Sheffield Hallam University | Centre for Regional Economic and Social Research

A Review of Special Needs Management Allowance

Final Report for Department for Communities

October 2022

Knowledge Applied

A Review of Special Needs Management Allowance

Final Report for Department for Communities

October 2022

Authors: **Professor Christina Beatty and Jan Gilbertson**

Centre for Regional Economic and Social Research

Sheffield Hallam University

Contents

Executive Summary

Introduction

Special Needs Management Allowance (SNMA) was originally established in 1993 to provide revenue funding for supported housing for people who are vulnerable, socially disadvantaged or disabled. These include people with learning disabilities, frail older people, older people with dementia, people with drug and alcohol addictions, and homeless people.

In 2003, the Supporting People Programme (SP) replaced several supported housing funding streams including SNMA. However, a small number of SNMA schemes which are Residential Care Homes (RCHs) have continued to receive Legacy SNMA funding since this point in time because RCHs fall outside the criteria for SP funding.

Currently there are 19 SNMA schemes providing 438 units of accommodation. Nearly three quarters of this provision is for older people, nearly a quarter is for those with a disability, and three per cent provides accommodation for the homeless. Overall, SNMA accounts for 2.2 per cent of all supported housing accommodation units in Northern Ireland.

In 2022, the Department for Communities (DfC) commissioned a team at the Centre for Regional Economic and Social Research at Sheffield Hallam University to undertake a Review of SNMA. The research includes: a comprehensive consultation exercise with Providers, Housing Associations (HAs), Health and Social Care Trusts (HSCTs), and wider key stakeholders; a financial data collection exercise; and an assessment of future funding options for SNMA schemes. The research aims to provide a better understanding of the schemes, the services they provide to their residents, their operational models, and the contribution of SNMA funding to their financial sustainability.

This Review seeks to address four key questions:

- **Is SNMA was being used to pay for housing support services and what is the nature of these services?**
- **Do these services further 'independent living'?**
- **Are these services in accordance with the SP programme?**
- **Given other budgetary pressures is this a good use of public money?**

Housing support services

The Providers indicate that funding streams from multiple sources come into an overall funding pot for each scheme and from this they provide a holistic service. All bar one of the Providers are very clear that the SNMA funding contributes to housing support, supporting and independence and choice for their residents and that this is in addition to personal care funded by the HSCT. This concurs with the evidence collected via the Financial Data Template which indicates 97 per cent of all SNMA funding is spent on delivering housing support and independence.

The Providers are also clear that staff cannot be arbitrarily divided into separate roles which solely provide personal care or solely provide housing support. This reflects the complex needs of the residents, the small size of many of the schemes, and the holistic nature of service delivery. Providers state that the promotion of choice and independence is integral to service delivery and this is the responsibility of all staff:

> *"from the chief executive to the leadership team, senior management team down to support workers, team leaders down to cooks, domestic staff, it's part of our mission and we're a valued based organisation and even down to appraisals and work plans are all based around promoting those values."* **Provider**

Independent living

A specific definition of independent living as used by Independent Living in Scotland[1] was tested out with respondents to see if they feel it applies to their schemes:

> *Organisations that support Independent Living state that many people living with a disability describe it as: 'having the same freedom, choice, dignity and control as other citizens at home, at work and in the community. It does not necessarily mean living by yourself or fending for yourself. It means the right to practical assistance and support to participate in society and live an ordinary life'.*
> *Source: What is Independent Living? Independent Living in Scotland*

All those interviewed agreed that their schemes improve the quality of life of residents by promoting choice, freedom, dignity and independence in line with this definition. They acknowledge this means different things for different residents and that this is tailored to the day-to-day practicalities, capabilities, needs and wishes of each individual resident. The staff encourage and facilitate residents to make as many of their own choices about their daily lives as possible. They see services both in SNMA and non-SNMA projects as being based on a person-centred approach which helps residents to live as good a life as they can in whatever setting.

Important aspects of independent living facilitated by the SNMA schemes include:

- a focus on **integrating with their local community** enabling the participation of service users in community life and activities
- involving service users in **decisions about their housing** (e.g. home decoration, choosing furniture etc.)
- **a holistic approach to service delivery** meaning it is the responsibility of all staff **to promote choice and independence** as part of every employee's job
- **facilitating independence** and choice for people to live in the schemes for as long as is possible and for as long as they choose to.

SNMA schemes in relation to the SP policy framework

Many of the Providers point out that whilst their SNMA residents might require a higher level of care than in their SP schemes, the ethos of the schemes and attitudes towards residents is the same – supporting residents to live the best quality life that they can within their capabilities and disabilities.

[1] The Independent Living in Scotland project aims to support disabled people in Scotland to have their voices heard and to build the disabled people's Independent Living Movement (ILM). It is funded by the Scottish Government Equality Unit to make the strategic interventions that will help to make independent living the reality for disabled people in Scotland and hosted by Inclusion Scotland.

Most SNMA schemes operate the same processes, pathways and referral routes as is the case for their SP schemes and this includes a multi-agency approach to needs assessments.

The majority of Providers have Licence to Occupy Agreements rather than Tenancy Agreements for their residents. Whilst each of these agreements offer a different legal basis for occupancy, many Providers say that their occupancy agreements give residents *'a degree of security similar to tenancies'.* They also articulate their residents' ability to occupy their accommodation as their own home including bringing their own furniture, belongings and contribution to how their room is decorated.

Many Providers comment that the realities are the same for a 'tenant' in SP schemes as it is for a 'resident' in a SNMA scheme. If the tenant or resident requires additional nursing care more than the personal care provided by the scheme whether it is SP or SNMA then multi-agency discussions take place with the resident and their family to find better alternative accommodation that meets the resident's needs. Many SNMA schemes have very long-term residents who have been with them for many years. Residents and their families see this accommodation as their home and are supported to live in the scheme to the end of their life if this is what the resident and their families wish for.

SP policy aims include assisting transitions to independent living from institutionalised environments, the ability to provide support services that reduce hospitalisation, institutional care or homelessness, and the need for regulation of the sector. The stakeholders indicate that SNMA schemes are also in line with these aims as:

- the SNMA schemes **reduce the need for institutional care** as without the support of SNMA funding some of schemes are at risk of closure and the alternative for some residents would be to move to more institutional care settings providing nursing provision
- the SNMA schemes provide a **steppingstone for some residents** on a journey from more institutionalised care towards SP provision
- funding of SNMA schemes **reduces the risk of homelessness** for some residents and **reduces the need for placements in nursing care** which would not be suitable for residents' needs or provide housing support services to promote choice and independence
- many SNMA schemes confirm that it is necessary to remain within the **RCH regulatory framework** to provide assurances to residents and their families that adequate quality care is being provided.

SNMA funding and cost effectiveness

The analysis of NIHE data on unit costs to DfC of SP and SNMA provision indicates that all SNMA schemes are at the lower end of the spectrum compared to wider SP provision for similar client groups. This demonstrates that SNMA schemes are a cost-effective model of provision and represents value for money to the Department. However, it needs to be acknowledged that this is an assessment on the basis of funding provided from DfC and the overall costs of the schemes are significantly higher much of which is funded by the Department of Health (DoH).

Providers confirm that SMNA funding is predominantly being used to fund and maintain services **to support the independence of residents**, to provide an **enhanced level of support in relation to their housing**, and that SMNA funding also contributes to the costs that HSCT funding doesn't cover including higher housing management and maintenance costs associated with these schemes. Some of these costs are related to specific Housing With Care (HWC) design features which encourage and promote independence.

Previous reductions in SNMA funding have *'tightened the pot', 'made everything a little bit harder'* or has had a *'significant impact'* on schemes. Removing SNMA funding without a replacement would have a detrimental impact on service delivery, the quality of life, and independence of residents. Providers voice extreme concern that if SNMA funding is not continued or returned to previous levels of funding that this would potentially jeopardise their schemes, make them unviable or at risk of closure.

The future of SNMA

As part of the consultation exercise, respondents were asked to consider five possible options for the future of SNMA funding. The preferred option for most stakeholders is for there to be as least disruption as possible to the SNMA system and that funding is continued on a similar basis as present. However, it is noted by many that funding needs to be return to 100 per cent of the previous funding levels (currently at 70 per cent) and that inflationary uplifts need to be built into the system to make the system sustainable in both the short and long-term.

The vast majority of respondents feel that this is the best option for the residents, their families, and their ability to maintain the quality of services delivered. For many, this approach would acknowledge that the schemes work well for the complex needs of their residents; that it seems pointless to change schemes which work well; and that some provision would be put at risk of closure if current funding mechanisms were not continued given that many schemes are already struggling with finances. HA Landlords and Providers feel that continuous reviews on the future of the SNMA funding stream only add to uncertainty within the sector and they would also like assurances that the funding mechanisms are finally resolved in order to protect current and future provision.

Some interviewees argue that SNMA provision should not only be retained in its current form, but that this type of provision needs to expand to meet the increasing demand for housing, care and support needs of older people, and other vulnerable groups. For example, SNMA HWC schemes are in high demand and investment is required for unmet need as well as growing demand from people with dementia.

Recommendations

On the basis of the review of policy documentation, the consultation exercise, the options appraisal, the financial analysis of NIHE data, and the analysis of the Financial Data Templates the research team suggest that the following recommendations are considered:

- **The DfC maintains responsibility for SNMA schemes:**
  - the Department should aim to minimise disruption and support the sustainability of this distinct segment of provision
  - the Department should facilitate increased engagement between key actors in the health and housing sectors to increase understanding, good practice, and learning from SNMA provision in order to inform future joint commissioning of services.
- **Funding for SNMA schemes continues:**
  - future funding mechanisms need to recognise that this is a distinct form of provision within RCHs that cannot be fully transferred to current SP rules
  - this should be on a similar funding model as is currently the case
  - but funding should be reinstated at 100 per cent of SNMA
  - previous depreciation in the value of SNMA since 2008 should be considered and if possible, taken into account, to improve the long-term sustainability of the schemes

- inflationary uplifts should be built into the future funding system
- consideration should be given to whether the distinct model of HWC should not only be retained but expanded given unmet and growing demand including for older people with frailties and dementia, and those with learning disabilities or brain injuries.

- **Clarification that SNMA schemes should continue to be ring-fenced within the SP regime:**
  - there needs to be an acknowledgement that SNMA schemes are a distinct type of provision that should continue to be ring-fenced within SP
  - there needs to be recognition that SNMA schemes promote, support and facilitate choice and independence to improve the quality of life of residents but that the extent to which this is possible may differ than in SP supported living schemes amongst residents with less complex needs
  - continued reviews of the SNMA funding mechanisms cause uncertainty for Providers, their residents and their families and a resolution should be reached
  - if necessary, SP regulations should be amended to accommodate the distinct characteristics of SNMA provision which may differ from wider SP provision in order to bring the SNMA schemes within the SP policy framework
  - this will facilitate many aspects of the broader ethos and learning from SP to be embedded within SNMA schemes as appropriate
  - for schemes that decide further into the future that they may wish to consider remodelling to fully transition over to SP then this should be supported by the Department, but with a recognition that this may require capital expenditure to facilitate remodelling of schemes under SP.

1 Introduction

In February 2022, the Department for Communities commissioned a team at the Centre for Regional Economic and Social Research at Sheffield Hallam University to undertake a Review of Special Needs Management Allowance (SNMA). The research aims to consider the nature of provision within SNMA schemes and future options for this funding stream.

SNMA funding was originally established in 1993 to provide supported housing for people who are vulnerable, socially disadvantaged or disabled. The revenue funding stream aims to cover the additional costs of providing more intensive housing support for residents with additional needs. These include people with learning disabilities, frail older people, older people with dementia, people with drug and alcohol addictions, and homeless people. Separate care packages for residents are funded by the Health and Social Care Trusts.

The Supporting People Programme (SP) was introduced in 2003 and the main tranche of SNMA schemes then transitioned to the SP funding regime. However, a small number of SNMA schemes which are Residential Care Homes (RCHs) fall outside the criteria for SP funding. This created an anomaly in the funding system whereby originally 47 schemes continued to be funded via what is referred to by some as Legacy SNMA but is commonly still referred to as SNMA. Some of these schemes have subsequently de-registered as RCHs and remodelled to fit under the SP funding criteria. Currently, 19 schemes continue to receive SNMA funding.

A series of Reviews of SNMA have been carried out since 2003 to assess the funding model for these remaining schemes. This Review uses a mixed-method approach to undertake a consultation and engagement exercise with all the key stakeholders. This includes in-depth interviews with Providers operating the schemes, Housing Associations (some of whom also act as Providers), the Health and Social Care Trusts, and wider stakeholders such as the Northern Ireland Federation of Housing Associations (NIFHA) and Regulation & Quality Improvement Authority (RQIA). In addition, an on-line Financial Data Template was sent to all Providers to gather data on the income, expenditure, staffing and services provided in each of the schemes. Finally, data from NIHE on average unit costs of SNMA schemes relative to wider provision is analysed to consider the cost-effectiveness of the schemes. This research also includes a review of policy documents and the documentation from the previous 2018 SNMA Review.

