



supporting**people**

supporting independence

East Sussex Supporting People: Value for money policy

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1 Introduction

The Supporting People programme funds and regulates housing-related support services that help vulnerable adults to live independently. East Sussex County Council is the local authority responsible for administering the programme.

The policy was approved by the East Sussex, Health, Housing, Social Care and Probation Strategic Forum, which acts as the Supporting People Commissioning Body, on 8 March 2007. From 1 April 2007, the policy will apply to:

- organisations providing Supporting People funded services (providers);
- people using Supporting People services; and
- East Sussex County Council.

It will be reviewed and updated at least once a year in line with new grant conditions and other relevant national and local policy changes.

2 Purpose of the policy

The purpose of this policy is to set out the approach that we will take in assessing the value for money of Supporting People services from 1 April 2007. Our aim is to make the assessment process transparent and to ensure that all providers are treated in the same way.

Value for money assessments will be used within the contract monitoring and review framework to improve the value of existing services and to help ensure best value for money when procuring new services.

2.1 *Improvement planning*

Value for money improvements can be achieved by negotiating a lower unit price, 'added value' or efficiencies. This could mean increasing the number of service users receiving support or increasing the level of support. Improvements will be monitored through the service review action plans.

2.2 *Commissioning and procurement*

Value for money assessments are one of a range of factors that influence the future of individual services. Services with a poor value for money rating will be considered for re-tendering in line with the East Sussex Supporting People procurement policy statement and development plan post service reviews (September 2006).

The value for money rating of a service provider's existing services will also be considered when evaluating a tender for new service.

3 Supporting People Grants (England) Conditions

East Sussex County Council receives Supporting People Grant from the Department for Communities and Local Government (CLG) and is bound by the Supporting People Grants (England) Conditions.

The grant conditions for 2006-07 require us to assess the value for money of each service. They state that services should only be funded by Supporting People grant if “the Administering Authority is of the view that the service is value for money, strategically relevant and good quality,…”

4 Central Government guidance

In April 2005 the Office for the Deputy Prime Minister (ODPM), now the Department for Communities and Local Government (CLG) issued guidance for assessing value for money¹. This guidance states that Supporting People teams are required to assess the value for money of every Supporting People funded service and that the Commissioning Body is required to agree the process for making those assessments.

The guidance defines a value for money assessment as “a consideration of not only the costs but also the quality, strategic relevance and outcomes delivered by the service”.

5 East Sussex definition

We have revised the CLG definition for East Sussex as all services have been reviewed and are strategically relevant. The local definition of a value for money assessment that we have adopted is:

“a measurement of not only the price but also the quality, performance and outcomes delivered by the service”.

6 Strategic relevance

All current Supporting People funded services were found to be strategically relevant at first review under the ODPM² guidance. We expect services to continue to be strategically relevant in line with this guidance which was that:

- the service provides a housing-related support service which meets demand;
- the service is not intended to meet a statutory health or social care duty;
- Supporting People grant should only fund housing-related support; and

¹ A streamlined approach to assessing value for money and eligibility in Supporting People funded services (April 2005).

² Office for the Deputy Prime Minister, now the Department for Communities and Local Government (CLG)

- the service meets key strategic Supporting People objectives (including the strategic direction set out in the East Sussex Supporting People strategy 2005-2010).

7 Eligibility

This policy is closely related to our eligibility policy³. Services will only be considered for a value for money assessment if they are an eligible Supporting People service (as defined by the East Sussex policy). Value for money assessments will be carried out alongside assessments of eligibility for Supporting People Grant.

8 Value for money assessment process

Detailed value for money assessments are carried out as part of the Supporting People contract monitoring and service review process (our revised contract monitoring and service review policy will be published in July 2007).

We will assess each service annually and send the value for money rating and summary of the assessment to the service provider (see Appendix 1). Assessments are made by the named Contracts Officer for the service and moderated by the Supporting People Contracts Manager.

There are four areas of the value for money assessment:

- quality;
- outcomes; achieved
- performance; and
- price.

Each area is assessed separately and contributes to the overall value for money judgement. The areas are weighted so that price contributes 40% of the overall judgement and quality, outcomes achieved and performance make up 60%. Our process for assessing each area and our method of calculating the overall judgement are explained in detail below.

8.1 Quality

The quality of a service is assessed using the Supporting People Quality Assessment Framework (QAF). The QAF is a self assessment framework. It will be validated by a Supporting People Contracts Officer before it is used in the value for money assessment. The validation will take account of feedback from service users, advocates, carers and other people who know the service well (such as social workers and housing officers).

³ East Sussex Supporting People: Eligibility policy (November 2006)

There are six objectives in the QAF and they are listed in Appendix 2. Each objective is scored A, B C or D based on evidence supplied by the provider.

