



Ministry of Housing,  
Communities &  
Local Government



Department  
for Work &  
Pensions

# Funding for Supported Housing

Response to Two Consultations



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# The Consultation Process

Supported housing helps some of our country's most vulnerable people to lead independent lives in the community. This includes older people, people with mental ill health, learning disabilities, physical and sensory disabilities, autistic adults, care leavers, people fleeing domestic abuse, rough sleepers, those with drug and alcohol problems, vulnerable ex-service personnel and ex-offenders. It is also an important investment which brings savings to other parts of the public sector, such as health and social care.

We committed to reforming the funding for housing costs of supported housing in September 2016. Having listened to the sector through an [earlier public consultation](#) on this issue and taken careful stock of the joint DCLG/DWP Select Committee report on supported housing, we [announced our new system](#) on 31 October 2017, to more accurately reflect the diverse needs of this vital sector.

The model can be broken down into three areas, which reflects the diversity of this sector:

- Introducing a 'Sheltered Rent' from April 2020, a type of social rent that recognises the vital role that these homes play in supporting older and vulnerable people. This will keep funding for sheltered and extra care homes in the welfare system, and brings in important but proportionate cost controls;
- Funding for other long-term supported housing (such as housing for those with a learning disability, or those with mental ill health) remaining in the welfare system with a commitment to the sector to work to deliver improved cost control, quality and outcomes; and
- Short-term supported housing (crisis or transitional accommodation, such as homeless hostels or domestic abuse refuges) to be funded and commissioned by local authorities through a grant from central government. We are ring-fencing this grant and are committed to maintaining this ring-fence indefinitely.

We also set out proposals to improve local planning and commissioning for supported housing in our National Statement of Expectations.

Alongside our announcement, between 31 October 2017 and 23 January 2018 the Ministry for Housing, Communities and Local Government (previously Department for Communities and Local Government) and the Department for Work and Pensions undertook a public consultation exercise seeking views on our proposed new models. There were two consultations - one relating to sheltered and extra care and another relating to short-term supported accommodation.

The Government received 738 responses to both consultations. We are currently considering the views shared and we will publish a full formal response, including more details of the policy, in the summer.

# Summary of Responses Received

## Sheltered and Extra Care Accommodation

The sheltered and extra care consultation received 304 responses. The main points raised by respondents were:

- Both sheltered and extra care housing have a range of features and characteristics in order to allow people to live independently. While there are common features, Government should not be too prescriptive in any definition.
- Service charges should allow housing providers to continue to be able to recover actual costs and there are a number of legitimate reasons service charges vary. Any cap should be high enough to allow for reasonable rent and service charges; and
- Many suggest that Government should be working with providers to model and/or test impacts and identify suitable service charge levels.

## Short-term Supported Accommodation

The short-term supported accommodation consultation received 434 responses. The main points raised by respondents were:

- Concerns about the definition of the short-term accommodation model;
- Assurance that Government is committed to maintaining this ring-fence indefinitely; and
- A number of providers urged the Government to revise its policy.