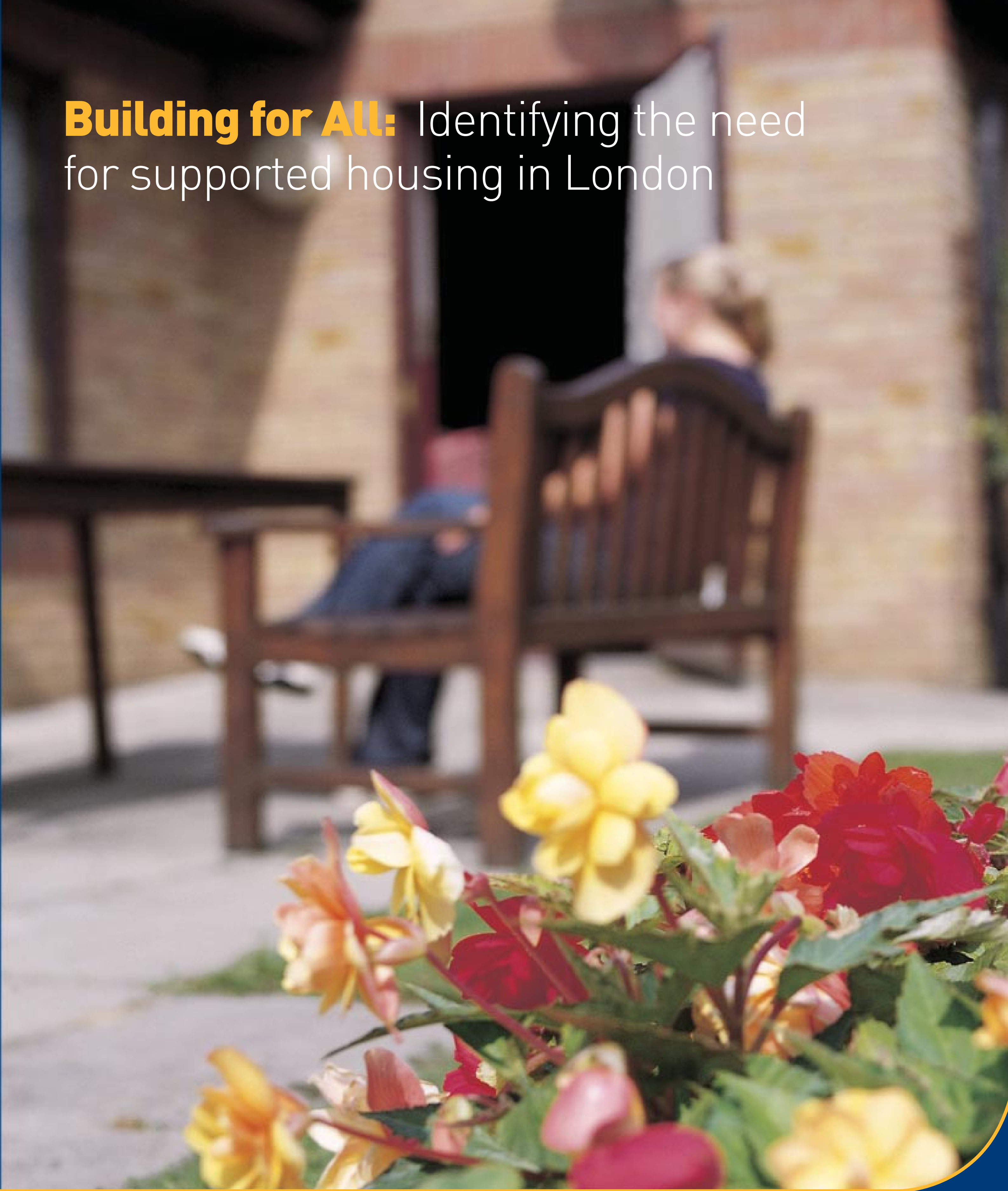
Building for All: Identifying the need for supported housing in London



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Foreword

We very much welcome this report, which represents the first attempt to formulate a methodical, comprehensive and robust approach to assessing the need for new supported housing in the capital since the Supporting People programme was launched in 2003. This work was commissioned primarily because we were concerned that the significant fall in the supply of new supported housing over recent years was resulting in a failure to meet the needs of many of the most vulnerable people in London. This report clearly demonstrates that these concerns were founded and gives us a sound basis for ensuring that there is appropriate and sufficient provision to meet these needs moving forward.

