

## Introduction & Summary

This response complements our response to the WAO report<sup>1</sup>

Supporting People (SP) is Welsh Government's primary funding stream for housing related support (HRS) and, through this, makes up the majority of the Welsh Government's funding for preventing homelessness and supporting people, both older and working age, to live independently in their own homes. 60,000 people are supported each year in Wales through services funded through the programme, many of whom would be likely to face homelessness otherwise.

CHC's members directly deliver the full range of fully and partly Supporting People (SP) funded services including, but not limited to:

- Fixed site supported accommodation including homelessness hostels, women's refuges and accommodation for people with learning, physical and mental health issues.
- Floating support for people living in general needs accommodation.
- Sheltered and Extra Care accommodation for older people, reducing the burden on social care.

In addition, CHC members provide housing stock to other providers of SP services. In total, CHC members provide 55% of the 38,500 units of fixed site supported accommodation in Wales.<sup>2</sup>

SP is well established as a preventative programme, showing savings of £2.38<sup>3</sup> up to £2.99<sup>4</sup> to the public purse for each £1 spent. In a time of austerity and overall budgetary pressure, it is vital to continue funding for preventative funding streams

---

<sup>1</sup> [https://chcymru.org.uk/uploads/events\\_attachments/Community\\_Housing\\_Cymru\\_Brief\\_Response\\_WAO\\_SP\\_Report\\_\(002\).pdf](https://chcymru.org.uk/uploads/events_attachments/Community_Housing_Cymru_Brief_Response_WAO_SP_Report_(002).pdf)

<sup>2</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/572454/rr927-supported-accommodation-review.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/572454/rr927-supported-accommodation-review.pdf) (p37)

<sup>3</sup> <http://online.fliphtml5.com/jtyt/ssff/#p=1> ((p2)

<sup>4</sup> [https://thewallich.com/wp-content/uploads/2017/09/Support\\_that\\_Saves.pdf](https://thewallich.com/wp-content/uploads/2017/09/Support_that_Saves.pdf)

such as SP, to relieve pressure on other budget lines. In addition, the SP programme aligns well with the preventing homelessness objectives of Welsh Government and with at least five of the seven goals under the Wellbeing of Future Generations (Wales) Act 2015.

SP provides the vast majority of support funding for homelessness accommodation accessed as a result of the measures laid out in the Housing (Wales) Act 2014. Additionally, through the funding of the support element of women's refuges, SP also supports Welsh Government in fulfilling its responsibilities under the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015.

Through supporting families and young people moving towards starting families, both through floating support and through specialist fixed site supported accommodation, SP plays a vital role in tackling Adverse Childhood Experiences (ACEs) from occurring. Examples include Nightingale House, a family hostel run by Cadwyn Housing Association in Cardiff.<sup>5</sup> SP also funds housing related support services working to ameliorate the downstream effect of ACEs on vulnerable adults.

The cost savings to many currently Welsh Government funded public services are clear, most notably savings to NHS, community safety and social services budgets<sup>6</sup>. However, with the proposed devolution of housing costs funding for short term and emergency supported accommodation in 2020<sup>7</sup>, the potential cash savings on other Welsh budget lines is set to increase. SP services work to prevent homelessness, and through this relieve pressure on crisis accommodation such as homelessness hostels, for which the housing costs element of funding is set to be devolved.

Due to the distinct nature of SP in funding housing related support services, CHC is calling for Supporting People to remain as a distinct budget line, separate to the proposed Early Intervention, Prevention and Support Grant proposed by Welsh Government from 2019/20. This will reduce uncertainty caused by the devolution of housing costs for short term supported accommodation from April 2020 and safeguard services.

---

<sup>5</sup> <https://www.cadwyn.co.uk/success-as-nightingale-house-resident-moves-into-own-home-after-receiving-support/>

<sup>6</sup> [https://thewallich.com/wp-content/uploads/2017/09/Support\\_that\\_Saves.pdf](https://thewallich.com/wp-content/uploads/2017/09/Support_that_Saves.pdf)

<sup>7</sup> <https://www.gov.uk/government/publications/funding-for-supported-housing>

Any future grant realignment should consider the different funding approaches of grants such as the Supporting People, Homelessness Prevention Grant and yet to be devolved grant for housing costs, which deliver housing related support, compared to other tackling poverty schemes such as Families First and Flying Start.

