

Report to:	ADULT SOCIAL CARE AND HEALTH SCRUTINY COMMITTEE
Relevant Officer:	Ms Kate Aldridge, Head of Commissioning and Corporate Delivery
Date of Meeting	7 January 2020

PROVISION OF SUPPORTED HOUSING

1.1 To inform Scrutiny Committee of the current position in relation to supported housing in Blackpool to determine if the committee would like to explore this issue further.

2.0 Recommendation(s):

- 2.1
- To note the contents of the report and to consider whether a scrutiny workshop would be helpful.
 - To identify any further information and actions required.

3.0 Reasons for recommendation(s):

3.1 For Members of the Scrutiny Committee to be provided with information about supported housing and consider whether they would like to undertake any further work in this area.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options considered:

Services are subject to national and statutory frameworks.

4.0 Council Priority:

4.1 The relevant Council Priority is:

- Creating stronger communities and increasing resilience.

5.0 Background Information

5.1 1. Introduction and Context

Blackpool is a large seaside town located in Lancashire County in North West England. Blackpool is a Unitary Authority and covers an area of **13.46** square miles. Blackpool boundary sits within the urban area stretching along the Fylde Coast, and is one of the most densely populated authorities in the UK outside London. Blackpool is England's largest and most visited seaside resort attracting around **6.5** million adult visitors in 2018ⁱ It is the main retail, public administration, cultural and service centre for the Fylde Coast (Blackpool, Fylde and Wyre), supporting an estimated population of **329,159**ⁱⁱ and a workforce of around **153,600**.ⁱⁱⁱ

The town was founded upon tourism and grew rapidly in the early 20th century leaving a legacy of high quality late Victorian architecture, including the iconic Blackpool Tower, piers and promenade. In the mid 1980's Blackpool attracted around 17 million visitors each year, supported more than 100,000 holiday bed spaces and was the most popular holiday destination in the UK.

Whilst Blackpool remains at the heart of the UK tourism and visitor economy, it has experienced a significant decline in visitor numbers from the 1980s onwards. Three decades of decline has had significant impact on the visitor economy, left a wake of low quality housing stock and challenges finding space for development. It has also created high levels of deprivation with many low paid or unemployed families. Like many coastal resorts, Blackpool now faces a series of significant social challenges that will require significant social investment to reverse.

5.2 Blackpool's Population

Blackpool has a total population of around **139,870** people. From 2001 to 2017, Blackpool's population has fallen by 1.7%. Blackpool's population has a smaller proportion of school age and working population residents than the UK average and North West, but a larger older population proportion than these areas. By 2040, Blackpool's population is **predicted to fall by 2.4%** to 136,500. Blackpool's gender balance is roughly in line with the ratio seen nationally and regionally. Blackpool is the **most densely populated area in Lancashire** and third in the North West. Residents are mostly of White British ethnicity. Black and Minority Ethnic groups, including Irish and European residents, are estimated to make up around 6% of the population approximately 9,000 people, compared with the estimated proportion for England of nearly 20%.

5.3 **Factors affecting Blackpool's population**

- Blackpool ranks as the most deprived authority in England, ^{iv} based on both the average LSOA score and concentration of deprivation measures from the 2015 English Index of Multiple Deprivation (IMD)
- Blackpool has a wide range of health, employment and housing issues. Including; having the 2nd lowest life expectancy amongst men and 4th lowest life expectancy amongst women in the UK, ^v 19.8% of households are workless households, the 5th highest proportion in the North West^{vi} and in 2017/18 the number of dwelling stock in Blackpool increased by only 276 properties, whereas the average across England for 2017/18 was an increase of 629 dwellings and across the Lancashire-14, the average net increase in properties was 352^{vii}

5.4 **Housing**

Blackpool has a slightly higher level of private renters (24%) than the national average (19%). This is driven largely by changes in the seaside economies with many former guesthouses converting to flats, and fluctuations in seasonal work creating demand for temporary accommodation in resort areas. The median house price paid in Blackpool increased by 2.8% between June 2017 and June 2018, to an average price of £111,000. This is in contrast to a national average rise of 3.4% in the same period and a national average house price for England and Wales of £259,275.^{viii} Blackpool has a significant proportion of Houses in Multiple Occupancy (HMOs) in central wards close to the promenade and a monitoring project by Blackpool Council identified up to 37% of private sector rented properties in resort areas could be classified as a HMO. The following table summarises key information about the Blackpool housing market.

