

# Chartered Institute of Housing (CIH) submission to the Public Accounts Committee inquiry into supported housing

## About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals and their organisations with the advice, support, and knowledge they need. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in twenty countries on five continents across the world. Further information is available at: [www.cih.org](http://www.cih.org)

## General comments

CIH welcomes the inquiry by the Public Accounts Committee into supported housing. We have been actively involved in work with the sector and government to address some of the problems that have been well documented in some exempt accommodation. Most supported housing, including the exempt accommodation sub sector, provides good quality accommodation and support. Solutions to address problematic provision therefore need to be well considered to tackle the problems effectively without having unintended impacts for most of the supported housing sector, which plays a vital role in enabling a wide range of people to live well and independently within local communities. We appreciate that government is working closely with local authorities and the wider housing sector to manage this.

### 1. Responsibilities for supported housing

The picture of supported housing both in terms of governmental responsibility and the regulatory framework is complex, and there is not one single lead department or regulatory body with final oversight and responsibility. The involvement of multiple governmental departments over different aspects of supported housing was illustrated in the National Audit office's investigative [report](#).

The diversity of types of providers of supported accommodation is also reflected in the range of regulatory bodies and different approaches to regulation. Whilst most are registered providers under the Regulator of Social Housing (RSH), the Charity Commission and Regulator of Community Interest Companies are also involved. The Care Quality Commission is also involved where care is provided alongside support, but its remit does not cover support services or accommodation. Other forms of regulation may apply to some aspects of provision other than the quality of support (such as local authority licensing of a house in multiple occupation (HMO)). It is common for one or more of these systems to apply at the same time (e.g., RSH, Charity Commission).

CIH's [evidence](#) submitted to the LUHC committee's inquiry into 'exempt accommodation' highlighted the gaps in the regulatory and legislative framework that provided openings for rogue landlords to exploit, which resulted in some areas seeing a rapid increase in provision, often of poor quality in both accommodation and support.

The impact of poor-quality provision is felt most directly by residents within the schemes, and often also by local communities around them. Enabling local authorities to be able to monitor more closely and enforce better standards, is a direct and appropriate way to manage this.

CIH supports the development of the Supported Housing (Regulatory Oversight) Bill which aims to close the regulatory gap. It will give powers to local authorities to manage the performance and quality of supported housing in the local area, through the power to establish licensing schemes, where needed. This will provide local authorities with powers to enforce national standards (which the Bill empowers the Secretary of state to establish, for both accommodation and support).

The regulation making powers in the Bill provide assurance that schemes already regulated through other mechanisms (HMOs or selective licensing) will have only one licensing system applied and allows for a system of passports or exemptions to help good providers meet the requirements of the new licensing scheme without undue additional burdens.

Whilst the Bill does not directly address the issue of many different government departments having some involvement in and responsibility for supported exempt housing, it will require the Secretary of State for Levelling Up, Housing and Communities to set national standards for accommodation and support, and to establish the Supported Housing Advisory Panel to advise the department and local housing and social service authorities. This will mean national accountability for such standards lies with the Department for Levelling up, Housing and Communities.

## **2. Central and local oversight of supported housing**

There is currently no central or national oversight of supported housing in terms of quality of accommodation or support. The RSH's powers relating to consumer standards extends only to registered providers' dwellings that are 'social housing' whereas supported exempt accommodation let at market rents falls outside of that, as do support and care services. The Supported Housing (Regulatory Oversight) Bill will establish national standards, a national advisory panel, and powers to establish information sharing between government, the RSH and local authorities; these measures provide a framework for oversight to develop at both national and local level.

The introduction of national standards will provide a clear benchmark for providers that they are required to meet, for commissioned and non-commissioned services. However, many local authorities lack capacity for proactive inspections, and many residents are unlikely or unwilling to make complaints that might trigger intervention. Prior to the Bill becoming law local authorities have limited capacity to challenge housing benefit claims

where there are concerns over quality and levels of support, or to monitor and enforce housing standards. Local housing enforcement teams have had their funding reduced by 25 percent over 10 years, according to the outcome of freedom of information requests by NRLA ([See CIEH, 2019](#)).

Once the Bill is passed local authorities will require additional funding to implement the new licensing regime, and to undertake the other requirements the Bill sets out (review of provision and setting out supported housing strategies every five years). We note that government has committed £20 million over three years as part of the Supported Housing Improvement Programme, but funding would need to be ongoing to enable local authorities to set up and maintain licensing schemes and effective enforcement. As government looks to refresh its Decent Homes Standard and extend this to the private rented sector, there will be further significant demands on stretched local housing enforcement teams in addition to those proposed to tackle supported exempt accommodation.

Funding to commission services directly provides a stronger lever for local authorities to ensure local services meet needs and deliver quality for residents. Loss of a funding source for any kind of direct provision (be it housing-related support or for new build social housing) will inevitably lead to loss of control over quality. Therefore, it was inevitable that some control would be lost as local authorities wound down their 'Supporting People' programmes once the ring fence on DCLG grant funding was removed in 2009.

CIH believes that to provide good quality supported / exempt accommodation for the diverse groups of people and range of needs that the sector supports requires more direct funding for both accommodation and support services (in our recent [budget](#) submission we argued for £1.6 billion national, ring fenced funding for housing support).