The structure of this Report for the 2022 SNMA Review is as follows:

- an overview of the policy context
- the research design and methods
- findings in relation to the key questions set by a 2016 Judicial Review of SNMA
- policy recommendations.

Policy Context

2

Special Needs Management Allowance

Special Needs Management Allowance (SNMA) was introduced in Northern Ireland in 1993[2] to provide revenue funding for supported housing for vulnerable, socially disadvantaged or disabled people. The Housing Association Grant (HAG) provided capital funding for Housing Associations (HAs) for the development of these SNMA schemes and many were designed with the specific housing and care needs of the core SNMA client groups in mind. The Departmental policy at the time was to invest in housing which provided a permanent home for tenants or equipped them with the life skills and confidence to move into permanent accommodation[3].

The aim of SNMA funding was to cover the additional costs of providing more intensive housing support for residents with a range of additional needs including those with learning disabilities, frail older people, older people with dementia, people with drug and alcohol addictions, and homeless people. Many of the schemes facilitated a move away from institutional care and helped to promote Care in the Community. SNMA aimed to support a greater degree of independence for residents with very complex needs and in many cases fell into the category of '**Housing with Care Schemes' (HWCS)**[4]. Social care services provided for residents were funded separately by the Health and Social Care Trusts.

Supporting People

Increasingly, the importance of supporting people to live as independently as possible within the community came to the fore of UK policy debates[5]. In 2003, this led to the **Supporting People Programme (SP)** being introduced across the UK to provide housing support services to vulnerable people living in supported accommodation or in their own home[6]. There are four main client groups within SP: disability and mental health; older people; young people; and homelessness.

[2] SNMA was passed into law via the Housing (Northern Ireland) Order 1992 and The Special Needs Housing General (Northern Ireland) Determination 1992.
[3] Ministerial Response to a written question to NI Assembly, 30/10/13
http://aims.niassembly.gov.uk/questions/printquestionsummary.aspx?docid=180503
[4] Fold Housing Association vs Department for Social Development [2016] NIQB 105
https://www.judiciaryni.uk/sites/judiciary/files/decisions/Fold%20Housing%20Association%20Application%20for%20Judicial%20Review.pdf
[5] Department of Social Security (1998) Supporting People: A new policy and funding framework for support services. London: HMSO.
Department for Transport, Local Government and the Regions (2001) Supporting People: Policy into practice, HMSO, London.
[6] House of Commons Library (2012) The Supporting People Programme, Research Paper 12/40. London: House of Commons Library. https://researchbriefings.files.parliament.uk/documents/RP12-40/RP12-40.pdf

Whilst the implementation of SP varies across the devolved nations the core principles are the same across the UK:

> *The Supporting People programme offers vulnerable people the opportunity to improve their quality of life through receiving appropriate housing related support services. One of the key aims of the programme is to enable users of support services to achieve greater independence."p5*[7]

> *By improving the scope, nature and quality of housing related support services, the programme seeks to enable very diverse groups of vulnerable people to develop their capacity to live independently, integrated into, and contributing to, local communities. p8*[8]

In Northern Ireland, supporting people to live more independently in the community is a core aim of the SP policy framework which also emphasises the importance of improving the quality of life of vulnerable people by:

- providing support services that reduce hospitalisation, institutional care or homelessness
- assisting transitions to independent living from institutionalised environments
- maintaining tenancies
- providing high quality housing-related support services which are cost-effective and provide value for money[9].

Transition from SNMA to the SP funding regime

SP replaced several funding streams in Northern Ireland which were previously available for the provision of supported housing including SNMA. SP operates as a grant programme via the Supported People Grant (SPG) which is administered by the Northern Ireland Housing Executive (NIHE) on behalf of the Department for Communities (DfC) to Provider Organisations.

The majority of the SNMA funded schemes were able to demonstrate that they met the policy intentions of the post-2003 SP Programme and were 'passported' over to being funded under SPG[10]. However, in Northern Ireland, Residential Care Homes (RCHs) were deemed not to be eligible for SP funding as they were unable to meet the policy aims of SP and are therefore described as 'Excepted Accommodation'[11]. This was different than the situation in England and Wales where all SNMA funded schemes were transferred over to SP. In England, SNMA schemes that did not fully comply with the requirements of SPG funding at the point of transfer to SP in 2003 were given three years to conform to the policy framework[12].

---

[7] ODPM (2003) *Supporting People: A guide to user involvement for organisations providing housing related support services.* London: HMSO

[8] Ibid.

[9] Northern Ireland Housing Executive (2021) *Supporting People Annual Report 2020-21*. Belfast: Northern Ireland Housing Executive.

[10] Ministerial Response to a written question to NI Assembly, 30/10/13 http://aims.niassembly.gov.uk/questions/printquestionsummary.aspx?docid=180503

[11] Department for Social Development (2012) Northern Ireland Supporting People Guidance 2012 – Page 16. https://www.nihe.gov.uk/Documents/Supporting-People-Financial-Returns/supporting_people_guidelines_2012

[12] Palmer, J. Boyle, F. Wood, A. and Harris, S. (2014) *The Hospital Resettlement Programme in Northern Ireland after the Bamford Review: Part 1 Statistics, Perceptions and the Role of the Supporting People Programme: A Report for the Northern Ireland Housing Executive*. Portsmouth: North Harbour Consulting. Footnote 66, P41.

In Northern Ireland, several factors were associated with SNMA funded RCHs being unable to transfer over to SP including:

- the accommodation provided by RCHs to deliver HWC was not suitable for independent living
- the complex needs and vulnerability of some of the residents meant that they required a residential care environment meaning the schemes could not be de-registered as RCHs
- there was no capital or revenue funding available to remodel accommodation or fund housing support for independent living[13].

Whether SNMA funded RCHs promote and support independent living for residents, which is a core principle of SP, is a fundamental issue as to whether SNMA funded schemes can continue to fit within the SP policy intentions and funding regime. The Department of Social Development (DSD) (precursor of the Department for Communities - DfC) stressed on multiple occasions this as the key reason why SNMA funded RCHs cannot meet the policy aims of SP:

> *The Registered Care Homes managed by Housing Associations (that is HWCS) "do not support the policy aim to live independently" and this was "not an appropriate use of the Supporting People Grant which is designed to promote independent living".*[14]

Other issues have also been raised about the ability of SNMA schemes to meet SP policy intentions including security of tenancy (as residents can be asked to move if their care needs change substantially) and the right of residents to occupy the accommodation as their own home.

Legacy SNMA

The classification of SNMA funded RCH schemes in Northern Ireland as Excepted Accommodation was recognised as a funding issue at the point of implementation of SP in 2003. DSD in consultation with the Department for Health (DoH) decided that interim funding for these schemes which are operated by HAs or their managing agents would continue in the form of 'Legacy SNMA[15]':

> *"Accommodation will be eligible for interim funding if it was in receipt of Special Needs Management Allowance (SNMA) during the financial year ending on 31st March 2003* ***until such times as the Department for Social Development determines if continued payment of the allowance fits with the overall policy intention of the Supporting People programme to promote independent living****. If the Department for Social Development determines that the allowance should be withdrawn a change to Housing Support Regulations NI 2003 is required."*[16]**.**

The Legacy SNMA schemes continue to be regulated by the Regulation and Quality Improvement Authority (RQIA) which is the independent body responsible for monitoring and inspecting the availability and quality of health and social care services in Northern Ireland.

---

[13] Ibid. Footnote 57, P38.

[14]. *Fold Housing Association vs Department for Social Development [2016] NIQB 105.* Para 19, P6.

[15] In the main, all organisations involved with schemes receiving Legacy SNMA tend to still call this SNMA funding and so this is the term that will be used for the remainder of the report.

[16] Department for Social Development (2012) *The Northern Ireland Supporting People Guidance 2012*. Belfast: Department for Social Development. Section 6.1, P16.
However, the later 2016 Judicial Review determined that a change in legislation is not required.

The funding arrangements for these SNMA schemes remains an anomaly within the SP system and have been reviewed at several points since to assess if these schemes are able to meet the SP policy intentions[17].

SNMA Reviews

DSD carried out the first of two SNMA Reviews in 2009 followed up by another in 2010. These concluded that SNMA funded schemes were providing similar services to non-SNMA funded RCHs and that SNMA was not being used to promote independent living[18]. The Department held discussions with the Northern Ireland Federation of Housing Associations (NIFHA) in 2011 and developed a high-level Task Force of interested stakeholders[19]. The Department consequently proposed to phase out SNMA payments and these were initially reduced to 70 per cent of the original level of funding and then subsequently reduced to 50 per cent of the original level.[20]

The HAs and Providers involved in post-2003 SNMA provision as well as the National Federation of Housing Associations (NIFHA) strongly challenged the findings of each review. The NIFHA response to the Reviews provided to DSD in 2012 stressed that the sector sees SNMA funded schemes as providing HWC and that these schemes are fundamentally different from the bulk of RCH provision. The reasons included:

- residents in HWCS have security of tenure within stated terms in HA schemes, and licensees' rights and landlord's obligations are set out in the occupancy agreement in HA schemes
- residents have their own front door, with ensuite bathroom and kitchen facilities in HA schemes rather than being housed in communal arrangements as in care homes
- intensive housing support is provided for residents including with financial and daily living support which is not provided in mainstream RCHs
- the HAs are also subject to housing management performance criteria set out by the Department as well as RQIA regulatory frameworks whereas other RCHs are not.

Fold HA (now Radius HA) took the Department to Judicial Review in 2013[21]. The Court delivered its judgement in 2016 and stated that the decision to remove SNMA funding, and the underpinning assumptions on which this decision was based, were flawed. The Judge determined that adequate consultation with key stakeholders had not taken place and that four key questions needed further consideration:

- **Given other budgetary pressures is this a good use of public money?**
- **Is SNMA being used to pay for housing support services and what is the nature of these services?**
- **Do these services further 'independent living'?**
- **Are these services in accordance with the SP programme?**

[17] Ahmed, S. and Palmer, J. (2018) *Review of Schemes Funded by Special Needs Management Allowance: Report for the Department of Communities NI*. Portsmouth: North Harbour Consulting.
[18] Ibid. P21.
[19] See footnote 9.
[20] Wallace, A. (2015) Housing and Communities' Inequalities in Northern Ireland. A report for the Equality Commission for Northern Ireland. York: Centre for Housing Policy, University of York.
[21] See footnote 13.

Following the Judicial Review DfC reinstated SNMA at 70 per cent of the peak funding levels and this has continued on this basis for remaining SNMA schemes since then. As part of the Judicial Review's settlement terms the DfC was directed to carry out an independent review of the SNMA regime which they commissioned from North Harbour Consulting in 2017. The Review was completed in 2018 and was primarily based on policy documentation submitted by Providers, a Scheme Profile Questionnaire and financial spreadsheet completed by each scheme, historic scheme details and details of SNMA funding held by the Department. North Harbour also undertook five interviews with Providers or HAs and eight further interviews with wider stakeholders including DfC, DoH, NIHE, RQIA, NIFHA, the Health and Social Care Board and a Health and Social Care Trust.

A further two schemes have remodelled since the Review by North Harbour in 2017-2018. There are now 19 schemes which continue to receive SNMA funding. In the period leading up to the pandemic the DfC began a further engagement process with all the remaining SNMA schemes. This process included face-to-face meetings and discussions around funding options moving forward as well as their appetite for de-registering as RCHs and remodelling schemes to fit within the SP remit and funding regime. This process was put on hold during the pandemic. The current Review has therefore been commissioned to provide a comprehensive consultation and financial data collection exercise with Providers, HAs, HSCTs and wider key stakeholders to inform the process moving forward.

The following section outlines the principles of the current review and methods deployed.

Research methods

3

Research design

The SNMA Review was commissioned in late January 2022 and began with an Inception Meeting in mid-February 2022. A broad set of principles for undertaking the SNMA Review including the objectives, research design, and a timeline for the project were agreed with DfC. The research team and DfC were cognisant of the need to be flexible in the approach taken given the pandemic was ongoing at the time.

The SNMA schemes vary in size, provide accommodation for residents with different needs, and have different operational models. Some schemes are run by an individual Provider with a separate Housing Association (HA) acting as the Landlord, for others the HA also acts as the Provider, and some of the Providers run multiple schemes. In addition to the Providers and HAs, there is a wider group of stakeholders which were invited to take part in the study. These include all the Health and Social Care Trusts, the Northern Ireland Federation of Housing Associations (NIFHA) which acts as a membership body for HAs in Northern Ireland and the Regulation and Quality Improvement Authority (RQIA) which is the regulatory body for RCHs.