The estimates of both current and future need that the consultants have produced will be invaluable to all our organisations over the coming months. In particular, they will help to inform the forthcoming Mayor's Housing Strategy and its Strategic Housing Investment Plan, and the imminent bidding round for the Housing Corporation's 2008-11 National Affordable Housing Programme. They will also be useful to supported housing providers campaigning for the additional homes they have long known are needed.

The consultants have created a method of assessment, the Supported Housing Needs Assessment Toolkit, that can be applied to the pan-London, sub-regional and local contexts. The estimates in this report – based primarily on regional and national data - are at the London and sub-regional levels, because this is the information that was most urgently needed to inform the Mayor's and the Housing Corporation's strategic planning and investment decisions over the next few months. But we are now able to offer London boroughs the Toolkit to use for their own local assessments of need. We urge boroughs across London to use it to the full, not only to improve their own local planning of provision but also to enhance the pan-London model by feeding local specialist information into the London-wide assessment, which will further improve the robustness of the pan-London figures over time.

While this is a report heavy on data, methodology and models, we should not forget that its purpose is ultimately to help ensure that those Londoners facing the biggest challenges have both the homes and the support they need to enable them to live full and independent lives.

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1. Background – the London context

The policy framework within which supported housing is developed and managed in London changed radically in April 2003 with the launch of the Supporting People programme. This reform transferred revenue finance for most forms of housing-related support to the London boroughs, cut any automatic link between tenure and such revenue monies and introduced a new regulatory regime. However, almost from the start the programme has been characterised by uncertainty about its future, particularly about the overall level of national funding and its distribution between local authorities.

Capital allocations for supported housing fell dramatically as a proportion of the overall National Affordable Housing Programme immediately after the introduction of Supporting People. They have recovered somewhat since then, although not to pre-Supporting People levels. Furthermore, new development in the 2006/08 bid round amounted to only around a third of the capital allocation for supported housing. The remaining two-thirds went towards remodelling existing schemes. Less new supported housing is being built in London than for quite some time.

The *London Supporting People Strategy 2005-10*, produced by London Councils (then the Association of London Government), identified the development of floating support services as a priority. There are very widely divergent views on the appropriate balance of floating support and supported housing for different client groups in different parts of London. Yet once accommodation-based services are lost they are expensive and time consuming to replace, so prudent planning of service balance is necessary to meet the future needs of vulnerable people in London. This issue becomes particularly sharp in the light of the uncertain future funding climate for supported housing, and the looming Comprehensive Spending Review 2007.

The Mayor will soon produce London's first statutory housing strategy and Strategic Housing Investment Plan. As part of this process, he will make broad decisions about the types and quantities of housing to invest in, including supported housing. These decisions, and his new policies, will be informed by a comprehensive and detailed evidence base.

Against this complex policy background, the National Housing Federation and the Greater London Authority commissioned research to estimate the need for supported housing in London from 2007/8 to 2017/18. It is the first time such a task has been attempted on a pan-London basis since the introduction of Supporting People. This project was financially supported by members of the London Supported Housing Forum, the G15 and a Housing Corporation Innovation and Good Practice Grant.

