

Submission:

Housing, Communities and Local Government Committee Inquiry into long-term funding of adult social care

April 2021

Summary

- Good quality, suitable housing is vital to a person's resilience, health and wellbeing.
- Supported housing takes pressure off public services and saves public funds.
- The government's plan for adult social care in England should reflect the essential role of supported housing in delivering independence and wellbeing for many people with long-term care and support needs.
- Housing associations need clarity and security on long-term funding arrangements in order to commit to new supply of supported housing.
- More investment in supported housing will help save money in the long term, alongside a properly funded social care system.

Introduction

1. The National Housing Federation (NHF) is the voice of England's housing associations. Our members provide more than two and a half million homes and support for around six million people who typically have greater social or health needs than the general population. Our sector is a driving force in supplying the new housing our country needs. In 2020, [our members delivered more than 20% of all new homes built in England](#). Housing associations are important providers of care homes – 120 NHF members manage nearly 15,000 care home places.

2. Social care is facing significant challenges and is in need of solutions that will take the pressure off services. The proposals in this paper intend to offer a means to remove pressure and save money for social care.

3. Housing associations also provide [three quarters of all supported and sheltered housing](#), including sheltered and extra care housing, homeless hostels, homes for people with learning or physical disabilities and people with autism, mental health step-down units and domestic abuse refuges. This provision transforms lives and people's wellbeing, allowing individuals to live independently and with dignity. Supported housing gives people choice about their lives, allows them to live in a home environment rather than institutional settings and frees up institutional care provision.

4. Supported housing provides vital support for some of the most vulnerable people in society, for working age and older people alike. For many in these groups, the only viable alternatives to supported housing are residential care, hospital or another secure institution. This puts strain on already limited resources and can have a negative impact on people who could live independently with the right support. Supported housing helps [save public money](#), avoiding lengthy and costly hospital stays. It also helps avoid rent arrears and tenancy breakdown.

5. Support services help people settle into a new home, maintain their tenancies, ensure their property is safe and secure, learn life skills including cooking or budgeting and work with third parties such as landlords, Jobcentre staff or probation officers. They are designed for people who want to be as [independent as possible](#) but need assistance with some aspects of daily living.

6. During the pandemic, supported housing providers have been highly successful in managing the impact of the coronavirus crisis, keeping vital services running and infection rates in schemes down. They have implemented a range of measures to [support and safeguard residents and service users](#) through the crisis. Supported housing has [helped the government meet its commitment](#) to [house all rough sleepers](#) for the duration of the crisis. Supported housing has ensured that some of the most vulnerable people can safely self-isolate and facilitated faster hospital discharge, reducing delayed days in hospital and freeing up vital beds for coronavirus patients.

7. These homes and services remove pressure from and improve outcomes in public services and deliver significant [savings to public funds](#). For example, specialist housing for older people produces an annual saving to the taxpayer of around £3,000 per person through reduced reliance on health and social care services. For people with learning disabilities and mental health issues, the annual saving per person rises to [between £12,500 and £15,500](#). A [report by Look Ahead Care and Support](#) projects that the NHS could save nearly £1bn if integrated mental health and supported housing models were scaled up across England. Support services also

help people experiencing homelessness into accommodation and to retain their housing long-term. Research shows [public spending would fall by £370m](#) if 40,000 people were prevented from experiencing a year of homelessness.

8. The government's plan for adult social care in England should reflect the essential role of supported housing in delivering independence and wellbeing for many people with long-term care and support needs.

9. This submission covers:

- How the coronavirus crisis has altered the landscape for long-term funding reform of the adult social care sector.
- How we can stabilise the adult social care market.
- How additional funds for the adult social care sector should be raised.
- How the adult social care market could be incentivised to drive quality and innovation.

It ends with a series of case studies on supported housing.

How has the coronavirus crisis changed the landscape for long-term funding reform of the adult social care sector?

10. The experience of the past year has demonstrated the value of care and support services. It has highlighted the importance of person-centred support services and of taking a holistic and flexible approach to people's needs in enabling them to carry on living independently and manage the challenges presented by the pandemic.

11. The crisis has also revealed the urgent need to address the underfunding, limited integration across health and social care and lack of recognition of the skills and contribution of staff, by considering the interdependencies between social care, health care, public health and housing.

