



FUNDAMENTUM

PROPERTY

The Chronic Need for Supported Housing

14th September 2018

The Demand

Figures issued this week have highlighted the demand and need for Supported Housing in the UK as greater than ever. With a growing and ageing population, underpinned by increased pressures of the modern world, the facts and figures are best placed to disclose the absolute needs of the sector. This week, EMH Group, previously known as the East Midlands Housing Association, Landlord to 18,000 homes across the UK, have suggested that the **number of people aged 65** or over in the UK is expected to **increase from 11.8 million to 17.5 million** over the next 20 years. Viewed alongside the number of vulnerable young adults with care requirements, recent government statistics state there are consistently over 1 million households on Local Authorities' waiting lists. Furthermore, the learning disability charity, Mencap, conducted research earlier in the year showing Supported Housing is forecast to increase from **38,500 units in 2015 to 59,800 in 2030, a rise of 36%**; partly due to a government target to move people with learning disabilities from hospitals back into the community. Despite the sector being niche as an investment vehicle, the statistics on this aspect of Social Housing are widespread, and often come to the same stark conclusion.

Supported Housing covers a wide range of social issues encompassing those with mental health, bringing further challenges to the sector. Earlier this week HRH Prince William launched a website with charity 'Mind', to improve mental health in the workplace. A new study warns that half of British employees are suffering at work. **Mental health issues** in adults across the UK has been rising by **13% per year on average**; in 2017 this rose to 21%.

Update on Funding

This need for funding remains a priority within the sector. Local Government spending cuts in recent years has heightened the need for funding both in regards to housing stock and funding for care. A recent survey by the Association of Directors of Adult Social Services, found that last year half of the Local Authorities in England overspent on their adult social care budgets. Since 2010, social care spending has been cut by £7bn. Specifically, over the last 2 years Supported Housing also saw the government threatening to cap housing benefit.



However, an announcement last month by the Government that Supported Housing funding will continue to be covered by housing benefit, and that they had dropped plans to provide 'top-up grants' through councils for both short and long-term Supported Housing. The Government last month also announced an **extra £76m** a year for The Care and Support Specialised Housing Fund to build new homes for those considered vulnerable to live independently. Furthermore, the Government Green Papers, 'A new deal' released on the 14 August, recognised the continued need for Local Government to partner with private and social impact investors to increase supply of social housing.

Summary

There have been positive developments for the Supported Housing sector over the recent weeks, with the Government recognising that there continues to be an overwhelming need to address the shortfall of both funding for care, and housing. The reinforced desire for Local Government to work with both private funders and investors, as stated in the Green Papers, are a boost to the Sector. In the context of a national housing shortage, demand will always outweigh supply. With private investors taking on the opportunity, it will only aid the national, wider picture for the good of those who need it the most.

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