### **The impact of wider policy developments on the programme**

- **The overall clarity of the programme's objectives**

The objectives of the Supporting People (SP) programme are clearly aimed at preventing & tackling homelessness and supporting people to live independently in their own homes. The additional objectives could be grouped under the two aforementioned overarching objectives. It is therefore clear that the Programme's primary aim is to provide housing related support for vulnerable people in Wales, with the outcome of preventing people becoming homeless, supporting people back into housing if they do, and supporting people to live independent, fulfilled lives in their homes. CHC believe that the clarity of the programme's objectives could be improved through the explicit mention of providing housing related support.

- **The implications of, and emerging response to, the UK Government's Supported Accommodation review**

The current UK Government proposals for funding housing costs (rent and eligible service charge) in supported accommodation will have a significant impact on the funding landscape for supported housing in Wales from the proposed implementation date of 2020. The proposed future funding model is tripartite, with separate funding models for short term supported accommodation; long term working age supported accommodation; and sheltered and extra care. The greatest implications of the UK Government proposals on the SP programme are in relation to short term and emergency supported accommodation<sup>8</sup> and our response to this question will focus on this area.

From April 2020, it is proposed that funding for the housing costs of residents in short term and emergency supported accommodation will be devolved to Wales. The funding quantum will most likely be upwards of £70m per year and replace the withdrawal of Housing Benefit (HB) from around 2500 units of short term and emergency supported accommodation in Wales, an estimation undertaken using

---

<sup>8</sup> [https://chcymru.org.uk/uploads/general/In\\_Depth\\_Supported\\_Accommodation\\_11-17.pdf](https://chcymru.org.uk/uploads/general/In_Depth_Supported_Accommodation_11-17.pdf)

the proposed definition of short term and emergency supported accommodation<sup>9</sup> and the unit type breakdown collected under the Supported Accommodation Review<sup>10</sup>. As mentioned, short term and emergency supported accommodation includes homelessness hostels, womens' refuges and other crisis or transitional accommodation.

Almost all of the 2500 short term supported accommodation units mentioned above are in receipt of SP funding for the support they deliver as part of the supported accommodation residency. Housing Benefit, later the devolved fund from 2020, and SP make up the majority of these units' funding. The removal, or serious diminution of either of these two funding streams would seriously reduce the efficacy of accommodation and ultimately make it non-viable, leading to closure. Therefore, both SP and the new devolved funding stream are vital to the continued provision of services tackling homelessness and domestic abuse in Wales.

Currently, providers of short term and emergency supported accommodation in Wales face dual uncertainty. Support funding is uncertain from April 2019, due to the proposed loss of the Supporting People ringfence. Compounding this, there is considerable uncertainty over housing costs (rent & service charge) funding from April 2020, due to proposed UK Government reforms.

To reduce uncertainty, CHC are calling on Welsh Government to postpone the re-alignment of tackling poverty grants and to retain the ring fence and separate budget line for Supporting People until April 2021, to allow the new funding model for housing costs in short term supported accommodation to become established. This would also give time for a wider consultation around tackling poverty grants and which grants would best align.

- **How the Welsh Government might improve communication about the priorities for the Programme and the impact of wider developments**

Over recent years, communication between Welsh Government (WG) and the Regional Collaborative Committees (RCCs) has deteriorated significantly. This has manifested itself most clearly in the lack of WG staff presence at RCC meetings,

---

<sup>9</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/655990/Funding\\_supported\\_housing\\_-\\_policy\\_statement\\_and\\_consultation.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/655990/Funding_supported_housing_-_policy_statement_and_consultation.pdf) (p23)

<sup>10</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/572454/rr927-supported-accommodation-review.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/572454/rr927-supported-accommodation-review.pdf) (p42)

due to staffing pressures within Welsh Government. Therefore, a vital link has been lost between WG and RCCs and the RCCs are to some extent relying on their own ability to collect information on priorities and the impact of wider developments. Priorities are communicated to RCCs in writing, but this is a weak substitute for attendance at meetings.