12. In August 2020, the NHF conducted a survey of housing associations on the impact of the coronavirus crisis on supported housing. The results demonstrated increased demand for housing-related support services in response to the crisis. In particular, there was increased need for short-term services supporting groups such as domestic abuse survivors, people sleeping rough and those experiencing acute mental health crises. Respondents also highlighted that providers face [greater](#)

[financial pressures](#) because of increased staffing costs, additional cleaning, purchasing personal protective equipment (PPE) and higher security costs, alongside lost income from vacant properties.

13. Even after the first lockdown, homelessness services and supported and sheltered housing providers experienced an ongoing inability to let properties because of a lack of referrals and personal reluctance to move in because of the perceived risk of contracting coronavirus. Long-term investment in housing-related support services would ensure that these services can continue to support as many people as possible and contribute fully to the social and economic recovery from the pandemic.

14. The joint [Health and HCLG committees' 2018 report](#) talked about the 'interdependencies between the provision of health care, social care, and also public health' and recommended 'that in its discussions of future funding settlements the Government should consider all these in the round'. The coronavirus pandemic has proven the importance of this recommendation and the need for social care reform to 'give due prominence and consideration to the role of housing as a key determinant of health and wellbeing and consequently need for health and social care support'.

15. The government should use the experiences of service users and service providers across the pandemic to inform what it hopes to achieve through long-term funding reform of adult social care. The debate should not just be about how something is funded but also what is funded and how the need for services can be minimised through effective preventative measures and an enabling environment that promotes independence. The committees' 2018 report found that restricting focus for reform on funding mechanisms for registered care services risks failing to consider the value of preventative services, overall quality of life and what is needed to help people live independently.

16. Housing associations that offer independent living schemes can play a key role in the social care sector, which is facing rising pressure. Housing should be seen as a pillar of social care.

17. Supported housing providers have been highly successful in managing the impact of the pandemic, keeping vital services running and infection rates in schemes down. Housing associations, including [those providing supported housing](#), have implemented a range of measures to best [support and safeguard residents and service users](#) through the crisis.

18. For example they have:

- Supported people experiencing acute mental health crises to avoid hospital admission.
- Reconfigured services to deliver support remotely or outdoors and reduce the risk of infection.
- Provided and trained staff in the proper use of PPE.
- Prepared and delivered meals for residents to enable them to safely self-isolate.
- Increased the frequency of virtual and telephone welfare checks to address growing mental health concerns.
- Provided residents with mobile phones and other IT equipment to help reduce loneliness and isolation.
- Helped fill the gap left by the withdrawal of community NHS services through local multi-agency partnership working.
- Linked residents in with local volunteer networks, charities and community organisations.

19. Additionally, housing associations have [worked alongside local authorities, the care sector and the NHS](#) to allow people to be safely discharged from hospital, move on from temporary hotel accommodation or other inappropriate accommodation, or transition out of state care. As reports of [domestic abuse incidences](#) during the pandemic increased, many housing associations worked in partnership with local organisations to [increase their support](#) so that residents were able to safely access assistance.

How can the adult social care market be stabilised?

20. The combination of secure housing and high quality support can transform lives. It can help people settle into new homes, maintain tenancies and improve life chances. Supported housing can be a lifeline for older people and people with long-term care and support needs, including learning disabilities, autism and mental health conditions. For many people in these groups, the only viable alternative to housing with support would be residential care, hospital or another institution. This puts strain on already limited resources and can have a negative impact on people who could live independently with the right support. A recent [NHF and Housing LIN report](#) highlighted a number of case studies of new supported housing schemes for people with long-term need for some support. In every case, the housing association noted that the alternative for residents would be hospital or residential care.

21. The same report found that long-term uncertainty over capital investment, revenue funding for support, and funding for housing costs through the housing benefit system have all been barriers to housing associations developing new supported housing schemes. Without adequate capital subsidy, supported housing providers (and therefore, people who need supported housing) are at a [significant disadvantage](#) in a competitive market environment.

22. The report highlights three core funding areas that are needed for the development of sustainable supported housing for people with a long-term need for support by housing associations and their partners:

- **Capital funding:** the government should significantly increase capital funding overall, through Homes England, for investment in supported housing and to allow for increased capital grant funding rates for supported housing development.
- **Funding for housing-related costs** (rent and service charges) through the welfare system: the government should make a long-term commitment (10 years+) to Housing Benefit continuing to meet housing-related costs in supported housing.
- **Funding for support costs:** the government should deliver funding to meet the costs of providing support for vulnerable people living in longer-term supported housing.

