

# Framework for Termination of Grant Funding from Supporting People Funded Services

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## 1.0 Introduction and Overview

- 1.1 This framework provides a guide to NIHE and decision making partners in relation to managing the process of exploring potential termination of funding and actual termination. It is a transparent process and this framework is a published document.
- 1.2 Recommendation 4 of the DfC's Review of Supporting People (2015) set out the requirement:-  
*'To develop a decommissioning framework for services which fall below the required standard, or which are no longer strategically relevant. This should be developed in engagement with service providers, and include agreed standards and definitions'.*
- 1.3 This document, which has been developed through engagement with providers, is designed to be an effective framework to address both elements of the above recommendation i.e. address underperforming services and also address those that are no longer strategically relevant.
- 1.4 Consequently the approach to the application of the framework should be understood to be effective either as a reactive or proactive mechanism and that the NIHE and partners can apply it either way depending on the circumstances.
- 1.5 For example from a strategic planning perspective a proactive approach to assessing the strategic relevance of services can be achieved through the application of this framework. The assessment of strategic relevance should take place at both a service level and at a thematic group level to enable strategic planning of this nature.
- 1.6 In the event of a serious default at a service or notice to quit from a provider the framework can guide stakeholders through the necessary steps to manage the process effectively.

## 2.0 Context

- 2.1 This framework provides the structure within which decisions are made in relation to the withdrawal of Supporting People (SP) grant funding from the provider of a service (see Appendix 1). Any decision to terminate grant funding must be supported by evidence. The outcome of any considerations in relation to potential termination will either be to maintain the status quo, terminate without replacement or to terminate and select an alternative provider to deliver the same or a similar service that best meets the needs identified.
- 2.2 The final decision in relation to any plans to terminate grant funding in either of the above circumstances rests with the NIHE Board. The Interim Supporting People Strategy or any subsequent strategies will inform the rationale for potential terminations. The Regional Thematic Planning Groups (RTPG) and Strategic Advisory Board (SAB) will support on the strategy and decisions will be taken by the Northern Ireland Housing Executive (NIHE) due to the legal and contractual ownership.

- 2.3 If potential termination is either triggered or strategically planned (detail in section 2) it will be necessary for the relevant Supporting People Contract Manager to follow the appropriate steps and include an impact assessment (Appendix 2).

Subsequent escalation to the Assistant Director Strategic Partnerships would be required and he/she will assess the contract and submit to the Chief Executive Business Committee (CXBC) or the Board with a recommendation to terminate if appropriate based on the evidence presented and in accordance with the financial amounts outlined in the Standing Orders.

### 3.0 Information Management and Flow

- 3.1 All support services are assessed and monitored within 5 broad areas using both qualitative and quantitative information and data:

- **Strategic Relevance** – Including alignment to existing strategies, access and referral arrangements and stakeholder feedback;
- **Quality** – Including accreditation status, assessment against current quality standards, and stakeholder feedback;
- **Performance** – Including measures of service availability, utilisation and throughput. For floating support, direct support hours and service user outcomes are monitored.
- **Financial** – Including cost benefit measures and value for money assessments for proposed services and cost effectiveness measures for existing services (also in the case where a standardised payment rate has been applied to a particular scheme this will be relevant to any considerations in VFM).
- **General contract compliance** – In relation to compliance with monitoring information, management of specific incidents and any default notices served.

- 3.2 The Supporting People Contract Management Team continually monitors risk and reviews progress against how risk is managed. In addition Supporting People operates a financial accreditation process to ensure that organisations have the capability, structure and capacity to deliver quality services for the duration of the funding agreement. This approach assists with the identification and proactive management or control of any risks to successful service delivery.

#### Reactive/Triggered

- 3.3 Detailed below are the main triggers to which it will be necessary for the relevant Supporting People Contract Manager to react to and follow the appropriate steps and also to escalate to the Assistant Director.
- Services in which a serious default has occurred – this is a default on the provider organisation's part which materially prejudices the health, safety and welfare of a service user(s);
  - Services with persistent performance issues (more than 2 default notices within a consecutive 6 month period);

- Services which are non-compliant in relation to financial management (more than 2 default notices within a consecutive 6 month period).
- Notice to quit provided by current provider.

