

CIH submission to DCLG/DWP consultation on funding for supported housing: short term services



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Housing

About CIH

Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world.

Further information is available at: www.cih.org

CIH contact:

Sarah Davis, Senior Policy and Practice Officer, sarah.davis@cih.org

Overarching comments

CIH is a UK-wide membership body, and there are aspects of the consultation that will impact across England, Scotland, Wales and Northern Ireland.

We recognise the government's commitment that the level of funding for the devolved pot will be the same as would have been received through housing benefit/universal credit; we are concerned that there should be sufficient time and a clear process to engage with local authorities and the devolved governments, to ensure that all relevant schemes and funding levels are accurately identified.

The consultation states that future funding will reflect current projections of future need, but greater clarity is required on how that assessment is to be made, and when and how the fund will be increased in the future (over and above inflationary increases), to provide not only for new schemes but for ongoing capital investment in existing provision, so that it remains safe, decent, and fit for purpose.

As a principle, we are concerned about the shift of funding from one which supports an individual's right to have help with housing costs, and which provides a flexible mechanism to respond to their needs (as happens in the welfare system), to one that is periodically set and subject to limited or potentially no regular increase. The proposed system limits the flexibility for landlords to respond to changing needs and breaks the clear relationship between provider and tenant that arises from a licence/tenancy agreement.

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We are therefore pleased that the extent of the schemes within the locally administered fund has been limited, although we query whether the definition of schemes to which it will apply is still too broad (see question 1 below).

Response to consultation questions

Q1 Do you agree with the proposed definition?

We question whether the definition as it stands is wider than is needed. Ideally the devolved fund should be for those schemes providing emergency and crisis accommodation where stays are usually in terms of days and weeks. These do need to have a funding system that sits outside of universal credit with its whole month approach, as people have often moved on before they can apply or before any assessment and payment can be made (in the same way that statutory temporary accommodation has been removed from universal credit). Therefore a separate funding arrangement provides greater flexibility. However, for schemes such as refuges for women fleeing domestic abuse, a nationally funded system would be most appropriate, to address concerns about the capacity of a locally devolved fund to coordinate access across boundaries (and the lack of government action to enforce the requirement in the National Statement of Expectation to address this.)

However, with supported housing that extends for a longer period - up to two years as identified in the definition - tenants are able to apply for and receive universal credit/housing benefit. A key aim of most supported housing schemes is to support people to (re)gain skills for independent living, including budgeting, paying rent and accessing help with housing costs through the welfare system. Being able to demonstrate to future landlords that the tenant can and has managed their tenancy and rent effectively is vital to enable them to move on and access a tenancy in the social or private sector.

We recognise that there are some schemes with a mix of provision, including emergency/crisis accommodation and tenancies for up to two years. There should be local mechanisms to identify these and to ensure funding through the localised fund for those places. In addition, there should be clarity in guidance about the position for people who have been unable to move on in the timescale due to lack of suitable long term accommodation.

The introduction of an intermediary (local authority) as primary commissioner of services weakens the landlord and tenant relationship. The tenancy/licence agreement provides clarity about each partner's rights and responsibilities, and a robust legal framework to manage disputes or breaches of the agreement. The proposal has also raised concerns about how it might affect eligibility for, and access to, supported housing (potentially changed by local arrangements).

The government has recently announced measures to improve the administration process of universal credit, including removing the seven day waiting period and improving access to advance payments, which will make the process somewhat easier

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for tenants of supported housing up to two years. For these reasons, schemes that provide longer term support (up to two years), should remain within the welfare system, preferably with some adjustment to the whole month approach, with the separate grant fund focused on emergency and crisis accommodation.

Q2 What detailed design features would help to provide the necessary assurance that costs will be met?

The provision of supported housing requires long term investment by providers and specialist skills to manage and maintain high quality accommodation and services. Any devolved fund and commissioning/contracting arrangements must therefore support such ongoing investment through a long term strategic approach and funding plan, as it is vital that providers are assured that they can continue to plan for the provision of new schemes as well as continued capital investment in existing schemes. Short term contracting of one/two years erodes this stability.

This is not only important for the providers - lenders and the regulator need assurance of organisations' continued viability where supported housing makes up the total or a significant proportion of their business.

There are significant concerns in the sector about the maintenance of the ring fence for the devolved pot in the long term, following the previous experience of the Supporting People fund. The removal of the Supporting People ring fence, coupled with significant cuts to local authority budgets, led to reductions and even the removal of funding from services, with housing related support and advice for vulnerable people being particularly badly hit - the National Audit Office estimated funding fell by 45 per cent overall. The pressure on single tier and county councils in particular meant that funding for many services was reduced to meet statutory obligations for social care. In the long term, this may prove more costly for public services, and the new funding system should provide better incentives to invest in the preventative services provided by supported housing.