5.5 **Supported Housing**

The broad definition of Supported housing is any housing scheme where accommodation is provided alongside care (not necessarily commissioned social care), support or supervision to help people live as independently as possible in the community. This includes:

- Older people with support needs;
- People with learning and physical disabilities;
- Individuals and families at risk of or recovering from homelessness;
- People recovering from drug or alcohol dependency;

- Offenders and ex-offenders;
- Vulnerable young people (such as care leavers or teenage parents);
- People with mental ill health; and
- People at risk of domestic abuse.

Supported housing is funded through Housing Benefit. In 2017, the Government consulted on proposals to apply changes to the funding system. As a result of the consultation, no legislative change has been made and the system continues to be administered “as is” through the housing benefit route (see next section for details). The draft National Statement of Expectations which was issued as part of the consultation was largely supported.

Over recent years there has been an increase in the number of supported accommodation schemes being set up within the Blackpool area.

Due to the nature of the schemes they can attract very high rents and service charges, which landlords hope and expect to be met through Housing Benefit, often with the help of consultants who specialise in rent restructuring and maximising Housing Benefit levels.

This appears to be seen as an opportunity, leading to more schemes attempting to be established. However, these schemes do not always attract full subsidy from the Department for Work and Pensions (DWP) and can therefore prove to be costly for authorities.

5.6 **How Supported Housing is funded.**

Supported Housing provided to most people in Blackpool is funded through Housing Benefit. If the provider of supported housing (the landlord) meets a specified definition then the amount of housing benefit paid to the tenant can be claimed back nationally. If the provider does not meet the specified definition then the local authority may need to pay some proportion of the costs (if it exceeds a capped amount).

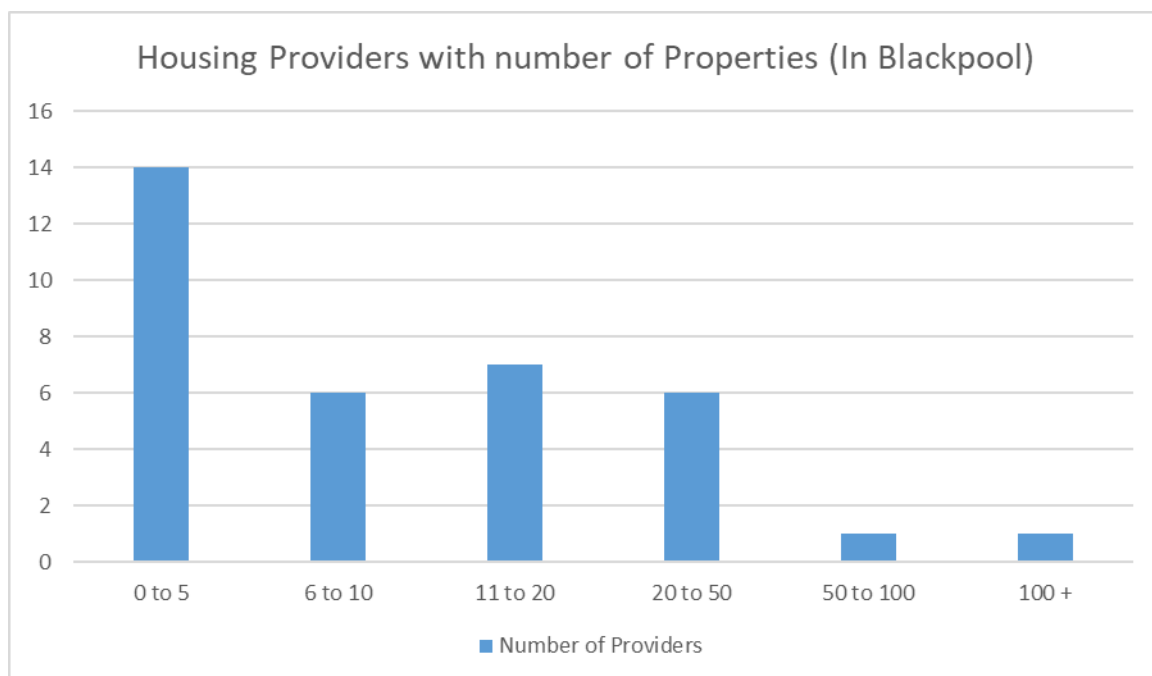
Over the past two years, the Council has subsidised Housing Benefit for Supported Housing at a cost of £1.273m.

