



Cities on the frontline: local practices for active inclusion in Birmingham



Supporting People programme and Whole System Approach toolkit

Cities for Active Inclusion

CITIES FOR ACTIVE INCLUSION

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1. INTRODUCTION

1.1 Birmingham context

Birmingham is a diverse city at the heart of England's West Midlands conurbation. It has just over one million citizens, and more than half the population is under the age of 35. This makes it the largest UK city outside London, and one of the youngest cities in Europe.

However, Birmingham is also a city of great inequality¹. Deep-seated, long-term, persistent deprivation has been a feature of the city for a number of decades, even during periods of economic growth.

Figures show that:

- Birmingham ranks as the ninth most deprived local authority in the UK, and significant pockets of the city are among the UK's top 1% most deprived areas
- in 2010, 35% of children in Birmingham were identified as living in child poverty: in some of the city's wards (local administrative areas) this was as high as 52%
- there is a life expectancy gap of more than 10 years between different areas in Birmingham
- unemployment rates are twice the national average.

Many people in Birmingham are therefore at risk of exclusion from the labour market.

1.2 Active inclusion through prevention in Birmingham

Fundamentally, prevention in Birmingham, and in the UK as a whole, involves delivering early intervention services to improve the active inclusion of those most excluded from the labour market, and to avoid escalation to more acute interventions.

Acute interventions can include, for instance: residential care, accident and emergency admissions, hospital stays, arrest for suspected criminal behaviour, criminal conviction and imprisonment².

These acute interventions are financially more costly, and they also have high additional costs in terms of the social and well-being impact they have on the individuals concerned, their families, and on wider society³.

Essentially, preventative approaches help to break the negative cycle, whereby increased exclusion from the labour market leads to increased need for crisis intervention, which in turn reduces the funds available for early intervention and prevention, as illustrated below in Figure 1.

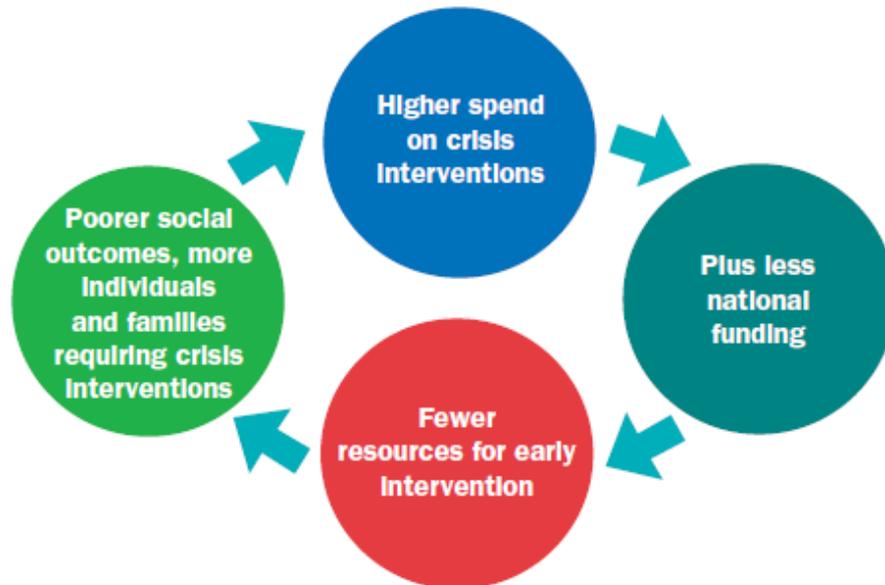
¹ See: Birmingham Social Inclusion Process White Paper: Making Birmingham an inclusive city, 2012: <http://bit.ly/10xG3QU>.

² Housing can help to reduce re-offending and thereby eliminate the hidden costs of re-offending: see The Guardian newspaper, 4 April 2013 <http://bit.ly/12mCIG8>.

³ See sections 2.2.2 and 2.2.3 below for more details on savings and other benefits of preventing acute interventions.

Figure 1. Negative cycle which preventative approaches aim to break

Source:
Birmingham
Health and
Wellbeing
Partnership,
March 2011



1.3 Reasons for using a preventative approach in Birmingham

In Birmingham there are three main reasons for the strategic shift towards using preventative measures to increase active inclusion: budgetary pressures, changes in national policy and legislation, and public demand.