For the purposes of the value for money assessment the score for each objective is graded: A =3; B=2; C=1; D=0. The total score determines the quality rating for the assessment as follows:

Excellent	Good	Fair	Poor
16-18	11-15	6-10	0-5

There is an example of this process in Appendix 3.

8.2 Outcomes achieved

The aim of this assessment is to determine whether a service delivers measurable benefits for the people using it. In discussion with the provider we will agree a rating for outcomes achieved by analysing a range of evidence including:

- service user feedback;
- stakeholder feedback;
- client record data (to see who is accessing the service and where are they going when they leave);
- the service aims and objectives compared with what is actually being achieved;
- whether the service is contributing to measurable improvements in key local or national strategic priority areas; and
- throughput figures (performance indicator SP4) showing how long people are using the service for. These will be considered by taking into account:
 - client group;
 - type of service (accommodation based, floating support, home improvement agency, community or social alarm);
 - intended duration of support (short-term or long-term);
 - the number of planned departures for short-term services - shown by key performance indicator 2 (KPI2);
 - the number of people supported to live independently for long term services – shown by key performance indicator 3 (KPI3); and
 - any other information to explain the throughput figure.

CLG are developing a national outcomes framework. This policy will be revised to incorporate the framework when it has been fully implemented.

8.3 Performance

The performance of a service is assessed using the national Supporting People Performance Indicators (PIs). These are completed quarterly by service providers for each Supporting People service. Supporting People Contracts Officers routinely monitor the PIs of each service to check that they are within the acceptable limits. These limits will be agreed for each service.

Value for money assessments are based on PI figures for the availability and utilisation of a service over a period of at least one year.

	Excellent 98-100%	Good 95-97%	Fair 90-94%	Poor 0-89%
Availability (SP1)				
Utilisation (SP2a or b)				

For the purposes of the value for money assessment the score for each PI will be graded: excellent = 3; good = 2; fair =1; and poor =0. The total score (for availability and utilisation) will determine the performance rating for the assessment as follows:

Excellent	Good	Fair	Poor
6	4-5	2-3	0-1

There is an example of this process in Appendix 3.

8.4 Unit price

The unit *price* of a service is the amount of Supporting People grant a service provider receives per unit. (This is the amount that is held on the Supporting People IT system, SPOCC). It is calculated by dividing the weekly Supporting People price by the capacity of the service. The overall *cost* of a service is the amount it costs the provider to deliver the service and takes into account any other sources of income.

Value for money assessments are currently based on the weekly unit price of a service. The rating is made by looking at the price and taking into account:

- the cost of the service;
- the support provided; and
- how the cost compares with other similar services.

These considerations are explained in detail below.

8.4.1 Cost

The overall cost of the service is considered by examining the service budget in detail. This will show what the Supporting People Grant is being used for and will highlight whether it is operating within Supporting People Grant Conditions and our local eligibility policy.

This will consider factors such as:

- how the grant is being spent at service level;
- any other sources of income;
- the split between housing management and housing-related support;
- staffing levels; and
- the percentage of 'non front-line staff' time allocated to Supporting People funding.

8.4.2 Support

Unit price assessments also take account of the type of support being provided including:

- staff to service user ratios (s the number of full time equivalent front line staff to the number of service users);
- the hourly rate for the service where possible;
- how long the support is intended to last (duration)
- the nature of the client group and the type of support they need; and
- whether the number of hours for the service type seems reasonable when compared with similar services locally, regionally and nationally.

8.4.3 Benchmarking comparisons

Benchmarking is the process of comparing the price of a service with similar services and it helps to inform the overall unit price assessment. The unit price of a service is compared with similar services in different ways:

- by comparing services in East Sussex that offer similar support to the same client group but may be compared with different client groups if it is appropriate;
- by comparing with similar services in our Cross Authority Group⁴.; and

⁴ East Sussex, West Sussex, Brighton and Hove, Kent, Medway and Surrey local authorities.

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- by using the regional and national statistics from the CLG. These are taken from the quarterly Supporting People data returns⁵.

8.5 Overall value for money assessment

The overall value for money rating is determined by the assessments of each of four areas explained above (quality, outcomes, performance and price). The rating for each area is given a score (shown in the table below) and the total score is used to give an overall rating. The scores have been weighted so that they consist of 60% for quality, outcomes achieved and performance and 40% for price.

	Excellent	Good	Fair	Poor
Quality (QAF)	20	15	10	5
Outcomes achieved	20	15	10	5
Performance	20	15	10	5
Unit price	40	30	20	10

Overall VFM assessment	Excellent	Good	Fair	Poor
Points needed	90-100	65-89	40-64	Less than 40

8.5.1 Example

The following example demonstrates how the matrix is used to give an overall value for money rating for a service.