A key requirement for this study is that engagement with all these stakeholders is maximised at every stage of the research. This approach ensures that the consultation exercise is inclusive, robust and gives all stakeholders an opportunity to contribute. This approach also ensures a comprehensive overview of the variety of schemes and opinions across the SNMA schemes are considered.

The research design is based on a mixed-method and inclusive approach which strengthens the findings of the review. The research includes a review of documentary evidence and policy documents, interviews with key stakeholders, and the collection and analysis of financial data from the schemes. The combination of qualitative and quantitative data allows us to gain a better understanding of the schemes, their operational models, the contribution of SNMA funding to their financial sustainability, and the services provided to their residents.

The first stages of the research included submitting an ethics application to the Sheffield Hallam University Ethics committee. Ethical approval was secured and GDPR compliant Participant Information Sheet and Participant Consent Form were developed (Appendix A1). This process ensured the research follows the principles of ethical research, that all GDPR guidelines are followed, data protection protocols are adhered to, and that participants are in a position to give fully informed consent to take part in the research.

The research has been designed in conjunction with DfC to reflect the original research specification. A number of core principles underpin the research design including the requirement to provide an independent assessment, that the consultation process is as inclusive as possible and adapts to stakeholders' operational needs, and that the data collected is robust and stands up to scrutiny.

The research consists of three main elements:

- *A document review* including policy documentation, guidelines and evidence from previous Reviews.
- *A consultation exercise* with key stakeholders including in-depth interviews with all those who wished to take part. These interviews explore the nature of provision within SNMA schemes, how SNMA funding is used, and stakeholder opinions on the future funding options for SNMA schemes. Stakeholders were given the option to submit a written response to the consultation questions if this was their preferred option.
- *Financial data analysis* based on a Financial Data Template which was designed to collect details of income, expenditure, staffing, services, and accommodation units for individual SNMA schemes. DfC data on funding by client group for SNMA and wider SP provision also allowed a benchmarking exercise to be undertaken.

Document review

Past and present policy documents were reviewed to ensure the design, data collection and analysis undertaken for this Review are contextualised and grounded in the historical policy landscape. Documentation considered included the policy frameworks for the introduction of SNMA in 1993, the introduction of SP in 2003 and the current guidelines for SP. Other documents assessed included the 2016 Judicial Review findings and the 2017/2018 SNMA Review undertaken by North Harbour Consulting.

Consultation exercise

An overview

The Judicial Review determined that adequate consultation with key stakeholders had not taken place prior to its ruling in 2016. The 2017 SNMA Review sought to rectify this position by consulting with a range of stakeholders. DfC also began a further engagement exercise with Providers and HAs in the period immediately before the Pandemic. An extensive and in-depth consultation exercise with key stakeholders has been placed at the heart of this Review. All Providers, HAs, HSCTs, and wider stakeholders involved with SNMA schemes were invited and encouraged to take part in the research to inform the findings.

The consultation exercise seeks to address three of the four key questions raised in determination arising from the Judicial Review:

- **Is SNMA was being used to pay for housing support services and what is the nature of these services?**
- **Do these services further 'independent living'?**
- **Are these services in accordance with the SP programme?**

In the first instance, DfC identified and contacted all relevant stakeholders with an introductory email outlining the Review, that Sheffield Hallam University had been commissioned to undertake the research, and that the research team would be in touch shortly. Each of the participants were then contacted by the research team and invited them to take part in the research. Participants were asked if they would undertake an interview lasting approximately one hour long with a member of the research team via a video call or by telephone.

Each participant was provided with an Information Sheet (Appendix A1) and Consent Form (Appendix A2) at the point of initial contact from the research team so that respondents understood the scope of the project as well as how any data collected would be stored and used. Participants were also provided with a summary sheet with the details of the SNMA schemes which were to be discussed. Interviewees were given the opportunity to consider the Interview Schedule before undertaking the interview so that they could reflect on the questions before the interview. The interviews were arranged at a time which was convenient for the respondents. An additional option was offered to participants of returning a written response to the Interview Schedule and several of the respondents opted for this option.

The stakeholders

The first invitations to participants to take part in the research were sent out in late March 2022. Details for a few participants were subsequently revised, updated and invitations re-sent out. A few additional participants were also added to the contact list. These included some additional HSCT contacts for various schemes and additional wider stakeholders. Finally, a couple of HAs who had previously successfully remodelled their SNMA schemes to the SP funding regime were invited to take part in the research to discuss whether this process had been successful for their schemes. In total, 27 participants were invited to take part during the course of the research.

The stakeholders fall into five main groups:

- **Providers** - eight scheme Providers of which six acted as provider for a single scheme and two ran two schemes each; ten SNMA schemes in total. One of these Providers also had a scheme previously funded by SNMA which had since been remodelled to be funded via SP.
- **Housing Associations who also act as Providers** – this included three HAs of which one acts as provider in one scheme and two HAs which act as the provider in multiple schemes (eight in total). A further HA was invited to take part in the research who had acted as a provider in a SNMA funded scheme which they had remodelled in recent years to now be funded under SP.
- **Housing Associations who act as landlord only –** four stakeholders of which two act as landlord to one SNMA scheme each, one has two SNMA schemes, and the remainder is the landlord for six schemes (ten schemes in total).
- **Health and Social Care Trusts** - nine individuals across all five HSCTs who are the named contacts for the 19 schemes.
- **Wider stakeholders** – one from a membership body (NIFHA) and one from a regulatory body (RQIA).

Whilst some of the participants were quick to respond, set-up interviews and return financial templates this was not the case for many of the respondents. The original research plan was for respondents to be given a two-week period to respond with individually personalised follow up emails being sent after this period to encourage participation. The aim was to have the

bulk of the data collection exercise (both interviews and financial templates) completed within the month with an additional couple of weeks to sweep up any late responses.

In reality, a number of factors have intervened which meant the research team extended the deadline on numerous occasions to increase participation rates, maximise inclusion and adapt to the operational needs of the stakeholders. The flexing of the research timeline accommodated participant organisations which needed to prioritise financial year end or work around staff absences due to Covid. The Easter Holidays also intervened meaning many respondents or members of their teams were away from work during mid-April.

Care and time has been taken to find the most appropriate person within each organisation to talk to. The team took time to explain what was involved in taking part in the research study and how this would contribute to the development of future options for SNMA funding. However, some potential participants did not respond to multiple personalised and varied invitations to take part in the research. The DfC also followed up on a number of these non-respondents to encourage participation in the Review. In total, the research team exchanged over 250 emails with the potential 27 participants or members of their organisations to maximise engagement from these stakeholders

The interview schedule

An Interview Schedule was designed to cover the key issues which are addressed by the Review. The master schedule was then translated into five different versions each of which was tailored for each specific stakeholder group. An example of an interview schedule for HAs that also act as Providers for their schemes is in Appendix A3. Where possible, the respondents were asked for comparisons and examples to be given from their knowledge of wider provision relative to their SNMA schemes either from the RCH sector or the SP Supported Living schemes. A semi-structured interview took place with each of the respondents. All respondents were given adequate opportunity to respond to each of the questions in full. This meant that even where some of the issues emerged in the course of the discussion the full questions were again revisited at a later point in the interview to allow a full response. The interview schedule covered questions on the following themes:

- the respondent's familiarity with the SNMA funding regime
- the needs addressed by the schemes and their admission criteria
- occupancy agreements and the resident's right to occupy the accommodation as their own home
- independent living
- SNMA funding and how it is used
- the financial impact on the schemes of the Coronavirus pandemic
- future options for SNMA
- any additional issues the stakeholders wished to raise.

Response rates

The research team had some degree of engagement with 26 of the 27 stakeholders (or their proxies) to discuss taking part in the research. The one participant who did not respond to any of the multiple attempts to contact was a HSCT contact.

Two potential participants from the original contact list were on long-term leave or no longer had responsibility for SNMA schemes. Both of these contacts were from HSCTs. Despite attempts by the research team in collaboration with their organisations to find alternative proxies with some knowledge of the SNMA schemes no replacements were identified. This left a final usable sample of 25 potential participants.

The majority, but not all, of the invited stakeholders agreed to take part in the research. Fourteen people from 12 organisations undertook a semi-structured interview lasting between 1-1.5 hours long. Seven participants contributed written responses to the consultation process. A further written response was obtained from one organisation which had already completed an interview. This written response added further detail to their earlier interview and so is treated with the accompanying interview as one interview response from one stakeholder. Table 3.1 summarises the response rates from each of the key stakeholders fell into five key groups. Overall, engagement with the consultation exercise was good and approximately three quarters of those in a position to do so took part in the process and this was fairly consistent across stakeholder groups.

Table 3.1: Responses to the consultation exercise

Stakeholder group	Invited to participate in the research	Usable contact details	Did not want to take part or did not respond	Completed Interviews	Completed written response	Response rate
Providers	8	8	2	4	2	75%
HA Providers	4	4		3	1	100%
HA non-Providers	4	4	1	2	1	75%
HSCTs	9	7	2	2	3	71%
Wider stakeholder	2	2	1	1		50%
Total	27	25	6	12	7	76%

The Providers or HA Providers that took part in the consultation were responsible for running 16 of the 19 SNMA schemes. The HA non-Providers who took part were the landlords for eight of the ten SNMA schemes which were not run directly by other HAs. The HSCT respondents were named contacts for eight of 19 SNMA schemes but only three of the five HSCTs took part in the consultation process.

Consent was obtained from all participants who took part which included permission to digitally record the interviews and have them transcribed for the purposes of analysis and report writing. Identifying factors such as specific scheme details have been removed in reduce risk of disclosure for the respondents. A broad stakeholder category is attached to each quote. However, it is not possible to attach individual pseudo identifiers as the number of participants in each stakeholder category is small and so would increase the risk of disclosure.

The transcripts have been thematically analysed in relation to the key themes and main research questions. Verbatim quotes are used in the report where possible in order to convey the rich data provided and variety of views held across the stakeholder groups.

Financial data analysis

Cost effectiveness is an underpinning principle of the SP policy framework. SP seeks to provide high quality housing-related support services which are cost-effective and provide value for money[22]. The Judicial Review therefore raised a fourth question as requiring needing further consideration:

- **Given other budgetary pressures is SNMA a good use of public money?**

Average unit costs

The research team were provided with financial data from NIHE for each of the schemes detailing the amount of SNMA funding from DfC received by each scheme. Average unit costs to DfC for all SNMA schemes and SP schemes were also provided by Primary Client Groups (PCG). This data allows the SNMA schemes to be benchmarked against mainstream SP schemes with similar types of provision to assess the cost effectiveness of DfC funding mechanisms for these schemes.

Financial Data Templates

In order to address these issues a Financial Data Template was developed as an online survey instrument using SNAP software. This allowed each Provider or HA Provider to submit financial details for each scheme in a secure manner. The data included details of:

- staffing levels, numbers of units, tenancy arrangements and scheme details
- sources of income, amount of income from each source, how this was allocated to services
- expenditure by services provided.

Data was requested for the financial year leading up to the pandemic (2019/2020) and for the first year of the pandemic (2020/2021). It was not possible to collect the data for 2021/2022 as the financial year had not ended by the time the research took place.

Response rates

All 11 Providers or HA Providers for the 19 SNMA schemes were asked to complete a Financial Data Template for each of these schemes. Not all Providers were willing or able to do so. For some Providers this was because they had not engaged with the research at any point and for others this due to operational constraints.

In total, the templates were completed for 14 of the 19 schemes. However, on closer inspection the financial data was unusable for one scheme and only very partial data was provided for another. These Providers were recontacted about providing the data again but were unable to do so.

The final financial data analysis on income and expenditure by services provided is therefore on the basis of 12 of the 19 schemes. These 12 schemes have 325 units of accommodation out of the total 438 units provided by all 19 schemes (74 per cent). The 12 schemes include the following client groups: Frail Elderly (4), Older People with Dementia (6), and People with Learning Disabilities (2). .

[22] Northern Ireland Housing Executive (2021) *Supporting People Annual Report 2020-21*. Belfast: Northern Ireland Housing Executive.

SNMA Schemes

4

Introduction

The Judicial Review set out four key questions to address in a future review of SNMA funding which includes a question on the cost-effectiveness of the SNMA funding stream:

- **Given other budgetary pressures is SNMA a good use of public money?**

This chapter seeks to address this issue by examining NIHE data on DfC funding for SNMA schemes by client group for the financial year 2020/2021. The data is comprehensive in that it provides information not just for the SNMA schemes but also for wider SP provision. This enables a comparison of unit costs for SNMA schemes relative to wider SP provision to be considered. The NIHE database classifies each of the SNMA schemes under the same thematic and primary client groups as used for all SP schemes. This means that funding allocations by comparable client groups within SNMA provision can be benchmarked on a like for like basis with SP provision.

