

Funding Supported Housing

Colchester Borough Council's response to the DCLG's consultation document

We welcome the opportunity to respond to this consultation. We are pleased that the Government listened to the views of consultees following the initial consultation into the future funding of supported housing and responded in a positive way with new proposals. All of our consultation responses are published and therefore part of a public documents. To aid readers understanding of our responses we have included DCLG's preamble to the questions. Colchester Borough Council's responses to the questions are shown in red type.

Definition

6. We recognise the importance of developing a clear definition, to be included in the rent standard and in the benefits system, which reflects the diversity of sheltered and extra care accommodation and protects residents' benefit entitlement. However, we are also clear that any definition must be tight enough to prevent ambiguity and reward the unique role of sheltered and extra care accommodation. We are therefore seeking views from the sector on how they should be defined.

7. In general terms, sheltered housing is housing designated for occupation mainly by over-55s with low-level care and support needs. The majority of residents are above the state pension age, but some are of working age. Their needs are at least in part met by extra housing facilities and services available to residents. This support could be either physical (getting in and out of the property) and/or emotional/mental (emergency help or assurance). Features of a sheltered unit might include:

- 24 hour emergency help (alarm system)
- Warden present some of the time
- Some communal facilities, i.e. lounge, restaurant, laundry, garden
- Rooms available for outreach services
- Often accessible buildings designed for communal purposes

8. In general terms, extra care housing is related to sheltered housing but with higher level support and care to help residents live independently (for example where the likely alternative might be a residential care home).

Question 1: We would welcome your views on the following:

a) Sheltered Housing definition: what are the features and characteristics of sheltered housing and what would be the practical implications of defining it in those terms?

The features listed above are found in some but not all sheltered housing. There is a wealth of information and research (which DCLG could draw on) which attempts to define these types of accommodation- defining rather than using a label will be important as the range of specialised or supported housing options has expanded from 'sheltered housing'; it now includes 'very sheltered', 'assisted living', 'retirement homes', 'retirement villages', 'extra care', 'close care', 'continuing care'.

With the withdrawal of housing related support in Essex the "warden" service does not exist. The use of the term warden is outdated and should include other forms of additional support provided in sheltered housing schemes.

Not all of the buildings used for sheltered housing are designed for communal purposes but will be accessible.

We are interested in how bungalows that form part of a sheltered housing complex will be treated and whether they will be included in the definition, along with the treatment of “linked sheltered” properties.

b) Extra Care definition: what are the features and characteristics of extra care housing and what would be the practical implications of defining it in those terms?

We are fully supportive of a separate definition of extra-care that both rewards the unique role of extra-care and recognises the additional costs associated with the provision of this type of accommodation over and above traditional sheltered housing.

The definition above of extra-care does not appear to be well drawn. Could a scheme which is not extra-care claim to be if a resident was receiving care through a personalised package of care? Housing related support has been withdrawn from sheltered and extra-care housing in Essex and so this is not a key feature which could be used to help define extra-care. There is a wealth of information and research (which DCLG could draw on) which attempts to define these types of accommodation- defining rather than using a label will be important as the range of specialised or supported housing options has expanded from ‘sheltered housing’; it now includes ‘very sheltered’, ‘assisted living’, ‘retirement homes’, ‘retirement villages’, ‘extra care’, ‘close care’, ‘continuing care’.

We think it is also worth mentioning here our response to the DCLG consultation “Planning for the right homes in the right places where we feedback that “We would welcome a review of the definition of older people along with a review of use classes. We would question how useful is the term “retirement age”? In welfare terms (i.e. the age at which a person can receive a state pension) the age is increasing year on year. How meaningful is it when it can cover a span of 30-40 years? Is the definition in the NPPF fit for purpose when housing for older people does not fit into traditional planning definitions (partly because of the wide spectrum of models and the use classes not being clear as to where these models fit)? Distinctions between C2 and C3 are becoming increasingly blurred and this in turn impacts on CIL, S106 and affordable housing discussions and contributions. Standard definitions, a review of the use classes and policy expectations would be helpful”.