- **How best to align the work of the Regional Collaborative Committees with other collaborative governance arrangements**

Regional Collaborative Committees (RCCs) are a vital section of the governance of the Supporting People (SP) programme, working to drive regionalised commissioning and improve service provision and efficiency. However, the non-statutory nature of the RCCs has held them back from achieving their full potential, in comparison to the statutory nature of the Regional Partnership Boards (RPBs) and Public Service Boards (PSBs). Placing RCCs on a level footing with other regional arrangements is vital to their success.

Interaction between RCCs and RPBs is vital to bringing together health, social care and housing related support services. Placing RCC member(s) on RPBs and PSBs would improve understanding between the various regional bodies. In addition, creating statutory membership for health boards on RCCs would improve links between health and housing related support, a vital link to prevent bed blocking in the NHS among other issues. However, it is important to note that PSBs are not truly regional, unlike RCCs and RPBs. This also needs to be considered.

- **The lessons to be learned from the mixed effectiveness and impact of regional working over the past five years**

RCCs tend to operate well where their constituent local authorities already have good working arrangements. Areas such as Gwent RCC are a good example of this, where there is a high level of buy in from the local authorities in the area. This stems from an understanding of the purpose of an RCC in driving regional commissioning and is therefore vulnerable in areas where local authorities are not traditionally versed in regional working.

Where regional working arrangements are less effective, RCCs would be assisted by being placed on a statutory footing, with increased oversight over commissioning of services.

- **The extent to which the governance and management arrangements for the Programme reflect the ways of working expected under the Wellbeing of Future Generations (Wales) Act 2015**

Long Term – Current SP funding settlements to local authorities are annual, this only allows local authorities to issue short term contracts to providers, leading to an inability to plan and deliver projects looking at the long term. Although SP is currently designed to provide short term interventions, it is a funding stream utilised to provide medium term support and would therefore benefit from longer term funding settlements. Additionally, SP providers would benefit from longer term funding settlements, allowing increased efficiencies. Staff members would also be provided greater security of employment.

Integration – Lack of a statutory footing for RCCs and a power balance in favour of local authorities has led to a lack of integration of services such as health, social care and housing related support.

Prevention – SP has a long and established record in preventing homelessness and reliance on other Welsh Government and UK Government funded services such as NHS, social care and criminal justice. Studies have found a saving of between £2.38<sup>11</sup> and £2.99<sup>12</sup> per £1 spent.

Collaboration – Individual services collaborate well with partner services. In addition, services utilise multiple funding streams well to deliver holistic services to people. For example, services utilising Homelessness Prevention Grant to support people off the street and SP to help keep them off the streets.

Involvement – SP has well established credentials in service user involvement in service design. The majority of individual service embrace co-production including service users on interview panels for staff, project committees and involvement in the governance of the organisation. At a regional level, there are examples of excellent engagement with service users, including the Gwent Service User Website<sup>13</sup>. However, there is regional and local disparity in the quality of involvement and engagement and best practice should be embraced across Wales.

---

<sup>11</sup> <http://online.fliphtml5.com/jtyt/ssff/#p=1> ((p2)

<sup>12</sup> [https://thewallich.com/wp-content/uploads/2017/09/Support\\_that\\_Saves.pdf](https://thewallich.com/wp-content/uploads/2017/09/Support_that_Saves.pdf)

<sup>13</sup> <https://www.gwentsupportingpeople.co.uk/en>

## Monitoring and evaluation

- **How monitoring/outcome data is used to inform decision-making about programme expenditure and contract monitoring**

Outcomes are vital to ensuring that the SP programme is achieving its intended aims and objectives. However, there is significant variation in the collection and use of monitoring/outcome data across different local authorities and between regions. It is felt by some service providers that outcomes monitoring is being led by legal/procurement departments within local authorities, in order to monitor contracts from a cost perspective, rather than by SP teams in order to use the data to improve services and commissioning decisions. Service providers feel that it is unclear how outcomes data is being used by local authorities and that there is a wide discrepancy in how heavily outcomes returns are being scrutinised by different local authorities.

- **The revised outcomes framework that the Welsh Government is proposing and the extent to which it will address the limitations of the current framework**

CHC members are broadly happy with the proposed outcomes framework. However, as mentioned above, it is the implementation of the framework that is all-important.