Budgetary pressures: Birmingham City Council is experiencing significant budgetary pressures. The combined impact of grant reduction from central Government⁴ and unavoidable increases in local costs⁵ mean that Birmingham City Council has to make savings of around €722m (£615m) by 2016/17. This equates to nearly 50% of the Council's controllable expenditure of €1.5bn (£1.3bn). For 2013/14, the city needs to reduce its budget by €120m (£102m), on top of the €323m (£275m) saved in the previous two years. Preventative approaches have been shown to have a positive multiplier effect and are therefore playing an increasing role in maximising the impact of council spending.

National policy and legislative changes: A number of policy and legislative developments mean that Birmingham is putting an increasing emphasis on active inclusion through prevention. These changes include:

Public Services (Social Value) Act 2012⁶: Passed in February 2012, for the first time this puts a legal requirement on all public bodies in England and Wales to consider how the services they commission and procure might improve the economic, social and environmental well-being of an area.

Health and Social Care Act 2012⁷: As a result of the Health and Social Care Act, from April 2013 public health responsibilities in England have been formally transferred from National Health

⁴ Most of Birmingham City Council's income is provided by central government grants, with less than 10% coming from local council tax payers. The council is therefore heavily affected by any reductions in these grants.

⁵ Birmingham City Council's unavoidable local cost increases are expected to amount to an additional €370m (£315m) by the end of 2016/17: these unavoidable cost increases are due to inflation, increasing needs, changes in legislation, and increased financing costs.

⁶ Public Service (Social Value) Act 2012: <http://www.legislation.gov.uk/ukpga/2012/3/contents/enacted>.

⁷ Health and Social Care Act 2012: <http://www.legislation.gov.uk/ukpga/2012/7/contents/enacted>.

Service Primary Care Trusts to local authorities. This includes local authorities taking responsibility for tackling issues such as: smoking, alcohol, obesity, substance abuse and sexual health. These help to prevent poor health that can exclude people from the labour market, by raising awareness, supporting people to make changes, and promoting healthier lifestyle choices.

The Troubled Families initiative⁸: This is a national government programme in which local authorities provide intensive intervention to support and challenge the most troubled families in Britain to help them transform their lives. An estimated €10.5 billion (£9 billion) is currently spent on the country's most troubled families each year: an average of €88,000 (£75,000) per family. Of this, an estimated €9.4bn (£8bn) is spent on reacting to their problems, while only €1.2bn (£1bn) is being spent on helping these families to solve and prevent their problems longer term.

Public demand: During an extensive public consultation undertaken on Birmingham City Council's Business Plan and Budget 2013+, one of the main themes that emerged was that citizens would like the council to make preventative services and activities a priority. Citizens feel that it is critically important for the council to achieve a balance: to meet the immediate demands of crisis management and protecting vulnerable people, while also making sure that agencies work together on prevention.

1.4 Increasing use of prevention for vulnerable people

A preventative approach is increasingly being used across many aspects of Birmingham City Council's work. In the council's recent budget consultation document, prevention is being prioritised in all the city council's service directorates: Adults and Communities; Children, Young People and Families; Environment and Culture; and Homes and Communities.

For example⁹:

The council's new role in public health provides a significant opportunity to make real progress in improving the health and wellbeing of citizens.

The council's adults and communities directorate is committed to working more closely with partners such as medical general practitioners (doctors) and the wider National Health Service, to carry out early intervention and prevention work, including the extension of telecare (the use of technology within health and social care settings).

Prevention and working in partnership is also a priority for Birmingham's children's services: increasing fostering and adoption, preventing children going into residential care and improving their life chances.

⁸ Troubled Families Initiative: <http://bit.ly/W9gSUU>.

⁹ See: Birmingham City Council Business Plan and Budget 2013+: <http://goo.gl/dRwjg>.

2. CASE STUDY: THE SUPPORTING PEOPLE PROGRAMME

2.1 Overview of the programme

The Supporting People programme is an invest-to-save prevention initiative designed to help vulnerable people live independently, to minimise the risk of exclusion from the labour market, by providing housing-related support services to tackle the issues behind homelessness and the risk of homelessness. It is a national programme¹⁰ which was originally set up by the UK government's Department of Communities and Local Government. Local authorities such as Birmingham are responsible for deciding how and where the Supporting People resources are used in their own cities.

Birmingham has a significant homelessness problem. The city accounts for 9% of national homelessness; and almost half of all applicants accepted as homeless and in need of homelessness services in the West Midlands conurbation live in Birmingham. In comparison with its neighbouring local authorities and with other large UK cities, Birmingham's rates of homelessness are disproportionately high¹¹.