We support the proposal for further consultation with the sector regarding the exact definition of sheltered and extra-care housing.

c) Is there an alternative approach to defining this stock, for instance, housing that is usually designated for older people? What would be the practical implications of defining sheltered and extra care supported housing in those terms?

We do not support a definition that is solely based on housing that is usually designated for older people. This would potentially include general needs stock which has no special design features may or may not have a community alarm but has been designated as older person's accommodation.

As we outline in our response above; a definition is more important than using a label as the range of “labels” has expanded in recent years.

Funding Model

Question 2: Housing costs for sheltered and extra care housing will continue to be funded through the welfare system. To meet the Government's objectives of ensuring greater oversight and value for money, we are introducing a 'Sheltered Rent' to cover rent inclusive of eligible service charges.

How should the detailed elements of this approach be designed to maximise your ability to commit to future supply?'

Although we do not develop new sheltered and extra-care housing our partners are telling us that Lenders are generally concerned about exposure to extra care housing within a registered provider's portfolio and its generally poor or negative returns which impact negatively on a provider's core business. With a range of wider challenges affecting the sector (the impact of rent reduction; uncertainty on rent policy) the uncertainty around extra-care care funding only serves to add to funders' nervousness about risk and exposure.

We support the Government's objective of greater oversight of rent and eligible service charges.

Service charges

9. Under Sheltered Rent, rent controls for sheltered and extra care housing will apply to gross eligible rent, which is inclusive of eligible service charges, through the social rent setting system. Eligible service charges are those that are eligible under welfare rules.

Question 3: We are keen to make appropriate allowance for eligible service charges within Sheltered Rent that fairly reflects the costs of this provision, whilst protecting the taxpayer. What are the key principles and factors that drive the setting of service charges (both eligible and ineligible)? What drives variations?

Service charges are based on actual costs for the last full year's bills, plus a CPI inflation charge to bring to present day rates plus an administration fee. We apply a fixed service charge approach. Charges are reviewed annually. The principles are around being transparent about the services provided, thus giving tenants greater detail about service provision and cost, and enabling challenge/scrutiny where delivery of services does not meet expectation.

The principles also include provision of services that assist with maintaining the standard and safety of accommodation and facilities provided over the longer term, avoiding significant cost of replacement in any one year.

In addition to this there is the desire to cater to tenants requirements for services where practical to do so i.e. televisions and Wi-Fi in communal areas

Service charges are calculated using different methods dependant on whether the service is applicable to an individual property, a block of properties, a provision made for a group of properties, or a global charge that all properties benefit from.

Variation in service charges is largely due to the variation in the building structure, layout and facilities offered. Buildings with communal areas such as stairwells, will require additional services to maintain cleanliness and lighting in these areas, those with communal lounges\kitchens\lifts need additional services to provide facilities and maintain such areas. The contract cost for providing services will vary per property depending on the size and extent of facilities provided. Some properties may also require a higher level or more frequent provision of service, due to the nature of the use of the property/vulnerability of the tenants, for example cleaning of communal areas in sheltered accommodation may be carried out more frequently than in communal areas in general needs.

Variations will also occur when contracts are re-tendered and/or service provision is changed.

Variations also occur when staff cost recovery forms part of the charge, this is affected by turnover of staff, changes to NI\pensions and minimum wage\salary pay scales changes.

Question 4: The Select Committee and a number of other sector representatives have suggested that we use a banded approach to reflect variety of provision across the sector. We are interested in understanding more about this. How do you think this might work for sheltered and extra care housing?

This type of approach would need to take account of not only the size of accommodation (i.e. number of units), but also the diversity in terms of building types and number of facilities on offer.

The makeup of sheltered schemes varies significantly, things that should be considered in any banding system that are likely to affect the level of service charges are:

Is there provision of communal areas such as lounges and gardens?

Is there provision of catering facilities?

Is the property on multiple levels, with stairwells and\or lift access?

Is there a requirement for onsite support or regular presence of staff – not only for tenant support, but also to maintain health and safety\security of the building?