23. The report also contains case studies on delivering new supply of supported housing and the revenue/capital needed. Supported housing often has higher development costs than general needs housing. Nevertheless, it can still offer [excellent value for money and improved outcomes](#).

24. To achieve successful schemes, commissioners should:

- Have a clear vision and shared approach with housing providers.
- Develop a strategic understanding of the level and range of need for long-term supported housing in their area.
- Create a robust strategic plan for how those housing needs should be met.
- Undertake active engagement with the supported housing market in their area, building strong relationships with providers and risk sharing with housing providers (for example, as regards voids), to encourage supported housing development.

25. These actions would deliver improved outcomes for people who require supported housing. They would also be better value for public funds because need

would be more closely matched with the [most appropriate supported housing solutions](#), potentially reducing demand for institutional care.

26. When commissioning effective housing solutions for people with the most complex needs, commissioners should foster housing provider involvement through capital funding and making sites available, to ensure highly specialist and personalised supported housing options can be developed successfully. They should also make commissioning flexible, not too narrowly focussed and not excessively bureaucratic, as has been [noted about the process for obtaining capital funding](#) from NHS England and Improvement.

27. Rent certainty is a significant factor in funders and providers being willing to invest in and develop supported housing. There is a lack of business certainty and a high level of financial risk should Housing Benefit not be payable at the rates required to ensure that long-term supported housing schemes are financially viable. Funding for rent and levels of capital funding are also linked. For example, one effect of increasing capital grant rates would be that rents could be kept at more affordable levels. This would enable some supported housing residents to be able to work and therefore help meet other [strategic outcomes of supported housing](#) such as assisting residents into employment.

How should additional funds for the adult social care sector be raised?

28. The experience of the coronavirus pandemic has shown the wider determinants of health, the consequences of health inequalities and the difference that investment in public health, a holistic approach, and interagency working can make. Interventions like 'Everyone in' showed what could be achieved when agencies work together with a clear shared aim.

29. For the market to deliver solutions that are cost effective and promote independence, choice and control, commissioners need to be able to take a strategic overview. Too often, purchasing of care and support by local authorities is done on short-term considerations of unit price.

30. Commissioners and providers should develop long-term relationships that foster innovation and encourage investment by providers in the workforce as well as buildings and facilities. Frequent, competitive and unintegrated tendering fragments

service provision and further destabilises a fragile market already undermined by spending reductions and a [lack of long-term planning](#) based on projections of need.

31. Providers need long-term certainty with sufficient funding and a clear vision for social care in line with the Care Act 2014. Certainty and policy stability will give housing associations the confidence to move forward with ambitious plans, maintain existing services and develop long-term partnerships with health and social care commissioners, which in turn will foster efficiencies within the delivery process. The [strategic partnerships between Homes England and larger developing housing associations](#) demonstrate the value of the government giving a sustained commitment on funding.

32. The government should recognise the importance of support, as well as care, in making supported housing work and in contributing to the positive outcomes for people, which forms a core part of the value for money and impact offered by supported housing.

33. In 2018, [the government showed strong commitment](#) to supported housing by securing the money that pays for housing costs. But this is only one side. The other vital component of funding – the support costs – are facing a substantial gap. As a result, supply of supported housing is reducing at a time when demographic trends show demand increasing. [Research in 2015](#) calculated that by 2024/25, we will be facing a national shortfall of 46,771 supported, sheltered and extra care housing places.

34. With a positive announcement in the Affordable Homes Programme (AHP) on funding to develop new supported housing, the government can now further promote the development of new schemes for people with long-term care and support needs. It can do this by making a long-term commitment to investing in revenue funding for support. This will better meet the realistic cost of developing supported housing and help close the viability gap. Offering longer-term support contracts would help provide a much more stable, sustainable business environment for providers of supported housing.

35. With the introduction of a longer-term commitment to fund support as part of the Rough Sleeper Accommodation Programme (RSAP), the government has demonstrated its awareness of the importance of stable funding to underpin the response to rough sleeping.