The following statistics underline the extent of the homelessness challenge that Birmingham faces:

- Currently, 29 100 people are on Birmingham's local authority waiting list for housing.
- The council receives high numbers of applications for temporary accommodation by homeless people: in 2011/12, the council received 7,107 homeless applications; and in 2012/13, the council received 6 332 homeless applications.
- 1 184 people currently live in temporary accommodation in Birmingham.
- 134 people currently live in temporary bed and breakfast accommodation in Birmingham.

Preventing homelessness in the city is one of the two key aims of Birmingham's homelessness strategy for 2012+. The other aim is to help those who are already homeless and living in temporary accommodation to secure settled accommodation.

In line with the city's homelessness strategy, Birmingham's Supporting People programme helps prevent homelessness by helping vulnerable citizens to minimise the risks of losing their housing tenancy, so that they retain their home and maintain their independence. The Supporting People programme commissions a range of services targeted at households who have experienced homelessness or who are at risk of homelessness. These include services for homeless families, vulnerable young people and people leaving institutions.

The preventative outcomes of the Supporting People programme are highlighted through the use of a Whole System Approach toolkit¹² developed by Birmingham City Council. This toolkit includes a range of measurements to help assess the effectiveness of the programme's services, and includes not just financial and other quantitative data, but also qualitative information: descriptions of clients' experiences, which illustrate the benefits achieved by the programme at different points of the client's experience, or journey, including personal benefits which are not as easy to attach a monetary figure to.

Birmingham's Supporting People programme is a good example of successful active inclusion in practice. It provides holistic, integrated help to prevent the numerous and varied issues which lie

¹⁰ This was originally protected, or ring-fenced, so that it could only be spent on the Supporting People programme; but from 2011/12, Supporting People funding has been rolled into a general central government grant for local authorities which covers very broad areas of spending.

¹¹ See: Birmingham Homelessness Strategy 2012+: Annex 1: page 9.

¹² See section 2.2.1 below for further information on the Whole System Approach toolkit.

behind homelessness. In line with the EU Active Inclusion Strategy, this help includes advice on adequate income support, access to high quality services and inclusive access to the labour market. People who receive help from the Supporting People programme are often those who are furthest from the labour market.

2.1.1 Key aims of Birmingham's Supporting People programme

The statement of intent for Birmingham's Supporting People 2011+ strategy¹³ is to deliver high quality, value for money, housing-related support services, which focus on preventing the escalation of need, and which provide vulnerable people with high quality opportunities to improve, maintain or regain their independence.

Service providers are commissioned and performance-managed against clear specifications, outcomes and targets which are overseen by a strong governance process. Service users play a very active role in both the governance and monitoring of the programme through the engagement of a Citizens Panel. This includes peer assessment by expert service users (who are considered to be experts by experience), through the work of lay assessors¹⁴.

2.1.2 Budgets

The Programme's current annual budget for Birmingham is £35 million (€41 million) for 2012/13. This represents a significant budget cut of c.£16.4 million (€19.2 million) compared with 2011/12. The budget has been reduced significantly since the introduction of the programme in 2003, when the Supporting People budget for Birmingham was £55million (€64.5 million). The largest reductions have come in response to the current coalition government's austerity measures. Significant reductions to local authority allocations have resulted in all unprotected, non-ring-fenced, services such as the Supporting People programme being placed at risk.



2.1.3 Target groups

The programme offers support to a wide range of vulnerable groups, particularly people at risk of homelessness¹⁵. These include older people who need support to remain in their own homes, young people at risk of homelessness, people experiencing domestic abuse, ex-offenders needing support to prevent re-offending, people recovering from drug and alcohol abuse, and those with disabilities needing support to live independently. The Supporting People programme provides preventative support to over 39,000 people each year in Birmingham.

¹³ See: Birmingham's Supporting People 2011+ Strategy: <http://bit.ly/13mr1wz>.

¹⁴ See section 2.2.3 below for a service user perspective.

¹⁵ The Supporting People team commissions services for the following specific client groups: vulnerable adults, disabilities, mental health, homeless / domestic violence, vulnerable young people, and older people.

2.1.4 Services and activities

Services¹⁶ provided under the programme include, for example:

- Domestic violence refuges
- Direct access homeless services
- Support to access training and employment
- Community alarms¹⁷
- Sheltered housing and extra-care services
- Community-based hubs.

When the programme started in 2003, Birmingham's Supporting People services were partly delivered directly by the council, and partly delivered through commissioned services that were already in place.

Since 2008 the Birmingham Supporting People programme, with the exception of a few services, has commissioned its services through open market competition.