Does the building have communal toilets\bathing facilities?

Age of the buildings heating\hot water, electrical system can also be a factor in cost variations.

Older less efficient systems, can mean higher costs for provision of communal water, heating\lighting.

Requirement to contribute to global service charges such as maintenance of communal areas on estates, such as grounds and caretakers, which all resident benefit from.

Question 5: For providers, on what basis do you review eligible service charges? What drives changes?

- More than once a year
- Annually
- Every two years
- Every 3-5 years
- Every 5 years or more
- When a new tenant moves out of the property
- Other (please state).

Charges to tenants are reviewed annually and recover actual costs as stated in the answer to Question 3 above. Internally services are reviewed when there are complaints\performance issues\budget restrictions or when contracts are due for renewal. This in turn can lead to changes in charges in future years.

Question 6: Of your service charges, what percentage is paid by:

- Welfare payments - through eligible service charge
- Local authorities - for example, through supporting people
- The tenant
- Any other reflections

Data as at 30/11/2017 – covering social housing stock including sheltered and homeless accommodation.

5844 active tenancies all are charged eligible service charges of which:

2168 or 37% of eligible service charges are funded by the tenant in full.

1295 or 22% of eligible service charges are funded by a combination of welfare payments and the tenant i.e. partial housing benefit recipients.

2381 or 41% of eligible service charges are funded by welfare payments in totality i.e. full housing benefit recipients.

Ineligible service charges are always funded by the tenant. No tenancies exist which are charged ineligible charges only.

Planning and oversight

10. A new planning and oversight regime will ensure that local areas are best able to provide supported housing for their vulnerable citizens. Local authorities will be asked to work in partnership with other local partners to produce a local strategic plan for supported housing, and to undertake an assessment of provision and need for all supported housing groups. A National Statement of Expectation will encourage local authorities to adopt strategies, planning and ways of working that we are keen to see for supported housing (including sheltered and extra care housing).

Question 7: Attached to the policy statement is a draft National Statement of Expectation (see Section 4). We would welcome your views on the Statement and suggestions for detailed guidance.

We strongly welcome the proposal that upper tiers carry out annually an assessment that includes their on-going assessment of future need across all client groups (particularly where the upper tier does not have a statutory duty to provide for those groups but the lower tier does); the collection and analysis of data on occupancy including voids within the provision to show how efficiently the stock is being used; and data on cross border arrangements and support for people coming into the local authority area, as well as people exiting the local authority area. However, without the proper level of resources we cannot see how the upper tier would be able to carry out this work.

In addition, the upper tier authority may have no relationship or be unaware of accommodation that it does not commission. For example, since no housing related support funding is provided to sheltered housing in Essex, there is no relationship between providers and the upper tier authority. Other services, such as homeless accommodation for single people have been decommissioned completely and some of the accommodation no longer exists as supported housing or is being used by the upper tier for client groups to whom they have a statutory duty. It is therefore difficult to see how they would be able to collect void information, occupancy, cross-border data etc. when they may not know about the existence of accommodation or have no relationship with the provider of that accommodation.

Question 8: The National Statement of Expectation encourages greater partnership working at local level regarding supported housing, including sheltered and extra care housing. What partnership arrangements do you have for sheltered and extra care housing at the local level?

None with the upper tier at lower tier level for sheltered housing – all housing related support funding withdrawn. Some partnership working on extra-care between upper tier and lower tier. We welcome the proposal for strengthening upper and lower tier working at the strategic level. However, we are concerned that the upper tier no longer has the resources to lead on this work. Welcome the proposal for proper assessment of need by upper tier authorities that can be used by lower tier authorities in their local plan evidence base.

Implementation

Question 9: Government has moved the implementation of the reform on sheltered and extra care accommodation to April 2020. How will you prepare for implementation in 2020, and what can the Government do to facilitate this?