2. The nature of the problem

No-one, anywhere, has produced a watertight and universally accepted method for quantifying the need for supported housing or, more generally, housing-related support. Such need is not directly measured, so policy makers and commissioners everywhere have to rely on accessing and interpreting a range of other evidence, compiled for other purposes. Although boroughs are required, as part of their Supporting People strategies, to make assessments of the local need for supported housing for different groups of vulnerable people, across London different strategic planners have used different measures to determine likely current and future levels. This lack of a 'common currency' with which to measure and compare future need for supported housing in different parts of London is probably the most basic challenge of all in attempting to predict future requirements of supported housing, but it is far from the only one. There are several other high level problems which must also be confronted.

First, supported housing is not the only mechanism through which housing-related support can be delivered to vulnerable people. There is a growing feeling that such support can often be delivered equally well via non-accommodation-based services such as floating support, resettlement and outreach schemes. Yet there have been very few studies to suggest what the ideal balance between supported housing and non-accommodation-based support might be for any client group. Different commissioners have, quite reasonably, formed different views on this question. Making such different views explicit – and therefore challengeable – is an inescapable part of estimating the level of need for supported housing.

Secondly, identifying the absolute number of vulnerable people in need of supported housing is very far from being the same as identifying the need for a certain quantity of supported housing. Some people will have a permanent need for the service supplied in such housing, others will need it for a short time. So expected duration of stay is an important factor to take into consideration when assessing likely need.

Thirdly, there are a number of locally specific factors which can make very significant differences to the net requirement for supported housing in any area. The model that has been developed highlights the two factors identified as the most important: cross-authority movements and the availability of housing generally. Some London authorities host supported housing services of great strategic importance for the support of vulnerable people across the capital. These services attract many service users from beyond borough boundaries; this distorts net local requirement in the host and neighbouring boroughs. It is also important for any predictive model to be able to take into account the availability of general needs 'move-on' housing, which can vary across both client groups and areas.

It is hoped that the methodology proposed here will now become the core of a 'common currency' for measuring the net requirement for supported housing.

3. Methodology

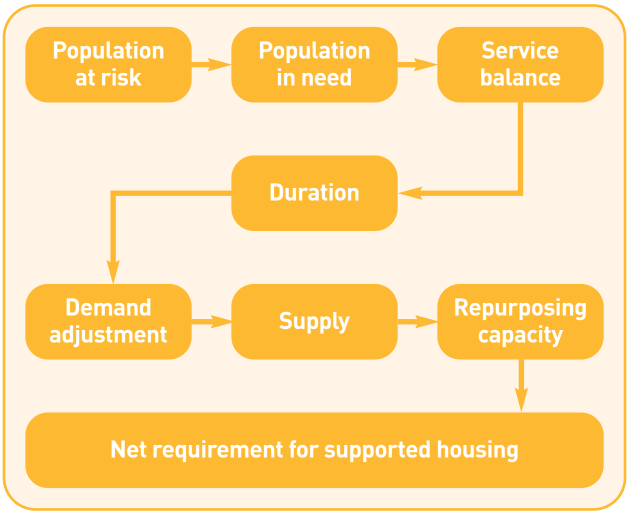
The conclusions set out in this publication were reached through a number of means:

- A review of the existing Supporting People strategies for all 33 London boroughs.
- Interviews with a range of practitioners in a number of boroughs.
- An examination of the Sub-Regional Strategic Support Study, a GLA data source that combines 28 borough-based housing needs surveys.
- An analysis of two years' worth of Supporting People client record form data.
- A validation meeting, held to discuss the methodological logic, to which all London Supporting People teams were invited.
- A review of all available academic and professional literature on the subject. Particular use has been made of recent work by Civis Consultants for Communities and Local Government (CLG) on floating support and by Robert Frew for the London Supported Housing Forum on the shift from accommodation-based to non-accommodation-based services.
- The work was overseen by an expert steering group comprising representatives from the National Housing Federation, the Housing Corporation, the GLA, representatives from local authority Supporting People teams and providers of supported housing.

4. The nature of the model

Using the findings of these investigations a predictive model was developed, based on seven key concepts:

The model in outline



Population at risk: this denotes the numerical estimates of categories of people who share a characteristic which is often – but not invariably – associated with a requirement for housing-related support. Such estimates are generally derived from either prevalence or incidence data. These data have been applied to the GLA's 2006 population projections for each of the boroughs for the coming decade.