The Supporting People programme currently has 124 contracts with 55 service providers working across a range of client groups. However, changes are currently being agreed with Birmingham City Council as a result of further budget reductions, and these may result in further reductions in the number of contracts being managed by the programme.

2.1.5 Integrated and co-ordinated approaches

The Supporting People programme works closely, in an integrated and co-ordinated way, with service providers and service user communities: both in terms of governance and an inclusive partnership approach, and also in terms of the services that it commissions. This has enabled Birmingham City Council to drive up standards and deliver innovation in the quality of service delivery.

Integrated and co-ordinated working is achieved in the following ways:

The Commissioning Body for the Programme is chaired by Birmingham City Council and brings a wide range of partners to the decision making table, such as the National Health Service, the Probation Service and internal city council directorates.

Service user needs and views are at the heart of the programme: an accredited lay assessor programme has been developed whereby service



¹⁶ See: Whole System Approach Findings for 2011/12: Annex 2, for case studies that provide service user perspectives on some of the Supporting People services.

¹⁷ A community alarm is an emergency response system which is fitted into a vulnerable person's property. For the Supporting People programme this is for older vulnerable people. The client has a pull cord and /or wears a pendant, and if they fall or experience any other type of emergency in their home they activate the alarm: the alarm goes through to a call centre and the response is provided by on-site attendance or a phone call to a relative.

users are trained to formally assess the quality of service provision. A service user-led Citizens Panel¹⁸ is also an integral part of the Supporting People decision making process.

Through Provider Forums, providers are able to discuss any issues they may have relating to their service, or to the specific sector or to the Supporting People programme in general.

The programme has also jointly commissioned projects with other organisations, for example the Supporting People programme worked with West Midlands Police and the Birmingham Community Safety Partnership to develop and commission a housing-related support service for young men at risk of gun crime and gang crime.

Many of the services commissioned by the programme also take an integrated approach. For example, the development of community-based hubs that are based in communal spaces within existing sheltered housing schemes and Extra Care¹⁹ villages bring together a range of complementary services for older people in one place.

2.2 Key successes

2.2.1 Measuring success with the Whole System Approach toolkit

Although a range of measurements were already being used to demonstrate the success of the Supporting People programme, it became clear that these needed to be integrated into a single toolkit, in order to provide a more robust picture of the programme's achievements.

So in 2011, to ensure that Birmingham City Council is able to clearly demonstrate the financial as well as the personal, preventative benefits of the Supporting People programme, the council developed a Whole System Approach²⁰ toolkit.

The toolkit enables a range of data sets and other information to be brought together to highlight the programme outcomes, and helps to hold service providers responsible for the outcomes they achieve for vulnerable people.

The toolkit brings together information that includes:

- Quantitative data such as key performance indicators
- Data on local outcomes
- Data on national outcomes
- Figures from the Cap Gemini financial model²¹ which was developed nationally to measure financial savings
- Local cost-benefit modelling which focuses on the qualitative client-specific outcomes achieved by individual service users, as well as collective outcomes across the different client groupings.

The toolkit also uses client's individual stories to illustrate the financial benefits at different points of the client experience, or journey, as well as the personal social benefits which are not as easy to attach a monetary figure to. These social benefits can include achievements such as: regaining confidence, feeling free from exploitation, and overcoming isolation.

This information is then brought together to work out overall results of the programme, including the savings generated for the city and for public funds.

¹⁸ Supporting People Citizens' Panel webpage: <http://bit.ly/UMnt7s>.

¹⁹ Extra Care Village Trust www.extracare.org.uk.

²⁰ See: Whole System Approach Toolkit: Annex 3: <http://bit.ly/XODa9W>.

²¹ In 2009, the national Communities and Local Government department commissioned a report from management consultancy Cap Gemini, which provided a national financial toolkit, or model, to measure the financial benefits of the Supporting People programme. This Cap Gemini financial toolkit can be applied at the local level: <http://bit.ly/18P2uVP>.

In summary, Birmingham's Whole System Approach measures how the programme is performing, the benefits to individuals, and the costs saved or avoided by investing in housing-related support services. It also provides evidence that can act as a basis for better commissioning in the future. The toolkit was used for the first time for the full year 2011/12²².

2.2.2 Quantitative successes: cost-savings in 2011/12

In 2011/12, using the national Cap Gemini financial model and applying it at a local level, the overall Birmingham Supporting People programme delivered an overall cost avoidance figure of €126.5m (£108m) per year; this is for an annual spend of around €60m (£51m) on Birmingham's Supporting People services.