As a provider of sheltered and extra-care housing and given the Government's commitment to moving existing sheltered housing into the new funding regime at current rent and service charge levels, we feel that this should be a seamless transition for tenants of sheltered and extra-care housing. We are unable to state how we will prepare for implementation as an organisation as

there are many unknowns still to be decided by Government. These include; exact definition of sheltered and extra-care housing, how the intention to reinstate the previous CPI+1% limit on annual rent increases for 5 years after the end of the rent reduction period will apply to Sheltered Rent, how service charge allowances will be determined, and whether there is any intention to remove the protection offered to existing schemes in the future. The answers to these questions will shape our future business planning, services to tenants and investment decisions. Early certainty over these matters will help us prepare for implementation.

50. The social housing regulator will be responsible for regulating gross eligible rent. This will see them acting in the same capacity as they currently do for net rents (and for gross rents for homes let at an 'Affordable Rent'); monitoring

Question 10: Deferred implementation will allow for additional preparatory measures. What suggestions do you have for testing Sheltered Rent?

The rent element is likely to be less problematic than the service charge element.

Commissioning

Question 11: How do support services predominantly in sheltered and extra care accommodation get commissioned in your organisation or local area?

- By local authority (upper tier) – For extra-care but not sheltered – housing related support funding withdrawn from sheltered housing by upper tier authority
- By local authority (lower tier)
- Through the local NHS
- Other (e.g. nationally). Please name.

Question 12: We believe the sector can play an important role in driving forward improvements in outcomes and value for money, for instance through joint commissioning and sharing of best practice. What role can the sector play in driving these improvements forward?

The sector has a long established track record of driving forward improvements in outcomes and value for money. Organisations such as the Housing LIN, CIOH and the NHF (there are many others) all work to share good practice.

Overall

Question 13: If you have any further comments on any aspect of our proposals for sheltered and extra care accommodation, please state them here.

None

Introduction

82. This consultation seeks views on the Government's proposed new model for short-term supported accommodation in England, as set out in further detail in Section 1, Chapter 4. It is aimed at local authorities, supported housing providers and people living in short-term supported housing and their families. We are also consulting on the funding model for sheltered and extra care housing - please see Section 2.
83. It follows our earlier wider consultation in 2016 on funding for supported housing more broadly (in which we were clear a separate model would need to be developed for short-term supported accommodation), and subsequent work with the sector in the last year. It reflects, as far as possible, the feedback from our consultation, recommendations from the Select Committee report, and the recommendations of our Task and Finish groups.
84. The Government recognises that short-term supported housing should be funded differently to other forms of supported housing to best reflect the particular circumstances of the people who need it, especially regarding the urgency and transitional nature of the provision.
85. As set out in Section 1 (Chapters 2 and 4), we are clear that a local approach to funding short-term supported housing will be beneficial as it promotes provision that matches local needs, and enables local areas to promote a joined-up approach to commissioning housing and support services. The funding model must also work with the modernised welfare system. Universal Credit is designed to reduce welfare dependency and mirrors the world of work, where most people are paid monthly. However, for short-term supported housing we have designed a tailored approach to meet the particular circumstances of the vulnerable people who live there, who may have only a short stay of less than a month or require payments to more than one landlord in order to move on to more appropriate housing at the right time.
86. The details of the funding model are explained in detail in Section 1, Chapter 3. The key elements of the new model are:
- 100% of this provision will be commissioned at a local level and funded locally through a ring-fenced grant. This removes funding from the welfare system entirely (an individual's entitlement for help with their housing costs (through Housing Benefit or the housing cost element of Universal Credit) will be unchanged);
 - underpinned by new local planning and oversight regime, including Supported Housing Strategic Plans, Needs Assessments, non-statutory guidance, and National Statement of Expectation;
 - Will come in to effect from April 2020; and
 - In Wales and Scotland an equivalent amount will be provided and it will be for those administrations to decide how best to allocate the funding.

Definition

87. Short term supported housing is for people who have experienced a crisis or emergency in their lives and need additional support for a short time or a planned short-term stay as part of transition to stable longer term accommodation. For this model we

have defined it as:

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.

