



DISTRICT COUNCILS' NETWORK

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Consultation response on Funding for Supported Housing

The District Councils' Network (DCN) welcomes the opportunity to provide evidence to this consultation. The Network is a cross-party member led network of 201 district councils. We are a Special Interest Group of the Local Government Association (LGA), and provide a single voice for district councils within the LGA.

Research has proved the value-for-money benefits of supported housing. Housing support can provide big savings elsewhere, especially costs which would fall on the health care, residential care and judicial sectors. Many District Councils continue to provide extensive financial support to supported housing even in the face of budget reductions and this central and sometimes unrecognised role relieves pressure on the NHS and wider adult social care services in district/county areas.

Districts have concerns about the level of funding for the proposed top up fund. There is a risk that the proposed top up fund will not be sufficient for the costs of supported housing, which raises concerns about how potential gaps in rent and top up will be covered under the proposed model.

Q1. The local top-up will be devolved to local authorities. Who should hold the funding; and, in two tier areas, should the upper tier authority hold the funding?

The DCN believe that the District or Borough council should hold the top up fund because districts have the best knowledge of local need. They have statutory homelessness duties and planning responsibilities.

Districts can ensure that the aims of the new funding model are met, making sure local providers are delivering value for money and that the top up is spent on local needs at a local level.

Mechanisms will need to be agreed locally to involve the County Council in the commissioning of services. This will ensure there is consistency across boundaries and input from the County Council regarding cross boundary contact arrangements.

See response to question 6 for a suggestion as to how the top fund might be implemented at the District level.

We recognise there may be some district councils that do not want to hold the top up fund. Therefore there should be the freedom for districts to develop their own model in agreement with all partners.

Q2. How should the funding model be designed to maximise the opportunities for local agencies to collaborate, encourage planning and commissioning across service boundaries, and ensure that different local commissioning bodies can have fair access to funding?

The DCN want to ensure there are appropriate formal mechanisms in place for collaboration between the district and county councils so commissioning at a local level and across boundaries meets local needs and the statutory duties of districts. There will be locally established partnerships which can be developed to meet this aim.

Districts want to ensure third sector providers delivering a localised service can access funding and that services are flexible enough to meet changing demands.

Q3. How can we ensure that local allocation of funding by local authorities matches local need for supported housing across all client groups?

The DCN believe any mechanism must be transparent and fair with clear guidance on funding availability. Each client group and location should have fair access to the funding and it should be allocated on a needs basis rather than to those that 'shout loudest'.

Q4. Do you think other funding protections for vulnerable groups, beyond the ring-fence, are needed to provide fair access to funding for all client groups, including those without existing statutory duties (including for example the case for any new statutory duties or any other sort of statutory provision)?

The DCN believe that all existing support funding (which is not ring-fenced) should be protected so that the top-up funding does not become the only source of funding for supported accommodation (to cover the extra operational and premises costs of a supported housing scheme). We acknowledge that current funding is uneven, but it should still be protected.

New client groups may emerge over time and these should be covered by the protected existing support funding outside of the new top up fund. There may also be new definitions of priority needs groups from the Homelessness Reduction Bill in the future.

Consideration should be given to how floating support is funded. This can achieve the same outcomes as accommodation based support and often provides better value for money, especially with the older client group who tend to be owners occupiers in need of transitional support.

There should be mechanisms in place to ensure that funding increases in line with inflation in recognition that supported housing costs are not static. The impact of other policy decisions on the supported housing sector should also be taken into account such as the 1% rent cut or any future decision to freeze uplifts in the LHA rates.

Q5. What expectations should there be for local roles and responsibilities? What planning, commissioning and partnership and monitoring arrangements might be necessary, both nationally and locally?

The roles and responsibilities for district and county councils will need to be established locally and take into account the statutory duties of districts. The

arrangement should allow for local outcomes to be developed that reflect local needs. These should be formal arrangements with clear governance and accountability for decision making.

Arrangements for capital funding should be considered as well. To enable districts to take pressure off the NHS, we need to consider a new generation of supported housing to take account of all levels of need except high intensity medical care.

Q6. For local authority respondents, what administrative impact and specific tasks might this new role involve for your local authority?

The top up fund will require additional significant resource to establish and administer. This will involve new staff, issuing policy and guidance, researching into local need, commissioning, managing and monitoring the support providers. Allowance for these costs should be made within the grant given by government to the districts and boroughs.