In addition to the savings measured by the Cap Gemini financial model, specific examples of cost-prevention that were achieved during 2011/12 by Birmingham's Supporting People services, and calculated using Birmingham's Whole System Approach toolkit, include the following:

Job-finding service: obtaining paid work²³: During 2011/12, 318 people were supported to obtain paid work, including 60 under the age of 25. This meant that central government avoided having to spend up to €986 993 (£841 981) in Job Seekers Allowance (JSA)²⁴. This cost-prevention figure is, however, fairly conservative as it does not take into account other areas of cost prevention or avoidance. For example, when single homeless people, young people at risk, and people who are refugees obtain paid work, they are all likely to benefit from having an improved financial position and a wider choice of housing, enabling them to become more independent and achieving greater well-being by feeling safer and more secure: they will therefore require help from local authority services. More specifically, people who are in paid work are less likely to require the city's homelessness services or statutory temporary accommodation, which delivers further cost avoidance for Birmingham City Council.

Homelessness services: a key aim of the city's Supporting People homelessness services is to prevent repeat homelessness i.e. to avoid people becoming homeless more than once. In Birmingham the incidence of repeat homelessness is around 10%: this is the number of repeat homelessness claims made to Birmingham City Council as a percentage of the total number of people requiring homelessness support. Birmingham's Supporting People's homelessness services supported 484 people over six months, to help them keep their housing tenancy, and prevent them becoming repeatedly homeless; this in turn prevented costs of c. €1.87m (£1.6m)²⁵.

2.2.3 Individual success in 2011/12: a client's story

As well as the financial cost-savings, Birmingham's Whole System Approach toolkit also allows the inclusion of individual stories as part of the analysis of outcomes: the experiences, or journeys, of individual clients²⁶.

One of these stories has been provided by a female client aged 24 years old, who has had mental health disabilities:

- At the age of 14 years, the client was placed in a secure adolescent unit in Birmingham for 11 months.

²² See: Whole System Approach Findings for 2011/12: Annex 4.

²³ Obtaining paid work was a national required outcome for the Supporting People Programme, which was set by the central government Department of Communities and Local Government. This outcome continues to be used by local authorities as evidence of the successful impact of housing-related support.

²⁴ See: Whole System Approach Findings for 2011/12: Annex 4: page 30, for a breakdown of costings.

²⁵ See: Whole System Approach Findings for 2011/12 t: Annex 4: page 31, for further information on the cost avoidance figures.

²⁶ See: Whole System Approach Findings for 2011/12: Annex 4: pages 36-41, for further information on clients' individual stories.

- From 14 to 16 years of age, she was supported by Birmingham's social work team.
- At the age of 16 years, the client was referred to Birmingham's early intervention mental health team.

The client had faced issues including: sexual abuse, self-harm, aggression and violence to others.

The client was diagnosed with bi polar disorder and psychotic episodes.

This client's experience aged 16 to 20 years old had included:

- 6 admissions to psychiatric hospital for the following time periods:
 - 1 month
 - 4 months (twice)
 - 6 months (twice)
 - 9 months
 - 20 visits to accident and emergency services due to self-harm
 - 6 visits to accident and emergency services with unexplained symptoms.

At 20 years old, the client was referred to one of the mental health service providers within Birmingham's Supporting People programme. This service provided the client with the following services:

- supported accommodation, including help with settling in, maintaining her new home and keeping it clean
- developing independent living skills: managing personal finances, shopping, and cooking skills
- job-hunting skills to find employment
- developing a coping mechanism and an acceptance of her past history
- building and maintaining personal relationships
- facing up to and ending substance misuse
- support to build her confidence and self-esteem.

With this support the client was able to move into supported accommodation and, over the next three years, she received 12 hours of support a week, and her situation improved significantly.

During these three years, aged 20 to 23:

- The client only had to visit accident and emergency four times due to self-harm.
- She had no reason to be admitted for inpatient psychiatric care.

At the age of c.24, the client moved into her own flat: support continued, but she only needed six hours of support a week.

For the client, the significant personal, non-financial, benefits included:

- A more stable lifestyle, with reduced admissions to accident and emergency and importantly no admissions to psychiatric hospital.
- Increased confidence and sense of self worth by gaining new skills and dealing with past history.
- Improved health by ending substance misuse.
- Independent living: after three years of living in supported housing the client was able to move into her own home.
- Improved wellbeing from having her own home and acquiring the skills to maintain it.
- Ability to start looking for employment.



For the local authority, this individual case not only achieved the social benefits associated with a reduction in social exclusion, it also delivered significant financial benefits: it is estimated that in just this one case, the Supporting People intervention saved some €255 000 (£220 000).^{27 28}

The stories of individual experiences, such as this, are powerful in terms of spelling out not only the personal benefits of early intervention, but also the major financial benefits.