2018-19			
Case Type	Number	Total Benefit Paid	Subsidy
Temporary Accommodation	111	£12,044	0
Supported Accommodation			
Charity/3rd Sector Landlord	385	£1,215,009	£473,242
LA Hostel	339	£899,169	No Loss
Registered Provider	785	£4,844,814	No Loss

2017-18			
Case Type	Number	Total Benefit Paid	Subsidy
Temporary Accommodation	73	£4,437	0
Supported Accommodation			
Charity/3rd Sector Landlord	607	£2,048,489	£799,987*
LA Hostel	348	£901,179	No Loss
Registered Provider	598	£3,512,167	No Loss

*Costs are higher as the local authority lost a Housing Benefit appeal and needed to backdate rent increases for a provider.

There are 35 housing providers of supported housing in Blackpool. The number of properties per provider ranges from one to 102.



The average weekly rent per tenant varies between providers, starting at £79.90 with the highest average provider weekly rent at £355.58

The following providers offer supported housing in Blackpool for which Housing Benefit is paid.

Landlord ID	RP/ RSL	Total Annual Rent amount	Number of properties	Average weekly rent per tenant
A (102467)	Y	£852,137.00	102	£160.66
B (202262)	Y	£775,714.68	63	£236.79
C (102723)	N	£466,596.00	41	£218.85
D	Y	£451,611.68	34	£255.44
E (102096)	Y	£399,846.20	37	£207.82
F (104822)	Y and N (Y for 3 properties they manage on behalf of a HA, N for the 1 property they have themselves)	£389,976.60	30	£249.99
G(200625)	Y	£330,853.12	19	£334.87
H(166144)	Y	£273,082.16	20	£262.58
I (138845)	N	£182,561.60	18	£195.04
J (182273)	Y	£161,996.64	13	£239.64
K (107401)	Y	£160,128.80	16	£192.46

L (107564)	Y	£147,921.28	8	£355.58
M (104241)	Y	£133,710.72	12	£214.28
N (105175)	Y	£113,346.48	11	£198.16
O(105447)	Y	£110,826.56	9	£236.81
P (104850)	Y	£87,309.04	21	£79.95
Q (198707)	Y	£84,761.56	8	£203.75
R (104272)	Y	£81,547.44	14	£112.02
S (181621)	N	£72,800.00	8	£175.00
T (196912)	Y	£71,516.64	4	£343.83
U (102452)	Y	£61,502.48	8	£147.84
V (100179)	Y	£51,461.28	4	£247.41
W (100160)	N	£48,698.00	5	£187.30
X (181132)	Y	£43,291.56	4	£208.13
Y (105723)	Y	£42,536.00	10	£81.80
Z (101493)	Y	£41,733.64	4	£200.64
AA (207124)	Y	£30,624.36	3	£196.31
BB (171755)	N	£17,589.00	3	£112.75
CC (188997)	N	£13,885.56	1	£267.03
DD (101844)	Y	£8,682.96	2	£83.49
EE (198474)	Y	£6,377.80	1	£122.65
FF (105997)	NOT PAID SINCE 2018	£5,923.84	1	£113.92
GG (106088)	N	£5,596.24	1	£107.62
HH (140191)	N	£4,789.20	1	£92.10
II (102497)	Y – TAKEN OVER BY provider A	£4,154.80	1	£79.90
Total		£5,735,090.92	537	

537 properties constitutes just over 3% of the properties where housing benefit is in payment in Blackpool.

5.7 Supported Accommodation – how applications are made

The first time the Council is aware of a scheme is often when the accommodation provider approaches the Benefits Service with proposals to charge high levels of rent for their accommodation, or when an approach is made to Housing Options about a new scheme. Sometimes the schemes are in operation prior to any Council involvement.

When deciding whether a supported accommodation claim is eligible for Housing Benefit, the first test is to determine that there is a credible level of care and / or support provided.

This is typically done with reference to the time spent providing care and support, what this constitutes and how this is funded. There is a significant amount of case law relating to supported accommodation, a lot of it concentrating on the determination of whether the landlord (or someone on the landlord's behalf) is providing sufficient or enough support for the accommodation to be treated as 'exempt accommodation' for Housing Benefit. This can involve looking at each facet of what is being provided to decide whether it is housing-related or support-related and may, for example, involve looking at relevant job descriptions. However, there is no requirement for the level of support to be at a high level.