### Proactive/ Strategically Planned

- 3.4 SAB and NIHE Board oversee any decision to terminate in a strategic context whereby evidence at scheme level enables the identification of scheme(s) to terminate based on failure to demonstrate strategic relevance. NIHE's decision to terminate funding from a provider of a service can be informed through a proactive process of an annual review within the strategic planning cycle. The Contract Management teams will liaise with The Regional Thematic Groups (RTGs) to assess strategic relevance and identify potential terminations. This core activity around Strategic Planning is set out in the Terms of Reference for the RTGs, and reflected in the Memorandum of Understanding for the SAB.
- 3.5 If the Assistant Director determines that there is a potential case for the termination of funding from a service provider, they will initiate an **impact assessment** (See Appendix 2 for a sample impact assessment form). The impact assessment will be completed by the relevant Supporting People Contract Manager. They will identify the stakeholders who will contribute to the assessment process. In some cases the operational expertise will lie outside of the Housing Executive and the Contract Manager will liaise with the necessary statutory partners and other stakeholders to ensure the impact assessment is completed effectively. The Contract Manager will then report on the:
- Impact on service users and carers;
  - Impact on the existing service provider;
  - Impact on other partners / third parties and the wider sector, including other providers;
  - Other impacts and questions relevant to planning the funding / service run down process.

Findings and any recommendations will be reported to the RTPG and SAB to help inform the decision on whether or not to terminate grant funding.

- 3.6 The Assistant Director will make their recommendations through the Director to the CXBC/NIHE Board, following engagement with the advisory structures (RTGs and SAB).
- 3.7 In the instances where a serious default has occurred or a provider quits at short notice the Assistant Director may determine that it is necessary to escalate the risks through NIHE governance structures to NIHE Board without initial engagement with the advisory structures.
- 3.8 The Programme Board of The Department for Communities has oversight of the administration of the SP Programme and NIHE will keep them advised of matters such as terminations. Strategic Plans identifying schemes for termination will be shared with the Department prior to implementation and in those instances where a reactive approach is required the Department will be notified in line with the operating level agreement between DfC and NIHE.

## 4.0 Termination of Grant Funding

- 4.1 Where the decision to terminate a funding agreement is approved by the NIHE Board, the Supporting People Contract Management Team will issue a Termination Letter to the provider. The termination letter will formally give the provider **at least 3 months' notice** of the funding agreement termination with a specified date on which it will end.
- 4.2 A communications plan should be developed by the Supporting People Contract Manager in partnership with stakeholders. This should set out the key stakeholders and the roles and responsibilities in relation to the impact assessment and the channels of communication that will be used to provide prompt, regular, honest and consistent communication. This plan should be fully implemented in line with the specified date agreed.

### Service Closure

- 4.3 Following the decision to terminate funding, and where the resultant outcome is that a service has to be closed (whether this is in response to withdrawal by a provider or serious default or as an outcome of a proactive strategic decision by NIHE) then an Exit/Transition Management Plan (Appendix 3) should be prepared. If it is the case that is decided that a service is to be maintained but with a different provider then a new provider selection process should be initiated.
- 4.4 The risks considered within the Exit/Transition Management Plan should be risks to the termination of funding process itself and include risks to value for money, costs, slippage, reputation, service users, providers and other relevant stakeholders. The risk assessment needs to include actions to mitigate the impact of any risk occurring.
- 4.5 The Supporting People Contract Management Team should then draft an action plan that will aim to address the issues and risks identified in the Exit/Transition Management Plan. Ideally this should always be agreed with the exiting provider, however in some circumstances (e.g. legal reasons) this may not be achievable and an action plan should be put in place nevertheless. A robust project management approach will be adopted and the plan should consider all applicable aspects of the potential for service closure if grant funding is withdrawn including:
- Staff – redundancy, TUPE issues etc.
  - Service users – alternative services
  - Partner agencies – withdrawal from management or other agreements
  - Referral arrangements
  - Premises – termination or assignment of leases
  - Organisational issues for the provider – such as disposal of assets, record storage, final accounts
  - Information sharing and publicity – who will be notified and by which party
  - Regulation – ensuring compliance with other regulatory regimes

## Service Transfer

- 4.6 Where a service is to be transferred to another provider, it is important that the action plan contains a section on transition planning and the agreed handover period. It should cover how the transition of service users from the terminated service to the new one will take place and set out the arrangements for maintaining continuity of service and transfer of specific cases. For example the plan should also consider:-
- Reassessed support and care needs of each service user.
  - Risks assessments should be refreshed.
  - TUPE implications for staff should also be factored in.
  - Any associated recruitment and training activity for the new provider.
  - The joint management /service level agreement between the Landlord and providers.
  - A timeline should be agreed for the entire process with interim milestones.
- 4.7 If there is no new service, the transitional planning needs to take account of how any remaining needs of service users will be met. This could involve sourcing alternative providers of support or signposting to alternative providers.
- 4.8 The Contract Management Team will monitor and implement the agreed plan in conjunction with the provider. Regular review meetings will be held and updates on the service closure/transfer will be provided to key stakeholders.

