

## Written evidence submitted by the National Housing Federation (PHS0620)

### Summary

- Decent housing with support where needed plays a fundamental role in ensuring the health and wellbeing of its residents.
- Good quality supported housing takes pressure off health and social care services and promotes independence and positive outcomes for its residents.
- Supported housing is in high demand but faces severe funding constraints, particularly revenue funding; there should be stable and ringfenced funding for local authorities to commission supported housing.
- There should be a strategic and cross-departmental approach to ensuring a long-term and sustainable supply of supported housing, with local authorities playing a key role in assessing demand and monitoring delivery.
- We need a long-term plan for housing so everyone can live as independently as possible, for as long as possible, in a home that meets their needs.

### Introduction

The National Housing Federation (NHF) is the voice of housing associations in England. Our members provide 2.7 million homes for 6 million people. This includes three quarters of supported housing for rent for some of the most vulnerable people in our society. Supported housing includes housing for people: with a learning difficulty and autistic people; who have experienced domestic abuse; with mental health needs; who are homeless; care leavers, those who are older with additional care and support needs; and more.

Housing plays a fundamental role in ensuring good health and wellbeing of its residents, particularly older people and vulnerable groups. The Health and Social Care Committee has identified three factors through which health can be affected – quality, stability and affordability of housing.

We know that housing decency impacts on people's health and the lack of suitable housing options with support is a barrier to independence and timely transfer of care from hospitals. Just as poor housing negatively affects health and is costly to the NHS (£1.4bn annually), good housing with support where needed plays a key role in preventing poor health and reducing pressure on health and social care services.

### The role of supported housing in health

Supported housing is accommodation provided alongside support to help people live as independently as possible in the community, e.g. a shared house for people with learning disabilities, a hostel for people who have experienced homelessness or specialist housing for people transitioning out of psychiatric care. This also extends to housing with support for older people, such as sheltered and extra care schemes. The combined services that specialist schemes offer provide a holistic, person-centred experience. It can help people turn their lives around and for many people with support and/or care needs the only viable alternatives to supported housing are residential care, hospital or another secure institution.

The very great majority of supported homes are let as social housing. This means they are subject to the government's Consumer Standards including the [Rent Standard](#), meaning that rents are

controlled. Well-managed and adequately funded supported housing provides exemplary value for money. The government's [National Statement of Expectations](#) for Supported Housing acknowledges this.

Good-quality supported housing is vital to a sustainable social care system. It helps residents to build healthy relationships, self-esteem and independence and to have a greater sense of agency over their lives. Housing with support for older people can also help residents retain social connections and combat loneliness. Supported housing helps people access primary care, specialist treatment and diagnosis. Support services reduce homelessness and help people settle into a new home, maintain their tenancies, ensure their property is safe, learn life skills including cooking or budgeting and work with third parties such as health professionals, jobcentre staff or probation officers. These services lead to better health outcomes for residents and have wider social and economic benefits.

Recent [research into the supported housing sector's impact on homelessness prevention, health and wellbeing](#) shows that, were it not for supported housing, there would be: 41,000 more people who are homeless; 30,000 people at risk of homelessness; a need for 14,000 additional inpatient psychiatric places; increased demand for a further 2,500 places in residential care and a need for a further 2,000 prison places due to licences being revoked. We also know that [around £513m of NHS funding is spent on first year treatment for those aged 55 and over who occupy the poorest quality homes](#). This could be greatly reduced if people had appropriate housing with support options to move on to.

The government's December 2021 White Paper, [People at the Heart of Care: adult social care reform](#) predicts that demand for supported homes in England will increase by 125,000 by 2030. Estimates published by the APPG on ageing and older people also suggest that [38,000 new homes for older people are required each year to meet demand](#) but [the supply of affordable older person's housing is declining](#). By 2045, [around 2.3 million people will be in poorly suited homes](#) and there will be a 350,000 home shortfall of retirement and supported housing.

### **What needs to happen?**

The government has recognised that supported housing is critical to the transformation of social care, maintaining people's ability to live independently and reducing reliance on care services, with the ambition set out in [People at the Heart of Care](#) to "*make every decision about care a decision about housing*". We welcomed the government's commitment to take a strategic approach to supported housing through funding cross-departmental, place-based approaches to assessing housing need and planning for housing supply to meet that need.

The £300m Housing Transformation Fund, announced in the White Paper, was an integral part of that commitment, as it was intended to help "integrate housing into local health and care strategies, with a focus on increasing the range of new supported housing options available." We understand "integrating housing with health and care" as acknowledging the role of supported housing in relieving pressure on statutory services and facilitating discharge into supported housing from health or care settings. An investment of £300 million to integrate housing into local health and care strategies would have significantly bolstered supported housing's contribution to the strategic aims and statutory duties of NHS, social care and criminal justice services – boosting outcomes for resident health and wellbeing.

We are therefore disappointed by the government's decision to omit the Housing Transformation Fund from its plan for adult social care reform 2023 – 2024 and 2024 – 2025. While this latter plan references the government's ambitions to integrate housing, health and care as well as increasing the supply of supported housing, it removes a pre-existing funding commitment, which would have made this a reality.

With increasing levels of need and the current cost of living crisis, the role of supported housing is more important than ever. However, one of the biggest challenges facing supported housing is the reduction in commissioned funding over time. Supported housing in the social rented sector also often operates on very tight margins and inflationary pressures are pushing up the cost of managing schemes.

Alongside financial pressures on existing schemes, there are significant barriers to new development. A recent NHF [supported housing development survey](#) showed significantly reduced appetite to develop new schemes for both working-age people with support needs and older people, with low capital grant rates, planning and land availability and revenue funding for services cited as major barriers. In many cases, new supported housing schemes which vulnerable groups urgently need have now become effectively undeliverable.

In a time of huge cost pressures and with an ageing population, supported housing urgently needs greater security of funding and a strategic footing to meet growing need across the population. The Housing Transformation Fund and the resultant place-based strategies would have contributed to reducing these barriers and provided the confidence needed for significant investment. It would have been a vital step towards ensuring that some of the most vulnerable people have the support, access and care they need at home. Without a more favourable operating environment for supported housing, including improved revenue and grant funding, it is difficult to see how the target for 10% of the Affordable Homes Programme to deliver supported housing can be met.

The ability to move people on into independent tenancies is also limited by a lack of affordable and suitable housing. [We need a long-term plan for housing](#) that is ambitious and built around a set of tangible outcomes, including that everyone lives in a home they can afford, and everyone lives in a healthy and safe home that meets their needs and allows them to live independently for as long as possible.

### **Recommendations**

- To allow local authorities to retain and commission new much-needed supported housing, the government should ring-fence funding for housing-related support to ensure spending at least matches the £1.6bn per year allocated to local authorities in England in 2010. This would help unlock the development of new schemes needed to meet growing needs and reduce spending on residential care.
- To ensure supported housing is part of a strategic vision and cross-departmental local plans to meet housing need, the government should recommit to the £300m Housing Transformation Fund, to support the development of specialist housing and the integration of housing into health and social care systems.

- There must be a more favourable operating environment for supported housing, including improved revenue and grant funding, so the target for 10% of the Affordable Homes Programme to deliver supported housing can be met.
- We need a long-term plan for housing to ensure everyone can live as independently as possible, for as long as possible, in a home that meets their needs. This should be based on key outcomes with progress to achieving these measured against a set of indicators.

**Nov 2023**