People in need: this category is the proportion of the at-risk population for each client group that is likely to need housing-related support of some kind; it is therefore a subset of the population at risk group. The proportion of each at-risk population that may need housing-related support can differ both between local authorities and over time, as need is driven by a multitude of factors. Certain people may display what appear to be very clear indications of need, yet do not present for services, and there can be very good reasons for this. Many people with mild to moderate learning disabilities, for example, may function perfectly well in the community or living with their families without any need for professional intervention. How far local strategic services should either endorse or go beyond individual service users' definition of their own, current need is a strategic question. So, in the model, the phrase 'people in need' implies a *strategically agreed priority for service provision*. Assumptions have been expressed around need levels for each client group as a percentage of the population at risk.

Service balance: this denotes the strategic decision about the balance, within any given client group, for vulnerable individuals to be most appropriately served by either supported housing or non-accommodation-based support services.

Duration: far from all supported housing is intended for permanent use. Broadly speaking, twice as many people can use a service with an assumed length of stay of six months compared to an identically-sized service with an assumed duration of a year. So, to project the likely future need for supported housing, it is necessary to compare the planned usage patterns of existing stock with the overall numbers of people likely to use it. There can be a difference, of course, between intended duration of service in supported housing and actual length of stay. This can be caused by a number of factors, not least a shortage of move-on opportunities. These factors are extremely likely to vary from local authority to local authority.

Demand adjustments: these cover the need for any given local authority to adjust the apparent demand for this or that quantity of supported housing to allow for specific local factors such as move-on housing availability.

Supply: this is the current supported housing in any given local authority – and, for future years, planned additions to this stock.

4. The nature of the model Continued

Repurposing capacity: this is the degree to which existing supported housing, for which there is no longer sufficient demand, can be easily recycled for use by other client groups without significant additional public investment. If additional investment is needed to use the scheme for another client group, it does not count as being available for repurposing in that model.

The model has been preset with evidence-based assumptions around all seven of these factors. These assumptions are believed to be the most defensible ones for pan-London planning purposes. The assumptions are set out in detail in the accompanying longer report and technical appendix which are available to download from www.housing.org.uk. However, it is acknowledged that any attempt to project need over a decade for supported housing for the 21 client groups recognised by the Supporting People regime in 33 very individual boroughs is fraught with difficulties. This has been addressed in four main ways:

Firstly, and most importantly, local people know most about local problems. So there is a version of the planning tool available to boroughs that has been specially adapted to allow them individually to update and overwrite the assumptions for their own locality. The tool allows local authorities to make changes to the preset assumptions insofar as they affect their own boroughs, and these can then be fed back into the pan-London modelling to allow a more accurate iteration of the results.

Secondly, seeing vulnerable people simply as a particular 'client group label' can be very problematic. The model has been adapted at various points to reflect the three 'super-groups' first publicised by the Department for Communities and Local Government in their consultation on a national Supporting People strategy in 2005 (see below). Table 1 illustrates how these 'super-groups' relate to the individual client group labels.

Table 1 Client super-groups

Independence with support	Older people with support needs, frail elderly people, older people with mental health problems
Support with care	People with learning disabilities, people with physical or sensory disabilities
Socially excluded	Single homeless people with support needs, homeless families with support needs, rough sleepers, people with mental health problems, refugees, people who misuse alcohol or drugs, travellers, teenage parents, young people leaving care, young people at risk, people with HIV/AIDS, women fleeing domestic violence, offenders and those at risk of offending, mentally-disordered offenders and generic.

There is, inevitably, a degree of overlap between different client groups: some single homeless people are also drug users, some people with learning difficulties also have physical or sensory disabilities and so on. The model deals with this by assuming that this overlap occurs at a standard rate within each of the 'super-client groups'. The overlap is estimated as being:

- 33% – for all socially excluded groups
- 20% – for all older persons' groups
- 50% – for all people needing support with care.