88. This would apply, for example, to:

- People experiencing or at risk of domestic abuse;
- Homeless adults;
- Vulnerable young people (such as care leavers or teenage parents);
- Ex-offenders and offenders;
- People experiencing a mental health crisis;
- People with drug and alcohol dependencies;
- Vulnerable armed forces veterans;
- Others (such as refugees with support needs).

Supported in:

- Domestic abuse refuges;
- Homeless hostels;
- Bail hostels;
- Foyers for young people; and
- Other supported housing settings where stays may not be the housing solution in the longer term.

89. The definition does not apply to housing which does not provide soft support together with accommodation, such as general needs temporary accommodation or types of supported housing where length of stay is likely to be longer than two years.

Question 1: Do you agree with this definition? [Yes/No] Please comment

No we do not agree with this definition. The upper tier has withdrawn the housing related support from many supported housing schemes. The definition is not clear on what “support” is – is it only support that is provided with funding from HRS? Would supported housing without HRS funded support be included? In the full consultation paper the examples of people who live in supported housing included individuals and families at risk of or recovering from homelessness. We are concerned that the example above includes homeless adults but not families. In our experience, our supported homeless families’ accommodation should be included. This accommodation is not a “hostel” as our experience has shown that accommodation in which homeless families in crisis share accommodation with other homeless families in crisis is not conducive to helping them recover from their homelessness, address the underlying issues that caused their homelessness or help them build a settled family life. However, the support provided is essential to ensuring that they are able to maintain a tenancy in the future and build settled and stable family lives.

Under the proposed definition, potentially housing which doesn’t currently receive HRS funding (for example our young person’s Foyer) could be included in this funding regime but our Homeless Families Place of change Accommodation, which does receive HRS, may not be included. We cannot stress enough how important the support these homeless families receive is; not all families who experience homelessness are placed in our place of change

scheme, only those who have been assessed as needing the support are housed here. General needs temporary accommodation would be wholly inappropriate for them and would potentially result in repeat homelessness.

New funding model

90. We have thought very carefully about how to deliver a funding model for short-term supported housing to best meet the needs of the people who live in it. We propose a new local funding model which will create a single funding stream to cover housing costs (core rent and eligible service charges) to be distributed by local authorities in England through a ring-fenced block grant. The grant will be paid with conditions under the Local Government Act 2003 (S.31), and will be supported by non-statutory guidance setting out our key requirements for short-term supported accommodation.

91. We will work with local government and the Department for Work and Pensions to ensure that grant allocations for short-term support accommodation in 2020-21 will match the sums that would otherwise have been paid out in each local area to pay for housing costs through the welfare system. The Government recognises that supported housing is of vital importance to vulnerable people so it is our intention that this ring-fence will be retained in the long term in order to protect this important provision and the vulnerable people it supports. The amount of short-term supported housing grant funding will be set on the basis of current projections of future need (as informed by discussions with local authorities) and will continue to take account of the costs of provision in this part of the sector.

92. This model removes short term supported housing funding from the welfare system. It will also allow:

- *Local authorities* to best plan for local need;
- *Providers* to be free from the administrative burden of managing benefits claims for housing costs and collecting rent; and
- *Individuals* to secure employment without putting their housing at risk (as higher supported housing rents are often perceived by residents as unaffordable when in work).

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

We welcome the principles set out above. We also recognize that the welfare system places challenges to the funding of short term supported accommodation which the Government have attempted to address in this consultation.

However, we are still concerned that the ring fenced grant will not be used to meet local needs, as agreed with lower tier authorities, but give the pressures on upper tier authorities will in the main be used for the statutory client groups that the upper tier authority is responsible for. There is a vast difference between planning for local need and meeting that

need. In a time of severe financial constraint it is understandable but unacceptable, that upper tier authorities would seek to meet the needs of client groups they have a statutory duty to. In addition, the upper tier authority has undertaken a whole-scale change to the client group of supported housing for single vulnerable people to a client group to whom it has a statutory duty. The lower tier authority has no ability to influence this change or to meet the needs of this client group in supported housing as it does not control the HRS funding. .