36. A [report by the Centre for Social Justice](#) focusses on rolling out Housing First, a supported housing intervention for people with complex needs experiencing long-

term homelessness, which provides them with housing and wraparound support for as long as needed. The report recommends that long-term support funding also underpin investment in Housing First. The report highlights how, ‘against the background of wider budgetary constraint faced by statutory services, many participants in our research highlighted the potential for pooling funding responsibility for Housing First across the range of sectors that potentially benefit from its positive impacts, including homelessness/housing, health, criminal justice and adult social care’.

37. The need for longer-term funding and multiagency commissioning is also recommended in the [MHCLG Mobilising Housing First toolkit](#), which says that ‘[i]f the market is insufficiently developed or flooded by short-term funding activity then it may struggle to respond in the short-term’. This observation also applies to other forms of supported housing.

38. The government should [ring-fence housing-related support and allocate £1.6bn](#) per year to English local authorities.

How can the adult social care market be incentivised to compete on quality and/or innovation?

39. Investing in good quality housing for older people with appropriate care and support can be an extremely cost effective way of reducing the pressure on the NHS and should be part of a government ambition for long-term quality of life. It is widely accepted that poor quality housing exacerbates chronic conditions and widens health inequalities. [Research from the Centre for Ageing Better](#) analysing the results of the 2017 English Housing Survey calculated that the NHS spends £513m annually on first-year treatment costs for over 55s living in the poorest quality housing. Meanwhile, [Anchor Hanover recently modelled](#) the value of a supported housing tenancy in one of their schemes for older people and found that every extra care housing place can generate up to £6,700 in savings for the local authority.

40. Quality of life and [choice and control for service users](#) should be [central to any determination of quality](#). Case studies in the [NHF and Housing LIN report](#) showed how residents were given choices, such as who they wanted to live with or what they wanted in their individual kitchens. Each of the case studies demonstrated how the quality of life of the residents and confidence improved thanks to their supportive living environment that was very clearly their own home.

41. Supported and sheltered housing providers have driven innovation in providing alternatives to residential care for people with long-term needs. Person-centred care and support, use of technology and giving people choice and control has transformed lives, prevented crisis and avoidable admission to hospital and reduced reliance on more institutional forms for care. They can be and, in many cases, are an integral part of the place-based approach to health and care that is being encouraged through integrated care systems (ICSs). It is important to recognise what is needed at local and national level to encourage the partnership between commissioner(s) and provider(s) that ensures this type of provision is in place, and that provision is planned based on need rather than what is cheapest to produce.

Conclusion

42. The proposals in this paper aim to alleviate pressure from social care and save public funds through partnership with and investment in supported housing. The government's plans for adult social care in England should reflect the essential role that supported housing plays in enabling independence and providing good quality homes, appropriate to an individual's needs and reducing reliance on public services.

43. The coronavirus crisis has altered the landscape for long-term funding reform of the adult social care sector by:

- Demonstrating the value of care and support services.
- Showing the need for integration between health, care and housing.
- Raising awareness of the contribution of supported housing in keeping people safe during the pandemic.
- Further highlighting the need to address underfunding.

44. We can stabilise the adult social care market through targeted investment in supported housing.

45. Additional funds for the sector should be raised by:

- Recognising the importance of support, as well as care, in making supported housing work.
- Aiming at long-term certainty with sufficient funding and a strategic vision for social care.

46. The market could be incentivised to drive quality and innovation by:

- Demonstrating the importance of quality of life and choice and control for people receiving support.
- Acknowledging the cost savings provided by supported housing, an integral part of the place-based approach to health and care.

47. Supported housing offers some of the most vulnerable people in our society choice and control over their lives, allowing them to live in a home environment rather in institutional care.

Appendix: Case studies

Case study: Platform Housing Group's coronavirus support in independent living and supported housing schemes

Platform sent letters to all their residents detailing their approach to helping prevent the spread of coronavirus and social distancing.

They also implemented a system of traffic light notices for residents to place on their front doors – 'I'm ok' or 'I need some help'. Private care facilities have shared this via social media as an example of excellence.

Platform's catering services are under continuous review. Internally run café services have moved to home meal delivery and they are supplying emergency provision boxes delivered by their activities teams.

Cleaning and infection control measures have been reviewed. Platform introduced enhanced cleaning regimes, including disinfecting of regular touch points and communal laundry equipment. Cleaning companies also follow touch point cleaning regimes and are being allocated additional hours as required.