In addition, the Financial Data Templates collected for this study include a range of detailed financial information for individual SNMA providers (see Chapter 3 for details). In total, full financial data is analysed for 12 of the 19 SNMA schemes. These 12 schemes cover a range of provision including the frail elderly, older people with dementia, and people with learning disabilities. The data covers 70 per cent of all SNMA units of accommodation.

The Financial Data Templates include data on sources of income and expenditure by specific activities for the financial year leading up to the pandemic (2019/2020) and the first year of the pandemic (2020/2021). This data provides additional insights on the financial implications of Covid to be considered for SNMA schemes.

The first section examines the NIHE data on DfC funding for all 19 SNMA schemes. Key characteristics of this schemes are benchmarked with the wider SP provision both in its totality and by client group. The Financial Data Templates are then examined to provide a more detailed consideration of the total income and expenditure of SNMA schemes for those providers who submitted data.

SNMA portfolio

SP was introduced in 2003 replacing a range of former funding streams including SNMA. There were 47 RCHs that were unable to transfer to the new SP funding regime at the point of implementation in 2004 due to their care home status. These schemes continued to receive SNMA funding but many remodelled since and transitioned to SP. By the time of the initial DfC review of SNMA in 2006/2007 only 27 SNMA funded schemes remained. A trickle

of schemes has continued to remodel and transfer to SP over time. By 2017 when the North Harbour SNMA review began there were 24 SNMA schemes, by 2018 at the end of the review there were 22, and by the time of this review in 2022 just 19 SNMA schemes remain.

The NIHE data for 2020/2021 indicates that the whole of SP and SNMA funded provision provides 19,587 supported accommodation units in 825 schemes. The 19 SNMA schemes provide 438 units of accommodation and therefore only account for 2.2 per cent of all accommodation units. SNMA provision is within three of the four thematic groups serviced by mainstream SP provision. Nearly three quarters is within the Older People SP thematic group, nearly a quarter within the Disability theme, and only three per cent within the Homelessness theme. There is no SNMA accommodation specifically for Young People. Table 4.1 indicates that SNMA delivers accommodation within four primary client groups: Older People with Dementia (45 per cent of all units), Frail Elderly (27.6 per cent), People with Learning Disabilities (24.4 per cent), and People with alcohol problems (3 per cent).

Table 4.1: SNMA scheme characteristics 2020/2021

Thematic Group	Client Group	Providers* (number)	Schemes (number)	Accom. Units (number)	Accom. Units (% of all units)
Older People	Older People with Dementia	2	6	197	45.0
Older People	Frail Elderly	3	5	121	27.6
Disability	Adults with Learning Disability	6	7	107	24.4
Homelessness	People with Alcohol Problems	1	1	13	3.0
All	**All**	**11****	**19**	**438**	**100**

Note: *Providers include 3 HAs who act as Providers
**One Provider has two schemes in different client groups so rows do not sum to total number of Providers.

The SNMA schemes are owned by seven HAs and are operated by eleven different Providers. Three of these Providers are HAs who act as Provider as well as landlord for nine of the schemes. Most of the Providers only operate one SNMA scheme (seven out of 11; this includes one HA Provider) whilst two others have two schemes each, one is a HA Provider with three schemes, and the remaining HA Provider has five schemes. Only one Provider with two schemes delivers provision for two different client groups and all the others have schemes for one client group.

Eight of the 11 Providers also have wider SP provision. These eight SNMA Providers with SP provision will be aware of wider SP policy guidelines, funding mechanisms and provision models. The remaining three SNMA Providers are very small-scale organisations and have only one SNMA scheme each and no other SP funded schemes.

Most SNMA Providers delivering wider SP provision are doing this at a relatively small-scale with ten SP schemes or less. Only three SNMA Providers operate on a large scale across the SP sector. Of these, one is a non-HA Provider has over 40 schemes (SNMA and SP combined), one HA Provider has over 70 schemes, and one HA Provider has over 100 schemes. These three Providers therefore account for just over a quarter of all provision across the sector either funded by either SP or SNMA.

SNMA and SP scheme characteristics

There is a wide variety of schemes, delivery models and client groups within wider SP provision. This includes floating support, 15 primary client groups, and the associated costs

are diverse. SNMA schemes only operate in four of these 15 primary care groups. A comparison of all SNMA schemes with all SP schemes therefore seems inappropriate. The following sections therefore benchmarks SNMA provision on a like for like basis by client group and for the four client groups combined. The NIHE scheme data provides average unit costs for 202 schemes (including 19 SNMA schemes) within these four client groups delivering 2,970 units of accommodation (including 438 SNMA units) across.

The 19 SNMA schemes account for 9.4 per cent of all 202 schemes and 14.7 per cent of the 2,970 accommodation units provided for these four client groups. This reflects that SNMA schemes are larger on average than the SP schemes (average capacity of 23 SNMA compared to 14 SP) although this is not consistently the case across the client groups (Table 4.2).

The SNMA schemes provide a more significant part of provision for some client groups than others. They account for more than one in four accommodation units for both Older People with Mental Health Problems/Dementia (26.2 per cent) and Frail Elderly (29.9 per cent). Conversely, they play a relatively small role in delivery of units for People with Learning Disabilities (7.1 per cent) and People with Alcohol Problems (4.3 per cent).

Table 4.2: Profile of SNMA schemes versus SP schemes by same client groups

Client Group	No. of Schemes	% of accom. units	Min. no. of accom. units	Max. no. of accom. units	Average no. of accom. units	Total accom. units
SNMA Schemes						
Older People with MH Problems/Dementia	6	45.0	16	50	33	**197**
Frail Elderly	5	27.6	13	41	24	**121**
Adults with Learning Disability	7	24.4	3	34	15	**107**
People with Alcohol Problems	1	3.0	13	13	13	**13**
All SNMA	**19**	**100**	**3**	**50**	**23**	**438**
SP Schemes						
Older People with MH Problems/Dementia	23	21.9	5	37	24	**555**
Frail Elderly	11	11.2	12	62	26	**284**
Adults with Learning Disability	137	55.5	1	54	10	**1,406**
People with Alcohol Problems	12	11.3	7	50	24	**287**
All SP	**183**	**100**	**1**	**62**	**14**	**2,532**
Total	**202**		**1**	**62**	**15**	**2,970**

SNMA funding from DfC in 2020/2021

In total, NIHE data show that SNMA schemes received £998,662 in funding from DfC in 2020/21. This was the same as the previous financial year of 2019/20 and this funding has been protected at this level since 2016. This is a relatively small amount in comparison with the DfC funding for supported housing overall of £79,059,437 of which just over a third (£28,123,910) is allocated to the four client groups containing SNMA schemes.

This funding provided to SNMA from the SP funding pot and is the equivalent of 1.3 per cent of the total supported housing budget or 3.6 per cent of funding for all provision in the four client groups with SNMA schemes. Given the smaller proportion of funding allocated to SNMA schemes (3.5 per cent) relative to the proportion of accommodation units they provide (14.7 per cent) for these four client groups this is the first indication that average unit costs are lower than for SNMA the equivalent group funded by SP. The funding data indicates:

- the total amount of SNMA funding received is proportionate to the number of units delivered and ranges from an annual payment of £7,248 in the smallest scheme with 3 units to £120,801 in the largest scheme with 50 units
- given some providers have multiple larger schemes compared to others with only one small scheme then the total amount of annual SNMA funding by Provider organisation also varies considerably (from £7,248 to £366,869).

Table 4.3: SNMA and SP unit costs by same client groups

Client Group	Minimum DfC cost per unit	Maximum DfC cost per unit	Average DfC cost per unit	Total DfC cost
SNMA Schemes				
Older People with MH Problems/Dementia	£35.92	£46.46	£41.71	**£427,270**
Frail Elderly	£34.95	£50.99	£44.29	**£278,657**
Adults with Learning Disability	£36.19	£53.33	£44.97	**£259,801**
People with Alcohol Problems	£48.72	£48.72	£46.69	**£32,934**
All SNMA*	**£34.95**	**£53.33**	**£43.85**	**£998,662**
SP Schemes				
Older People with MH Problems/Dementia	£10.05	£298.62	£141.40	**£4,080,861**
Frail Elderly	£56.90	£242.01	£137.96	**£2,037,418**
Adults with Learning Disability	£23.50	£754.78	£246.99	**£18,058,069**
People with Alcohol Problems	£75.14	£441.81	£197.59	**£2,948,901**
All SP*	**£10.05**	**£754.78**	**£205.58**	**£27,125,248**
Total*	**£10.05**	**£754.78**	**£181.78**	**£28,123,910**

Note: *This are weighted averages taking account of the number of units in each scheme per scheme unit cost.

Table 4.3 compares the average unit cost for SNMA schemes relative to SP schemes within each client group[23]. This shows that the average SNMA payment is very similar both within and between each client group: ranges from a minimum of £34.95 per week to £53.33 per week. The variation in unit costs across SP schemes costs is far wider: between a minimum of £10.05 per week to £754.78 per week.

Given the large variation in costs between SNMA funded schemes and SP schemes the distribution of costs within each client group is considered further below.

[23] These are weighted averages taking account of the number of units in each scheme per scheme unit cost.

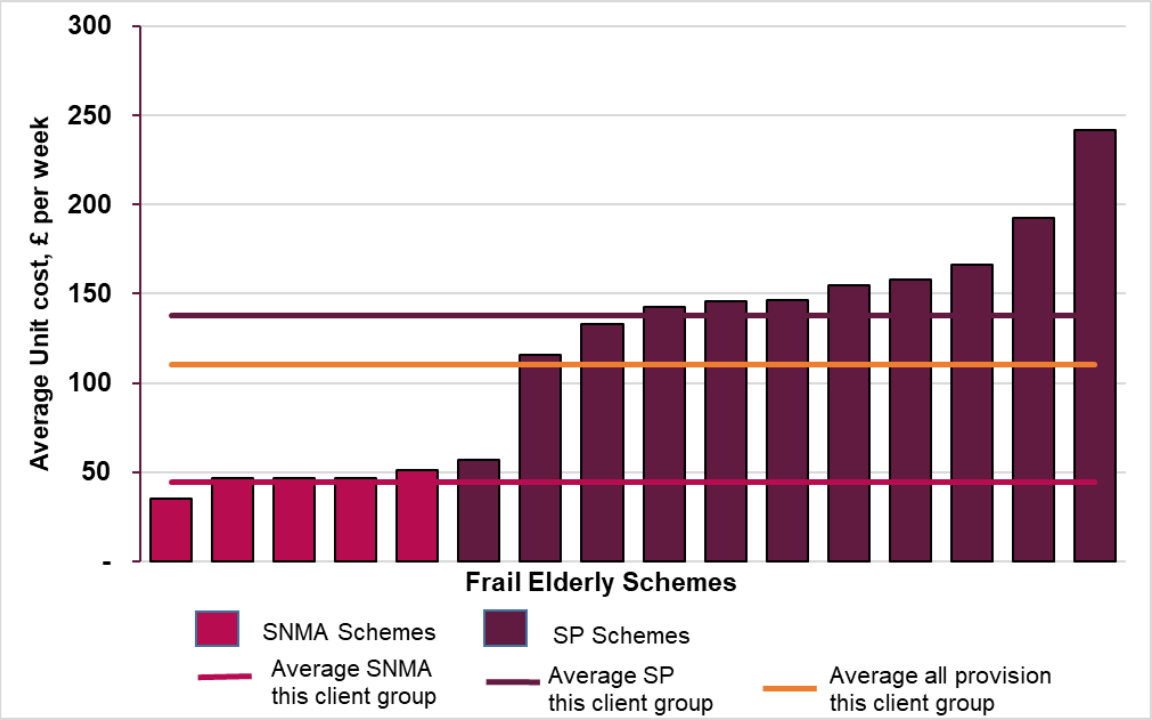
Frail Elderly unit costs

There are five SNMA schemes delivering 121 accommodation units for the Frail Elderly Client group which accounts for 29.9 per cent of all provision for this group. The average size of SNMA schemes is very similar to SP provision for the Frail Elderly client group (24 compared to 26).

Figure 4.1 shows the average weekly unit cost to DfC which is allocated from the SP budget to individual schemes[24]. This shows that for this client group:

- unit costs for all SNMA schemes are below the minimum cost for SP schemes
- SNMA schemes range from £34.95 to £50.99 compared to SP schemes £56.90 to £242.01 per week
- all but one of the SP schemes have unit costs which are substantially higher than the SNMA funded schemes – over £115 per week
- the average unit cost for SNMA schemes is £44.29 per week compared to £137.96 for SP schemes
- the overall average unit cost for all schemes for this client group (including SNMA and SP provision) is £109.98 which is the lowest of all four client groups.

Figure 4.1: Average unit costs for Frail Elderly client group, by funding source, 2020/2021



Older People with Mental Health Problems/Dementia

There are six SNMA schemes delivering 197 accommodation units for the Older People with Mental Health Problems/Dementia Client group. This accounts for 26.2 per cent of all provision for this group which also includes a further 555 units provided in 23 SP schemes.

