

## **Barnardo's response to consultation on housing costs for short-term supported accommodation**

**January 2018**

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### **Introduction**

1. Last year Barnardo's worked directly with over 272,000 children, young people and families. We run over 1000 vital projects across the UK, including counselling for children who have been abused, fostering and adoption services, vocational training and disability inclusion groups. Barnardo's purpose is to transform the lives of the most vulnerable children.
2. Barnardo's runs a small number of supported housing projects. Many of these, such as our Bay6 project in Leyland, support young people (often those leaving care) towards independent living. We also work with families who need to access supported housing provided by others, for example to escape domestic abuse. These services work with very vulnerable young people and families to help prepare them for independent living. Support is provided on a range of issues, including budgeting and managing a tenancy as well as support for them to move on to more permanent accommodation when they are ready. Currently our services are funded through housing benefit with some services also receiving money from the local council from the supporting people fund. This response draws on the experience of our services in England and Scotland.
3. As such our supported accommodation services would be significantly impacted by the proposals as outlined in the consultation document. We are therefore keen to work with the Government to ensure that this proposal works in a way which ensures the sustainability of the supported housing sector. We have not answered all of the questions in the document but have concentrated on those issues which are

most relevant to us as a service provider of this type of accommodation to young people.

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**Question 1: Do you agree with this definition? [Yes/No] Please comment**

4. Barnardo's believes that the definition as proposed is too inflexible and should be amended. We are particularly concerned at the suggestion that short term supported accommodation can only last for two years. While many of the young people we work with need the support from our housing for two years or less, those with more complex needs may benefit from staying longer. Barnardo's work with people who are homeless due to a range of complex factors in their lives including early childhood trauma, the aftermath of domestic abuse and mental health issues among many others. An arbitrary two year limit will disproportionately impact those who are most vulnerable and who need the greatest support.
5. In addition we have had increasing problems in recent years being able to move young people on from our supported accommodation. For example, in England, since the introduction of the under occupancy supplement, our services report that it is more difficult to move young people into social housing in many areas, since there is a lack of one bedroom properties available. This means that our services increasingly have to look for suitable accommodation in the private sector with often limited availability. In Scotland, our services highlighted the "postcode lottery" nature of housing availability and raised the concern that the two year time limit will cause particularly acute issues where there is already significant pressures on housing. While it cannot be the purpose of these reforms to "fix" the existing problems in the housing market the two year limit will exacerbate these problems by providing a very fixed deadline by which suitable move on accommodation must be found.

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**Q2: What detailed design features would help to provide the necessary assurances that costs will be met?**

6. Barnardo's believes that there could be some merit in moving towards a grant based system for funding short term supported accommodation. In recent years, supported accommodation providers have often felt that their voice and specific needs are "lost" in the more general debate about social housing rents. For example when the decision was taken to cut social rents across the board by 1% the specific costs associated with providing supported accommodation

were not recognized in the debate until late on – when the government gave the sector a welcome one year exemption from the funding cut. The risk of supported housing being brought into the system of Universal Credit, with the assumption that very vulnerable young people would be paid their rent directly is a particular concern for providers.