A [survey](#) by the National Housing Federation (NHF) in 2022 revealed that, whilst housing associations are keen to continue the development of much needed supported housing, the climate was increasingly difficult and many were reducing or limiting plans for new developments.

This is particularly affecting supported housing for working aged people where plans for further development will add only three percent to respondents' existing stock, compared to an additional six percent from development of housing for older people. More providers of supported housing reported no plans for development over the following five years (57 percent) than for older people's housing (45 percent).

There was clearly an appetite to increase development should key limiting factors be addressed, the main barriers being:

- Capital grants being too low
- Reduction in commissioned support
- Planning and land availability
- Short term contracts and commissioning.

In addition, more supported housing- almost three percent - was likely to be decommissioned or remodelled over the next five years, due to issues of inappropriate design, financial viability, and loss of support funding.

Supported housing can deliver benefits for residents but also for wider public services, as acknowledged by government in its adult social care reform white paper, [People at the heart of care](#). Whilst this is being taken forward for housing for older people (through the work of the taskforce), the opportunities for supported housing for working aged people, and particularly short term supported housing, has no such incentive. CIH and other housing bodies have [called](#) on government to reconsider the loss of £300 million originally committed in its white paper for a Housing Transformation Fund to integrate housing with health and care.

The most effective use of short term supported housing to help people out of cycles of homelessness and into independent living also requires adequate alternative affordable accommodation. Although not the direct focus of this inquiry, greater investment in social rented housing to increase the opportunity for people to move on in a timely way, is a key part of maximising the benefits of short term supported housing. Likewise, suitable privately rented accommodation is restricted to the local housing allowance shared accommodation rate if the client is aged under 35. If the provider is not-for-profit and support is provided their claim falls within the 'exempt accommodation' provisions, but if, as expected, the level of support to qualify is raised the range of options for move-on accommodation will likely be reduced.

#### **4. Quality of data on supported housing**

The fullest data on supported housing, in terms of quality of accommodation and support, and levels of expenditure on support, was from the reporting required under the Supporting People programme. Data at the local level following the loss of that ringfenced programme has varied and is not easily aggregated to the national level.

Efforts to update the picture of the scale, scope and cost of supported housing has been undertaken by government, most recently in its [Supported Accommodation Review](#) in 2016; however, it was able only to provide estimates from the 197 local authority housing benefit teams that responded. We note that government has commissioned further research, which is expected to report in November 2023.

CIH's response to the LUHC committee's inquiry highlighted the problems with data from both DWP's single housing benefit extract (obtained under a freedom of information request) and RSH data. The latter provides rent data but nothing on the levels and quality of support. Following the Social Housing (Regulation) Bill, more detail on levels of tenant satisfaction with services provided by social landlords will be collected and available, but there is no proposal to collect any data on support or data for supported housing specifically.

Since that inquiry DWP has revised its guidance relating to HB claims for 'exempt' and temporary accommodation, with new HB circulars issued in 2022 and 2023:

- Changes to the single housing benefit extract (SHEBE) management information system as set out in adjudication circulars [A3/2022](#) and [A3/2023](#)
- supported by new burdens funding as set out in subsidy circulars [S3/2022](#) and [S3/2023](#)

This will improve how accommodation is classified and recorded. In time, with careful monitoring, this will provide more consistent and reliable data on the scale of, and level of spend on, supported exempt accommodation. It will not however, alter the data already collected, so caution will be needed if trying to draw conclusions from the time series as a whole up to that point.

The Supported Housing (Regulatory Oversight) Bill will require local authorities to undertake reviews of their supported housing provision in order to develop strategies for future development to meet housing needs; this will also provide a fuller picture of supply, location and identify gaps over time (although housing needs strategies do not always apply the same methodologies, so may not be easy to aggregate to the national level without some direction on how to do these).

Some mandatory requirements for data (which needs to be simple and aggregated to national level) is likely to be required to shape national strategy and funding in the long term.

## **5. Government's current and proposed actions to improve supported housing**

CIH welcomes the action that government has taken, working with the sector, to tackle the problems within supported exempt accommodation, whilst minimising potential negative impacts on good providers - the majority - in the sector.

In our comments above we have indicated where we believe that additional action and funding is required and why. We have also indicated our support for the Supported Housing (Regulatory Oversight) Bill currently going through Parliament, which will address many of the concerns about regulatory gaps.

There are further improvements that we would have liked to have seen within the Bill:

- The inclusion of powers that mirror those in part one of the Housing Act 2004 (the health and safety rating system) but adapted to regulate the provision of support. This would allow for an alternative system of enforcement that can be more easily targeted directly at the problematic providers (as opposed to a whole class of providers) and is less heavy handed than compulsory licensing. For example, this would allow for service of support hazard awareness notices and support improvement notices in appropriate cases.
- Changes to the rules about direct payment of housing benefit where providers fail to meet acceptable standards.

Overall, there has been a long-standing structural weakness in the provision of funding for care and support services that needs to be addressed. The distinction between care and support is poorly understood by policy makers - with support often being mischaracterised as low-level care, or 'nice to have' but non-essential. This overlooks the main advantage of support - that it is preventative and promotes independent living. Well-designed support services can and do avoid the need for more costly care interventions later. A more effective system would require a minimum amount of the funding programme being directed towards support.

We would be happy to discuss this submission further if you have any questions at all.

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