

## **East Lindsey District Council**

### **Supported Housing Consultation Response**

#### ***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?***

If the upper tier authority (Lincolnshire County Council) held the money they could advise potential providers of available funding when commissioning new services. However they don't commission all services such as sheltered accommodation and some hostel accommodation.

Both first and second tier authorities hold information about supply and demand and all of this information needs considering. If the funding went to second tier authorities, they couldn't provide all the required types of supported accommodation in their area because funding wouldn't be sufficient, therefore there needs to be a countywide approach to supplying the required accommodation types across the county with each district being able to access it without there being local connection barriers.

As long as there was a joint decision making process involving first and second tier authorities when deciding how funding would be allocated it wouldn't matter who held the funding as long as the providers received the funding in an efficient manner. However, we must ensure whoever held the funds didn't use the money just for their statutory cohort.

#### ***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?***

Lincolnshire through a multi agency strategic group would need to decide what services were required across the county based on evidence. If there was insufficient funding, priorities would need to be established and applications for funding decided on a scoring matrix. Supporting People grant funding tended to be on a first come first serve basis and this must be avoided.

Current service providers would need to be made aware of this information and informed whether they would continue to receive funding or need to make changes to their service.

Potential new service providers would need to know how to apply for funding and what the expectations would be once the service was commissioned. Funding could be declined if providers didn't collaborate with other agencies or district councils. For example a hostel could be refused funding if they didn't receive guaranteed support from drug and alcohol services or the local housing department with move on options. Organisations wanting to access accommodation for their clients could be refused access if they didn't either provide some funding or followed agreed procedures such as early notification of potential homelessness, assistance with on-going support plans or move on. All providers of supported accommodation could be forced to allocate their accommodation through a single gateway to simplify the process of accessing accommodation.

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

This will be difficult to achieve because I expect this information is not held and may need to be established over a period time. Some information will be available through Housing and Homelessness Strategies and the JSNA.

Housing Benefit departments should know who they currently provide Intensive Housing Management funding to but this doesn't mean that all client groups are receiving a fair amount of funding or should actually receive any funding in future.

At present, funding does not enable the provision of supported accommodation for those with long term needs which results in people becoming at risk of homelessness over and over. The current funding options are also too restrictive and don't enable providers to be flexible enough to meet the varying support needs that people might have.

To overcome this, within a national Framework, authorities could be mandated to carry out a review of the housing and support needs within its county/district similar to the review that has to be done prior to writing a homelessness strategy. This could then be used to set the priorities for the next X amount of years and also be used to record the amount of funds that went to each priority. This would then provide the required evidence to show that local authorities used the funding to meet identified local need. If the Government saw fit, they could require each county to provide the review document/priorities for signing off prior to the top up fund being paid to the relevant authority.

**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)?**

Funding protections are required to ensure the needs of all groups are met. Must ensure the funding is not spent on a first come first serve basis or only meets the needs of the authority that holds the funds.

Need to ensure funding isn't used as a reason to enable statutory services to cut their own budgets that support the specific client groups. There needs to be consideration over whether this funding should be used only for the specific groups that are not protected by statutory provisions. If someone is protected by statutory provisions they would still get some assistance if this fund didn't exist.

If the correct priorities are set there shouldn't need to be any other ring fence. However it isn't that straight forward because for example if a provider had a 40 bed hostel and the priorities establish there is only a need for 25 beds the hostel might no longer be financially viable if the funding was cut down to a 25 bed space requirement

Local connection is always high profile with both first and second tier authorities and this will still need to be a consideration but should not be too restrictive because this could result in people not being able to access accommodation and in some cases left street homeless whilst reconnection is sorted. Some people also are too transient to create a local connection anywhere.

If local connection rules were introduced down to district level, this would prevent cross boundary movement within Lincolnshire and difficulties accommodating clients because every district won't have accommodation to meet every need.

The ring fence must remain in place for the foreseeable future otherwise cash strapped authorities could use the funds for other non housing related priorities.

***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?***

Devolving the funding to local authorities will significantly increase the administrative burden and to ensure authorities meet the government's expectations it would be helpful if a national framework outlined the expectations for each of the above areas.

There needs to be a strategic group within each county tasked with planning, commissioning and partnership and monitoring arrangements. There might also need to be a national agency that can be called upon to provide advice and resolve disputes between first and second tier authorities where agreement can not be reached.

Monitoring of services must take place to ensure services are meeting objectives and providing value for money.

Some specialist accommodation such as for people suffering from severe mental health or those that require Wet House accommodation are in short supply and there is unlikely to be sufficient funding to provide this type of accommodation in every county. This will need to be covered by National policy to ensure everyone has a right to access specialist accommodation and not just those who live in the vicinity of the accommodation.

There will need to be close monitoring of expenditure to ensure the top up fund is not exhausted part way through a year and providers no longer receive payments. At present, the district councils can keep spending and reclaiming the money back from Government.

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

This is dependent upon whether the funding is held by the first or second tier authority.

