

Funding for Supported Housing - Government Response

You may remember we submitted our response to the Government's consultation in January 2018.

Here's a summary of what we said (you can read a summary of all responses [here](#) - p8 onwards):

DEFINITIONS

- Sheltered housing & retirement housing = purpose built or adapted, self contained, secure accommodation with specific features for older people and provision of housing related support.
- Extra care = purpose built or adapted accommodation specifically for frailer older people and provision of care and housing related support with features in addition to those of sheltered & retirement housing.
- Definitions should be based on features and characteristics.
- Eligibility should be based on need not age.

SERVICE CHARGES

- Variations driven by size/ fabric of schemes and costs of works, utilities, pay, insurance costs etc, as well as by growth (to meet demand) leading to increased management costs.
- We provided a list of eligible service charges which should be clearly defined and consistent across all types of provider.
- Variations in ineligible charges driven by reduction in or withdrawal of funding. Providers may not increase the support element of the service charge to avoid increasing the costs to vulnerable tenants.
- A (simple and transparent) banded approach may help to reflect differing standards of accommodation and might deter providers from introducing services charges that are not value for money or poor quality.

FUNDING MODEL

- 'Sheltered Rent' should reflect costs of specific features and eligible service charges and be flexible to accommodate growth in services (to meet demand) and associated costs.
- 'Sheltered Rent' might lead to smaller schemes where fewer residents share costs, or schemes with more facilities/higher costs becoming uneconomic.
- 'Sheltered Rent' should be guaranteed long term so new schemes are sustainable.
- No caps on 'Sheltered Rent' so HB claimants under pensionable age are not disadvantaged.
- Smaller providers may not develop new accommodation/services unless they make surpluses to reinvest.
- Concern from those who had disaggregated service charges from rent about a combined rent/service charge. A 'core' charge with additional bands may avoid charges for services tenants do not receive.
- LA members supported harmonisation of new models.

PLANNING AND OVERSIGHT

- LAs should work with partners to understand supply of and demand for sheltered housing, to identify local needs and produce local plans.
- Local health boards and NHS partnerships should work with sheltered housing providers to reduce pressures on hospitals and GPs.
- To meet local needs, local data needs to be more readily available to determine local need and demand.
- There needs to be a clearer statutory framework to support collaborative working which specifically refers to housing and housing related support providers.
- There needs to be clear guidance in relation to a 'decent' standard, rather than just 'good'.
- Links should be made to existing standards e.g. CHS Service Excellence Standards.
- In relation to funding, there needs to be much greater transparency and honesty as early as possible to enable providers to plan future delivery.

IMPLEMENTATION

- 2020 - not enough time for piloting, evaluation, and revision. 2022 more realistic.
- In relation to implementation, Government should:
 - Provide long-term funding guarantees
 - Provide clear and transparent guidance in relation to any sheltered housing rent
 - Ensure flexibility to reflect changing costs
 - Provide guidance to residents
 - Provide clear advice and guidance in relation to transitional arrangements

COMMISSIONING

- Sheltered & retirement housing already plays an essential role in driving improvements in outcomes and value for money.
- The sheltered & retirement housing sector has an excellent record of sharing best practice.
- The sector is well placed to undertake consultation with stakeholders and clients.

OTHER

- A complicated or burdensome system is appropriate for such a diverse sector.
- Sheltered & retirement housing providers need incentives to remain in the sector and to grow services to meet increasing need and to reduce pressure on the NHS and Social Care.
- Any framework needs to ensure sufficient funds to cover charges to maintain existing services and ensure new developments meet future needs.
- Arrangements need to link in with any remaining SP funding to prevent providers withdrawing.

So what has happened?

On 10 August 2018, Government published its [response](#) to the consultation. It confirmed that housing costs for all supported housing (long and short term), will continue to be paid through HB. This is good news and reflects the influence we can have through our collective responses.

So, given the complexities involved, there will be no 'sheltered rent' and no cap on service charges. This will provide greater certainty to enable providers to develop new sheltered & retirement housing.

However

There is to be a further review of housing-related support *'to better understand how housing and support currently fit together'* (p5). This will of course provide us with a further opportunity to influence government's understanding of housing related support for older people but this does create further uncertainty – what will come out of this review?

'Oversight of quality and value for money must be achieved within the supported housing sector' (p4) may suggest a continued focus on reducing costs although recognition of the need *'to ensure standards across the sector'* (p4) is welcome.

So a mixed bag. Great that Government has listened to the sector and has abandoned its plans to introduce a sheltered rent; but still a bit of a concern about further reviews and consultations which, with a clear intention to focus on value for money (cost savings?) some uncertainty continues.

This all applies to England but members in Wales and Northern Ireland will be interested in decisions taken in England which are likely to influence developments in relation to funding of supported housing in other UK countries.

What next?

The Government's response refers to further work to *'to put together a sound and robust oversight scheme... which will build on our draft National Statement of Expectation'* (p24) and *'a full and clear picture of the important role of housing related support and will therefore undertake a review of that element in order to better understand how housing and support currently fit together.'*

We will of course keep you informed of any developments and will seek your input into any further consultations. In the mean time if you would like to feedback your views to us on these issues please email your views to Rebecca Mollart, ceo@erosh.co.uk