The DCN suggest an option for implementing the top up fund at district level could be to utilise existing Housing Benefit expertise to administer the funds as they currently administer housing benefit.

In collaboration with partners there could be the opportunity to share research, commissioning and monitoring roles across boundaries, especially for cross boundary services, to reduce the administrative burden.

Q7. We welcome your views on what features the new model should include to provide greater oversight and assurance to tax payers that supported housing services are providing value for money, are of good quality and are delivering outcomes for individual tenants?

Holding the top up fund at the district level would ensure that services are providing value for money and delivering the local outcomes set by the districts.

Transparency in the commissioning of services and clear locally set outcomes would give great assurance. If the model allowed for the support and accommodation costs to be distinguished this would provide more clarity, however the arrangements should avoid the bureaucracy of the former Supporting People scheme.

Supported housing is wide ranging and covers short term accommodation which equips residents to live independently, support for vulnerable adults and those that need help to live in the community or stay in their homes, and housing with care which can maintain independence for older people and delay (or prevent) admission to care homes or hospital. This care plays a key part in reducing the pressures on hospital admissions and helping discharge patients from hospital.

Q8. We are interested in your views on how to strike a balance between local flexibility and provider/developer certainty and simplicity. What features should the funding model have to provide greater certainty to providers and in particular, developers of new supply?

It is clear that for developers to commit they need certainty of revenue funding. The top up fund needs to provide certainty to developers. Without this they will find it harder to secure finance and commitment to develop specialist housing.

The DCN is concerned that development will be stalled or only take place in areas with a higher LHA rate.

The consultation is not clear on how the top up fund will be allocated – to the scheme or service user (tenants) and the DCN would welcome clarity on that point.

If funding were paid to the providers on a scheme basis this would assist with developer certainty. If funding were to go to the tenant, those not in receipt of benefits would be disadvantaged. There would be higher risks for providers which could discourage development.

Q9. Should there be a national statement of expectations or national commissioning framework within which local areas tailor their funding? How should this work with existing commissioning arrangements, for example across health and social care, and how would we ensure it was followed?

The DCN agree that a national statement of expectations would be helpful for Districts. It would be useful to include a set of principles and expectations within which the funding can be distributed in a fair and consistent way. Also to give guidance on the scope of 'supported housing' and the priority attached to non-statutory services. However, the DCN would not want a prescriptive arrangement as there needs to be flexibility at the local level.

Q10. The Government wants a smooth transition to the new funding arrangement on 1 April 2019. What transitional arrangements might be helpful in supporting the transition to the new regime?

The transitional arrangements will need to identify any shortfall in future rents and the top up fund. It will also need to test how existing tenants are impacted.

The early notification of funding models and allocations in autumn 2017 is critical as it gives a four to five month lead in to the transition year. However, if the announcement is delayed the transition period should be extended to at least 18 months if not longer.

Q11. Do you have any other views about how the local top-up model can be designed to ensure it works for tenants, commissioners, providers and developers?

The DCN believes the top up model should be held at district level as district councils have the knowledge of local need and can set local outcomes. Certainty of funding is key for supporting developers to deliver new supply.

Q12. We welcome your views on how emergency and short term accommodation should be defined and how funding should be provided outside Universal Credit. How should funding be provided for tenants in these situations?

The DCN believes that funds should be allocated to district councils for emergency and short term accommodation. Districts have statutory responsibilities, knowledge and expertise in this area and work closely with voluntary sector accommodation and outreach services to manage homelessness.

The fund needs to be flexible enough to cover any length of short term stay and be quickly available. In order to make the payment simple it could be paid directly to the provider.

The definition of emergency and short term accommodation should focus on the type or purpose of the accommodation rather than the length of stay.

FURTHER INFORMATION:

For further information, please contact the DCN Office in the first instance:

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The District Councils' Network is a cross-party member led network of 201 district councils. We are a Special Interest Group of the Local Government Association (LGA), and provide a single voice for district councils within the LGA. We lobby central government, the political parties and other stakeholders directly on behalf of our members, as well as commissioning research, providing support, and sharing best practice.

District councils in England deliver 86 out of 137 essential local government services to nearly 22 million people – 40% of the population – and cover 68% of the country.