

**Funding Supported Housing:**

**Consultation on housing costs for short-term supported accommodation**

1. **About Us**
   1. The Northern Housing Consortium (NHC) is a membership organisation based in the North of England that works with local authorities and housing associations to advance the cause of housing. Our membership covers around 90% of all housing providers in the North. The NHC brings its members together to share ideas, and to promote their interests and to ensure their voice is heard at a regional and national government level.
2. **Introductory Comments**
   1. The NHC broadly welcomes the proposals which will hopefully address the ongoing concerns about the long-term stability of funding for supported housing.
   2. The NHC was pleased at the announcement that the government had listened to the concerns of all interested parties and that as part of the wider funding review the cap for supported housing would not be applied. The LHA cap would have caused particular problems in the North for people living in supported housing, and would have put homes for some of the most vulnerable people in our society at risk. The reversal of this proposal was welcome news for our members who were anticipating significant difficulties and financial losses based on worst case scenarios. It now means that registered providers will be able to plan to support under 35s; plan for the development of new sheltered and supported schemes and to focus resources on other pressing issues.
   3. The approach in the consultation papers goes a long way to recognising the diversity of the sector and the people it supports. However, there remain significant challenges in the details of the proposals and we have responded to this in our response to the consultation questions. There are areas where there is a real risk of de-commissioning of services if the full complexity and variety of services is not fully represented. A major challenge for local authorities will be how to balance the needs of people across the whole age spectrum in a way that is fair, effective and sustainable and the proposals must support them in that role.
   4. The NHC, as cross sector membership body, supports registered providers and local authorities in their commissioning and oversight role. The detailed responses to the consultation questions set out below are based on dialogue with members from housing associations and local authorities at a series of roundtable events.

**Question 1: Do you agree with this definition? [Definition: Accommodation with support, accessed following a point of crisis or as part of a transition to living independently, and provided for a period of up to two years or until transition to suitable long-term stable accommodation is found, whichever occurs first.]**

**[Yes/No] Please comment**

Our overall response is that the definition must reflect the diversity of ‘short term’ Supported Housing. This is more relevant than ever at a time when local authorities are required to widen the range of short term accommodation to meet the new duties in the HRA and to retain a decent standard of accommodation.

* The definition of ‘*Accommodation with support, accessed following a point of crisis or as part of a transition to living independently, and provided for a period of up to two years or until transition to suitable long-term accommodation is found, whichever occurs first’* is a reasonable definition of the purpose of short term accommodation but we are concerned about what may fall through the gaps of the definition.
* The use of dispersed accommodation is not included and the proposals should be careful not to exclude provision under ‘other supported housing’ as general temporary accommodation. Also, Housing First is a key feature of support and is being extended. Organisations that do not currently deal with local authorities should not fall through the gaps in the new system.
* Short term accommodation is mostly much less than two years, however our members propose that the timeline includes “For ‘an intended period’ of up to two years” allowing for exceptions in individual cases. It is important that residents / providers should not be penalised if an individual remains in short term accommodation beyond the intended length of stay, either because of ongoing needs or difficulty in accessing appropriate move-on accommodation.

**New Funding Model**

**Question 2: What detailed design features would help to provide the necessary assurance that costs will be met?**

Taking the place of statutory funding is the 'ring fenced' grant given to local authorities to dispose of at their discretion. Councils will no longer be under a statutory obligation to pay all rents deemed reasonable, as they are at the moment. Instead, they will be placed under a statutory duty to secure value for money. Some particular challenges may remain for short term accommodation.

* Those who need support will be entitled to funding through the local authority but our members will need to see the details of the funding model and how this will be determined, including how quality will be assessed to trigger payment of grant, nationally and locally. The funding model must include projections of future need, be flexible enough to incentivise prevention and innovation; and allow for growth in demand.
* The funding allocation to local authorities must reflect the real cost of running supported housing and must not place additional burdens on local authority finances. The existing pressure on local authority budgets has led to unavoidable de-commissioning of some services and this must not be exacerbated through these proposals.
* It is our understanding that the proposal is based on existing Housing Benefit rules with resident’s keeping entitlement to HB, but services with the new grant will not charge rent and will not draw down the HB entitlement. It is not clear if a service has grant for some but not for all residents, can some still receive HB? This needs to be reviewed for those receiving benefit and those residents contributing to the costs.
* Residents in short term accommodation will not be paying rent and therefore will, technically, not have the usual responsibility of a tenant. We can see the benefit of removing the need to collect rent from vulnerable people at a time of crisis e.g., on entering a refuge, becoming homeless, leaving care until their situation is more stable. However, some of our members expressed concern on behalf of tenants that by removing responsibility to pay rent for up to 2 years, there is a real risk of ‘de-skilling’ residents which is disempowering for individuals and against the philosophy of Universal Credit, a key part of which is managing finances.
* The proposal states: ‘*Providers to be free from the administrative burden of managing benefits claims for housing costs and collecting rent*’. However, the document also says that residents of short term supported housing will still be entitled to Universal Credit ‘for help with housing costs’. This appears contradictory, and requires clarification.
* The consultation document talks about providing ‘*security of funding’* but far from providing greater security of funding, the new proposal removes funding certainty as there seems to be no proposal to index-link future funding levels. An entirely localised funding route outside the benefit system for most supported housing will fall well short of the level needed for long-term assurance.
* A funding model for the future must take account of the particular needs of very short-term accommodation, including homeless hostels and women’s refuges - this is one of the very serious failings with Universal Credit.
* Finally, the proposals must ensure that the total supported housing package is adequately funded, including the rent, eligible housing related costs, support and care.