So for example our local women's refuge does not receive any housing related support funding from the upper tier authority. When it did, it was only allowed to accept a total of 10% of out of area referrals which undermined the whole Refuge model. We would like the Government to consider how it will protect this service when the upper tier authority sees no role for refuges. Rent and service charges were the last source of income that the women's refuge has some control over. We share Refuges concerns that with the removal of their last secure form of funding – housing benefit – they may be forced to close all together. Refuges operate as a national network and cannot be provided based on an assessment of local need alone: When women and their children flee domestic abuse, over two thirds flee to a refuge outside of their local authority so they can live without fear of being hunted down by the perpetrator. We are concerned about the impact of the proposed funding regime on our Women's Refuge.

We still feel there is a need for stronger assurances that the funding being devolved will not be used to replace gaps in housing related support, care or support funding. This consultation proposes that all of the funding for housing costs (including rent and eligible service charges) that were previously met from Housing Benefit, will instead be allocated to local authorities to fund services that meet the needs of their local areas. However the national statement does not appear to define clearly what housing costs are? Whilst we acknowledge that defining eligible housing costs may be seen as inflexible and administratively burdensome, we feel that this is the only way to protect the funding in the future to ensure that it meets the needs of all vulnerable groups. Defining eligible costs under the housing benefit regime (and now universal credit) works well, is transparent and ensures a level playing field. Providers, commissioners and the tax-payer are clear on what is and is not eligible for funding. This may not be so under the proposed system.

We would urge the Government to carefully consider the differences in the statutory duties of upper tier and lower tier authorities and how the needs of those client groups who are not a statutory duty of upper tier authorities are protected.

The move from an individual service user rights based funding system to a cash limited discretionary pot has inherent risks. Providers will need to be assured that there is a degree of certainty with regards to funding. It isn't clear from the consultation how the allocation of funding will be determined. Housing benefit can restrict costs where these are ineligible or unreasonable and there was a clear route to challenge decisions to restrict housing costs. With a commissioning model, how will this be addressed in the future? We are interested how the Government will address part-commissioning of housing schemes where commissioning only a certain percentage of bedspaces/units in a supported housing scheme (rather than the whole) undermines the whole scheme and makes it unviable.

Strategic Plans and meeting local needs

93. Local authorities will be asked to produce a Supported Housing Strategic Plan, which will set out their vision for supported housing, working closely with relevant partners (including the lower tier authority in two-tier areas).

Question 3:

- a) **Local authorities – do you already have a Supported Housing plan (or plan for it specifically within any wider strategies)?** No the upper tier authority does not. Some involvement in process for developing independent living (extra-care housing).
- b) **Providers and others with an interest – does the authority (ies) you work with involve you in drawing up such plans?** Not applicable no plan exists
- c) **All - how would the Supported Housing plan fit with other plans or strategies (homelessness, domestic abuse, drugs strategies, Local Strategic Needs Assessments)?** It would be challenging without sufficient resources allocated to the upper tier to implement along with a real will to consider these plans and strategies as part of the Supported Housing Plan. The plan would need to fit with the homelessness and Strategic Needs Assessments of 12 district councils – each having different needs and a different approach/response to addressing that need. The domestic abuse and drugs strategy are already produced by the upper tier authority.

94. As part of the Strategic Plan for Supported Housing and through the National Statement of Expectation (which outlines what local authorities should consider when allocating funding costs for short term supported housing), we are asking for a detailed needs assessment of the demand and provision for all client groups.

Question 4:

- a) **Local authorities – do you already carry out detailed needs assessment by individual client group? [Yes/No]** We are not aware of the upper tier carrying out a detailed needs assessment except for the need groups it has a statutory duty for (older people, people with a learning disability, physical or sensory needs).

- 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]** We are surprised that the question regarding provision was not asked of lower tier local authorities, some of whom will be providers but many of whom will not be.

All – is the needs assessment as described in the National Statement of Expectation achievable? [Yes/No] Yes if sufficient resources are made available to carry out the assessment.