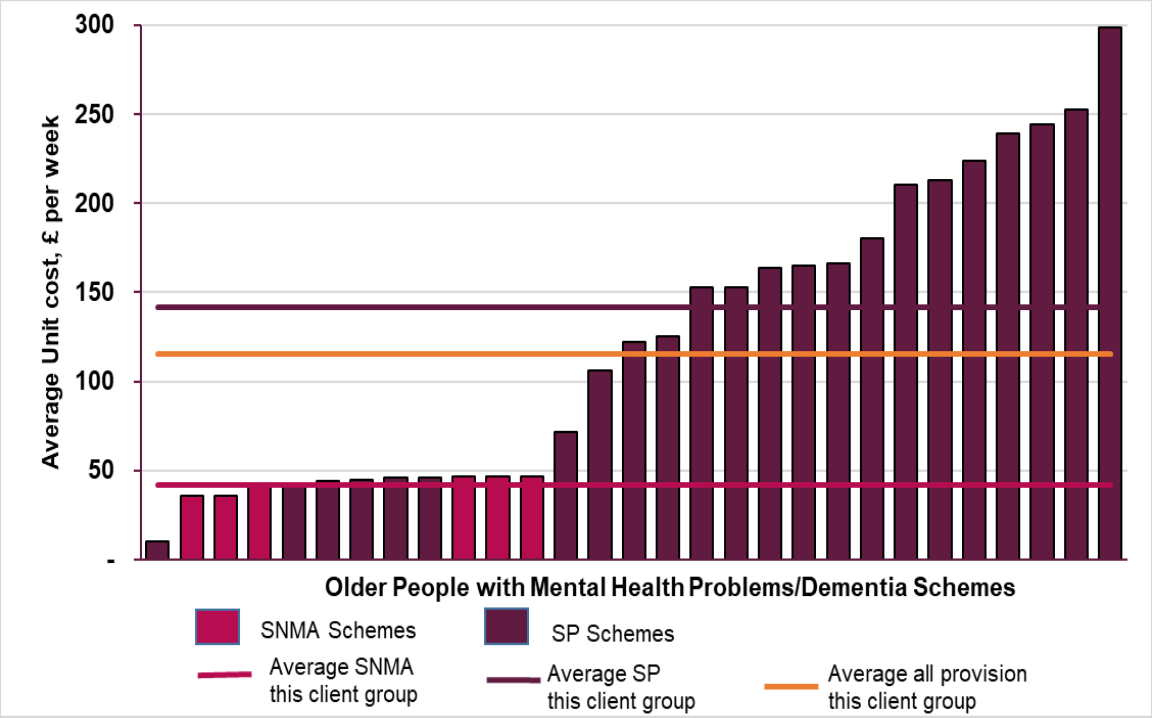
[24] The SNMA schemes are funded from the overall SP Budget.

The average size of SNMA schemes for this client group is larger than amongst SP provision (33 compared to 24).

Figure 4.2 shows the average weekly unit cost to DfC which is allocated from the SP budget to individual schemes. This shows that for this client group:

- unit costs for all SNMA schemes are all at the lower end of unit costs amongst all provision
- there is one SP scheme with a unit cost below all SNMA schemes at £10.05 per week compared to the SNMA schemes which range from £35.92 to £46.46 per week; a further five SP schemes have unit costs close to or just above the SNMA average of £41.71
- but the majority of SP provision (a further 17 schemes) are substantially above the average SNMA unit cost; 16 SP schemes are above £100 per week and seven cost over £200 per week with the maximum being £298.62 a week
- the average unit cost for SP schemes is £141.40 a week compared to £41.71 for SNMA schemes
- the overall average unit cost for all schemes for this client group (including SNMA and SP provision) is £115.29 per week which is higher than for the Frail Elderly client group (£109.98) but below the People with Alcohol Problems client group (£191.14) and People with Learning Disabilities (£232.83).

Figure 4.2: Average unit costs Older People with Mental Health Problems/Dementia, by funding source, 2020/2021



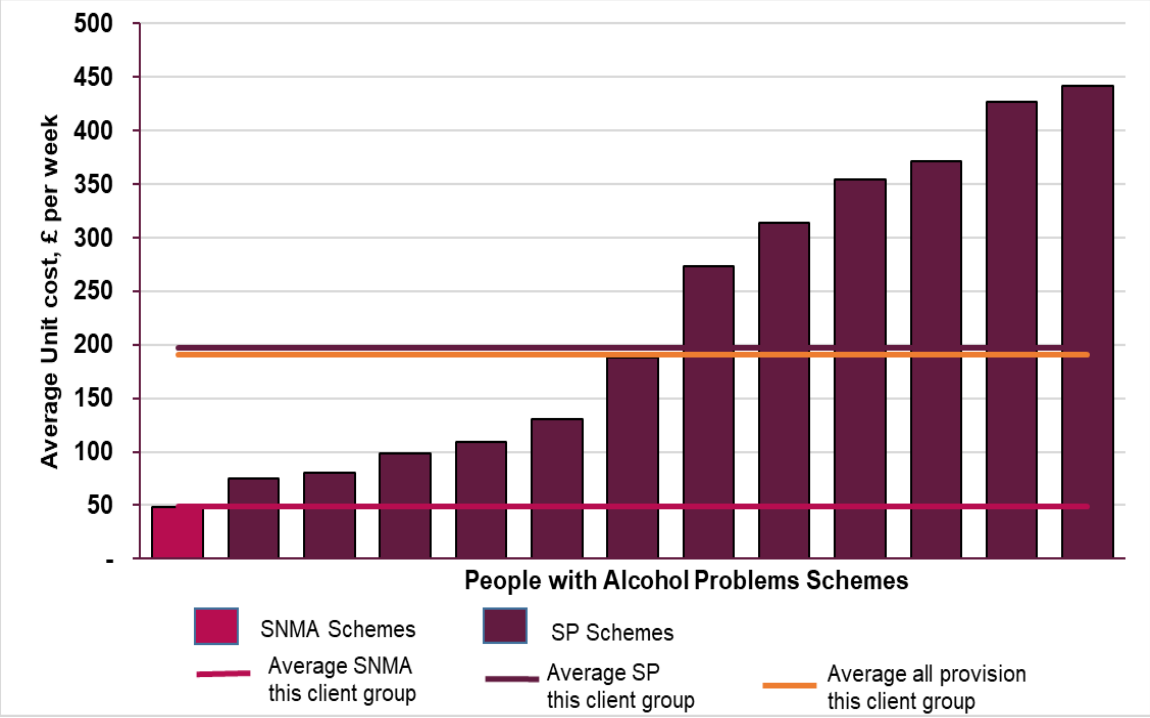
People with Alcohol Problems

There is only one SNMA scheme providing accommodation for the People with Alcohol Problems client group. The relatively small scheme has a capacity for only 13 residents which account for just 4.3 per cent of all provision for this group. There are a further 287 units provided in 12 SP schemes. The SP scheme is smaller than the average number of units in equivalent SP schemes (13 compared to 24).

Figure 4.3 shows the average weekly unit cost to DfC which is allocated from the SP budget to individual schemes. This shows that for this client group:

- unit costs for the SNMA scheme (£48.72) is lower than the average for equivalent SP provision (£197.59) and lower than all SP schemes which range from £75.14 to £441.81 per week
- whilst this is the highest average unit cost of SNMA schemes by client group it is only based on one scheme and in reality, there is little variance in the average unit cost by client group for SNMA schemes with the lowest average being £41.98 for Older People with Mental Health Problems/Dementia
- given the small number of units receiving SNMA funding for this client group the low price per unit for this SNMA schemes has little impact on the overall average unit cost for all schemes for this client group (including SNMA and SP provision) which is £191.14 per week
- the overall average unit cost for this client group is higher than for the Frail Elderly client group (£109.98) and the People with Mental Health/Dementia client group (£115.29) but below the People with Learning Disabilities schemes (£232.83).

Figure 4.3: Average unit costs People with Alcohol Problems, by funding source, 2020/2021



People with Learning Disabilities

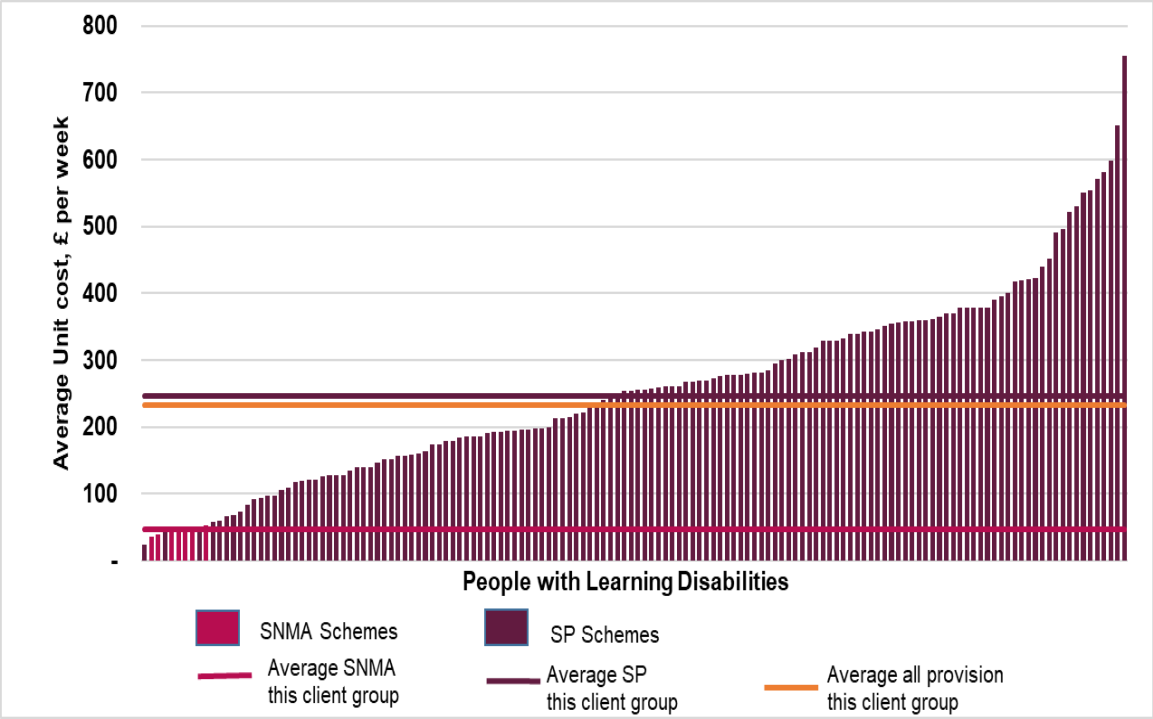
There are seven SNMA schemes delivering 107 accommodation units for People with Learning Disabilities. This accounts for 7.1 per cent of all provision for this client group which includes a further 1,406 units provided in 137 SP schemes. The average size of SNMA schemes for this client group larger than amongst SP provision (15 compared to 10).

Figure 4.4 shows the average weekly unit cost to DfC which is allocated from the SP budget to individual schemes. This shows that for this client group:

- unit costs for all SNMA schemes are all at the lower end of unit costs for this group

- there are only three SP schemes with a unit cost below the maximum cost for SNMA schemes for this group: maximum £53.33 and minimum of £36.19; the remaining 1,373 accommodation SP units are above the maximum SNMA unit price
- the average unit cost for SP schemes for this client group is £246.99 a week compared to £46.69 for SNMA schemes
- there are two schemes within the SP provision for this client group that have remodelled from SNMA to the SP funding regime since the last review. The average unit cost for these two schemes is £323.87 which is considerably higher than the average SNMA scheme
- the overall average unit cost for all schemes for this client group (including SNMA and SP provision) is higher than for the other client groups.

Figure 4.4: Average unit costs People with Learning Disabilities, by funding source, 2020/2021



Financial Data Templates

The previous sections are based on the DfC data on funding given to all SNMA and SP schemes. The following sections are based on the data collection exercise undertaken with the 19 SNMA schemes as part of this study. All providers were asked to complete a Financial Data Template for each of the schemes (See Chapter 3). In total, data was provided by 14 of the schemes but after data cleaning only 12 templates included full financial that was usable. The following section explores the data collected for these 12 schemes including sources of all income including from the HSCTs, how income is allocated to key activities and how this compares with expenditure by key activities. The financial data was provided for both 2019/20 and 2020/21. The analysis focuses on the most recent data for 2020/21 but highlights if any key differences are identified relative in the 2019/20 data.

