

“Funding Supported Housing – Consultation on housing costs for short-term accommodation”

Response of Gateshead Council to Government (DCLG) Consultation

Policy Context

The Government has issued a consultation document seeking comments on a new housing costs funding model for emergency and short-term accommodation in England.

Background

- 1) This consultation follows on from a broader supported housing funding consultation which took place in 2016. Following feedback from this consultation and taking on board the recommendations of the Joint Select Committee report and recommendations from various task and finish groups it has been identified that the new funding regime will be tailored to the three main types of supported housing; sheltered and extra care housing, short term supported housing and long term housing.
- 2) The consultation states that 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.
- 3) It also highlights that a local approach to funding a short-term placement 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.
- 4) The funding model must also work with recent and on-going changes to the welfare system, including universal credit changes. However, for short-term supported housing the consultation states the Government are tailoring their approach to meet the particular circumstances of the vulnerable people who live there. These people may only have 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.
- 5) Short-term accommodation is defined by the Government 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”.
- 6) The key elements of this new model are:
 - i) 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)

ii) it is underpinned by a new local planning and oversight regime, including Supported Housing Strategic Plans, Needs Assessments, non-statutory guidance, and National Statement of Expectation

- 7) Within our response we have provided our views to six areas of potential change, these include changes to the; Definition, New Funding Model, Strategic Plans and meeting local needs, Local Connection, Commissioning and Implementation, prior to the new model being finalised in April 2020.

Implications

- 8) We welcome a clear definition regarding short-term supported housing; however we have expressed the view that any revised definition should not prevent us from developing flexible new models of supported housing that aim to best meet local need.
- 9) Paying temporary accommodation housing costs through Universal Credit has proved to be problematic. Within our response we have welcomed the planned response to move this back to locally administered housing benefit.
- 10) Within our response we have highlighted that there should be no assumption made that the current levels of funding, through welfare are adequate. That there is evidence this is not the case and that there is increased demand for this accommodation. We have requested a mechanism for increased demand to be recognised and accounted for within the funding available.
- 11) Gateshead is currently reviewing its overarching Housing Strategy and carrying out needs assessments for support and supported accommodation. It will look to identify current provision of short-term accommodation, carry out demand analysis, and undertake planning for required volumes by 2020.

Gateshead response

- 12) The consultation period ran from 31st October 17 until 23rd January 2018. The response as set out in the attached annex, has been compiled in consultation with officers from The Gateshead Housing Company. The Cabinet Members for Housing and Economy Portfolio were consulted on the draft submission.

Implications of Recommended Option

- 13) **Resources:** There are no resource implications arising out of this report
- a) **Financial Implications** – There are not considered to be any specific financial implication arising from this consultation.
- b) **Human Resources Implications** – No human resources implications.

- c) **Property Implications** – No property implications.
- 14) **Risk Management Implication** – No risks associated with the consultation.
- 15) **Equality and Diversity Implications** – No equality and diversity implications
- 16) **Crime and Disorder Implications** – No crime implications.
- 17) **Health Implications** – No health implications.
- 18) **Sustainability Implications** – No sustainability implications directly arise from this report
- 19) **Human Rights Implications** - No human rights implications.
- 20) **Area and Ward Implications** – The detail of this consultation would impact on all Ward Areas.

APPENDIX 2

Gateshead response to:

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Question 1: Do you agree with this definition?

The definition still appears to require some clarity and gives rise to a number of questions

- What is “soft support”?
- Does it matter who is providing the support?
- Can the support be provided together with the accommodation but not by the landlord?
- Can only certain kinds of landlord provide this type of accommodation e.g. RSL/not for profit etc.?
- Must the support be accepted as a condition of taking the tenancy?

There is also no reference to the amount of support that would need to be provided – there is a significant body of HB case law that suggests this needs to be more than minimal (e.g. not just completing forms).

New models of supported housing are being developed to provide more flexibility; any new funding regime must not fetter this. Increasingly we are looking to house vulnerable clients in mainstream housing (settled accommodation), with floating support; where support will taper or escalate, depending on need, with the expectation that clients remain in the accommodation as long as it meets their needs and aspirations. Would this fall within the definition of “short-term supported accommodation”?

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

We would welcome some clarity about the figures Government anticipate would have been paid out have been calculated or assumed and exactly what this includes (presently the LA cannot claim subsidy on supported housing provided by non-profit making bodies over the rent officer’s determination – this seems an inherent penalty on the LA).

It’s is not clear if currently there people being passed to other types of accommodation simply because there is no suitable alternative and how will this need be addressed – does it need to be identified as part of the design of the funding

model?

The design of the funding model needs to be flexible enough to accommodate additional funding being made available via other streams which could increase the accommodation provision (e.g. the additional funding to increase refuge spaces for distribution over the next 2 years).