- c) **Please comment –** see above

95. In two-tier local authority areas the grant will be allocated to the upper tier, to fund provision as agreed with districts in line with the Strategic Plan. Grant conditions will also require the upper tier to develop this plan in cooperation with district authorities and relevant partners.

Question 5: Do you agree with this approach? [Yes/No]. Please comment. Yes but we have concerns about how meaningful this “co-operation” will be. We would also welcome the mandatory introduction of risk and impact assessments to ensure that decisions made at the upper tier level clearly demonstrate and take into consideration the impact on lower tier authorities.

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.

We welcome the National Statement of Expectation but as non-statutory guidance we doubt its ability to deliver the Government’s stated policy objectives for supported housing.

Local connection

96. It is vitally important that the needs of all client groups who require access to short-term supported housing are considered. The Government understands that sometimes people’s circumstances mean it is unsafe or unsuitable for them to live in a particular area. Under the Homelessness Reduction Act local authorities have duties to try to prevent homelessness irrespective of local connection.

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97. We have made clear in the draft National Statement of Expectation that local authorities should identify and plan for these situations. This will include people fleeing domestic violence, ex-offenders and offenders, those with drug and/or alcohol dependencies and others who need to move to an area where they have no connection or those with no established local connection. Local authorities will be asked to include needs assessments and plans to meet these needs through their Strategic Plan.

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?

We have a county wide arrangement for women fleeing domestic abuse/violence and those subject to MAPPA. However, we would have concerns about other groups as in our experience where provision has been developed in response to need and in good faith but has not been developed in other areas (even where there is a need) there is a tendency for the area where the provision has been developed to find that all out of area placements are made in their area, often at the expense of local need. The permanent rehousing duty then falls to the area where the out of area placements have been made which is inequitable. We would like to see similar arrangements to the domestic abuse arrangements where there is a more even sharing of placements across a county (in our case).

Commissioning

98. Our aim is to enable local authorities to have an enhanced role in delivering appropriate provision for their local areas. There are many benefits to this approach, including reducing administrative burdens for providers in managing claims for housing costs and resolving rent arrears, and it frees residents from concerns about meeting housing costs at a difficult point in their lives.
99. For local authorities who already commission support costs for many services this model presents an opportunity to plan for both accommodation and associated support, and to consider how best to meet local need as part of their wider strategic planning.

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 a clear role here for the commissioning process. However, we would not want to see value for money replaced by cost-cutting which could potentially render schemes unviable or services meaningless. There also needs to be an acknowledgement that the accommodation is only one part of package to ensure positive outcomes for individual tenants, the other being the housing related support provided with the supported housing. With the erosion of this housing related support funding, maximising positive outcomes

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has become challenging and is likely to increase with further funding reductions. Any investment of public funds should be matched with clear outcomes.

There is a lack of detail in the consultation paper on whether upper-tier authorities will be given any guidance on appropriate costs.

In order to give greater oversight and assurance to tax-payers there needs to be greater transparency on how services are commissioned, the value of contracts, the client groups and outcomes for those commissioned services and a clear explanation as to any cost variances (whether that be between client groups or between services). This will be particularly important as a more diverse range of providers enters the market and will give tax-payers the comfort that there is no abuse of the new funding system. We welcome that some of this has been addressed in the national Statement of Expectations.

We would also refer to our answer in question 1 and the need to protect services which were developed to meet need but no longer receive HRS due to funding reductions at a County level.

Implementation

100. The new funding models will come in to effect from April 2020, reflecting the views from the sector that earlier implementation will be hard to achieve. As the new model represents a shift in the way housing costs for short-term supported housing have previously been met, local authorities and providers will need to prepare for new commissioning arrangements and will want to consider how the changes will affect current ways of working.

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

We will seek to provide the resources to fully engage with the upper tier to assist with the development of the strategic housing plan and associated commissioning. We will work with providers of supported housing in our administrative area to identify risks and opportunities.

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

Overall

101. Although we have set out here the main issues on which we are seeking your views, we would also welcome comments on any other aspects of the model that you consider to be important, or if there are points you wish to make of a more cross-cutting nature.

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

None