The 12 schemes which submitted financial returns provide accommodation for three of the four main client groups covered by SNMA schemes. Although these 12 schemes only account

for 63 per cent of the 19 schemes, they provide 307 SNMA funded units of accommodation is equivalent to 70 per cent of overall SNMA provision. The 307 SNMA funded units include:

- 100 per cent of the schemes and units within the Older People with Dementia client group
- four out of five of the schemes delivering 65 per cent of the accommodation units for Frail Elderly client group
- two out of the seven schemes for People with Learning Disabilities covering 28 per cent of the SNMA capacity for this client group

The 307 SNMA funded units are equivalent to 94 per cent of the total 325 units of accommodation within these 12 schemes:

- only three schemes have an additional 18 units that are not funded by SNMA
  - for two of these schemes the difference in the number of total units and SNMA funded units is between one and three units
  - for one scheme the difference is more substantial (14 units in addition to 16 funded by SNMA) – the DfC scheme data indicates that these additional units are funded by SP
- no schemes had Respite Care Units in 2020/2021 (the same case as in 2019/20)
- there were 14 self-funders in 4 of the schemes in 2020/2021; a reduction from 18 self-funders in three schemes in 2019/2020[25]
- the schemes with self-funders said that all residents, including the self-funders, benefited from the SNMA funding which was allocated to housing support and independence activities which benefitted all residents.

Staffing increased slightly between 2019/20 and 2020/21 in these SNMA funded schemes from 305 FTE to 307 FTE. Staffing ratios[26] vary significantly by client group reflecting the complexity of needs within each group:

- the overall staff to resident ratio for all units in 2020/2021 is 0.94 staff per unit
- for schemes delivering accommodation for People with Learning Disabilities the staff ratios range from 1.5 to 2.2 staff per unit with the average being 1.7 per unit
- the four schemes delivering accommodation residents for the Frail Elderly client group all have staff ratios of 1.1 or 1.2 per unit with an average of 1.1 per unit
- staff ratios range from 0.6 to 1 per unit in the six schemes within the Older People with Dementia client group with an average of 0.8 staff per unit.

[25] There are some small discrepancies in some of the financial returns from Providers with respect to the number of self-funders. Therefore, the SNMA funded units plus the number of self-funders does not sum to the total units of accommodation. This reflects a small number of schemes where they state they have more accommodation units than those they list as funded by SNMA, but they do not provide an entry for number of self-funders, In a few cases, the scheme gives the number of total units as the same as SNMA funded units but also states they have a self-funder in the scheme.

[26] These are calculated as total FTE staff in a SNMA funded scheme divided by the **total** units within each scheme.

Sources of income for SNMA schemes

The 12 SNMA schemes which completed a Financial Data Template provided details of their sources of income including rent/accommodation charges, statutory funding for personal care, SNMA income or other sources of income. These 12 schemes account for just over two thirds of total SNMA funding. In 2020/2021, the total income for these schemes was £10,752,784 of which:

- rent and accommodation charges account for 22 per cent of total income
- statutory funding for personal care accounts for 64.2 per cent of total income
- a further 7.6 per cent of income is from other sources
    - sources of other income include funding received to cover the additional costs associated from COVID including testing, cleaning and uniform; income from self-funders; and charitable donations.
- SNMA therefore accounts for a relatively small component of total funding received - 6.2 per cent of total income
    - ranging from SNMA accounting for 4.1 per cent of total income in the schemes for People with Learning Disabilities; 6.6 per cent in schemes for Older People with Dementia; and 6.8 per cent in schemes for the Frail Elderly
        - the minimum was 3.7 per cent and maximum was 8.2 per cent
    - 11 of the 12 providers said that all SNMA funding received is used to fund housing support and independence
        - for six of the schemes all income allocated to housing support and independence activities comes from their SNMA funding
        - for five schemes housing support and independence activities are also allocated funding from rent/accommodation charges, personal care and other income sources
    - 97 per cent of SNMA funding is allocated to housing support and independence activities
    - only one scheme said that SNMA funding was used for housing management and day to day maintenance of the scheme and allocated no funding sources to housing support and independence activities
- the balance across income sources is virtually identical in the previous financial year.

Four of the 12 schemes recorded no income under funding for personal care but did record income under rent/accommodation charges or other income. The remaining eight schemes all recorded income for personal care and all but one of these recorded no income under rent/accommodation charges. Given that all schemes receive funding from the HSCTs for care packages for their residents then it is likely that providers record this data differently within their accounts primarily as either as rent/accommodation charges or as funding for personal care.

The schemes were also asked how the income they receive is allocated to deliver the various services they provide. In 2020/2021, they allocated income on the following basis:

- 74.6 per cent is allocated to providing personal care
- 17.4 per cent is allocated to housing support and independence

- 6.0 per cent is allocated to housing management and day to day maintenance
- 1.9 per cent is allocated to other services
- this is almost identical to allocation of resources by services provided in the previous financial year

The total income per unit varies both between and within client groups:

- the average annual income per unit for all 12 schemes is £33,085 or £636 per week
    - ranges from £28,078 per year or £540 per week to £58,082 per year or £1,117 per week
- the average annual income per unit for Older People with Dementia is £30,929 per year or £595 per week
    - ranges from £28,078 per year or £540 per week to £34,659 per year or £667 per week
- the average annual income per unit for Frail Elderly schemes is £31,335 per year or £603 per week
    - there is limited variation in income per unit for the schemes with this group ranging from £583 to £623 per unit per week
- the average annual income per unit for schemes for People with Learning Disabilities is £51,181 per year or £984 per week
    - there are only two schemes within this client group with completed Financial Data Templates and the income per unit for these schemes ranges from £927 to £1,117 per unit per week.

Overall, the total income for these 12 schemes had declined by one per cent between 2019/2020 and 2020/2021. The interviews with providers indicate that this may partly be due to a higher than usual number of voids during the pandemic and less charitable fundraising activities than usual. Between 2019/2020 and 2020/2021, income allocated to individual activities also varied:

- income allocated to housing management and day to day maintenance reduced by 8.6 per cent
- income allocated to personal care reduced by 1.3 per cent
- income allocated to housing support and independence increased by 0.8 per cent
- and income allocated to other services increased by 30.6 per cent which is likely to reflect the additional requirements associated Covid including enhanced cleaning routines and testing.

Expenditure

The Financial Data Templates provide information on expenditure by activity as well as on income received. In 2020/2021, the 12 schemes had a total expenditure of £11,920,307 which is 2.8 per cent higher than the previous financial year. This contrasts with the previous section on income sources which indicates overall income declined by one per cent and SNMA is currently frozen at 70 per cent of the previous funding levels. The 2020/2021 expenditure data for the 12 schemes shows that:

- 47 per cent of expenditure is spent on personal care

- 27.9 per cent is spent on housing support and independence
- 23.9 per cent is spent on housing management and day to day maintenance
- the remaining 1.2 per cent is spent on other services.

The profile of expenditure for these four service headings does not match the profile of income allocated to each of the tasks. So, whilst 17.4 per cent of income is allocated to housing support and independence, 27.9 per cent of expenditure goes on these tasks. Closer inspection of the individual Financial Data Templates raises the potential explanation as being associated with different Providers using different accounting techniques for how they allocate income and expenditure to the various elements of services they provide.

Between 2019/2020 and 2020/2021, overall expenditure increased by 2.8 per cent compared to the reduction in income of one per cent. The extent to which expenditure increased or decreased over this time period varies across different aspects of service delivery:

- expenditure on housing management and day to day maintenance reduced by 8.1 per cent compared to a reduction of 8.6 per cent in income allocated to this activity
- expenditure on housing support and independence increased by 9.5 per cent compared to an increase of 0.8 per cent in funding for this task
- expenditure on personal care increased by 5.4 per cent compared to a decrease of 1.3 per cent in income allocated to this activity
- expenditure on other services only increased by 0.1 per cent compared to a 30.6 per cent increase in income allocated to this category
    - additional costs associated with enhance cleaning etc. needed during the pandemic may potentially being recorded under other activity headings such as housing management and day to day maintenance
    - other services are only a very small part of each scheme's overall income and expenditure each year:
        - rising from 1.4 per cent of overall income in 2019/2020 to 1.9 per cent in 2020/2021
        - accounting for 1.2 per cent of all expenditure in both 2019/2020 and 2020/2021.

The expenditure data has been examined for the 325 units of accommodation delivered across all 12 schemes. This shows that the average expenditure per unit delivered varies both between and within client groups:

- overall, the average annual expenditure per unit is £36,678 or £705 per week
    - this compares with the average income per unit of £33,085 or £636 per week
    - average expenditure per unit ranges from £29,258 per year or £563 per week to £66,737 per year or £1,283 per week
- the average expenditure per unit for Older People with Dementia is £34,030 per year or £654 per week
    - ranges from £29,258 per year or £563 per week to £40,762 per year or £784 per week
- the average annual expenditure per unit for Frail Elderly schemes is £37,414 per year or £720 per week

    - the expenditure per unit for these schemes ranges from £657 to £746 per unit per week
- the average annual expenditure per unit for schemes for People with Learning Disabilities is £51,903 per year or £998 per week
    - there are only two schemes delivering 30 units of accommodation within this client group who completed a Financial Data Template and the expenditure per unit ranges from £927 to £1,117 per unit per week for these schemes.

Staffing makes up the largest element of costs and 63 per cent of all expenditure is spent on frontline staff and a further five per cent on firstline management. Just over a quarter (27 per cent) of total expenditure is spent on non-staff direct scheme costs and the remaining five per cent is allocated to indirect overheads. A similar pattern of expenditure is seen in the previous financial year.

Surpluses and deficits

The comparison of income and expenditure allows surpluses and deficits to be calculated by scheme, client group and activity. The 2020/2021 financial data for the 12 schemes indicates that:

- the schemes cost more to run than the income they receive
    - they have an annual operating deficit of £1,167,523
    - this is substantially higher than the year before the pandemic when the deficit for all 12 schemes combined was £737,012
    - the last SNMA review completed in 2018 shows that the combined annual deficit for all 22 schemes in 2016/2017 was £439,774 – the financial situation of all 19 SNMA schemes is therefore likely to have deteriorated significantly since then
- eight of the twelve schemes are operating at a deficit
    - for six of these schemes the deficit was between 11 and 16 per cent of annual income
    - for two of the schemes the deficit was between 37 and 41 per cent of annual income
    - two of schemes had previously been operating with a small surplus in 2019/2020
- the data for each client group overall shows that all three (People with Learning Disabilities, Frail Elderly, and Older People with Dementia) are running a deficit
    - the average expenditure per unit is higher than the average income per unit for each of the three client groups
- if SNMA funding was removed and not adequately replaced with another source of funding then the eight schemes already running at a deficit would all have a larger operating deficit and one additional scheme would also be running at a deficit.

How is SNMA funding used? 5

Overview

The Judicial Review determined that further consideration needs to be taken in respect of how the SNMA funding is used by the schemes. This forms the basis of the second question raised by the Judicial Review which is addressed in this Chapter:

- **Is SNMA being used to pay for housing support services and what is the nature of these services?**

This question is explored utilising the in-depth material collected via the interviews with stakeholders and written responses received. In the main, the Providers and HA Providers are in the best position to give the most detailed information on how the funding is used. Given the relatively small number of respondents in each sub-group the following chapters in the report combine responses from and refer to Providers and HA Providers as a single 'Providers' group.

It is clear from the interviews that the reality of obtaining different funding streams from multiple sources means that for most Providers the SNMA comes into their overall pot of funding for each scheme from which they provide a holistic service. All bar one of the Providers are very clear that the SNMA funding contributes to housing support and independence for their residents in addition to personal care which is funded by the HSCT. This concurs with the evidence in the previous chapter where 11 of the 12 Providers who completed a Financial Data Template said that all of their SNMA funding is spent on delivering housing support and independence. This accounts for 97 per cent of all SNMA funding.

Only one scheme did not allocate their SNMA funding to housing support and independence on their Financial Data Template. Instead, the Provider allocated it to cover the housing management and day to day maintenance for the scheme. The interview with this Provider confirms this is how they use the SNMA funding, that it includes funding staffing, that it supports housing related activities, and that *'it pays for what the trust doesn't pay for'*.

The Providers are also clear that staff cannot be arbitrarily divided into separate roles which solely provide personal care or solely provide housing support. Given the complex needs of many of the residents, the small size of many of the schemes and the holistic nature of service delivery given, Providers say that the promotion of choice and independence is integral to service delivery and this is the responsibility of all staff:

> *"from the chief executive to the leadership team, senior management team down to support workers, team leaders down to cooks, domestic staff, it's part of our mission and we're a valued based organisation and even down to appraisals and work plans are all based around promoting those values."* **Provider**

Housing support and the independence of residents

Provider perspectives

Our interviews with Providers confirm that SMNA funding is predominantly being used to fund and maintain services **to support the independence of residents** and to provide an **enhanced level of support in relation to their housing**. Although SMNA funding may go into their overall funding pot, most Providers are clear about the purpose and use of the SMNA funding.