- **How any revised outcomes framework arrangements can be best communicated and embedded**

All future outcomes framework need strong, and as far as possible exhaustive, guidance in order to standardise practice across Wales as far as possible.

- **Other opportunities to strengthen monitoring and evaluation, including in assessing the relative value for money of comparable services**

It is impossible to fairly compare services in terms of pure value for money. An example of this is where two services looking almost identical may be based in buildings of differing ages, and therefore hugely varying maintenance costs. Simply comparing unit cost would therefore be a very unsuitable way of comparing performance of the two services. Strong outcomes monitoring should provide adequate data with which to assess different services, although direct comparison of services will never be suitable.

## **The distribution of Programme funding and financial planning**

- **The issues that need to be considered in developing and implementing any new funding formula**

CHC believe that the current distribution formula should be maintained close to its current arrangement until 2021, at which point the devolved fund for housing costs in short term supported accommodation will have been implemented and support/housing funding can be considered holistically.

- **How budget pressures and funding uncertainty have affected service planning and delivery**

Although the proposal is only a few months old, the funding uncertainty created by the UK Government proposals for housing costs in short term supported accommodation from April 2019 has caused unease in the sector around development and refurbishment of some supported accommodation.

Annual funding settlements to providers can lead to significant human resource issues around short term contracts, staff retention and redundancy payments. Indicative three year allocations would alleviate this issue by allowing providers to better plan for the future.

- **Reasons for the identified wide variation in financial support for different client groups across local authorities**

The underlying reason for wide variation in support for different client groups across different local authorities is the differing needs of the local populations. For example, areas such as Cardiff tend to attract individuals who are rough sleeping, and therefore a significant spend is made on fixed site short term supported accommodation compared to other local authority areas. However, SP is directed as the local authority sees fit and is therefore liable to be influenced by political pressure to support certain client groups. This is another area in which strengthening regionalisation would reap benefits.

- **Reasons for the noticeable change in the overall proportion of programme funds spent on floating and fixed support**

Fixed site and floating support are both vital services provided for through the SP programme. Different people require differing support depending on their needs.

However, floating support has been favoured over fixed site accommodation in recent years for a number of years. This has been due to a number of reasons.

Firstly, floating support tends to be cheaper to deliver per unit of support than fixed site accommodation and can therefore be deployed as cost saving alternative to fixed site, even where fixed site support may be more appropriate.

Secondly, the Aylward review has been widely implemented in terms of the removal of fixed site support in sheltered housing, replaced with floating support. The impact of this has been mixed but it has certainly increased the ratio floating support:fixed site.

Thirdly, floating support can be seen as less risky than fixed site to commissioners. Should funding diminish, a floating support contract can be slimmed down or terminated without significant consequences in terms of assets. Where a fixed site contract is awarded, particularly where a specialised building such as a hostel is used, the termination of said contract has disastrous consequences for the holder of that asset.

The mix of floating support and fixed site accommodation should be based on people's needs, not solely on financial pressures.

- **The extent to which local and regional planning processes and spending reflect well-evidenced needs, rather than historical patterns**

Overall, there is a feeling that spend does reflect evidenced need. However, historical patterns are still evident across Wales. Further advancements in matching spend to need could be made through stronger guidance from Welsh Government in terms of developing and implementing needs assessments and through strengthening the RCCs to scrutinise the needs assessments.

## **Conclusion**

The Supporting People programme is vital to achieving numerous Welsh Government priorities including tackling homelessness and preventing domestic abuse, in addition to building a fairer Wales for the future. It is not a perfect funding stream, but as we have seen in England, the removal of the ring fence could have disastrous consequences for the support provided to 60,000 vulnerable people across Wales.

CHC understands the drive to align funding streams to produce better outcomes for the people benefitting from services, but we urge caution considering the material change to funding for short term supported accommodation caused by the proposed devolution of housing costs for short term supported housing from April 2019. Therefore, we believe it would be prudent to delay the inclusion of the Supporting People Programme Grant with any other grants until 2021. At this point, regard should be given to which grants Supporting People aligns with best, as it is a housing related support grant, and may sit better with some tackling poverty grants than others.