## **5.0 Challenge of Termination Decision**

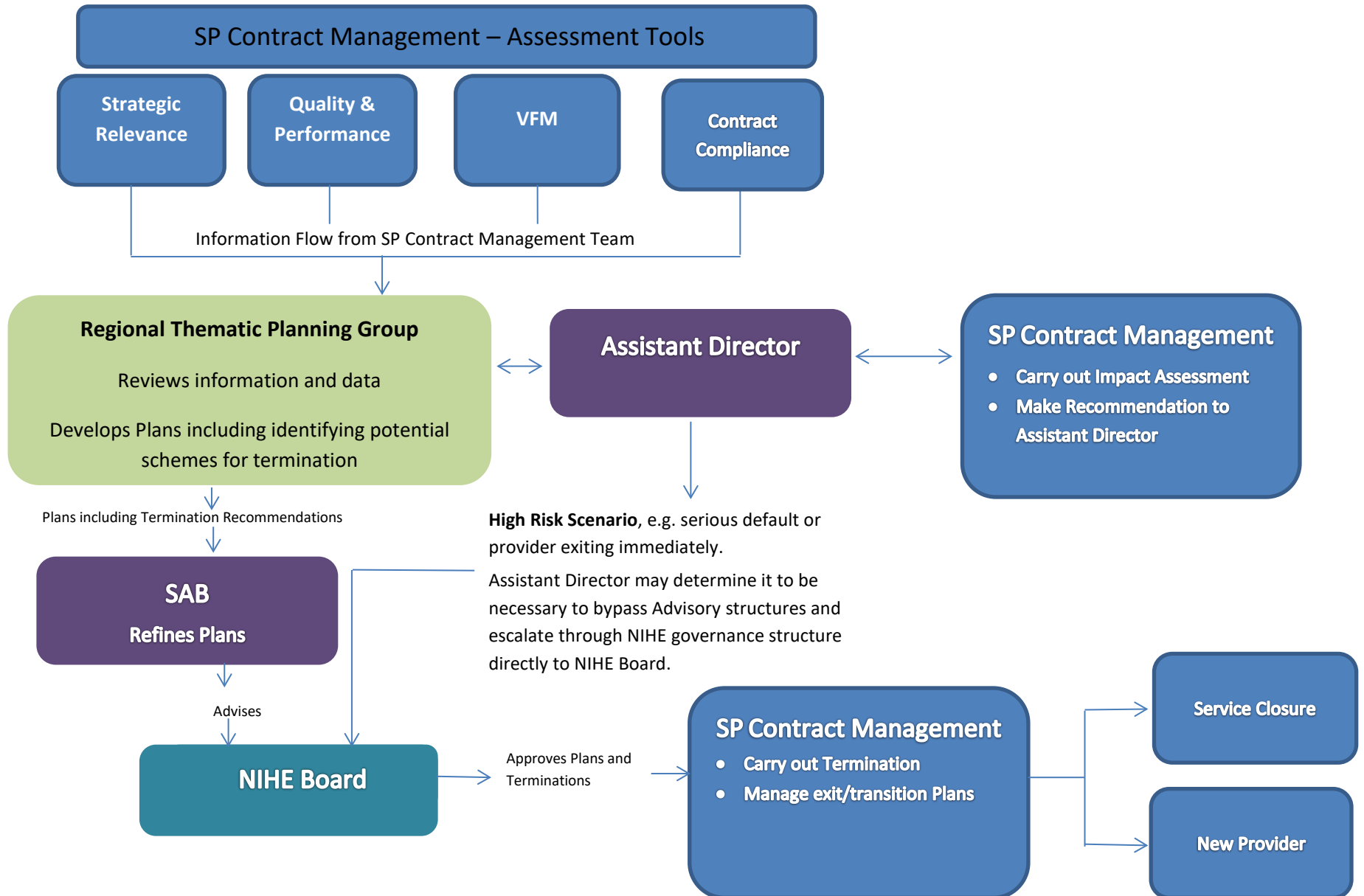
- 5.1 If a provider denies or disputes the basis for termination the service, they will be offered the opportunity to challenge the decision in line with the Dispute Resolution Procedure as outlined in Schedule 9 of the Funding Agreement. Under the Dispute Resolution Procedure either party may refer the dispute to the Department for Communities for resolution.”

