

MAYOR OF LONDON

Andrew Boff AM

Chair of the Housing Committee
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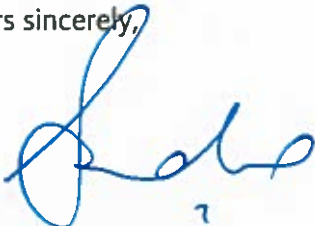
Date: 09 JAN 2017

Dear Andrew,

Thank you for your letter of 28 November 2016 sharing with me the Housing Committee's report on supported accommodation. This report offers a timely and wide-ranging investigation of a sector that I agree plays a vital part in supporting vulnerable Londoners.

Please find enclosed a response that addresses each of the Committee's specific recommendations.

Yours sincerely,



Sadiq Khan
Mayor of London

Enc.

Cc: Lorraine Ford, Scrutiny Manager

Recommendation 1: The Mayor should develop a clearer pan-London map of supported housing stock and provision. This could build on the outcomes of the current Government review and help define what's needed in London.

It is disappointing that the findings from the Government's review do not include more granular geographical data. This seems a missed opportunity to clarify the picture in London and other regions, at a time when local authorities are increasingly collaborating on a regional basis.

The GLA has, in the past, commissioned or assisted with assessments of provision and need for supported accommodation. The most recent iteration of the London Plan also contains indicative borough-level targets for new supported accommodation for older people. But it is correct to say that there is no recent aggregate data on the need for or supply of supported accommodation in London.

Local authorities undertake the sizeable task of assessing local provision and need, both for the purposes of developing local planning policy and to inform their commissioning of services that are typically best provided at local level, in tandem with other services. In doing so, they need to draw on local service data that would not be available to the GLA.

The Government's recent review of supported accommodation did find that local assessment and commissioning is variable in quality. But hopefully this situation will improve, as boroughs are likely to need to undertake robust assessment as part of the development and implementation of the Government's new arrangements for funding supported accommodation.

Given these factors, particularly the risk of duplicating work that boroughs are doing, I suggest that it makes sense to keep boroughs' assessment of provision and need in London under review, with a view to offering them any support GLA can provide to assist them with this responsibility.

Recommendation 2: The Mayor needs to review his Care and Support Specialised Housing Fund. There should be more flexibility in the conditions applied to capital grant to encourage innovation and more agile provision. The revised fund needs to be better promoted to raise awareness among developers from all sectors.

The GLA is fully committed to ensuring that the current second phase of the Care and Support Specialised Housing Fund (CSSHF) and any future rounds of this funding - something that officers are discussing with the Department of Health - are used to optimum effect in meeting older and disabled Londoners' need for high quality supported housing.

However, some of the assessments of the CSSHF presented in the Committee's report - which inform the Committee's recommendation that the Fund should be reviewed - are questionable. Although sums of grant per home have decreased across the board, because of cuts in Government funding for affordable housing, the typical contribution to total supported housing scheme costs within the 2011-15 Affordable Housing Programme was still 45%. Funding has also gone to some innovative supported accommodation schemes, including one that functions as a community hub for older people, a co-housing scheme and homes within an intergenerational development. Under-bidding was a national phenomenon and most pronounced for the second phase of the scheme, as it was initially intended by Government - that is, to stimulate the delivery of specialist market homes for older and disabled people. The GLA therefore secured agreement from Government to make the funding available for either affordable or market housing and officers are currently seeking further bids

Recommendation 3: The Mayor should identify and champion effective examples in London of budget-pooling, integrating health, social care and housing budgets, as implemented in Hackney. He should work with London Councils to help steer London's health economy in this direction.

The CSSHF is, of course, funded by the Department of Health, and collaborative approaches to development are also common across schemes that GLA has funded. The Charlie Ratchford Centre in Camden, for example, includes extra-care housing in premises that provide a range of services for older people in the local community.

The NHS is working to encourage more effective collaboration in service commissioning. For example, the London Homeless Health Programme is developing commissioning guidance which recommends that models of integrated and collaborative work are considered as a means of addressing local need. This could include co-commissioning and pooling resources to optimise service delivery. More broadly, my officers work closely with London Councils on health and related issues and London Councils' seat on the London Health Board helps cement this close working relationship.

The enhanced scope for pooling of local budgets that the Government's proposals for future funding of supported accommodation seek to prevent is also welcome. Hopefully, this will encourage closer collaboration.

Recommendation 4: Developer investment in primary care and community health resources should be a key consideration when the Mayor reviews strategic planning proposals.

The London Plan makes clear that this is a key consideration. Policy 3.2 states "The Mayor will take account of the potential impact of development proposals on health and health inequalities within London. The Mayor will work in partnership with the NHS in London, boroughs and the voluntary and community sector as appropriate to reduce health inequalities and improve the health of all Londoners, supporting the spatial implications of the Mayor's Health Inequalities Strategy."

GLA Planning officers are also exploring the possibility of including more information on need for health services in the new London Plan.

Recommendation 5: We urgently need a settled and sufficient funding arrangement for supported housing. The Mayor must press government to ensure that the outcome of its review into supported housing recognises both the additional building and running costs, and the savings made to the wider public purse which it delivers. Whatever the final outcome, it needs to be workable – a straightforward LHA cap is not workable.

The GLA very much agrees with the report's conclusions around the need for a clear funding settlement that recognises the particular value of supported housing. It is of particular concern that current uncertainty around future funding has, understandably, resulted in a reluctance to move ahead with plans to develop new supported accommodation.

Of course, the Government launched a consultation on its proposals on the same day as the Housing Committee report was published. It is encouraging that the Government's consultation document recognises both the higher costs of running supported housing and the extent of the savings that it delivers for overall public spending. The reiteration of Government's earlier commitment to fund the shortfall between the housing costs for supported housing and LHA rates is also welcome. As outlined in the report, the simple capping of benefit awards for those in social

sector supported housing at LHA rates would leave some of the most vulnerable Londoners facing shortfalls between their benefits and their rents that they would find it impossible to cover.

GLA officers will work closely with partners, including the National Housing Federation, London Councils and members of the No Nights Sleeping Rough Taskforce, to seek to ensure that the arrangements that emerge from the consultation exercise not only protect existing supported accommodation, but encourage the development of new supply where this is needed.