

Supported Housing Review 2023

From the Ministry of Housing, Communities and Local Government and
Department of Work and Pensions

Summary and Reflections from Scotland

Last year, the Unit shared with providers information about a survey to inform research into the supported housing sector. The Ministry of Housing, Communities and Local Government, and the Department for Work and Pensions have now published the research, [Supported Housing Review 2023](#). The research, completed by Sheffield Hallam University aims to provide an up-to-date understanding of the supported housing sector in England, Scotland and Wales in 2023. Research was undertaken through a series of scoping interviews and engagement exercises with stakeholders and organisations, in addition to interviews with providers, housing benefit teams, and commissioners of supported housing.

In commissioning the research, the government has stated its commitment to 'ensuring a sustainable supported housing sector' and a 'system that delivers value for money'. While housing is a devolved matter, any changes to the Housing Benefit system will have implications for Scotland. The Housing Support Enabling Unit will continue to engage with the DWP to inform Scottish supported housing providers of any proposed policy changes and to understand how this research could influence future policy. Below is a short summary of the research findings, although this does not reflect the depth and breadth of the [full study available here](#).

1. **There is currently significant unmet need for supported housing**, with only 8% of commissioners across the UK indicating that in their opinion, there is no unmet need in their local authority area.
2. There are significant challenges to sustaining current supply and developing new provision with **43% of providers having units decommissioned or funding reduced over the past 5 years**.
3. It is estimated that **by 2040, between 30,300 and 57,700 additional supported housing units would be needed** in Scotland to meet unmet demand and maintain current rates of provision.
4. Housing Benefit teams would like **more clarity for the assessment of specified accommodation claims**, with stakeholders concerned about the subjectivity of what constitutes 'more than minimal' care, support or supervision.'

Size and Composition of the Sector

- There are estimated 57,500 supported housing units in Scotland in 2023, making up 9% of the UK total. Of this, 74% is for older people, 15% is short-term transitional, and 10% is for long-term working age.
- Specified Accommodation makes up 9% of all Housing Benefit claims, of which 4% are in Scotland.

Issues Impacting Supply and Demand

- 43% of providers said that they had some of their units decommissioned or funding reduced over the previous 5 years. Two thirds of providers had reduced or remodelled support services in these schemes.
- Commissioners suggested that competing priorities influence how much can be invested in supported housing for certain client groups.
- Providers fed back that the decommissioning of services and issues of longer-term funding make further investment in the sector difficult.
- Maintaining a workforce was raised as key issue in the sector.
- 86% of local authorities report that the demand for supported housing units in their area will increase over the following 5 years.

Future demand for supported housing

- To maintain current levels of provision in Scotland, 12,500 additional units would be needed by 2040, or a 22% change.
- Combining estimates of existing stock, additional supply needed to meet unmet demand, and stock to maintain existing rates of provision, between 87,800 and 115,200 units of supported housing would be needed by 2040 in Scotland, of which between 67,200 to 94,600 units would be housing for older people and 20,600 units would be for working-age people.

Funding for care, support, or supervision

- Commissioners and providers commented that local authority budget constraints mean that some providers no longer tender for service provision because it is not financially viable. There were concerns that further reductions in funding would mean providers could no longer offer the service they currently do.
- The research recognised the increasing complexity of client needs over time.
- Re-profiling of costs was noted as problematic, with decreased funding from commissioned services leading to increased reliance on Housing Benefit.

Funding from the Housing Benefit System

- Housing Benefit teams said they would like to see regulations strengthened including improved clarity on the assessment of Specified Accommodation claims.
- Stakeholders feel more training and investment is needed for housing benefit staff given the complexity of the system.
- The research includes the average weekly rent by client group and estimates that £4.09 billion is provided by the benefits system in the UK per year for the costs of accommodation for people living in supported housing, of which £258 million is estimated in Scotland.

Commissioning and Procurement Practices

- The research sets out the varied procurement practices, where there is often a mix of provision and commissioned services. It also sets out the commissioning landscape in Scotland.
- The research notes the problematic nature of some commissioning practices, including contracts that are commissioned on an individual hours basis.
- The research also comments on the important relationships between commissioners and providers and Housing Benefit teams.

Conclusion, Key Takeaways, and Reflections from Scotland

The research aims to provide a 'robust and up-to-date evidence base which will enable effective policy development for supported housing. The research recognises that local authorities and government have found it a challenge to accurately assess the supply, demand and unmet need for supported housing. The research comments that having a 'prescribed list of eligible services for Housing Benefit would remove some of the ambiguity and inconsistency in the system as to what is seen as fundable for the Housing Benefit purposes.' The research notes that improving future data frameworks to deliver more regular, systematic and standardised monitoring data could aid efficient delivery of the sector and ensure value for money.

Scottish providers of supported housing met in January to discuss the findings of the Review. They reflected on the challenges arising from the different terminology used to describe supported housing by providers, funders and commissioners.

Strategic Planning

Noting the review found that there was a lack of joined up intelligence and strategic planning between local authorities, providers also discussed the current lack of

strategic planning by HSCPs. Providers discussed the licencing scheme being introduced in England through the Supported Housing Regulatory Oversight Act, and the potential for a scheme to improve strategic planning. The group also acknowledged that most supported housing providers are providing good quality accommodation, and are not the type of provider that the new UK legislation is aiming to drive out of the sector.

Unmet Need

Scottish providers reflected on the usefulness of the projecting of future unmet need in the Review. There was recognition from the group of the tension between current demands on the sector and the need for development and additional units of supported housing for the future.

Alignment of Housing with Health and Social Care

Reflecting on the findings of the review, Scottish providers discussed the policy silos that can emerge between housing and health, and that they would encourage commissioners to think beyond working in housing or health singularly.

Clarity of Guidance

Scottish providers discussed the challenge of navigating time calculations for housing benefit claims, with little guidance. This was not felt equally across geographies, with some providers reporting that housing benefit teams were able to provide more guidance/clarification.

Employment Issues

Providers discussed the difficulties that can arise with housing benefit when a supported person wishes to start employment while living in supported housing. Providers brought up that this is often a positive step for someone towards independent living, and should be encouraged, but with the threat of removal of one's housing benefit, this is not always possible. Providers' want to avoid the complexity of the benefits system from limiting the independence of people living in supported accommodation. Professor Beatty informed the group that wider work is ongoing around incapacity benefits with the DWP.