**Borough of Pendle**

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| **REPORT OF:** | **HOUSING, HEALTH AND ECONOMIC DEVELOPMENT MANAGER** |
| **TO:** | **SPECIAL BUDGET EXECUTIVE** |
| **DATES:** | **8th FEBRUARY 2017** |

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## FUNDING FOR SUPPORTED HOUSING – OPPORTUNITY TO RESPOND TO CONSULTATION

### PURPOSE OF REPORT

To seek Executive permission to submit proposed responses to consultation questions set in relation to proposals by Government.

### RECOMMENDATION

Executive is recommended to agree to the response to consultation being forwarded as the Council's response to the proposals by Government.

### ISSUE

The Government has launched a consultation (Appendix 1) on proposals for the local system to fund supported and sheltered housing. It has also published its Supported Accommodation Evidence Review.

Consultation will run until 13 February 2017 and follows the Government's announcement in September about the future system for supported housing. A Green Paper on the detailed arrangements for the local top-up model and approach to short-term accommodation will follow in the Spring 2017 with a final package announced in Autumn 2017 to allow time for transitional arrangements and any legislation to be made ahead of the new model commencing on 1st April 2019. The Government propose to put shadow arrangements on the detail and allocation of funding in place from April 2018 to allow full transition to a new model.

Under the proposed new system, from 2019 tenants and residents in supported and sheltered housing will be entitled to claim housing costs through the benefits system up to Local Housing Allowance / Housing Benefit (LHA / HB) level. A top-up can then be paid by the local authority to

cover any difference between the LHA / HB rate and the cost of the scheme. The 'top-up' will be ring-fenced and set on the basis of current projections of future need.

**Supported housing in Pendle**
Supported housing is any housing scheme where housing is provided alongside care, support or supervision to help people live as independently as possible in the community. It covers a range of different housing types including hostels, refuges, supported living complexes and sheltered housing. In Pendle, supported housing schemes which receive additional rent above local housing allowance / housing benefit (LHA / HB) rates include supported accommodation for young people, women fleeing domestic abuse (Pendle Women's Refuge), those with learning disability and mental ill-health.

At present (dated 04/01/2017) in Pendle, there are 93 claims in payment for local housing allowance / housing benefit for people in supported housing. Based on a number of broad assumptions, using a snapshot of LHA/HB awards on this date, 'top-up' required to continue funding current schemes would be c£900k per year. Consequently, under the proposed new system, a local authority would receive c£900k 'top-up' as a ring-fenced grant to be used to cover any difference between LHA rate being awarded and rent required by supported housing schemes. In addition, Government will consider what level of new burdens funding would be appropriate to enable local authorities to fulfil their new role.

**Proposed response to Consultation**
The Consultation seeks views on the design of the Government's new housing costs funding model for supported housing, as well as views on how funding for emergency and short-term placements should work. The Council, along with stakeholders such as supported housing commissioners and providers, developers and investors, residents and those who represent their views, have been invited by Government to respond to the Consultation which covers:-
- fair access to funding, including the detailed design of the ring fence and any additional protections
- local roles and responsibilities
- arrangements to provide oversight and assurance
- the appropriate balance between local flexibility and stability
- developing a funding model for short term accommodation, including hostels and refuges

Proposed responses to consultation have been provided in Appendix 2. This includes response to the question set (question1), whether in two tier areas, should the upper tier authority hold the funding? As per proposed response to Question 1 of the consultation, it is believed that the Council, as delivering body, would be able to take a much more localised, coherent approach to commissioning for needs across housing, health and social care than Lancashire County Council (LCC) as upper tier authority. The Council is best placed to understand local needs, in particular the inter-connection between housing and health issues within the borough. Working with local stakeholders to deliver a bottom up approach, will help drive transparency, quality and value for money from providers in the area.


**IMPLICATIONS**

**Policy**
7.    There are no policy implications arising from this report.

**Financial**
8.    There may be some financial implications for the Council as a result of implementation of the proposed new system, depending on whether the Council or Lancashire County Council (LCC) hold funding? If LCC hold funding, it is not expected that this would lead to less funding

to the Council in delivering LHA / HB work as this work will still need to be completed. If the Council delivers the new system, the Council would receive a 'top-up' fund of c£900k pa plus new burdens funding.

**Legal**
9.   There are no policy implications arising from this report.

**Risk Management**
10.   There are considered to be no significant risk management implications arising from this report.

**Health and Safety:**
11.   There are no health and safety implications arising from this report.

**Sustainability:**
12.   There are no sustainability issues arising from the contents of this report.

**Community Safety:**
13.   There are no community safety issues arising from the contents of this report.

**Equality and Diversity:**
14.   There are no known equality and diversity issues arising from this report.


**APPENDICES –**

1)   **Appendix 1 – Funding for Supported Accommodation - Consultation**
2)   **Appendix 2 – Funding for Supported Accommodation - Proposed Consultation response**