These assumptions cannot be directly changed by any borough using the model, but, if there is evidence that this is either an overestimate or underestimate, there is the ability to change the default assumptions at the pan-London level.

Thirdly, repurposing (i.e. reuse without further investment of existing stock) has been treated as much more likely to occur within these groups than between them. It has explicitly not been assumed that, for example, a surplus block of sheltered housing for older people might be reused as, say, a women's refuge, without further investment.

Finally, it is clear that there can be the need to reinvest in existing buildings used as supported housing even where there is an apparent oversupply in any particular borough. The initial estimates in this report do not take account of this factor, as only local knowledge can provide the necessary detailed information on a property-by-property basis. However, by completing the planning tool, boroughs can indicate the level of need for such reinvestment and this can be fed into the pan-London figures, to inform future investment decisions being taken by both the Mayor and the Housing Corporation.

5. The limitations of the model

The Housing Corporation's definition of supported housing covers both specially-designed facilities intended for vulnerable people and accommodation that is simply designated for use by groups in need of supported housing. Quite often, producing buildings that incorporate special design features will cost more per unit than other types of accommodation. New investment in specially designed supported housing may involve additional costs over and above those incurred in investing in social housing without any additional facilities (which might be designated for use as supported housing for vulnerable people).

The model does not distinguish between forms of supported housing with or without special design features. This has implications for those seeking to use the model as a basis for investment decisions. The model can inform investment decisions around the likely quantitative need for new supported housing at a macro level. It cannot exactly cost the implications of investing to meet any given quantitative level of need because it is insufficiently fine-grained to determine the precise balance between specially designed supported housing and 'standard' social housing which is designated for vulnerable people. This will always remain a local decision.

The model does not predict the potential revenue cost of any particular supported housing service. Clearly, in all client groups, there is a potential requirement for a certain balance of high, low and medium intensity services. The model cannot predict what that balance should be, and hence cannot predict the number of staff needed to provide such services or how much they might cost to employ. It can only identify the number of units of accommodation likely to be needed.

Lastly, and perhaps most importantly of all, the model cannot replace local knowledge of problems and stock suitability for purpose. Only local strategic agencies can provide such a perspective, which is why it is so important for each borough to use the planning tool.

6. The findings

It is estimated that there is a need for approximately 4,400 additional units in the capital in 2007. If this need is not met, the total requirement will rise to approximately 5,800 supported housing units by the year 2017. The table below (Table 2) sets out the requirement for additional units across London and in each of the five Housing Corporation sub-regions. Estimated figures are provided for 2007 and 2017 and are based on current stock levels. The model does not estimate the capital investment required to meet this need; additional modelling to do this will be undertaken by the statutory funding bodies.

Across London, there are currently some 75,000 units of supported housing, an average of 125 units per 10,000 residents. These are not evenly spread across the capital: the north sub-region has the highest number, with 151 units per 10,000, the east and south east sub-regions have 121, the west has 118 and south west has the lowest proportion with 117 per 10,000 population.

Table 2 Requirement for additional supported housing – 2007 and 2017

Additional units needed	Existing stock	Additional units required in 2007	Additional units required by 2017
London	75,316	4,421	5,874
Housing Corporation sub-regions			
East	14,959	1,619	2,280
North	15,109	734	889
West	17,514	628	905
South East	15,185	714	981
South West	12,549	727	819

It is estimated that the greatest need for additional homes is in the east sub-region, which needs twice as many as any of the other four London sub-regions. The proportion of overall investment required in the Boroughs of Hackney, Barking and Dagenham, Waltham Forest, Redbridge, Havering, Newham, Tower Hamlets and the City of London rises from around 37 per cent in 2007 to nearly 40 per cent in 2017. This can be partly explained by three factors:

- the relatively moderate current level of provision in this sub-region
- the sub-region's relative deprivation compared to other areas of London
- the impact of population growth arising from development in the Thames Gateway.