If support is not considered to be at an acceptable level then no Housing Benefit can be paid and help with any housing costs would have to be sought through a claim to Universal Credit rather than Housing Benefit.

Where support is determined to be required by the individual, and provided by at an acceptable level, the housing costs are looked at in order to check that they are both eligible and reasonable when deciding the rent to be used for Housing Benefit.

The administration and payment of Housing Benefit for supported accommodation is complicated. The regulations, guidance and case law that apply have developed over the last twenty five years, responding to changes in the Housing Benefit legislation, the introduction of the (now disestablished) Supporting People Programme, and the introduction of Universal Credit.

Blackpool takes a robust approach when determining whether a scheme is classed as supported accommodation for Housing benefit as decisions are subject to external audit review and can be challenged without supporting evidence to make the decision.

Occasionally, when landlords are challenged about their proposed scheme costs they do not proceed. However, where a decision is made that the accommodation does not meet the criteria to be classed as supported accommodation, or where rent restructuring or a rent increase is not accepted by the Local Authority, the individual or landlord can challenge the decision.

There is a duty under the Housing Benefit rules to ensure rents used to determine Housing Benefits awards are not unreasonably high and we must be able to show that we are correctly administering the Housing Benefit scheme in accordance with Government regulations and audit expectations. Failure to do this correctly may have a negative impact on the Council's finances because of the Housing Benefit subsidy regime.

Where Housing Benefit regulations are found not to have been applied correctly, not only can the Local Authority lose subsidy but a further extrapolated financial

adjustment to the subsidy claim can be made, leading to another, potentially significant, subsidy loss. It is therefore important that Blackpool pays due care and attention to this complex area of work in order to ensure that decisions are in line with legislation and to minimise the risk of challenge and scrutiny.

5.8 **Impact on the local community**

Good quality supported accommodation where vulnerable people who would otherwise struggle to maintain a tenancy well, live independently or require urgent and intense support alongside temporary safe and secure accommodation, is a valuable asset within the Blackpool community. There are some concerns that not all of the accommodation that is currently in place as supported accommodation, or that which is planned, is good quality and supporting the Council in its vision to create resilient communities.

Where vulnerable people are not provided with the support that is outlined, or the support is not effective in, properties can become problematic within the neighbourhood, and attract the attention of the Police and Anti-Social Behaviour officers. This has led to coordinated activity to respond to concerns at properties which has, on occasion led to the identification that the support plans that were outlined in the original application are not always being provided as anticipated.

A strategic group has been formed with representation from benefits, housing options, community safety, planning, licensing and social care to explore how we can work together to ensure that when providers are working with vulnerable groups and receiving housing benefit to meet support needs, that we do whatever we can to ensure that those needs are being appropriately met.

Does the information submitted include any exempt information? No

7.0 **List of Appendices:**

None

8.0 **Legal considerations:**

8.1 As outlined above – any action planned to challenge the delivery of supported housing must be within the existing legislation.

9.0 **Human Resources considerations:**

9.1 None

10.0 Equalities considerations:

10.1 None

11.0 Financial considerations:

11.1 Any failure to ensure that the payment of housing benefit is appropriately managed has financial implications.

12.0 Risk management considerations:

12.1 None

13.0 Ethical considerations:

13.1 None

14.0 Internal/ External Consultation undertaken:

14.1 None

15.0 Background papers:

15.1 See end notes below.

ⁱ Blackpool 2018 Omnibus Visitor Annual Survey Report.

ⁱⁱ Population Estimates for UK, England and Wales, Scotland and Northern Ireland: Mid-2017, ONS (2018)

ⁱⁱⁱ Working or available to work i.e. all people economically active – Oct 2017-Sep 2018 (Blackpool, Fylde and Wyre) Nomis (2018)

^{iv} 2015 English Index of Multiple Deprivation (IMD), Communities and Local Government (2015)

^v Workless Households, Nomis (2018)

^{vi} Households by combined economic activity status, Nomis (2017)

^{vii} Net additional dwellings by local authority district, England 2001-02 to 2017-18, Ministry of Housing, Communities and Local Government (2018)

^{viii} House Price Statistics for Small Areas (HPSSAs), ONS (2018)