



Department for  
Communities and  
Local Government

# Supported Housing

New funding model for supported housing

November 2017



Department for  
Communities and  
Local Government

**Supported housing helps hundreds of thousands of  
the most vulnerable people in the country to live  
independently or to turn their lives around**

### **What is supported housing?**

- Supported housing is housing provided alongside care, support or supervision.
- It is a diverse sector
- Around 716,000 people live in around 651,500 supported housing units in Great Britain.
- The net fiscal benefit is estimated at £3.5 billion per year.



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**A new funding model is required to support growing demand, a desire for greater oversight and to be compatible with wider welfare reforms**

### **What is the case for change?**

To secure supply now and in the future

To strengthen focus on outcomes, oversight and cost control

To ensure funding works with the modernised welfare system



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**We have been working closely with supported housing  
commissioners, providers and representatives of  
tenants to develop a solution**

### **Working with the sector to develop a solution**

- At Autumn Statement 2015 we announced our intention to apply the Local Housing Allowance rates to the social rented sector, including supported housing.
- Last year we also committed to reforming the funding of housing costs for supported housing.
- What has been clear is that a one-sized fits all approach will not work
- We have also put back commencement from April 2019 to April 2020.



## Recognising the diversity of the sector, we are introducing different funding models for different parts of the supported housing sector

### What was our October 31 announcement?

Policy Statement and two consultations:

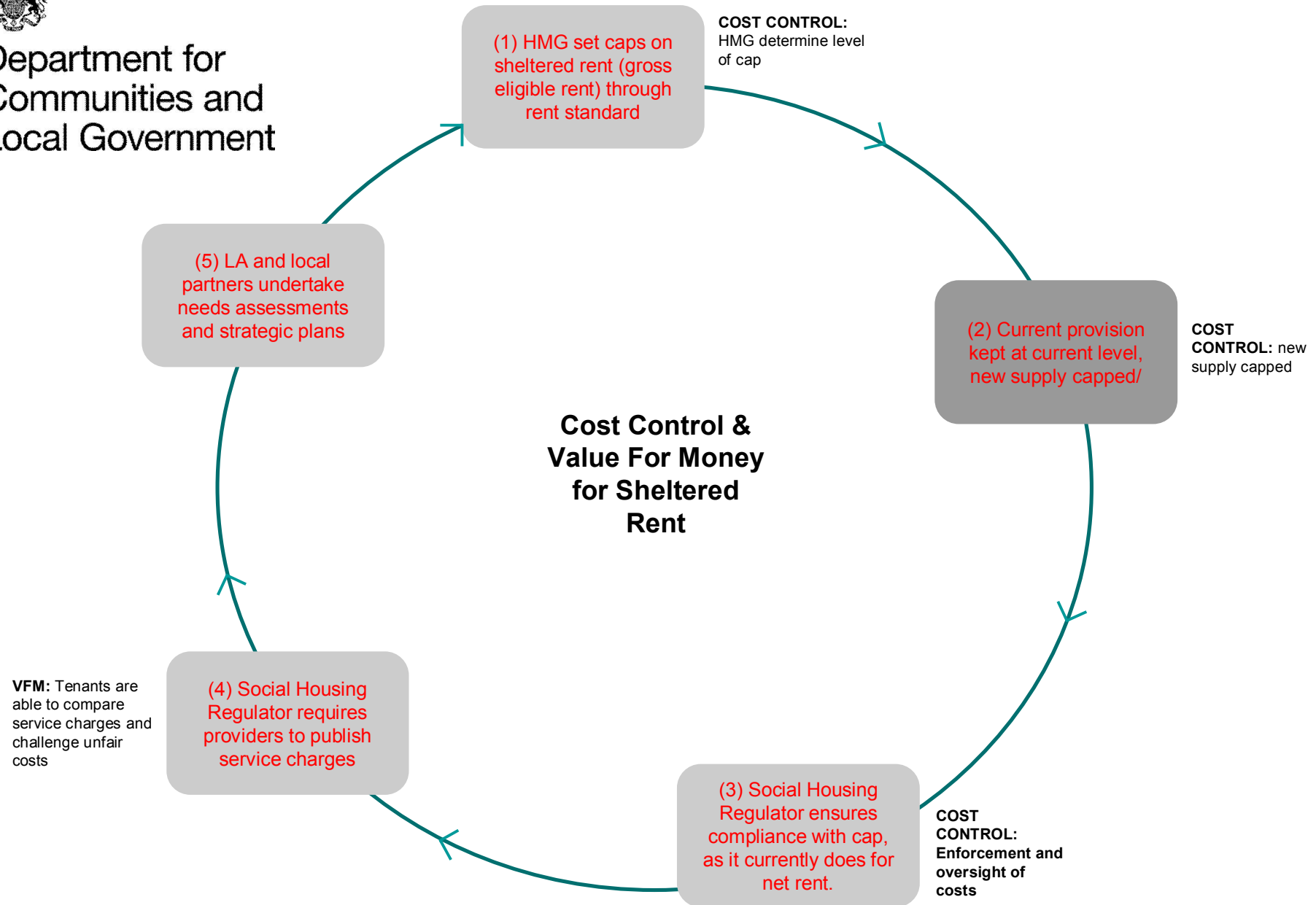
1. Introducing a 'Sheltered Rent' from April 2020 – a type of social rent that will keep funding for sheltered and extra care homes in the welfare system and bring in proportionate cost controls (for sheltered and extra care housing).
2. Funding for other long-term supported housing remaining in the welfare system – with a commitment to the sector to work to deliver improved cost control, quality and outcomes (e.g. such as housing for those living with a disability, or those with mental ill health).
3. Short-term supported housing grant: short-term accommodation to be funded and commissioned by local authorities through a ring-fenced grant from central government from 2020 (e.g. crisis or transitional accommodation, such as homeless hostels or domestic abuse refuges).