**Strategic Plans and meeting local needs**

**Question 3:**

**a) Local authorities – do you already have a Supported Housing plan (or plan for it specifically within any wider strategies)? [Yes/No]**

**b) Providers and others with an interest – does the authority (ies) you work with involve you in drawing up such plans? [Yes/No]**

**c) All – how would the Supported Housing plan fit with other plans or strategies (homelessness, domestic abuse, drugs strategies, Local Strategic Needs Assessments)?**

* Housing representatives must have a seat at the table at health and wellbeing boards. This is the most effective way of aligning housing need to JSNA and public health performance indicators

**Question 4:**

1. **Local authorities – do you already carry out detailed needs assessment by individual client group? [Yes/No]**

**b) Providers – could you provide local government with a detailed assessment of demand and provision if you were asked to do so? [Yes, both / Yes, demand only / Yes provision only /No] All – is the needs assessment as described in the National Statement of Expectation achievable? [Yes/No]**

**c) Please comment**

Our members will be responding to this question.

**Question 5: Do you agree with this approach? [Yes/No]. Please comment.**

No further comment

**Question 6: The draft National Statement of Expectation (see Section 4) published today sets out further detail on new oversight arrangements and the role of local authorities. We would welcome your views on the statement and suggestions for detailed guidance.**

* As local public services accountable to local people, councils are best placed to determine and deliver services to vulnerable people based on the housing, health and social care needs of their communities. But councils need the resources to be able to make sure that they are adequately housed and supported. The proposals should be explicit about any new burdens or duties on councils being proposed, on the understanding that these will be fully funded. The new model should not put council budgets under additional financial pressure and there should be provision of funding for the setting up of the new system.
* Any measurement of quality and value for money should be based on the achievement of outcomes for the vulnerable person in receipt of the housing, and not just the level of rent charged. As such, it makes sense for councils to use their commissioning role to gain an oversight of the quality, provision and long-term planning of supported housing.
* However, a more strategic approach to supported housing cannot be realised without adequate resources, expertise and capacity within local authorities.

**Question 7: Do you currently have arrangements in place on providing for those with no local connection? [Yes/No] If yes what are your arrangements?**

* Guidance on providing access where no local connection exists needs to clearly be aligned with new requirements arising from the Homelessness Reductions Act.

**Question 8: How can we help to ensure that local authorities are able to commission both accommodation and associated support costs in a more aligned and strategic way? Do you have further suggestions to ensure this is achieved?**

* There is cursory reference in the document to health and wellbeing boards however; it is only at that level of strategic influence that can drive full partnership working – through the development of health and wellbeing strategies and the joint strategic needs assessment. The ambition behind the introduction of health and wellbeing boards was to build strong and effective partnerships, which improve the commissioning and delivery of services across NHS and local government, leading in turn to improved health and wellbeing for local people. While boards are able to appoint non-statutory members, the representation on board membership of senior housing representatives is lacking. We would propose that the ‘expectation’ should include housing as a strategic policy area is represented on health and wellbeing boards.

**Question 9: How will you prepare for implementation in 2020, and what can the Government do to facilitate this?**

* The proposals should be piloted a number of areas to test elements of it for example, outcomes of needs assessment or better integration of all adult social care.

**Question 10: What suggestions do you have for testing and/or piloting the funding model?**

* A full impact assessment on the proposed changes should be available when greater detail on the implementation is available.

**Question 11: If you have any further comments on any aspects of our proposals for short-term supported housing, please could you state them here.**

* As the proposals stand, there is a preference from or members for a transitional or phased approach to implementation.

**For enquiries about this submission, please contact:**

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