use the St Andrew's monitoring system to collect data on client outcomes.**
- **Consider planning visits to the projects in your area and establish regular contact with providers.**
- **Consider spot checks rather than annual inspections as an effective light-touch approach.**
- **Consider joint inspections with other departments.**
- **Ensure that feedback from service users inform all monitoring and evaluation exercises.**
- **Consider accessing training to better interpret and use your data.**
- **Try to question the effectiveness of your monitoring / reviews – are they picking up on service weaknesses?**
- **Try to keep track of the data you collect – how is it being used to inform future decision making?**
- **Monitor service user engagement within services – encourage providers to support service user groups and utilise service user expertise.**
- **Find out if some providers use a Code of Practice or have developed their own quality framework e.g. charter mark or kite mark.**
- **Try to determine the level of user involvement and client engagement in services - how can you engage with service users to capture their experience?**
- **Maintain openness and transparency around how monitoring data will be used.**
- **Provide regular feedback to providers and communicate results of reviews effectively.**

7. SUPPORTING SERVICE PROVIDERS THROUGH CHANGE

7.1 CURRENT SITUATION

Relationships with providers varied greatly between the HRS teams we looked at and were a key factor in determining the effectiveness of changes that had been implemented.

It is vital that authorities listen to their providers' needs and show understanding towards the difficulties they may be experiencing – many have reduced their hourly rates, suffered changes to their terms and conditions, experienced pay cuts, restructures and redundancies that all affect workload, morale and resilience to change. The providers we spoke to felt a strong sense of uncertainty about the future, but appreciated HRS teams helping to lessen these feelings by being

honest, open and up-front about cuts. It was also important that authorities provided as much advance notice as possible.

7.2 WHAT ARE THE RISKS?

- Authorities may not consult with providers and their service users effectively.
- Providers may lose trust in their local authority and develop feelings of resentment and frustration.
- Needs of service users may be left unmet if providers do not understand what is required of them.
- Lenders may lose confidence in providers if they consider HRS unviable.
- Poor performance from providers may affect the capital investment needed to remodel HRS.

7.3 WHAT ARE THE OPPORTUNITIES?

- To conduct meaningful consultations with providers and service users, drawing on their expertise and experience.
- To help providers develop creative approaches to making savings such as using more volunteers and offering increased responsibilities to service users.
- To encourage flexible, more personalised ways of working, helping to increase savings, as well as offer better provision for service users.
- To play a pivotal role in ensuring that the HRS sector continues to work together.
- To explore new ways of working such as Payment by Results.

One authority established an effective business relationship with their providers – encouraging them to ‘sell themselves’ by demonstrating their worth and value for money.

One authority supported providers to diversify their funding streams, locating other sources of money to complement their local authority funding.

7.4 POINTS TO CONSIDER:

- **Try to be supportive of providers’ needs and concerns.**
- **Encourage providers to allow service users greater responsibility in the decision making and running of services.**
- **Try to run regular homelessness forum meetings, offering an opportunity for providers to share information, advice, experience and best practice.**
- **Consider involving providers throughout cost-cutting processes treating them as partners in the process.**
- **Try to communicate regularly and effectively, being honest, open and up-front.**
- **Try to be understanding and sympathetic towards the added frustrations that providers and clients may be experiencing.**
- **Try to communicate the reasons for cuts clearly with those who will be affected, and suggest alternative services or different options wherever possible.**
- **Do your best to support providers to implement changes and work together to minimise negative impacts on clients.**