2.3 Challenges

Birmingham's Supporting People programme has faced, and continues to face, a number of challenges, as outlined in the points below.

2.3.1 Establishing needs and investment priorities

In 2003, when the government first set up the Supporting People programme, it was difficult to determine the level and complexity of the services that vulnerable people needed in Birmingham, and to identify what was really working in terms of existing active inclusion activities. A further challenge was how to translate information on past experience and current needs into robust evidence that would ensure best use of the future Supporting People funds.

It is now easier to keep track of needs and of best practice solutions, due to the introduction of new measurements and strategies, including the following:

Monitoring and quality assurance: establishing robust monitoring and quality assurance frameworks which include both commissioner-led and service user-led validations.

Quarterly data: Collation of quarterly data from Supporting People service providers including key performance indicators on the number of service users achieving independence and maintaining independent living, and the number of people from black and minority ethnic (BME) communities accessing Supporting People services. Additionally, information is collated from people who no longer need the Supporting People services.

External analysis of service providers and costs: Analysing the market by comparing the costs and specifications of similar services commissioned by other local authorities; this informs Birmingham City Council's understanding of the market place to enable the council to set out the specifications

²⁷ See: Whole System Approach Findings for 2011/12: Annex 4: page 37: Table 20, for a detailed breakdown of the estimated individual client cost savings.

²⁸ The cost-savings are based on the costs of service interventions received by the individual client, prior to being helped by the Supporting People programme.

and budget for each type of service required, using a costed commissioning strategy²⁹ and service specifications: these are designed in partnership with service providers, stakeholders, service users and commissioners.

Co-operation: Strong relationship management, involving service users and service providers, has enabled innovations in service delivery to continue, despite the harsh economic climate.

New contracting and commissioning methods: The introduction of new methodologies for contracting and commissioning is helping to drive the collection of vital information. These new methods include the piloting of the government's Payment by Results (PbR)³⁰ initiative, which was launched on 1 April 2013; and the use of Birmingham's new Whole System Approach toolkit, which highlights how service providers are meeting the needs of vulnerable people.

Social value impact: Further developments are currently taking place within the context of the new Public Services (Social Value) Act 2012³¹ which seeks to ensure wider social, economic and environmental benefits to society from local authority procurement contracts. All future Supporting People commissioning will take social value into account.

2.3.2 Removal of protection for Supporting People funds

Until 2010/11, central government funding for the Supporting People programme was protected, or ring-fenced: local authorities had to spend it on Supporting People services.

In 2010/11, central government removed this restriction from Supporting People funding and these services are now funded through the far broader Revenue Support Grant which local authorities receive from central government.

This means that the Supporting People programme is potentially competing for funds with other local authority services. It is therefore vital that the Supporting People programme demonstrates the additional social value and financial savings that its prevention services deliver to other services and organisations, particularly within the context of acute budget pressures and competing priorities.

2.3.3 Budget cuts

By far the biggest challenge that the Supporting People programme faces is the extensive reduction in local government budgets: Birmingham City Council required the programme to cut its budget by €15 million (£12.8 million) by 2013/14.