The need for additional homes is not evenly distributed across the different client groups. By far the largest investment need – over 70 per cent – is for the socially-excluded groups, such as single homeless people, people who misuse drugs or alcohol, homeless families, young people at risk and people with mental health problems. Table 3 sets out the requirement for these groups across London and its sub-regions in 2007 and by 2017.

Table 3 Requirement for additional supported housing for socially excluded groups – 2007 and 2017

Additional units needed for socially excluded client groups	Existing stock	Additional units required in 2007	Additional units required by 2017
London	25,290	3,157	4,267
Housing Corporation sub-regions			
East	5,380	1,036	1,584
North	5,369	637	752
West	6,243	336	467
South East	5,363	478	709
South West	2,935	669	754

As with the overall position, the north sub-region currently has the highest level of stock, with 54 units per 10,000 population. The east, west and south east sub-regions each have between 42 and 44 units per 10,000, while the south west sub-region currently has 27 units per 10,000. Again, the greatest requirement is in the east sub-region, with about

1,500 units needed by 2017, followed by the north and south west with investment needs of around 750 units each.

Health and social care client groups account for around five per cent of the existing stock of supported housing, and just under 15 per cent of the additional units needed by 2017. Unlike both the socially excluded and older people's groups, the stock is distributed relatively evenly across London, with around six units per 10,000 population. Table 4 sets out the additional units needed in London for these groups.

Table 4 Requirement for additional supported housing for health and social care – 2007 and 2017

Additional units needed for health and social care client groups	Existing stock	Additional units required in 2007	Additional units required by 2017
London	3,605	644	814
Housing Corporation sub-regions			
East	739	171	253
North	652	22	43
West	933	158	182
South East	590	236	271
South West	691	57	65

Although the greatest investment need is again in the east sub-region, the south east sub-region also has significant investment need. Together, these two sub-regions account for nearly two thirds of the total projected need for additional supported housing for these client groups in London.

Finally, the lowest level of investment need is in relation to the older people's groups. Over 60 per cent of the current stock of supported housing is accounted for by the older people client groups. Again, this stock is not evenly distributed across the capital, although the pattern is different from the other two groupings outlined above. With 91 units per 10,000 population, the north sub-region again has the highest stock levels. The south west has the second highest level with 83 units per 10,000, compared to by far the lowest level in relation to socially excluded groups. The other three sub-regions range between 70 and 74 units per 10,000 population.

Table 5 Requirement for additional supported housing for older people – 2007 and 2017

Additional units needed for older peoples client groups	Existing stock	Additional units required in 2007	Additional units required by 2017
London	46,421	621	793
Housing Corporation sub-regions			
East	8,840	412	443
North	9,088	75	94
West	10,338	134	255
South East	9,232	0	0
South West	8,923	0	0

In terms of investment, London needs just under 800 additional units of supported housing for the older people's groups by 2017. This need is focused on two sub-regions, with two-thirds accounted for by the east sub-region, over a fifth accounted for by the west, and the remainder accounted for by the north sub-region. The project team estimates that no additional units are needed in the other two regions in relation to older people's groups.

LONDON HOUSING FEDERATION

The London Housing Federation is a regional office of the National Housing Federation, the trade body for England's housing associations. We campaign for and promote better homes for Londoners. Our members are London's 360 not-for-profit, independent housing associations. Together they house 1.25 million people in London.

Housing associations have launched iN business for neighbourhoods, a project to improve performance and challenge negative perceptions of the sector and its customers. They have made fresh commitments to neighbourhoods, customers and excellence.

www.housing.org.uk
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HOUSING CORPORATION

The Housing Corporation is the Government agency responsible for investing in new affordable homes and regulating over 1,500 housing associations across England.

The Housing Corporation is working with English Partnerships and Communities and Local Government to establish the proposed new national housing and regeneration agency, Communities England.

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