

## **Audit Committee – 13<sup>th</sup> July 2018**

### **Supporting People Programme Grant Update**

#### **Introduction**

A six monthly update has been requested by the Audit Committee detailing the progress of improvements to the administration of the Supporting People Programme Grant (SPPG) as identified by Internal Audit in their annual reviews.

#### **General Issues affecting SPPG**

Since the last update report there have been a number of developments in the proposals for the future of SPPG and other grants that are managed by the local authority that focus on tackling poverty.

In 2018/19 seven local authorities have been designated as pathfinder authorities and have 100% funding flexibility between 10 grants. These are Newport, Cardiff, Torfaen, Rhondda Cynon Taf, Merthyr, Conwy and Bridgend. The remaining 15 local authorities will have enhanced flexibility of 15% movement across a smaller number of grants in 2018/19. These process will be evaluated and a report presented to Welsh Government by the Autumn 2018. This is intended to pave the way for the implementation of a new Early Intervention and Prevention Support (EIPS) grant as from April 2019.

In the last update, it was reported that the Welsh Audit Office had reviewed the administration of the SPPG by Welsh Government and that improvements had been identified and recommended. The report was referred to the Welsh Assembly's Public Accounts Committee. A report of the Committee's report was published in May 2018 which also makes a number of recommendations for the improved administration of the grant. A response from Welsh Government officials has yet to be published and this will be anticipated with interest.

The above hopefully gives some context to the environment that the Supporting People Team is working in at present and how this seems to be constantly changing.

#### **Updates on issues raised in Internal Audit reports**

##### **Outcomes**

##### **Issue: Accurate collection and verification of outcomes**

It was reported in the update that was presented on 15<sup>th</sup> December 2017 that the Welsh Government were due to publish revised guidance for the administration of the Programme that included a revised outcomes framework. During the last 6 months, the Welsh Government has stated that due to the possible implementation of the EIPS, the revised outcomes framework will not be introduced.

The SPPG award letter including the terms and conditions for 2018/19 included provision for audit certification of the SPPG outcomes reported for the collection periods 1<sup>st</sup> January 2017 – 30<sup>th</sup> June 2017 and 1<sup>st</sup> July 2017 – 31<sup>st</sup> December 2017. The audit certificate to be returned to Welsh Government by 31<sup>st</sup> March 2018.

It was noted in the feedback from Internal Audit that the process for collecting and analysing the resulting data had improved resulting in the possibility of errors being input at source being reduced.

Due to the work of the Supporting People Team, there is now a greater understanding of the importance of submitting correct outcomes by service providers. This has ensured that the dataset has improved.

It is also acknowledged that the outcomes process can be improved further. The new SNAP collection survey has been in place since 1<sup>st</sup> January 2018 and this will be tested in the verification of outcomes that will take place during July and August 2018.

## **Management Charges**

### **Issue: Management charges should be no more than 10%**

As was reported in the last update, work is on-going on this issue. As new services are being developed and procured, there is a requirement for the bidding agency to evidence that their management charges are 10% or under.

A recent tendering exercise for a supported lodgings service for young people had this stipulation built into the tender paperwork. The successful bidder submitted their costs with this evidenced.

This approach will also be used in future tender exercises starting with the domestic abuse tender that will be opened in the autumn of 2018.

## **Budget Monitoring**

### **Issue: a requirement for regular and systematic investigation of the budget to reduce any underspend and to take early steps, as far as practicable, to reallocate funds.**

The SPPG budget was monitored in line with the new budget process that has been implemented. The process has helped identify potential underspends earlier and a number of new pilot projects have been funded from this. I am pleased to report that 97.5% of the budget was spent. A proposal has been lodged with Welsh government for this to be used to fund three projects in 2018/19. If successful, the percentage of the SPPG budget that will have been spent will be 99.1%.

The 2018/19 SPPG grant offer letter confirmed that the level of SPPG received would be the same as the previous year at £6,495,309 and therefore the spend plan that was submitted to Welsh Government is deliverable. The introduction of the 15% virement to other tackling poverty programmes will help ensure that grant monies will stay in Carmarthenshire rather than being sent back to Welsh Government.

The budget setting and spend plan exercises that were carried out in early January 2018 has enabled the Supporting People Team to put plans in place to fully commit the 2018/19 SPPG budget with a number of exciting new SPPG eligible projects being commissioned during the year that will meet the strategic needs identified by the work of the Team.

The budget monitoring process is being continued into the new grant year though more development work is needed to streamline it as far as is practicable to ensure that a balance is struck between the required control of the budget and making resources available to undertake the remaining areas of administration of the grant and to undertake the commissioning workplan to ensure that services remain efficient, effective and strategically relevant to the needs of citizens of Carmarthenshire.

### **Conclusion**

The Internal Audit review of SPPG for the financial year 2017/18 is soon to get underway and the Supporting People Team is looking forward to be able to evidence that the administration of the SPPG in Carmarthenshire is improving.