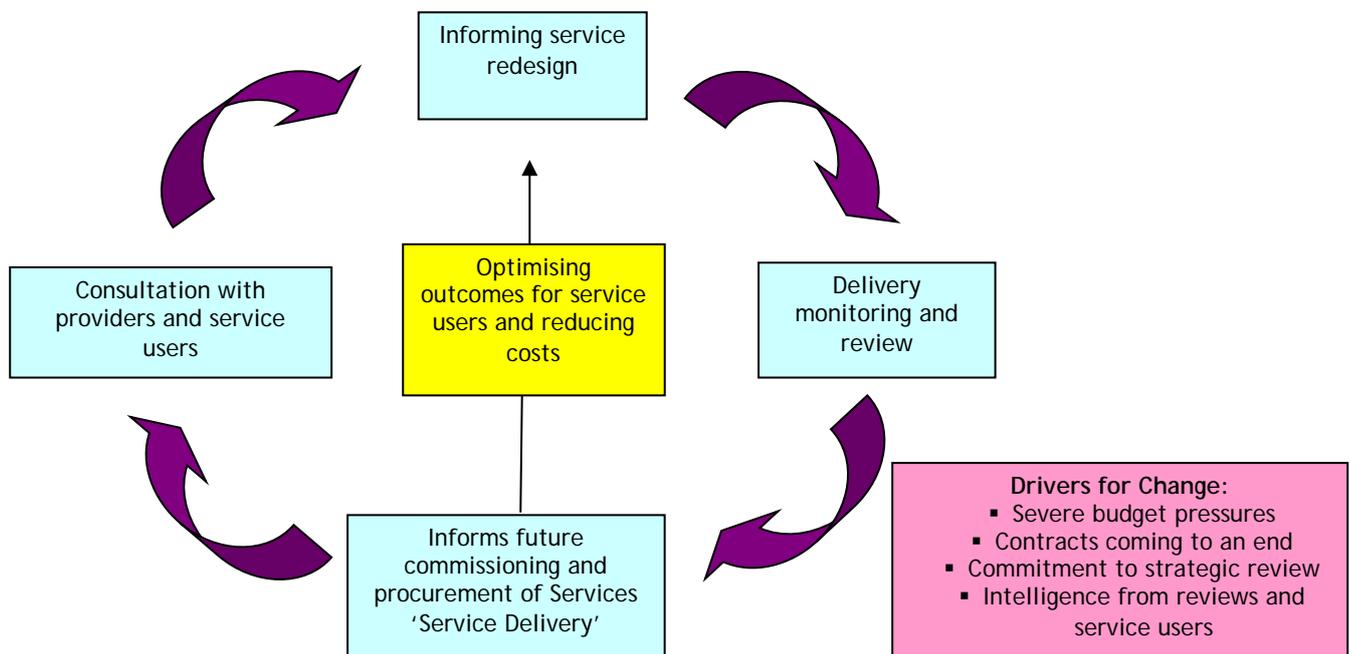
In 2011, Birmingham's Supporting People team undertook a strategic review of the programme in order to achieve the required savings. The challenge was to reduce the budget over a relatively short timeframe whilst continuing to achieve the right outcomes for vulnerable people. Figure 2 below sets out the issues that were taken into account in this strategic review.

²⁹ The costed commissioning strategy involves specifying the services that Birmingham City Council intends to commission and the budget that is being allocated to each service.

³⁰ See section 2.4.1 below for further information on Payment By Results (PbR).

³¹ Public Service (Social Value) Act 2012: www.legislation.gov.uk/ukpga/2012/3/contents/enacted.

Figure 2: issues taken into account during the strategic review



Service providers, service users and other relevant stakeholders were asked for their views and ideas on how the reduced funds should be used: these were taken into consideration in the strategic review. Examples of the reduced-funding options co-produced with service providers, service users and the local authority included:

- Where possible and appropriate, continue to re-allocate funds from under-utilised services within contracts.
- Reconfigure services to deliver savings.
- Prioritise those services which impact most on required statutory services: e.g. homeless families, homeless hubs, domestic violence refuges, services for 16/17 year olds.³²
- 50% reduction of refugee services on the basis that alternative, culturally appropriate, services have already been commissioned.
- No reductions to single contact services provided by just one service provider³³ such as substance misuse and services for people from the Roma community and other vulnerable ethnic minority groups.
- No reduction in sheltered accommodation services for older people, on the basis that significant savings had already been achieved via contract negotiations.

2.3.4 Introducing the new Whole System Approach toolkit

The key advantage of Birmingham’s Whole System Approach toolkit is that different types of outcome for the programme and its services can be integrated into a single framework. However, a major challenge has been to get all those involved in delivering the Supporting People programme, both service providers and internal council staff, to accept the new Whole System

³² Prioritisation does not necessarily mean 100% protection from reductions but less of a reduction than for other services.

³³ Single contact services are defined as services that are only offered by one service provider, rather than multiple providers: for example, Birmingham has nine service providers for women fleeing domestic violence but only one service for substance misuse, and one service for Roma people.

Approach. For some, this has required significant cultural change and a radical mind shift. It means thinking differently in terms of what is being measured: from service-hours provided, to financial savings and avoidance, through to social outcomes.

With the increased pressures on funding, combined with the removal of ring-fencing that protected the Supporting People programme's funding, providing evidence of the preventative benefits of the programme is more critical than ever.

Birmingham's Whole System Approach toolkit helps to identify local outcomes and cost benefits, and enables analysis by provider and by client group. This helps Birmingham City Council, as the Supporting People commissioning body, to evidence what is working well, and what needs to change, in order to deliver responsive and efficient services to clients.

The toolkit also provides evidence to the wider body of stakeholders across Birmingham's health, social care, and probation services, about the preventative benefits of continued investment in this programme. It enables all stakeholders to explore opportunities where benefits can be further increased through joint investment.