How long will this particular funding model apply and how often will this be reviewed? What would be the process if a particular LA suddenly had a significant unanticipated increase in the requirement for this type of provision?

This model starts from the premise that the current level of funding through welfare is adequate, yet there is evidence to suggest that this is not the case and that in general, there is a very genuine need for an increased volume of this type of accommodation. Where a need for increased demand is demonstrated, we require some mechanism to recognise this within the funding available.

Question 3:

a) Local authorities – do you already have a Supported Housing plan (or plan for it specifically within any wider strategies)?

Yes

Supported Housing Strategic Plan – We are currently reviewing our overarching Housing Strategy, and at the same time we are carrying out needs assessments for support and supported accommodation. Once the supported accommodation needs assessments are complete, action/delivery plans will be produced, these will then become a component of the overarching Housing Strategy.

b) Providers and others with an interest – does the authority(ies) you work with involve you in drawing up such plans?

Not Applicable

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

Gateshead's approach would be to embed its Supported Housing Plan within its wider, evidence based, Housing Strategy; this will ensure linkages with wider strategic issues.

The overall aim of Gateshead's current Housing Strategy is:

“To help people access, and sustain a good quality affordable home in a sustainable community”

The Strategy is structured around three, linked objectives:

- Support - To help residents access, and sustain, a home which promotes their wellbeing

- Standards - To improve the quality, condition and management of housing so that all residents benefit from safe, healthy and well-managed homes
- Supply - To ensure the supply of new housing, and use of existing stock, best meets current and future needs and aspirations.

The Housing Strategy also satisfies the Council's requirement to publish a Homelessness Prevention Strategy, which is currently being reviewed in advance the context of the Homelessness Reduction Act.

The Strategy also supports the delivery of strategic objectives of sustainable economic and housing growth, sustainable neighbourhoods, and improved health and wellbeing, as set out in Vision 2030, the Gateshead Local Plan, Prosperous Gateshead (a framework for a thriving economy), and the LEP's Strategic Economic Plan.

There are a number of key themes that are also embedded within the Housing Strategy:

- To reinforce the links between strategic planning for Housing and Health.
- To support the prevention agenda, so minimising demand for Council services, reducing wider, social care and health costs, and improving health & wellbeing;

Question 4:

a) Local authorities – do you already carry out detailed needs assessment by individual client group?

No

b) Providers – could you provide local government with a detailed assessment of demand and provision if you were asked to do so?

Not Applicable

All – is the needs assessment as described in the National Statement of Expectation achievable?

Yes.

As part of our approach to Gateshead's Housing Strategy, we will be working to carry out detailed needs assessments for all vulnerable cohorts that are likely to require short term and more settled long term supported accommodation. We feel this is something that should be achievable in all local authority areas. A 5 year period for a strategic plan seems an appropriate length of time, but with provision for this to be reviewed on an annual basis, given how external circumstances effecting demand can change significantly.

This 5 year plan will require all local authorities to work closely with providers to analyse need and demand which will enable the identification of gaps in service. An analysis of out of borough cases will contribute to this plan.

Analysing the spectrum of support services will identify the role that all providers play in supporting vulnerable clients in the community.

The Needs Assessment must focus on quantitative data, as well as analysing the specific needs of those accessing services, and will also need to analyse intelligence about those clients who are turned away from support services, or on a waiting list waiting for support.

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 - as above with a focus on quantitative data.

It will not be straight forward to predict accurately the quantities of clients requiring short-term and long-term support, given the complexity of need of many clients. It will be important to ensure that the funding regime does not restrict appropriate transitions into and out of accommodation, both to promote greater independence or where higher levels of support become necessary temporarily or permanently, or for an uncertain period of time.

It will be important to allow sufficient time for LAs to carry out needs assessments and prepare Supported Housing Plans, where these are currently under review, or not in place.

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 referrers into, and providers of, supported accommodation, we would welcome increased scrutiny of supported housing providers. As well as considering voids, data on waiting times and the outcomes for clients who are rejected from supported housing services would be particularly useful, although this information may be difficult to obtain.

As part of the National Expectations on short term/medium term accommodation, all providers should have a move on protocol for clients. All support providers should be provided with a base rate of support outcomes that they are expected to deliver such as access to benefits, health services and support with social activities as a few examples to ensure that where appropriate all clients receive this level of support regardless of where they are accommodated across the Country.

Question 7: Do you currently have arrangements in place on providing for those with no local connection?

Yes.

Gateshead Council's current Lettings Policy does not have a local connection criteria, but it does not award priority (other than to homeless applicants & applicants with a medical need to move into the Borough) for rehousing to out of Borough applicants

Applicants who are victims of domestic violence are currently assessed and assisted as homeless applicants, and awarded Urgent Housing Need Status, irrespective of whether they are residing in a refuge/temporary accommodation or their own home.