7. In addition we are aware that the current system of housing benefit, can make it very difficult for the young people we work with to move into work. The cost of supported housing is so high that if the rent is not covered by housing benefit, the young person is often unable to meet the costs themselves through low paid work. Barnardo's welcomes the resolution of this barrier to employment.
8. However there are also significant concerns that any new system of funding directly through local authorities could risk the future sustainability of supported housing. Despite the assurances in the proposal that the funding will be ring-fenced, providers are concerned that this ring-fence will not be maintained longer term. Many services have had to make cuts after the ring fence to the Supporting People fund was removed, resulting in local authorities redirecting these funds elsewhere. There is seemingly no guarantee that the ring fence for any grant will be maintained in the long term and in fact could be removed without any further consultation or parliamentary security.
9. If the government wishes to encourage providers to invest in supported accommodation then they will need certainty to enable them to plan outside the constraints of short term commissioning cycles. It is unlikely for example that many third sector providers, or even large social landlords, will be able to invest heavily in housing stock if their funding is only guaranteed for 2 or 3 years. The system should be designed to specifically encourage local authorities to consider longer term contracts when allocating this money (ideally contracts for 10 years or more). This would allow providers to invest in property and services with the certainty that they will see a return on this investment over the long term.
10. In addition it will also be important that the system addresses the issue of spending funds within the locality of the local authority. There would seem to be nothing to prevent for example a local authority choosing to commission supported housing in a neighbouring area where overhead costs, e.g property are cheaper, and then "ship" tenants out to this accommodation. However, in doing so this could break the local link for the tenant with the area which they live. Barnardo's already knows from its work with care leavers that this group can face significant isolation when moving into independent

accommodation and housing them further from their local area could create significant problems.

- 11. As a minimum we believe that the following design features should be considered**
    - a. Placing the ring-fence for the supported housing grant on a statutory footing, so that parliamentary scrutiny would take place before it is removed**
    - b. The system should be designed to encourage long term commissioning (10 year or more) so that providers have the confidence to invest in housing stock.**
    - c. The system should be designed to encourage investment within the locality of the local authority.**
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#### **Q4: Is the needs assessment as described in the national statement of expectation achievable?**

12. It is important that the government does not underestimate the task of providing an accurate needs assessment for supported housing. Getting this correct will be essential if the new system is to be provided with sufficient resource to be operational and yet we see significant challenges in providing an accurate assessment for local authorities. The previous review of supported housing providers highlights how difficult this may be since only 197 of local authorities responded to the survey – less than half.
13. Much of the difficulty relates to ensuring that local authorities are able to understand current “need” – since we know that current levels of supported housing are insufficient for meeting actual need. Many of our services are aware of vulnerable young people being housed in inappropriate generic homelessness accommodation as there are no specialist youth or care leaver places for them and worse many often end up in informal and unstable housing arrangements – staying with friends or family – “sofa surfing”. Any assessment of need will need to take into account these “hidden homeless” if it is to provide an accurate assessment.
14. In addition there are challenges in providing a clear projection of what future supportive accommodation needs are likely to be and which areas are most likely to be impacted. As an example Barnardo’s provides supportive accommodation primarily to those leaving care. Statistics show that, the number of children in care in England is now at the highest rate since 1980s and many children are entering care later. It is therefore likely that demand for supported accommodation

for care leavers will increase significantly in the next five years as a greater number of these older children leave care and need support to move into independent living. However this need will differ between different local authorities since it will be impacted by factors such as how successfully the local authority has been in implementing arrangements such as staying put in England and continuing care in Scotland. These allow care leavers to remain with foster carers past their 18<sup>th</sup> birthday in England and in care placements past 16 in Scotland.

- 15. Given the challenges of conducting an accurate needs assessment we hope that the government recognises that this will amount to a “new burden” for local authorities. Sufficient funding should be provided to carry out this needs assessment, and a transitional period should be long enough to ensure that good consultation can take place with providers.**

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**Q11: If you have any further comments on any aspects of our proposals for short-term supported housing please state them here.**

16. There is a need to ensure that the current diversity, expertise and specialism available in the supported housing sector is maintained and nurtured in any new system. When working with vulnerable people, value for money does not always mean choosing the cheapest option but will often involve balancing the money spent with achieving the best possible outcomes for the children, young people and families. Generic supported housing options are important for many but specialist services are necessary for many others, including those who have experienced trauma, substance use issues, domestic abuse, mental health needs and care leavers (among many others). The third sector and the not for profit sector are key to providing these specialist services. Any new system will therefore need to be placed on a steady enough financial footing to enable third sector providers to continue to provide their expertise in this area.