



Housing Research Summary

Implementing the Transitional Housing Benefit Scheme in Wales

The Housing Benefit system has a key role in maintaining the viability of supported accommodation in Wales. That role, from April 2003, will change when the new policy and funding regime, [Supporting People](#), is introduced. Most of the costs of providing support for people will transfer from Housing Benefit (and other sources) to a new budget, the Supporting People fund, which will be administered by local authorities. For a further interim period until April 2006 the National Assembly for Wales will continue to administer the Supported Housing Revenue Grant (SHRG) but that source of funding will also transfer to the [Supporting People](#) fund at that time.

The Transitional Housing Benefit Scheme (THBS) runs from April 2000 to March 2003 and is intended to provide the National Assembly, the Department of Transport, Local Government and the Regions (DTLR) and the Department for Work and Pensions (DWP) with information about the current costs of providing support through Housing Benefit.

In July 2001 the Social Policy Research Unit and the Centre for Housing Policy at the University of York were commissioned by the National Assembly for Wales to carry out research into the implementation of the Transitional Housing Benefit Scheme by local authorities in Wales.



Findings

- The burden of implementation has fallen primarily on Housing Benefit departments. As a result THBS has not received the level of commitment and resources that are needed.
- Despite some examples of effective joint working between Supporting People staff, Housing Benefit officers and providers in some local authorities, joint working was not happening in many others.
- A barrier to joint working in some areas was the lack of trust between the principal parties, registered social landlords and local authorities.
- One of the biggest barriers to implementation of THBS in Wales has been a climate of uncertainty about the strategic direction of Supporting People and the funding arrangements that will be put in place for April 2003 and beyond.
- For providers the process of costing supported housing and deciding what element is housing and what is support is not just a technical exercise, it is a strategic issue. This has slowed the process of restructuring rents and caused providers to load costs into rent.

Methods

Four case studies were carried out in the autumn of 2001 and two workshops for local authorities and supported accommodation providers were hosted by the National Assembly in October and November 2001. The case studies comprised in-depth interviews with the key stakeholders in each local authority area, including Housing Benefit managers, staff directly involved with implementing THBS, Supporting People lead officers, staff in

housing and social services departments, and providers of supported accommodation. The workshops were attended by Housing Benefit and Supporting People staff from all 22 Welsh local authorities and a range of supported accommodation providers.

The aim of the case studies and workshops was to generate lessons for local authorities, the National Assembly, and supported accommodation providers that would help all parties to implement the THBS effectively in the period up to April 2003.

LESSONS LEARNED

1. Lessons for local authorities

Working structures and procedures

Implementation of the THBS needs to be recognised as a three way process of communication between the three stakeholders: Housing Benefit staff, lead officers and, importantly, providers. Implementation of THBS should not be seen as Housing Benefit's responsibility only.

THBS needs to be 'owned'. It is suggested that lead officers assume strategic ownership working with Housing Benefit departments. Lead officers should convince Chief Executives, senior officers and elected members that THBS should be given more priority and resources.

Joint working forums should, where they are not already, be set up as the principal means of getting all the relevant parties together, and of ensuring that they work together to maximise the pot for their local area.

A 'plain English and Welsh' brochure on the local significance and implementation of THBS could be produced and widely distributed. The same brochure should be distributed to all the three principal parties

Implementation of THBS requires adequate resources. Senior officers need to be aware of the importance of resourcing THBS adequately. Any incorrect decision making that results from under-resourcing is likely to lead to inadequate funding of Supporting People after 2003.

Transitional Housing Benefit decision making

Reasonableness issues are likely to become more common in the next 6-12 months. Good decision making requires suitably qualified staff. Local authorities should consider whether some form of appropriate cross-department or multi-agency forum should be set up to deal with difficult cases.

Direct contact with providers is necessary to resolve issues around rent/support splits, eligibility, and reasonableness.

There is almost certainly a need to review existing THBS assessments to ensure they are realistic, justifiable and reasonable.

Local authorities need to follow through the implications of the message to 'maximise the pot' which should serve as a renewed emphasis on the importance of joint working to the success of the Supporting People project.