Critical Housing Priority will be awarded for victims of domestic abuse – where applicants are experiencing severe harassment, and have been assessed as being at risk unless rehoused. 'Applicants who must be rehoused to prevent a child being taken into care or to ensure the safety of children under the terms of current legislation' and 'Urgent homeless cases, where Gateshead Council needs to discharge its statutory duty as a matter of urgency'. Urgent Housing Priority includes the following provision for domestic abuse – 'Domestic Violence'. Therefore victims of domestic abuse would fall into the Critical or Urgent categories as opposed to 'Substantial' or 'General'.

Personnel leaving the armed forces will be awarded Urgent Housing Need status three months before their discharge date.

The Council's Housing Strategy sets out the Council's intention to reduce homelessness and reduce the use of temporary accommodation. The Council is currently reviewing its specialist and supported accommodation services, and accommodation needs. The Council is looking to increase the provision of floating support, and flexible, settled, supported accommodation that will follow "Building the Right Homes" and Housing First principles, and reduce the use of temporary accommodation, so that providing short-term, specialist support that assists transition to settled accommodation and independent living, and reduce the period of occupancy of temporary accommodation. The Council is currently reviewing the provision for needs of vulnerable cohorts including: victims of Domestic abuse; Young People and Children and care leavers; people with Learning Disabilities and/or Autism.

Our Strategic Tenancy Policy states that Gateshead Council will expect registered housing providers support it in meeting its statutory duties relating to homeless and potentially homeless people by:

- i) Accepting homeless households through nominations from the council and
- ii) Providing the most secure and long term type of tenancies to ensure that tenants

have a stable and secure home environment.

Gateshead Council is making preparations for delivering the additional duties arising from the Homelessness Reduction Act, and will be reviewing its lettings Policy to ensure it satisfies the new requirements.

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?

Having an evidence based assessment of need is key. Local Authorities should be encouraged to develop procurement protocols – The Government could provide guidance and support to Local Authorities to ensure a consistent approach.

Clearly linking into the Local Strategic Plan and Housing Strategy are key however, another important element in respect of this question is flexibility, particularly with regards to the ring-fenced block grant to ensure that fluctuating levels of support can be addressed along with changes in supply that reflect shifting local needs. Learning taken from new commissioned services may identify needs that require more support or specialist interventions that had not been considered in the planning stages of the commissioning process. In terms of writing specifications the level of grant available for services, including what constitutes core rent and eligible charges, is important to identify over the contractual term (within a flexible framework) so that the financial implications are clear and achievable for the local market.

Any additional funding streams that are identified to support the supply of additional short term accommodation ought to have criteria attached to bidding guidance that requires a Local Authority to evidence links to wider strategies and be assessed against potential future savings. Whilst this can be labour intensive it is a measure of ensuring that proposals are joined up. Adequate lead in time for funding bids and realistic timescales for meaningful submissions should however be built into the bidding process.

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

Through identifying current provision of short term accommodation, carrying out demand analysis, and undertake planning for required volumes by 2020.

It will be important for Government to announce the funding and structures in a timely manner to give accommodation providers some certainty over the development of new accommodation and to allow sufficient time to plan for implementation of new models.

The Government could provide guidance and support to Local Authorities to ensure a consistent approach to demand analysis.

It will be important to have clarity at the earliest opportunity on the Government's expectations for the mechanisms that will need to be put in place by Local Authorities for managing the ring-fenced grant funding and payments to providers. Clarity will be needed on how the grant funding regime fits with the process of local authority service and accommodation procurement/commissioning.

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

We suggest an incremental approach, selecting certain providers in each area for the initial pilot. Using feedback from these pilots to highlight required adjustments of the model if required before full roll out and implementation. An earlier start date of implementation may be required if the model is to be tried and tested initially as a pilot.

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.

Paying temporary accommodation housing costs through Universal Credit is causing problems for tenants, landlords and local councils alike. So we are pleased that the Government is planning to move this support back to locally-administered housing benefit. This is a significant, and welcome, change.

Although we welcome the benefits that the new funding model will bring in terms of the funding certainty to providers, we do have concerns about the implication of the funding model with residents not having to pay rent. Supported accommodation is not only provision of accommodation at a difficult time in the clients life but it also serves the purpose of preparing the client for independent living, removing any form of personal responsibility from the client may make it more difficult for them to transition into independent living. There is a body of evidence emerging from the roll out of universal credit to demonstrate that rent arrears increase when a tenant has to take responsibility for payment of their housing costs direct having previously had a direct payment in place for housing costs. Whilst we would agree that personal responsibility should be an aspiration when a person moves into settled long term accommodation, it is clear that many of those that have vulnerability will likely require ongoing support during this transition from short term supported accommodation. The increased housing management costs associated with this support need to be acknowledged and reflected

in the funding model.

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