Platform have been speaking to their residents more frequently for a chat or to listen to their concerns and to offer help and reassurance, liaising with other support agencies and utility companies on residents' behalf. They have focussed checks on vulnerable customers and those aged 70 and over. As part of this work, they have made direct referrals or signposted customers to other agencies, identified safeguarding concerns and arranged call backs to those people who are feeling socially isolated and lonely.

Case study: Progress Housing Group's coronavirus support in refuges and homelessness services

Progress runs a purpose-built scheme which houses homeless young people. All of the residents are vulnerable and several have been living with mental health conditions or low wellbeing. As a priority at the onset of lockdown, Progress installed Wi-Fi in the scheme to ensure that young people were able to connect with friends and family and access vital services online.

They also provided information to help them look after their own wellbeing, providing strategies for coping if they were feeling anxious and suggestions of things they could do to occupy their time and their mind.

Progress encouraged residents to make use of their permitted time outdoors and provided details of apps and games that would enable them to connect online. They also adapted each resident's individual weekly support plan with a focus on mental health and wellbeing during lockdown.

Case study: Crosby Housing Association's supported housing in partnership with health agencies

Crosby Housing Association offers housing solutions for people with a history of criminal convictions, complex social and psychological needs, and diagnosed with personality disorder, enabling long-term independent living within a community setting. An investment of £1m delivered 12 apartments, staff accommodation and communal learning spaces. Support is psychologically informed and seeks to increase social skills and community reintegration with the aim of achieving independent living.

This is a multi-agency partnership sharing responsibility to work alongside clients to support positive behaviours, develop interests and learn new skills. It is part of a managed network of services in prison, probation and secure hospital settings that actively support and direct residents through a managed pathway, achieved through joint responsibility and ownership of both individual services and the Offender Personality Disorder (OPD) pathway as a whole. Residents were also involved in the NHS tender selection process for the appointment of the support provider.

Most clients in the project have spent long periods of their life in prison. Tenancy sustainment rates are low as institutional living has not given them the life skills to manage everyday life. Failed tenancies often link to repeat criminal activity and a return to prison.

The brief for the project was to provide a home that recognised the high risks typically associated with this client group but didn't look or feel like an institution. It had to be a place where you chose to be and felt encouraged to learn the skills needed for leading an independent life outside of custody.

The whole property was refurbished to a high standard and is warm and welcoming. Staff offer support with cooking, budgeting, arts and crafts, music and community

engagement. Each unit is fully self-contained allowing residents options to learn skills one-to-one or in a community environment.

Residents agree house rules, meet together as a community regularly and have a communal cooked breakfast each week. They are actively encouraged to provide feedback as to how the scheme can develop and improve and are engaged in improving external communal areas. They are encouraged to do housework in their apartment and share some of the communal cleaning tasks.

Case study: Octavia Housing's 'Better Lives' programme

Being a community-based provider, Octavia has strong ties with their local authority, Clinical Commissioning Groups and joint commissioning teams. Their long-term established relationships, built on trust and assurances around funding, enable them to develop complimentary services such as their befriending and activity programmes. These services combat loneliness and help improve lives, as well as preventing the need for higher support services such as nursing or extra care.

Octavia's 'Better Lives' programme is made up of three key services, designed to tackle loneliness and isolation in the community:

1. **Outreach support** provides personal contact and practical help for isolated individuals to combat loneliness and access community and health services.
2. **One-to-one befriending** provides regular and ongoing companionship with weekly visits from trained and committed volunteer befrienders.
3. **Group activities** offers a range of group and social activities and events connecting people, promoting involvement and fostering friendships.

A report assessing the impact of Octavia's outreach and volunteer befriending services to older, isolated people living in central and west London found that more than half of people in this group who were in regular contact with a befriender or outreach worker reported feeling less lonely and more able to enjoy life.

Beneficiaries of the service reported being able to look after themselves better through:

- Being encouraged to support their own physical health and independence.
- Improved access to essential services.
- Increased confidence and motivation to do activities.

Evidence from the report indicated that the service was helping many people to practice better self-care through support to attend timely healthcare appointments, reducing dependence and strain on more costly health and social care services further down the line.

Key findings include:

- 50% increase of people taking part in social activities outside of their home (pre-coronavirus crisis).
- 61% reported an improvement to their mental wellbeing.

Octavia's approach starts in general needs housing, providing housing related support and adaptations to keep people independent at home, offering services at their community centre, within their extra care schemes and, when needed, specialist supported housing that still means residents have their own front door.