The following will be involved.

- Establish which organisations already receive the funding and consider the impact of changes on them and support required to tenants
- Monitoring of exit strategies
- Identify what type of supported accommodation is needed in order to prioritise spend.
- Manage applications for funding and decisions about funding awards
- Make payments to providers
- Monitoring arrangements to ensure required outcomes are being achieved.
- Ensuring acceptable services are being provided
- Maximising value for money

***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?***

To provide oversight and assurance, details of the services provided and why will need to be publicised as well as providing information on outcomes to evidence value for money. Case studies could be included plus results of consultation with service users and stakeholders.

An annual return might be sufficient including set questions about how the funding has been used and which groups have received funding i.e. sheltered accommodation, refuges, hostels and what issues have been supported i.e. domestic abuse, homelessness, alcohol abuse, mental health, learning disability.

Also as previously stated, authorities could be mandated to carry out a review of the housing and support needs within its county/district similar to the review that has to be done prior to writing a homelessness strategy. This could also be used to evidence the agreed priorities and record the amount of funds that went to each priority. This could then be published to provide the required oversight.

***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?***

Some developers only build the accommodation and a different organisation lease the accommodation and provide the service. The developer needs confidence that they will get a service provider and the service provider need the assurance that "supported accommodation" funding will be provided. They will probably need the assurance at planning stage and not when the building is complete.

Most providers won't want the risk of not having guaranteed funding. Funding therefore needs to be block payments in advance and over an agreed term or providers could move away from providing supported accommodation.

There needs to be a level of consistency across the country to make it easier for service providers that operate in numerous council areas.

If the entire budget is allocated up-front there will be no money for new services unlike now where new services can apply for the intensive housing management support through HB and will always be paid. This could delay the development of future services and would need to be managed carefully.

***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?***

Guidance on how funding should be used would be useful and could provide a level of consistency across the country which would be better for developers and service providers who operate within numerous districts. However the guidance would need to be flexible to a certain degree to ensure it didn't conflict or restrict local commissioning arrangements.

Across Lincolnshire, other funding sources will be used to commission supported accommodation and it would be simpler if this funding and the top-up funding was merged and used to provide one route for service providers to access funding. Future guidance and case studies of how other authorities have used the funds and combined existing commission arrangements such as across housing, health and social care would be useful.

***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?***

Current services that didn't meet the new specification once set by Lincolnshire would need to be informed as early as possible to enable exit strategies to be drawn up and TUPE negotiations to begin. If the service was able to adapt to meet the new specification, transitional protection might be needed for a period of time.

If a scheme were to no longer receive funding, they would be at risk of closure which at worst could result in homelessness. Tenants might need to be assisted to move to alternative accommodation if they still required support or the rents were no longer affordable. Some tenants might need to start contributing towards the rent and require support to do so. Rent arrears would likely increase.

If providers are concerned they won't receive funding from 2019 they could soon start considering closing services.

***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?***

Accommodation needs to be affordable for the tenant/licensee meaning there needs to be flexibility in funding to take account of this.

Commissioners will either not get a developer/provider if the finances don't stack up or they will but a poor service will be provided. Again there needs to be flexibility.

The level of service/support provided will be dependent upon the income and commissioners need to ensure the service provider has enough income to provide the required service and where demand changes, the funding changes to match.

There needs to be a variation in payment rates to meet a range of support needs otherwise providers will only accommodate the low risk. Many providers will only accommodate persons with low support needs therefore to encourage them to accommodate higher risk clients, payments may need to be increased. This could be in the form of a set standard payment for low risk clients with a weekly top up for those residents that have higher support needs. A simpler option could be to include in contracts that providers have to provide 20% high need, 30% medium need and 50% low need. The percentages could possibly be established but calculating how many clients over a period of time had low, medium and high support needs and base the funding on these figures.

LHA amounts vary across each BRMA. There is a £13 difference for 1 bedroom properties in East Lindsey. Top ups may need to vary dependent on the BRMA to avoid providers only providing accommodation in the higher paying areas. In areas where the LHA is low, the

gap between the rent/service charges and the LHA maybe too much for tenants to make up which could result in evictions or clients on low incomes being declined accommodation.

Living in supported accommodation can be a barrier to obtaining employment because the rents are too high for working people. This needs to be overcome to enable service users to obtain employment and not have to leave the accommodation because its no longer affordable. Some funds might need to be ring fenced to enable this to happen.

***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?***

Emergency and Short Term could be defined as supported accommodation intended to provide shelter for a minimal term with minimal security of tenure i.e. licensee.

Services must receive the housing element direct in order to remain financially viable. Providers can't operate and employ staff if they aren't guaranteed the funding to pay the wages etc. Where someone moves into supported accommodation there should not be any delays in benefit claims being re-assesses.

Providers cannot wait 6 weeks for a claim to be assessed or payments made direct to the client because this would result in rent arrears in many cases and providers not having the finances to continue the service.

Short term accommodation providers need to be protected.