	Excellent	Good	Fair	Poor
Quality (QAF)			✓ 10	
Outcomes achieved	✓ 20			
Performance			✓ 10	
Unit price		✓ 30		

⁵ CLG SPLS extracts.

This service would have a score of **70** which gives an overall rating of **good**. There is another example in Appendix 3.

9 Equal opportunities

East Sussex County Council recognises the diverse needs of our community and is committed to promoting equality of opportunity and diversity in employment and service delivery.

The Council actively ensures that it complies with the current and forthcoming statutory requirements and standards, and seeks to influence and encourage our partners and contractors to meet their obligations through agreement and contractual arrangements.

10 Complaints

If an individual, their carer or a service provider considers that this policy has been unfairly or inaccurately applied they should complain in the first instance to the Head of Supporting People. All complaints will be resolved in line with the Adult Social Care Department Complaints Procedure.

11 Fraud

East Sussex County Council is determined that the culture and tone of the organisation is one of honesty and opposition to fraud and corruption. The Supporting People team and financial support officers will work within the county council's Anti-Fraud and Corruption Strategy (May 2004).

Overpayments of Supporting People grant arising from fraud will be recovered and specialist advice sought on investigation and prosecution.

12 Data Protection

All personal data held by the Supporting People team and the Supporting People Financial Assessment team will comply with the eight Data Protection Principles in the Data Protection Act 1998.

Appendix 1: Value for money assessment template

Quality

The score for each objective will be graded: A =3 B=2 C=1 D=0

C1.1	C1.2	C1.3	C1.4	C1.5	C1.6	Total
16-18 = Excellent		11-15 = Good		6-10 = Fair		0-5 = Poor

Outcomes achieved

Excellent	Good	Fair	Poor

Performance

Excellent = 3 Good = 2 Fair =1 Poor =0

	Excellent 98-100%	Good 95-97%	Fair 90-94%	Poor 0-89%
Availability				
Utilisation				
Total score	6 = Excellent	4-5 = Good	2-3 = Fair	0-1 = Poor

Unit price

Excellent	Good	Fair	Poor

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Overall value for money rating

	Excellent	Good	Fair	Poor
Quality (QAF)	20	15	10	5
Outcomes achieved	20	15	10	5
Performance	20	15	10	5
Unit price	40	30	20	10

Overall VFM assessment	Excellent	Good	Fair	Poor
Points needed	90-100	65-89	40-64	Less than 40

Total score =

Value for money rating =

Appendix 2: Quality Assessment Framework

Quality assessment summary

Core Objectives		D	C	B	A	Comments/ issues
C1.1	Assessments of needs and risks are carried out for all service users. Processes place users' views at the centre, are managed by skilled staff and involve carers and/or other professionals.					
C1.2	Service users have up-to-date support plans in place. Processes place users' views at the centre, are managed by skilled staff and involve carers and/or other professionals.					
C1.3	The security, health and safety of all individual service users, staff are protected.					
C1.4	Service users have the right to be protected from abuse and this right is safeguarded.					
C1.5	There is a commitment to the values of diversity and inclusion and to practice of equal opportunity (including accessibility in its widest sense) and the needs of black and minority ethnic service users are appropriately met.					
C1.6	Users, carers and other stakeholders are made aware of complaints procedures and how to use them.					

Appendix 3: Example of a value for money assessment

Quality

The score for each objective will be graded: A =3 B=2 C=1 D=0

C1.1	C1.2	C1.3	C1.4	C1.5	C1.6	Total
A (3)	B (2)	B (2)	C (1)	C (1)	B (2)	11
16-18 = Excellent		11-15 = Good		6-10 = Fair		0-5 = Poor
		✓				

Outcomes achieved

Excellent	Good	Fair	Poor
	✓		

Performance

Excellent = 3 Good = 2 Fair =1 Poor =0

	Excellent 98-100%	Good 95-97%	Fair 90-94%	Poor 0-89%
Availability	100% (3)			
Utilisation	98% (3)			
Total score	6 = Excellent	4-5 = Good	2-3 = Fair	0-1 = Poor
6	✓			

Unit price

Excellent	Good	Fair	Poor
		✓	

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Overall value for money rating

	Excellent	Good	Fair	Poor
Quality (QAF)	20	✓ 15	10	5
Outcomes achieved	20	✓ 15	10	5
Performance	✓ 20	15	10	5
Unit price	40	30	✓ 20	10

Overall VFM assessment	Excellent	Good	Fair	Poor
Points needed	90-100	65-89	40-64	Less than 40

Total score = **70**

Value for money rating = **good**