> *"... we are very acutely aware of why we get the SMNA funding, and we would see it as being able to deliver enhanced level towards the independence part of housing support. ….you couldn't necessarily ask any member of staff what that part there is, it's just housing support, however they would all be aware that we're building something different at that service than your typical care service."* **Provider**

> *"SNMA funding as detailed in the finance submission is used solely for housing related support functions and we have clear delineation of what is support and care, SNMA funding enables us to allow some staff resource to deliver support on top of what we have proportioned for care."* **Provider**

> *"We particularly use that in the supported bit of the daily lives piece of it, so we're very clear that a level of care, the regional rate for health comes in and delivers the care element of, but the additional to do for us is where we use the SMNA."* **Provider**

> *"SNMA funding enables us to allow some staff resource to deliver support on top of what we have proportioned for care."* **Provider**

Another Provider explains that SMNA funding goes into the central funding pot and is used to support the independence of all their residents including those who are self-funding. They acknowledge that this is a grey area and that it is unclear as to whether SMNA funding can or should be used in this way.

> *"SMNA funding goes into the pot and funds for all residents so we didn't make that distinction [self-funding] and I suppose … because it was a fund that was set up so long ago, there might have been a clear understanding at the outset about exactly how the fund should be used but I think that's been lost over time frankly."* **Provider**

Many schemes give examples of how SMNA funding is used to promote independence and choice. These include providing **activities and clubs, offering support for integration with the wider community, bringing a variety of services into homes** that are needed to support daily life. These activities are explored further in the following chapter on promoting independent living but also include helping residents to manage their finances, undertake correspondence and maintain their home.

> *"providing that next level of independence, in having that facility to be able to either take people out or provide that one to one specific, …we have that facility to allow somebody to sit with them, read with them, talk to them, do a bit of gardening with them. So that just allows us to be able to get that little bit extra."* **Provider**

> *"So a lot of the time we bring people in, bring services in. If someone comes to us and for example they've been an avid church goer they will still do those sort of things."* **Provider**

> *"We've got a really good music and art therapist coming in."* **Provider**

"Access to external activities and events, such as going to the post office, bank, church, day centre" **Provider**

Wider stakeholder perspectives

Not surprisingly, many of the HAs acting solely as landlords don't have specific information on how providers are specifically using SMNA funds. In the main, they assume the money is contributing to staffing within the service for the benefit of residents.

"I think they use it just generally across the support staff where it is helping the individuals in the scheme, but I couldn't be specific." ***HA Landlord***

The HSCT representatives are also unaware of the specific uses of the SNMA funding other than they are of the general opinion that it contributes to the services delivered by the schemes for the benefit of the residents. One HSCT representative overseeing schemes for People with Learning Disabilities attributes the funding to additional support required to meet the complexity of need amongst the vulnerable residents living in these schemes.

"…they're not registered as nursing homes so it's to fund the complexity of that need so the person doesn't have to move to a nursing home, they can meet those needs within their home and they're more complex needs." **HSCT**

Other HSCTs are less clear on how SNMA funding is used but one comments that SNMA is contributing to the sustainability and longer-term viability of some of the schemes.

"I don't think there's any distinction in terms of how the funding is used… it would be more about the sustainability of the service as a whole rather than being used individually, but they might have a different view, that's just from my perspective." **HSCT**

SNMA contributing to higher housing management and maintenance costs

It is pointed out by several Providers that SMNA funding also covers the costs that funding from HSCTs doesn't. This includes contributing to the higher housing management and maintenance costs associated with these schemes. Some of these costs are related to specific HWC design features which encourage and promote independence. For many schemes this includes flatlets alongside communal areas.

"Even the structure of the building in many ways requires more support. For example, in terms of the maintenance end because they aren't just ensuite rooms, they're flatlets, they require more work to service from a provider's perspective as well. So if this funding wasn't there and the building wasn't designed the way it was then our costs would be lower too." **Provider**

"Support in decorating and purchasing items for their home." **Provider**

"including upkeep of the accommodation" **Provider**

Only one Provider allocates all of their SNMA funding towards 'Housing management and day to day maintenance' in their Financial Data Template. They state that the funds contribute to repairs and security of buildings to provide a better quality of life for the residents to *'ensure that the environment is pleasant and safe.'* Another Provider also mentions that SNMA contributes to *"assisting with the security of the dwelling."*

Consequences of reducing or removing SNMA funding

Service delivery and the impact on residents

Providers emphasise the potential impact on the services they provide if SNMA is reduced further or funding ceases without a replacement. They worry about the effect that this would have on the quality of life and independence of their residents. SNMA funding often provides that *'extra level of service'* to residents which would be lost.

> *"HWC is a high cost, high risk but also high impact service. Every penny counts to ensure that the homes operate efficiently and safely to deliver the highest quality service to residents."* **Provider**

> *"…removal or reducing of SNMA would seriously impact the support we can provide at our homes and impact the experience of people living there if we did not have the time or resource to promote independent living and take time with residents. Customer experience, independence and enjoyment of life could be seriously impacted."* **Provider**

> *"It would impact the budget, it would impact what you can actually achieve. I've always said that to deliver housing related support takes a lot more time than to deliver care and it's the same with the SMNA element here. It takes a lot longer to give someone choices than to simply go and say I'll make you scrambled egg on toast now, to teach them and give them those skills and to empower them actually requires more staff time and attention."* **Provider**

One HSCT respondent with responsibility for schemes for adults with learning disabilities raises concerns about the potential impact on the housing and care needs of vulnerable residents if SNMA funding is removed. The already precarious financial situation of many schemes would potentially be further undermined and ultimately there would be a negative impact on the residents. The complexity of needs both within and between client groups, coupled with limited alternative suitable housing with care provision, means that potentially the only other options for some residents may be to move into nursing homes which are ultimately unlikely to meet their needs.

> *"[if SNMA funding is removed from the schemes]….we wouldn't be able to provide the support they [the residents] would need. Some of them [the residents] need two to one staff and have high level, complex needs, so their needs couldn't be met if they didn't have that funding and we have to look at alternative accommodation which might be too much, it wouldn't fit their need because they are still classed as residential with more higher level complexities but we would have to place them in a nursing home……..there's younger ones in those [SNMA] home(s)….It's not in their best interest to be in a nursing home when they don't have nursing needs."* **HSCT**

A couple of respondents also raise concerns about equity issues for service users if SNMA funding is withdrawn. A Provider for a scheme for adults with learning disabilities feels that residents would be disadvantaged, due to a greater risk of them becoming homeless if funding is withdrawn, compared to similar residents in non-SNMA funded schemes.

> *"I do think that people need to be very careful that they're not open to a legal challenge and how people have been disadvantaged by being placed in SMNA homes over people who were placed within non- SMNA residential homes and that they will be disadvantaged and if the schemes become unviable, they're made homeless."* **Provider**

Budget constraints

Several Providers discuss the historic policy assumptions which underpin the funding model for their schemes. Their homes have been designed and constructed with housing investment from the Housing Executive and are founded on financial assumptions based on long-term SNMA funding.

Previous reductions in SNMA funding has *'tightened the pot', 'made everything a little bit harder'* or has had a *'significant impact.'* To some extent, the scale of the impact depends on the size of SNMA funding received. Several schemes already running at a tight bottom line had already implemented a range of measures in response to the previous reductions in SNMA funding. These include Providers implementing stricter budget controls, introducing a top up fee, reducing investment in staff, and funding the reductions out of reserves.

> *"…we manage our finances very well so we just had to fund the reduction in funding out of reserves because those schemes are very tight as far as the bottom line's concerned about running [to the] breakeven point, any time it wouldn't we fund it out of reserves…we have two types of reserve, risk and development, and funding deficits doesn't fit in either of those."* **Provider**

> *"The initial thing that happened was a top-up fee had to be introduced to cover that, then when the further reductions came.…we have not broken even in many years, we have a deficit and the deficit has been absorbed by other things, we've had various things like National Lottery grants and different things that we've been able to use for things like improving the gardens and bringing in some services but we're making a huge loss."* **Provider**

> *"We have had to scrutinize human resource allocation and at times over the years reduce hours, including consolidating managers roles. For many years we had one Manager over two homes, to try conserve resources. However, this was not feasible given the risk and compliance requirements with RQIA and support to staff and residents, so we reinstated the role at high cost."* **Provider**

Funding for these schemes is already under considerable strain given increasing costs such as those associated with minimum wage, higher inflation and rising costs. Given there has been no uplift in SNMA funding since 2008 and that SNMA is currently 70 per cent of its original levels this is leading to additional financial pressures on these schemes. No inflationary uplifts, further reductions or withdrawal of SNMA would result in sizeable funding shortfalls for many of the schemes.

> *"…we're getting very, very small uplifts and maybe inflationary uplifts [from the Trust] but it's not covering the cost of living and it certainly doesn't cover the housing management needs required so that's why that funding's essential, for us it's the difference between being able to operate the scheme and not because of the margins, I wouldn't even say it's margins, both schemes are running in a deficit."* **Provider**

> *"This scheme is reliant on SNMA as part of its total funding. Already funding is under strain because of increased costs such as minimum wage and increased expenses."* **Provider**

> *"Costs to provide services are soaring and budgets are already under immense pressure. SNMA provides about [£k] to our organisation per year and without it, income would be significantly reduced. It would trigger a further re-examination of the financial viability of our HWC homes."* **Provider**

Sustainability of the schemes

Providers emphasise that whether schemes are SP or SNMA funded, they are underfunded to the point where the supported housing sector is *'becoming unsustainable.'* Many schemes state they are running at a deficit and require cross-subsidy to function. The financial data analysis presented earlier in Chapter 4 confirms that this is the case for 8 of the 12 schemes that submitted Financial Data Templates. The Providers stress that the viability of their homes is under scrutiny and that for some other parts of their business already subsidises HWC schemes.

> *"Without a funding model to support the delivery of the services, the viability of the homes would be questioned as funding has not increased since 2008 in line with cost of living or inflationary updates making it harder to stack the homes up financially."* **Provider**

> *"Other elements of our business have also subsidised HWC and we have had to question is it fair for other customers from other tenure type to be potentially contributing indirectly."* **Provider**

One Provider, already cross-subsidising its HWC schemes from other elements of their social housing portfolio, queries whether the withdrawal of SNMA would call their current approach to cross-subsidy into question. They feel the approach isn't fair on other service users in different types of housing.

> *"… that's about subsidising it from the other social housing elements and that's okay to do that for a period to get through a crisis but from a sustainability point of view it's not fair on those people who you're taking the money off to put towards future repairs and investment requirements."* **Provider**

Providers voice extreme concern about the possibility of SNMA funding being withdrawn completely. Over half of the Providers (some with multiple schemes) that took part in the consultation say that removing SNMA would jeopardise their schemes, make them unviable or at risk of closure.

> *"As the SMNA has been eroded [so has] the margin of our business…...we're keeping a deficit across the schemes, …..we're an altruistic organisation in terms of we support people, we're desperately proud of the HWC and what we do, and we've taken the decision more or less to subsidise to a degree.....and there's no contribution to major repairs, in any other part of our business we would be saying this is unviable."* **Provider**

> *"…taking it away in its totality would be a disaster for us."* **Provider**

> *"…the scheme would struggle to manage without SMNA."* **Provider**

> *"If SNMA is withdrawn then this will result in a funding shortfall, which would put the viability of the scheme in jeopardy, which in turn would put the housing/care needs of our service users at risk."* **Provider**

> *"The consequence [of losing SNMA] would probably be having to look at the feasibility of the schemes, potential closure, if that money isn't replaced by something else those schemes couldn't afford to run. They're not viable, there's always the juxtaposition between it being somebody's home and us being a caring organisation but it's also a business too, we have to put our commercial hats on and we couldn't run the schemes without that funding."* **Provider**

The HAs acting solely as landlords explain that from their perspective if SNMA is withdrawn as a funding stream this will result in a variety of consequences for their schemes. In the main, they see this as related to the size of the scheme and scale of SNMA funding that schemes may receive relative to their overall income. For some of their schemes, this would be a '*substantial loss',* others some may potentially be able to plug the funding gap from other sources, and for others it would probably mean closure.

An interview with RQIA, the regulatory authority for RCHs, highlights that they have a responsibility to the Department of Health to report on provision as well as the quality of services within the sector. So, whilst the SNMA funding model is outside their remit – *"we don't hold the purse strings as the regulator"* - they would be concerned if removing this funding stream without adequate replacement put the viability of SNMA schemes and their provision at risk.

> *"if the outcome of your findings [the review] were to suggest that to suddenly stop the funding or withdraw to such a degree that there would suddenly be a significant impact on the provision of services then I think that would be something we would obviously be concerned about"* **RQIA**

Bridging funding gaps

One HA that only acts as a landlord says that some schemes receiving a small amount of funding may be able to find alternatives or supplement funding in some other way, possibly from amenable HSCTs as residents of these schemes still need to be housed.