Inevitably, a new system often takes time to become accepted. As the Whole System Approach toolkit becomes more established, the benefits of having all the various outcomes available in one system will be recognised, to ensure that Birmingham's Supporting People programme can continue to meet the needs of people most excluded from the labour market.

2.4 Plans and dissemination

Currently, the two main plans for the future of Birmingham's Supporting People programme are to pilot Payment by Results contracts, and to further develop the Whole System Approach toolkit. Both these actions will contribute to providing robust evidence to highlight the most effective ways forward and ensure the future success of the preventative approach of the programme.

2.4.1 Payment by Results (PbR) pilot:

Birmingham's Supporting People programme has been invited to join a working group set up by the national Department for Communities and Local Government to pilot various Payment by Results (PbR) models. Payment by Results is a policy that is being driven by central government's HM Treasury.³⁴ It is part of public sector reform to increase efficiency and improve outcomes.

The local pilot in Birmingham involves 25 local service providers, covering all the different client groups, over a six month period, starting on 1 April 2013. In practice, this means that 10% of the contract funding to the provider will be held back: it will only be paid if the service provider achieves positive outcomes for service users, as specified in a defined list of outcomes. Non-achievement of the defined outcomes will result in reductions in contract payments by the local authority.

One of the main anticipated benefits of Payment by Results is a renewed focus on outcomes rather than on processes or on the number of hours delivered. There will be a greater focus on what service providers achieve in supporting vulnerable people, including the prevention of escalating needs and the transition towards independence. It is envisaged that paying service providers according to the outcomes they achieve will give them the freedom to innovate and develop fresh ideas to deliver results.

In piloting and developing a Payment by Results model, Birmingham is committed to ensuring that it can be implemented across client groups, is transparent, and is able to incorporate outcomes

³⁴ Her Majesty's Treasury: the UK government's finance ministry.

that show evidence of both personal and financial benefits. This links back to the Whole System Approach: Payment by Results will allow the outcomes being achieved and paid for under the service contracts to be converted into evidence to demonstrate the preventative benefits to the public purse.

The Payment by Results pilot will include a mid-point review with a full comprehensive evaluation undertaken at the end of the pilot to consider the lessons learnt, risks and challenges should Birmingham Supporting People consider adopting Payment by Results for future contracting methodology. Consultations will be undertaken with internal departments including performance, legal, finance, corporate procurement, as well as with providers, service users, the Payment by Results working group and the Supporting People team.

2.4.2 Further development of the Whole System Approach toolkit

Birmingham City Council will be working with social enterprise development organisation iSE,³⁵ which is based in Birmingham, to develop the Whole System Approach further, in the context of the Public Services (Social Value) Act 2012.

It is anticipated that Birmingham City Council will work with iSE to create a framework for assessing the social return on investment for the council's spending, including its wider impact on local communities, in particular in the most deprived wards of the city. Supporting People will also act as a case study for framework development for council procurement activity with the context of new Payment by Results legislation.

2.4.3 Sharing best practice knowledge on prevention

Birmingham's Supporting People team is very willing to share information about the city's Supporting People programme and how it helps prevent homelessness and reduces the risk of exclusion from the labour market.

In addition, the team can exchange information on the benefits and current status of Birmingham's Whole System Approach toolkit, which can transform the way that services are assessed, and helps maximise active inclusion despite reductions in funding.

³⁵ iSE secured funding from another external grant source to develop thinking and practice relating to the Public Services (Social Value) Act 2012, and approached Birmingham City Council to work with them.

2.5. Additional information

Basic information	Web link and contact person
<p>Funding for Supporting People programme in Birmingham: (€41m) (£35m) budget in 2012/13: from an unprotected, non-ring-fenced, grant from UK central government</p> <p>Location: Birmingham-wide coverage: service provision based on target groups rather than geography.</p> <p>Start and end date: Established in 2003, Supporting People programme is still currently running.</p> <p>Birmingham's Supporting People programme was used as an example of Social Investment in a European Commission video to promote the Social Investment Package. This segment can be viewed here from 18 minutes 28 seconds to 31 minutes and 12 seconds: http://ec.europa.eu/avservices/video/player.cfm?ref=I076105</p>	<p>http://www.birmingham.gov.uk/supporting-people</p> <p>Kalvinder Kohli Senior Service Manager - Policy and Commissioning, Supporting People Team + 44 (0)121 303 6132 kalvinder.kohli@birmingham.gov.uk</p>

ANNEX

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For more information see: <http://ec.europa.eu/progress>.

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