The experience of Supporting People has had a significant impact on providers and already resulted in some leaving the sector. It is crucial that this is not exacerbated by the design of this system of local funding. There should be clear requirements in grant conditions and in the National Statement of Expectations and any guidance (which should be statutory) for councils and statutory partners to co-operate and agree on the assessments and supported housing plans, and the funding distribution in localities, especially in two tier authorities (more about this relationship in response to Q5).

Ideally, the system should include a requirement for 3-5 year contracting and notice to reduce/withdraw funding, to enable providers to plan for decommissioning/alternative use.

Providers and councils also need greater clarity about the future of the devolved funding pot, in terms of how and when it will be increased, and what flexibility there

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is for additional funding, for example, to meet shortfalls in provision. This flexibility is needed as, for example, the level of additional requirements arising from the Homelessness Reduction Act has still to be identified.

Q3c How would the supported housing plans fit with other plans and strategies?

There should be a requirement in statutory guidance and the National Statement of Expectation for tiers of local government and statutory partners to work collaboratively to identify needs and plan for investment, and a system of national oversight to ensure this occurs. Plans should be clearly developed and signed off by all partners and specifically by upper and lower tier authorities as minimum.

Local fora already exist that bring together councils and statutory partners where supported housing plans could be agreed and ensure that it sits within a wider framework of strategies and plans to identify and meet local needs, for example, health and wellbeing boards. However, the level of engagement of key partners such as local housing authorities is variable. These should be strengthened with a requirement for housing authorities to engage and be engaged, and for relevant strategies to be developed through this partnership approach, including supported housing plans, and to develop strategic alignment of housing investment and support funding.

Q4 Is the needs assessment as set out in National Statement of Expectation achievable?

The needs assessment will require the collective expertise and knowledge of the different partners. It is likely that the framework required to manage the devolved fund will involve new burdens for local authorities, and government should ensure that these are met without recourse to the fund itself, which should be used solely to fund supported housing. There should be clear guidance from government on the broad mechanisms to assess needs (developed with the sector), to provide a consistent approach, and a greater emphasis that the funding is to develop individual capacity and prevent/reduce reliance of higher cost public services. Developing a shared methodology would be in line with the recent approach government is taking in respect of wider housing development.

Q5 The devolved fund will be allocated to the upper tier authority - do you agree with this approach?

The original proposal for the devolved fund was that it would incorporate 'top up' funding for all client groups including older and disabled people who are more likely to have care as well as support needs. In that case there was a clear connection and reason for positioning the fund with county authorities, given their previous commissioning experience under Supporting People (although the infrastructure developed for that no longer exists in many local areas).

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However, the client groups supported in emergency and short term accommodation are more likely to be those to which the local housing authority has a duty, particularly with the new requirements under the Homelessness Reduction Act. It is now more appropriate for local housing authorities to be the fund holder, given their statutory duties to prevent homelessness, and to plan for housing needs.

Some clients in short term services may be identified as requiring social care/long term services, which will have implications for move-on and require a clear pathway into more appropriate long term accommodation. For that reason, the fund should lie with the local housing authority, with a similar responsibility on these bodies to collaborate with counties on needs assessment and plans.

If the fund is to be held by counties as currently proposed, there must be a requirement to have all local housing authorities involved and in agreement with the assessments and development of plans, and to sign off funding decisions. This should be set out as a requirement in the grant conditions, set out in statutory guidance and reinforced in a stronger National Statement of Expectation.

Q6 Comments welcome on the National Statement of Expectation and guidance

We believe that the National Statement of Expectations (and further guidance) requires greater force to ensure the ongoing sustainability of short term services, and flexibility to meet future needs. It is currently unclear if/how the government intends to monitor councils' assessments and ensure that local needs are being met, and what, if any, action will be taken with authorities that fall short in terms of identifying and meeting needs, together with their local partners.

Q7 Do you currently have arrangements in place on providing for those with no local connection and if so, what are these?

Feedback from our members suggests the level of agreement over reciprocal arrangements is variable. In many cases there needs to be a national framework rather than local reciprocal arrangements to ensure that people can safely access housing and support, for example, for women fleeing domestic abuse.

There is an argument however, for more groups to be supported outside of their local area through reciprocal arrangements, where this would help them to address underlying issues and successfully move on to independent living, such as ex-offenders and those with drug and alcohol abuse.

Veterans often want to remain in the locality of their original forces' base (and where there are charities and wider support mechanisms); with no prior local connection there can be a lack of recognition of the need in those authorities.

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Q8 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?

This will be best achieved by a requirement for co-operation in assessments and clear, agreed sign-off of plans, set out in a strengthened National Statement of Expectation, reinforced through grant conditions and statutory guidance, as we have set out above.