

#PlanForHousing

Funding supported housing

We want to see long-term, increased and ringfenced funding for supported housing and support services. The government's long-term housing strategy should recognise the role supported housing plays in transforming people's lives, reducing homelessness and protecting the NHS.

Key messages

Supported housing is a vital part of the housing system. It enables people who require assistance with aspects of daily life to still live as independently as possible. It relieves pressure on the NHS and social care. For many, the only alternatives to supported housing are residential care, hospital care or another secure type of accommodation.

The sector believes the government should:

- Commit to long-term, ring-fenced and increased funding for housing-related support of at least £1.6bn per year to ensure the continued viability of vital supported housing provision.
- Ensure supported housing is part of a strategic vision, alongside local plans, to meet housing need.
- Make a long-term commitment of at least 10 years to a social housing rent settlement and Housing Benefit, continuing to meet housing-related costs in supported housing.
- View supported housing as a key pillar of social care.

Housing associations provide 75% of supported housing for rent. In 2022/23 housing associations provided 139,334 units of supported housing.

Support funding was cut by 75% between 2010 and 2020. In 2020, councils in England spent nearly £1bn less on services supporting homeless people compared to 2010.

Taking pressure off the NHS and social care

Supported housing is vital to a sustainable social care system. It helps residents build healthy relationships, improves their wellbeing and boosts their independence. It also facilitates people being discharged from hospital into safe accommodation.

It brings about social and economic benefits. This alleviates strain on the NHS and social care services, whilst delivering significant savings to public funds. Specialist housing for older people saves around £3,000 per person per year.

For people with learning disabilities and mental health needs, the saving rises to £12,500-£15,500.

If supported housing funding was withdrawn, the impact on rough sleeping, demand for residential care, psychiatric in-patient and prison places would be unmanageable. Investment in new supported housing developed by housing associations offers long-term value for money for residents and the government.

Save our supported housing

The government's own research shows that between 180,700 and 412,800 more supported housing spaces will be needed by 2040. With homes under threat right now, without action, supported housing providers cannot deliver the homes we desperately need. We're calling on the government to provide the funding these vital services need.

Uncertain revenue, insufficient capital grant, lack of access to land and planning permission are obstructing new developments.

The value of support contracts has not increased in line with inflation in many areas, despite rising costs. In many cases, support has been de-commissioned. This trend, caused by local authority funding pressures, is increasingly concerning. Housing associations need long-term funding certainty on rents, funding for support, and commissioning arrangements to commit to a new supply of supported housing.

Without supported housing, there would be:

- 41,000 more homeless people - costing over £40,000 per person per year.
- A need for 14,000 more inpatient psychiatric places, costing £170,000 per person per year.
- A need for 2,500 more residential care places, each costing £45,000-£50,000 per year.
- A need for 2,000 more prison places, each costing £32,700 per year.