

Supported housing consultation: 'Sheltered rent' and short term services

1. Future funding of supported housing

- 1.1 This paper summarises the latest steps in the Government's development of a new funding framework for supported housing. This is the second stage of the consultation, and follows a large response from the sector, the recommendations of the DCLG/DWP joint select committee, and a series of task and finish groups.
- 1.2 Government has issued a policy statement and set of national expectations, alongside two further consultations - on a 'sheltered rent' and on funding for short term services.
- 1.3 CIH welcomes your input to inform our response the next stage of the consultation, on the details of developing a 'sheltered rent a' and proposals for funding short term services.
- 1.4 Please send your comments to sarah.davis@cih.org by 15 January.

2. Summary of the government's policy statement

- 2.1 The Prime Minister announced the government's intention not to apply the Local Housing Allowance to social and supported housing on 25 October.
- 2.2 This was followed on 31 October by the government's policy statement and national statement of expectations, setting out the new funding framework for supported housing to be implemented from April 2020. Alongside this it issued two further consultations to develop the detail of two key elements in the new framework; one for sheltered and extra care housing and one for short term supported housing.

Sheltered and extra care housing

- 2.3 Generally for older people, funding for these schemes will be through housing benefit (or universal credit where appropriate). There will be a new 'sheltered rent' which will be subject to an overall cap and limits on annual increases. The regulator will have a role to oversee the sheltered rent. There will be no provision for any localised top up fund, so the way

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that the sheltered rent is developed will be critical. More detail on the consultation is set out in section 5.

Housing for working age people with long term needs

- 2.4 Housing for people of working age with learning disabilities or long term mental health conditions will continue to be met fully through the welfare system. The paper flags up that government will work with the sector on issues of quality and cost control but no indication of timing for this is given.

Short term and transitional supported housing

- 2.5 Funding for these services will be removed from the welfare system and paid through a ring-fenced pot given to local authorities. In two tier areas it will go to upper tier authorities. The accommodation will be funded rather than the individual, and all rent and service charges that would have been met through housing benefit or universal credit in 2020/21 will be allocated to local authorities to be administered locally in England (and to the devolved governments in Scotland and Wales). Schemes will be commissioned locally, and underpinned by a local planning and oversight regime.

3. Local planning and oversight

- 3.1 Councils will be expected to work strategically with local partners to provide plans for schemes to address needs and provide oversight on quality, outcomes and value for money.
- 3.2 Councils will be asked to undertake a needs assessment to identify current provision and future needs across all supported housing groups; to produce a local plan setting out how funds will be used to meet identified needs; to develop local partnerships with commissioners and local partners and work across tiers of local government, to plan and deliver provision.
- 3.3 There will be conditions to the ring fenced grant, and further non-statutory guidance will set out how to develop and establish the local infrastructure to administer the grant.

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3.4 There will be an expanded role for the regulator in respect of the sheltered rent, and a national statement of expectation will set broad expectations for councils.

4. National statement of expectation

4.1 This sets out broad expectations for local authorities to follow in assessing planning for and ensuring provision of services, with additional requirements around the three different strands of supported housing. The overarching expectations are around: meeting local needs; ensuring fair access to services (addressing concerns about local connection restrictions); supporting collaborative working; promoting decent standards and taking a strategic approach to commissioning to encourage innovation.

4.2 The expectations around fair access, and the requirement to plan for local needs and those arising from movement in and out of the local area, plus transparency/ reporting about how the money is spent across different groups, are how the government is tackling concerns about restrictions on local connections and potentially a lack of planning for some groups that need to be housed away from their local area, such as women fleeing domestic abuse or ex-offenders. However, there is no indication about any national monitoring or government intervention if that should not be met.

5. CIH's response

5.1 We welcomed the delay to implementation until 2020 while details of the different approaches are developed. This is still a challenging timeframe to meet, and to assess the impacts for services.

5.2 On the 'sheltered rent', the detail of the structure, and possible banding system will be critical, given the range of services within both sheltered and extra care housing, and taking into account differences in charges arising from historical and geographical impacts (grant levels etc.).

5.3 We note the strong steer about eligible service charges and limits to overall caps, reflecting government's concern about the impact of the increasing older population and impacts for welfare benefit costs. Again,

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the detail of this and how it will impact on schemes is a key issue for providers.

- 5.4 In respect of the locally devolved fund for short term services, there is a lot of concern from providers about the level of funding and how that will be measured (the research on which the initial consultation was based did not capture all of the services and costs across the country).
- 5.5 There are also significant questions remaining around how well councils will cooperate in meeting the needs of people who need to be re-housed out of their current location (both in assessing level of need and ensuring access to services).
- 5.6 Where the fund will be held by counties there is also concern about how well they will involve and plan with their lower tier authorities that hold the statutory planning and homelessness duties and what Government will do to monitor and intervene where this is problematic.

6. Consultations

Sheltered rent

6.1 Questions include:

- How schemes might be defined and the implications of the approach (by features and characteristics of schemes or by age of tenants)?
- What the key principles and features drive service charge setting and the variations, and how a banded approach, as suggested by the select committee, might work?
- What detailed guidance would be useful to support the national statement of expectations?
- What partnership arrangements exist at the local level?
- How organisations will prepare for implementation, what government can do to help and what might be useful to test?
- What and who commissions support services in local area?
- How the sector can drive improvements in outcomes and value for money?

Short term services

6.2 Questions include:

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- Comments invited on the 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'
- How can the funding mechanism be designed to provide assurance that costs will be met?
- What arrangements are already in place to meet needs and how are providers involved?
- How would supported housing plans fit with other local strategies?
- Whether needs assessments are undertaken by specific client group and if providers could help with that?
- If there is agreement about the fund going to upper tier, directed by grant conditions to work with districts and local partners?
- What detailed guidance is needed to support the national statement of expectations?
- What arrangements exist to plan for provision for people with no local connection?
- How can local authorities commission strategically for accommodation and support?
- What will organisation do to prepare for implementation, what can government do to help, and what could be tested/ piloted for implementation?