

Press release: Funding for supported housing for older people to encourage building new homes

A tailored approach to protect and encourage the supply of a wide range of supported housing has been set out by government today (31 October). All long-term housing will remain in the welfare system and a proposed 'sheltered rent' for sheltered and extra care housing will keep rent and service charge at an appropriate level, protecting the housing needs of older and vulnerable people.

Local areas will be taking a bigger role in providing short-term and emergency housing through a ring-fenced grant to local authorities by April 2020, allowing vulnerable people to access secure accommodation without worrying about meeting housing costs at a difficult point in their lives. The grant will be underpinned by a National Statement of Expectation setting out how local authorities should plan effectively for provision in their area.

Supported housing provides a home to some of the most vulnerable people in this country and the vast majority is provided for older people. The government knows the supply of these homes needs to grow as this country's ageing population means that demand is forecast to increase.

Currently supported accommodation is funded through the welfare system, including the housing costs and extra support services. These reforms will ensure:

- funding certainty for the sector, and encouraging long-term investment and new supply
- local areas have a greater role in commissioning services
- councils have a stronger role in providing the right services for their local areas

Local Government Minister Marcus Jones said:

This government is committed to boosting the supply of new homes, and helping people to live independently and with dignity for as long as possible. This is why we are giving the supported housing sector the certainty of funding they need to get building new homes.

These reforms will deliver quality and value for money, funding certainty for the sector and give local areas a greater role in commissioning services.

Minister for Family Support, Housing and Child Maintenance Minister Caroline Dinenage said:

We value the important role supported housing plays and that's why we have worked closely with providers and listened to their feedback to come up with solutions that will safeguard its future and improve support for those that need a home that is safe and secure.

The new flexible funding model and reforms will give housing providers certainty over future funding and drive up quality and provide value for money.

The supported housing sector support provides homes from older renters. It also provides a home for other vulnerable groups such as people with learning disabilities, mental ill health, homeless people and victims of domestic abuse.

The government's latest [policy statement](#) is published online including further consultation on the detailed implementation of the flexible funding models for both sheltered rent and long term supported accommodation.

The [consultation](#) on the detailed implementation of the flexible funding model for supported housing will run until 23 January 2018.

Last week (25 October 2017) the government [announced](#) that the Local Housing Allowance rate will not be applied to the social rented sector.