Lessons from providers to local authorities

Providers, particularly small providers, need more technical and financial help.

Providers would like more strategic advice from implementation in the form of firm commitments

Providers would like more feedback from Housing Benefit departments after they have submitted claims.

2. Lessons for the National Assembly

Working structures and procedures

There is a case for considering the production of a series of accessible information brochures or pamphlets (in collaboration with DWP) on the structure and purpose of THBS and its role in ensuring the success of Supporting People. The brochure could be reproduced on the National Assembly's website.

Resources could be made available from Supporting People preparation monies specifically for the purpose of improving the implementation of THBS.

The National Assembly could facilitate cross authority forums of Housing Benefit officers to encourage a consistent and high quality approach to THBS.

Stats 121-124 forms will underestimate support where a local authority's own stock has not been reviewed yet. This must be taken into account in any 'sizing the pot' estimates that are made. Management information generated by THBS software systems is still likely to be incomplete, and likely to change in the next six to twelve months.

Consideration should be given to providing local authorities with sufficient additional funds (separate from new grants for implementing Supporting

People) to administer THBS, including resources for associated tasks such as the production of leaflets and other publicity material.

The National Assembly should consider seeking, and publishing, advice from the Data Protection Commissioner about the legitimacy of local authorities, providers and others sharing information about individual clients and claimants.

The National Assembly for Wales has a role to play in educating local authority Chief Executives, senior officers and elected members about the importance and urgency of implementing the Transitional Housing Benefit Scheme.

Transitional Housing Benefit decision making

The National Assembly needs to clarify its intentions around how Supporting People funds will be allocated post 2003 in order for local authorities and providers to have confidence to make decisions now about costing and development decisions.

The National Assembly and DWP should clarify the effective 'cut off' date after which they will be using existing data to inform decisions about the size of the pot for Wales.

The National Assembly should provide local authorities with advice on what community care costs can be moved legitimately to THBS.

DWP (with The National Assembly) should keep under review its guidance on a number of issues, including:

reasonableness;

appropriate depth of investigation on THBS cases;

contrived tenancies.

There is probably a limit to what can be done to persuade Housing Benefit staff to scrutinise breakdowns more closely. Instead effort should be made to communicate the importance of the THBS.

Government needs to continue to work with the national provider organisations so the latter can communicate the continued importance of the THBS.

3. Lessons for providers

Providers need to be made more aware of the urgency of providing rent/support splits.

Providers need to be persuaded that it would be expedient to re-examine rents.

The dangers of loading costs into the rent element need to be explained to some providers.

Providers need to be told that there is less discretion in the system than they believed.

Superior landlords' and managing agents need to work more closely on rent and support.

¹ 'Superior landlord' is the term used in DWP circulars to describe the agency that owns the property (to distinguish them from managing agents).

CONCLUSIONS

The organisation of local government, the existence of the National Assembly, and the close knit nature of the supported accommodation sector, account for some of the different experiences of THBS in Wales compared with the rest of Great Britain and provide some distinct opportunities for making progress.

Some Welsh authorities have clearly made good progress in implementing THBS. Others are less well advanced. There are sufficient examples of good practice, which we have identified in the course of this research, for local authorities and providers to make further progress themselves. Importantly though, there is also a crucial leadership and communication role for the National Assembly. If THBS is to be a success, and ultimately if Supporting People is to be introduced successfully, perhaps

the key lesson from the research in Wales is that everyone, local authorities, supported accommodation providers, and the National Assembly, has a mutual interest in getting THBS right. The National Assembly needs to get this message across, provide clarity about the strategic direction of Supporting People in Wales, and, where it can, promote and facilitate joint working between the key parties in local authorities and in the supported accommodation sector.

Whatever the uncertainties of 2003 and beyond, local authorities and providers that have worked together now will have given themselves the best chance of having a supported accommodation sector in the future that meets the needs of the people who rely, either permanently or for a short time, on general counselling and support services.



The report **Implementing the Transitional Housing Benefit Scheme in Wales** and further copies of this summary can be obtained from:

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