## **6.0 Review**

- 6.1 This Framework will be reviewed every 12 months for first three years (or as and when required); thereafter it will be reviewed every 3 years.

## Appendix 1

### Termination of Supporting People Grant Funding Decision Making Process





## Appendix 2 - Impact Assessment Form

SERVICE INFORMATION					
Provider Name		Service Name		SP id:	
Service Type		Primary client group		Other client groups supported	
Contract Type		Contract id:		Contract Value	
No. of Units		Units in use:			
Date of Meeting		Provider representative		Supporting People Representative	

IMPACT ON SERVICE USERS AND CARERS			
Questions	Provider Assessment	Risks Identified	Comments
What client groups currently use the service?			
Are there any issues with support plans?			
How many hours of support are delivered across the service each week?			

<b>IMPACT ON SERVICE USERS AND CARERS</b>			
<b>Questions</b>	<b>Provider Assessment</b>	<b>Risks Identified</b>	<b>Comments</b>
What proportion of those hours are face to face support?			
How many service users are currently using the service?			
How many service users have permanent ongoing support needs?			
How many service users will require support after the service has been decommissioned?			
How will appropriate (replacement) support be planned / arranged?			
How will the provider communicate with service users / family / Carers?			
What is the potential impact on service users?			
What is the potential impact on service Carers?			
<b>ACCOMMODATION BASED SERVICES ONLY</b>			
What occupancy agreements are in place?			
Are there any housing issues anticipated?			

<b>IMPACT ON THE EXISTING SERVICE PROVIDER</b>			
<b>Questions</b>	<b>Provider Assessment</b>	<b>Risks Identified</b>	<b>Comments</b>
What are the financial impacts of decommissioning on the existing provider?			
How many members of staff work on this service and what proportion of their time is allocated to the service?			
What management time is allocated to this service			
Are there likely to be any significant problems with the service run down and closure?			
<b>ACCOMMODATION BASED SERVICES ONLY</b>			
Who is the landlord of the property? What are the potential implications where the landlord is also the support provider?			

<b>IMPACT ON PARTNERS, OTHER STAKEHOLDERS &amp; THE WIDER SECTOR</b>			
<b>Questions</b>	<b>Provider Assessment</b>	<b>Risks Identified</b>	<b>Comments</b>
Who are the internal/external stakeholders for the service (including referring agencies)? What is the potential impact on these stakeholders?			
What communication is needed with stakeholders?			
Are there any other agencies we should be consulting about this?			
Does the support service have other funding sources?			
Do other agencies have statutory responsibilities for existing or potential service users?			
What is the potential impact of termination on the wider community			
<b>ACCOMMODATION BASED SERVICES ONLY</b>			
What consultation will the provider undertake with the landlord of the building (where landlord is not the provider)			
Will the landlord continue to house vulnerable adults in this property?			

<b>OTHER IMPACTS</b>			
<b>Questions</b>	<b>Provider Assessment</b>	<b>Risks Identified</b>	<b>Comments</b>
Are there any other issues / concerns which will need to be considered in the termination of this service?			

### Appendix 3 – Exit/Transition Management Plan

SERVICE INFORMATION			
Provider Name		Service Name	
SP Representative		Provider Representative	
Copies to be sent to		Date of Meeting	

RISK MANAGEMENT					
Risk No.	Risk Identified	Risk Management / Contingency Plan	RAG Score	Lead Person	Target Date

### SERVICE USERS & CARERS

Risk No.	Risk Identified	Risk Management / Contingency Plan	RAG Score	Lead Person	Target Date
<b>EXISTING SERVICE PROVIDER</b>					
<b>PARTNERS AND OTHER STAKEHOLDERS</b>					
<b>SUPPORTING PEOPLE</b>					
<b>OTHER</b>					