

Redistribution of Supporting People Funds

Redistribution of Supporting People funding in Wales.

Welsh Government provide Local Authorities with a grant to provide housing related support to citizens enabling them to live as independently as possible. This was previously known as Supporting People Grant changing to the title of Housing Support Grant in 2019, which also includes Homeless Prevention and Rent Smart Wales Enforcement grants. The grant was originally calculated on actual expenditure for housing related support projects in each county that were funded through transitional housing benefit. Some years ago redistribution was looked at as some counties felt it was unfair that they did not receive the same levels of funding as other counties. A consultant - Mansell Aylward was commissioned on behalf of the Welsh Government to come up with a formula to make the distribution of the grant fairer and more equal. Many Local Authorities disagreed with the method used to calculate the redistribution. The implementation of redistributing the grant has been delayed but has now been communicated from Welsh Government that a new method of redistribution is going to be introduced. It is unknown at this point which formula is going to be proposed.

Considerations Regarding Previous Formula

The Aylward formula was flawed in terms of it not factoring in rurality etc., and omitted some categories e.g. domestic abuse. We are also working within a very different landscape now from when the calculation was formulated i.e. different homelessness legislation, the new scope of the Housing Support Grant, and welfare reform.

What does it mean to Denbighshire?

At this point it is unclear what the effect will be to Denbighshire until a formula is announced from Welsh Government. We do know that all of the projects funded through the Housing Support Grant are fully utilised and have large waiting lists. Any potential cuts to services will impact on statutory services such as homelessness, social services and health, leaving Denbighshire with a very hard decision to make as to what services are paramount. No projects in Denbighshire are 'nice to have projects' as all provisions meet different needs, as you would expect in a diverse county. Services include supported housing, refuges for citizens fleeing domestic abuse, night shelter and floating support.

Projects have already been remodelled to provide the best value for money, whilst trying to maintain the quality of each service. By providing floating support as well as supported housing allows intervention and prevention work to be done, enabling households/citizens to deal with issues before crisis point. We are continuing to work

closely with all of our providers to look at how we can deliver more streamlined and responsive services.

The Impact on Denbighshire

The original redistribution formula was developed in an attempt to fairly redistribute funds to geographical areas of greatest need. Our fundamental argument is that austerity has not ended, the vulnerability of our communities has increased, and the numbers presenting as homeless are increasing.

If the original formula is used it would result in a cut of £1.94 million of the £5.5 million grant each year to Denbighshire. It is unclear at this point if the reduction would be phased or applied in one go. Over recent years reductions have already been applied, and this has formed part of the North Wales response to the Welsh Government consultation. Homelessness presentations have continued to rise year-on-year and we know (from the Unmet Need Survey) that support services in Denbighshire are working with people with increasingly complex needs. The Housing Support Grant commissions support that plays an ever more vital role in the prevention of homelessness in Denbighshire. Cuts to this grant will inevitably mean increased pressure on all statutory services not to mention the impact on Denbighshire citizens.