We are also seeking to improve local planning for supported housing and commissioning across service areas. We published a draft National Statement of Expectation, and outlines for local level strategic planning.





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### National funding framework

National  
Statement of  
Expectations

Grant  
Conditions

Non-Statutory  
Guidance

### Local supporting infrastructure: strategic plan



Partnership between  
Upper and Lower tier LAs

Partnership between  
Lower tier LAs in an area

Partnership between  
different LA areas

Partnerships with local  
commissioning bodies –  
including CCGs,  
H&WBBs, criminal justice  
etc..

Partnerships and  
engagement with  
providers.

Partnerships and  
engagement with clients  
and their representatives.

Needs  
assessment

Audit of existing  
supported housing  
provision.

Needs assessment of  
current supported  
housing need by client  
group (with regard to  
other forms of support –  
based upon client need).

Needs assessment of  
future supported housing  
need by client group and  
1, 5, 10, 25 year time  
horizon.

Needs assessment of  
cross border need.

Plan to meet  
local needs

Commissioning plan of  
what supported housing  
is needed for what client  
groups

Plan how to make best  
use of stock (allocations  
and referrals in, and  
support where  
appropriate for move on).

Plan for what alternatives  
to supported housing  
might be employed  
(based on client need –  
e.g. prevention or floating  
support)

Plan what future  
supported housing supply  
needs to be built (by  
client group and by  
when).

Plan for cross border  
delivery.

Monitoring  
delivery  
against plan

Monitoring outcomes for  
individuals.

Monitoring VFM of grant  
spend.

Monitoring quality of  
provision.

Monitoring efficient use of  
stock.

Reporting

Reporting spend by client  
group.

Reporting outcomes for  
individuals.

Reporting on efficient use  
of stock.

Reporting on types of  
provider commissioned.

Reporting on cross-border  
arrangements





## As well as overarching expectations, we set out specific expectations for different parts of the supported housing sector

### Expectations tailored to different parts of the sector

- For sheltered and extra care supported housing we want to see local planning, commissioning and services that:
  1. Plan and facilitate new supply;
  2. Provide support which keeps people independent, offers a real alternative to residential care, and enables efficient use of stock; and
  3. Provide transparency in reporting against delivery.
- For short-term accommodation we expect to see local planning, commissioning and services that:
  1. Enable fair access, even where no local connection has been established;
  2. Support individuals to move on to independent accommodation; and
  3. Report against spend.
- For long-term supported housing we hope to see local planning, commissioning and services that:
  1. Provide support which keeps people independent, offers a real alternative to residential care, and enables efficient use of stock; and
  2. Provide transparency in reporting against delivery.



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**We want to continue to work with and listen to  
commissioners, providers, tenants and their  
representatives to develop the details of the new  
funding models**

### **Next steps**

- Please let us have your thoughts via the consultation, which will run for 12 weeks until 23 January 2017.
- Link to policy statement and consultation:  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/655990/Funding\\_supported\\_housing - policy statement and consultation.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/655990/Funding_supported_housing_-_policy_statement_and_consultation.pdf)