

Cymorth welcomes UK Government decision on supported accommodation but calls on Welsh Government to safeguard support funding

Today the UK Government published a **response** to its consultation on the future funding of supported housing, concluding that Housing Benefit should fund rent and eligible services charges in all supported housing in the future.

The original consultation in October 2017 proposed a number of different models for funding short term supported accommodation, long-term supported accommodation, sheltered housing and extra care schemes. UK Ministers had outlined plans to devolve the funding for housing costs in short term supported accommodation in the form of a grant to the Welsh Government, the Scottish Government and English local authorities. However, after considering responses from the sector, including concerns raised by landlords and lenders about the impact on development, the UK Government has decided to scrap those plans.

On short term supported accommodation, the UK Government says:

“Consequently, we have concluded that continuing to provide funding via the welfare system, together with a robust oversight regime, is the better option. This means we will not proceed with the grant model for short-term accommodation.”

The document goes on to state that:

“We will maintain Housing Benefit for all supported housing, reflecting the needs of the vulnerable people who rely on it and the need for continued supply across the sector.”

This appears to be welcome news for the supported accommodation sector, providing more certainty about the availability of funding for rent and services charges. However the UK Government needs to provide more information and assurances about how this will work in practice. In particular, it would be useful for the UK Government to consider the impact of entering employment on housing benefit entitlement, as higher rents in supported housing can make it extremely difficult for people to start work.

Continued risk to support funding in Wales

While the UK Government’s announcement appears to provide some assurances about rent and eligible service charges in supported accommodation, huge uncertainty remains in relation to homelessness and housing-related support funding in Wales. The Welsh Government is currently considering plans to merge Supporting People (SP) and Homelessness Prevention Grant (HPG) funding into an Early Intervention, Prevention and Support supergrant.

Cymorth Cymru, Community Housing Cymru, Welsh Women’s Aid and seven other housing and support organisations have raised significant concerns about these plans in the **Housing Matters report**, highlighting the risks of this approach. The report advocates an alternative solution, in the form of a ring-fenced homelessness and housing-related support grant. This originally included the funding for housing costs in short term supported accommodation, alongside SP and HPG.

Cymorth Cymru Director Katie Dalton said:

“While we welcome the UK Government’s announcement on housing costs in supported accommodation, we remain extremely concerned about the uncertainty surrounding support funding in Wales.

“It is absolutely crucial that homelessness and housing-related support funding is ring-fenced for this purpose or we risk losing vital services that prevent homelessness and support people to live independently in their communities.

“This announcement does not change the focus of the #HousingMattersWales campaign – we are still calling on the Welsh Government to create a ring-fenced homelessness and housing related support grant, which would provide certainty for the sector and the 60,000 people who use these services each year.

“The UK Government appears to have recognised the importance of housing-related support funding in England during this consultation and it would be deeply concerning if this was put at risk in Wales.

“We are acutely aware that the UK Ministers have changed their mind several times over the past three years, so the best way to maintain stability in Wales is for the Welsh Government to take action now to protect support funding.”