> *"We have services that say they would absolutely have to close the doors and tell the trust to find these individuals alternative accommodation and we also have one provider probably who's saying our SMNA funding is so small that even if it was removed we could probably supplement that in some way. So there's a variety."* **HA Landlord**

However, this landlord then goes on to point out that not all Trusts are willing or able to make up the shortfall in funding or engage in discussions about the potential loss of SNMA funding with providers. One Provider has explicitly explored this option with their HSCT but states:

> *"The Health Trust have already indicated they would not fund this loss."* **Provider**

One HSCT discusses their role in funding a particular SNMA scheme with a legacy HSCT funding agreement. Potentially, if this could be amended then this would provide alternative funds to the scheme if SNMA is no longer available.

> *"if the legacy funding was agreed, then the SMNA if that went, that wouldn't be significant but only on the basis that the legacy funding is resolved…….if that was not resolved, that the SMNA removal or reduction would have a huge impact"* **HSCT**

When asked about future funding models for SNMA schemes stakeholders discuss alternative funding models including switching to domiciliary care payments under SP (see Chapter 8). However, the response from one Provider to questions about what it meant for their schemes if the funding stream did not continue indicates that they are firmly of the view that SP as an alternative funding model for HWC schemes does not stack up financially.

> *"we get the residential care rate for the residents, that comes with it, it's been over the last three or four years a cost of living increase, that has allowed us to keep our head above water. If you switch to a Supporting People type model you then would have a domiciliary where whole mix changes so far as, take a typical person living in a scheme, the funded might be about £630 at the residential care rate and it's about £45 for SMNA,*

if that went to Supporting People that would change to being about £450/week, with £200 domiciliary care rate and the balance would be on the rent. The Supporting People would be a freeze and the domiciliary care rates from the trusts over the last few years have been either zero increases or something like 1%, they have not been in line with the residential rate. So you can see immediately the project would become unviable.....there would be question marks over its future." **Provider**

However, the views of a Provider that had already remodelled a scheme from SNMA to SP funding did state this is a viable alternative for some schemes if SNMA funding stopped. The Provider point sees this move as having been beneficial to their tenants and organisation. However, the respondent acknowledges that the transferred scheme only received a relatively small amount of SMNA funding previously and was perhaps not as reliant on this funding source as other schemes.

"… it's been very beneficial both for the tenants and for us as an organisation. From my perspective from the housing side it's been far better because it allows us to, we can plan for the future investment in that asset because we have a rental income stream now which we didn't have before and we can fund a lot of the communal maintenance activities through the service charge, so we were able to increase the revenue that we were generating from that scheme. I can understand our situation's maybe slightly different to others because they may have more exposure to SMNA, it was only around £20-25,000 per year, it wasn't really a big issue for us." **Provider**

Stakeholder views on the sustainability of schemes, the potential impacts of removing the SNMA funding stream, and alternative funding models are discussed further in Chapter 8 where the future options for SNMA funding are explored with respondents.

Independent living

6

Overview

The original aim of SNMA funding was to cover the additional costs of providing more intensive housing support for residents with additional and complex needs, and to support a greater degree of independence for these residents. Many of the SNMA schemes were designed to facilitate a move away from institutional care, help to promote Care in the Community, and designated as HWC.

Much of this ethos is shared by the current SP policy framework which aims to support people to live more independently in the community. SP recognises the importance of improving the quality of life of vulnerable people by providing services that reduce hospitalisation, institutional care, homelessness, and assist transitions to independent living from institutionalised environments. Key aims of the SP programme are to:

> ***"to improve their quality of life through receiving appropriate housing related support services"***
>
> ***"enable users of support services to achieve greater independence"***[27]

However, since the transition from the SNMA to SP policy regimes the SNMA funded RCHs were deemed ineligible for transfer over to the SP funding regime because of questions which centre on their ability to support and promote independent living which include the nature of the accommodation:

> ***"the accommodation provided by RCHs to deliver HWC was not suitable for independent living"***[28]

Independent living has continued to be a key issue in each of the previous SNMA reviews and the Judicial Review. The latter highlights the views of the Department of Social Development (the previous department to DfC) in evidence given to the Judicial Review that SNMA funded RCHs cannot meet the policy aims of SP because they:

> ***"do not support the policy aim to live independently" and this was "not an appropriate use of the Supporting People Grant which is designed to promote independent living".***[29]

---

[27] ODPM (2003) *Supporting People: A guide to user involvement for organisations providing housing related support services.* London: HMSO

[28] Palmer, J. Boyle, F. Wood, A. and Harris, S. (2014) *The Hospital Resettlement Programme in Northern Ireland after the Bamford Review: Part 1 Statistics, Perceptions and the Role of the Supporting People Programme: A Report for the Northern Ireland Housing Executive*. Portsmouth: North Harbour Consulting.

[29]. *Fold Housing Association vs Department for Social Development [2016] NIQB 105.* Para 19, P6.

However, Providers have maintained that they do promote choice and independence for their residents to live the best quality of life that they can. Chapter 4 earlier demonstrates that on the Financial Data Templates the Providers allocate the vast majority of SNMA funding to services providing housing support and independence (97 per cent of SNMA income; all of the funding in 11 of the 12 schemes). Chapter 5 explores material gathered in the in-depth interviews on the specific types of activities that Providers spend their SNMA funding on in order to support choice and independence for their residents.

This Chapter builds on the earlier evidence by specifically asking stakeholders in the in-depth interviews about independent living, their understanding of the concept, and what it means for the day to day lives of their residents. This material therefore addresses the third question set by the Judicial Review:

- **Do these services further 'independent living'?**

A working definition of 'independent living'

The concept

The previous reviews, policy documents and Judicial Review are often not very specific as to what exactly constitutes independent living. Given this is a subjective concept, a specific definition of independent living as used by Independent Living in Scotland[30] was tested out with respondents to see if they feel it applies to their schemes. Each stakeholder was provided with the definition to consider in advance of their interview and the definition was read out in full during the interview to garner their views. This definition used is as follows:

> *Organisations that support Independent Living state that many people living with a disability describe it as: 'having the same freedom, choice, dignity and control as other citizens at home, at work and in the community. It does not necessarily mean living by yourself or fending for yourself. It means the right to practical assistance and support to participate in society and live an ordinary life'.*
> *Source: What is Independent Living? Independent Living in Scotland*

We asked all stakeholders to assess the extent to which SNMA funded schemes promote choice and independent living in line with this definition. All those interviewed agreed with this definition of independent living. The respondents concur that their schemes promote choice and independence in line with this definition depending on the needs, wishes and abilities of their service users.

> *"..we are giving them practical, ordinary lives, we are giving them choice, we are trying to normalise where they're active citizens participating in normal society, where they're making basic decisions and it's simple stuff where they're learning to cook, we're giving them practical skills to enable them to have more and more choice. So I would fully endorse that definition and say yes we are meeting it under the SNMA project."* **Provider**

The point is made by some respondents that concepts of independence and independent living are subjective and this can often mean different things to different people. A HSCT

[30] The Independent Living in Scotland project aims to support disabled people in Scotland to have their voices heard and to build the disabled people's Independent Living Movement (ILM). It is funded by the Scottish Government Equality Unit to make the strategic interventions that will help to make independent living the reality for disabled people in Scotland and hosted by Inclusion Scotland.

representative alludes to these differences between what the health sector sees as independent living or supported living compared to some Providers.

> *"I suppose our interpretation of supported living is helping the individual to live the best life they can within their capabilities and within their disability. …..their interpretation of independent living or supported living is a bit different from ours."* **HSCT**

However, many respondents clearly articulate that the ethos of the schemes is to improve the quality of life of residents by promoting choice, freedom, and dignity. They see services both in SNMA and non-SNMA projects as being based on a person-centred approach which helps residents to live as good a life as they can in whatever setting.

> *"…it's just about helping [a] person live the best life wherever they may be and whoever can provide that very bespoke service."* **HSCT**

A Provider with both SNMA and SP schemes covering different client groups explains how comparisons of the differences in the levels of independence of residents between both funding streams doesn't always make sense. They feel that some degree of independence is promoted in all schemes and the degree to which residents' capabilities enable them to make various choices also varies within both types of schemes.

> *"it's about at the end of the day quality of life that's probably the most important element."* **Provider**

When Providers with provision wider than just SNMA schemes are asked whether choice and independence is promoted differently in non-SNMA funded schemes many state that choice and independence are integral to the way services are delivered across all their schemes, whether SNMA funded or not.

> *"I would say that in all of our services including SNMA choice is a primary concern of the delivery of services."* **Provider**

Promoting day-to-day choices and independence

Respondents feel that the promotion of choice and independence is most often embedded into the daily lives of the residents. They acknowledge this means different things for different residents but that it is tailored to the day-to-day practicalities, capabilities and needs of each individual resident. The staff encourage and facilitate residents to make as many of their own choices about their daily lives as possible.

> *"Where we encourage independent living, it is about allowing people to make their own choices and to be involved in those choices and we have to find very different ways of doing that…. We try to create as many things as possible, whether it be what time they get up at, what time they go to bed, when they eat their meals, what they want to wear, ….to ensure that there still is an element of it is their choice and they can be as independent as is feasible."* **Provider**

> *"…. the tenants would be involved in……making decisions about what they would like to do with maybe the structure of their day or the menus available to them for their food, where they're doing their shopping. So they can offer them some independence and some choice, but I suppose it's limited."* **HA Landlord**

> *"…if someone is able to make their own breakfast then that's what they'll do, if they're able to wash their face, they'll be encouraged to be as independent as they possibly can and live as normal a life within their capabilities."* **HSCT**

"We just try our best, they get a choice every day, the choice to lie in bed all day or get up, there's no rigid regime, what they can have for their breakfast, lunch and dinner, so the choice and dignity and the independence is there." **Provider**

Some Providers explain that assisting service users to go about their daily lives, be part of the community and to *'participate in society and live an ordinary life'* requires more staff time in SMNA schemes given many residents with more complex needs compared to supported living schemes or supported sheltered housing schemes. For example, one Provider sees a clear difference in the degree of dementia amongst their residents in their SNMA scheme compared to supported sheltered housing for the same client group but with less severe dementia. This requires different levels of support for the clients in the SNMA scheme to support their independence and do the same activities given that they need to be accompanied compared to residents in the SP scheme where they can do the same activity unaccompanied.

"In supported sheltered housing people can just go out the door as they want, there's no issue about that, because of the level of dementia [in SMNA funded scheme], apart from a few people, most people are not given a fob to go out because they would not be safe to go out unaccompanied, that's a really big difference." **Provider**

Participating in society and the community

An important aspect of independent living highlighted by several Providers is the extent to which SNMA schemes focus on integrating with their local community enabling (as far as possible) the participation of service users in community life and activities. Linking with the residents' wider family network and community involves residents going out independently or being supported and/or accompanied on family events, church, outings and trips to the shops.

"our main focus in on maintaining their independence by providing the personal care and support that they need to do that. So our key aim whenever we get someone who needs the 24 hour support and care is to try and maintain the links that they have with the local community and their family." **Provider**

"So our primary aim is to provide the care and provide the independence that they had and their links with all the communities, churches, whatever, as best as possible." **Provider**

Many Providers also talk about how a range of activities are often brought into homes so that those who are less able to get out can participate and benefit from such activities.

"It just depends on particular residents at particular times, some can go out to the shop and do things, others could not do that, so we have a shop in the home to allow them to actually go and choose things themselves." **Provider**

Some of the Providers explain how they actively make efforts to create a community around HWC schemes. One Provider spearheaded the development of dementia friendly communities in their local area raising awareness and understanding of the needs of their residents with local shops, cafes, and businesses about how to best support them when they are out in the area. Another scheme offers opportunities and activities on the site where their scheme is situated that brings in the wider community. This provides an opportunity for residents and the community to mix.

The design and layout of some schemes also helps to encourage interaction with the wider community. For example, one Provider has a sheltered housing scheme and a supported sheltered scheme on the same site as their SNMA funded scheme:

"There's a pod building which is shared between them so there is that sense of being part of community still, you're not separate, you're part of a community." **Provider**

Providers see the degree to which their SNMA schemes can support participation in society as distinctive when compared to other 'more conventional' RCHs and this level of support is a primary function funded by SNMA.

"…it's about the practical assistance and support to participate in society because that's the bit that that funding that allows us to get staff to make sure people are out in the community, engaged in the communities and we bring people in for those that it's a bit more of a challenge to do, but to make sure people get those, the going to church, community signing groups that they went to, the lunch clubs, it's enabling people to make sure they still feel part of that community is what we traditionally used that money for along with some of the activity things that have come as well." **Provider**

"So quite a bit more focus in terms of integrating with local community and also bringing the community into the care home and I suppose we would argue that we would do more on that front than maybe your standard commercial care home operator would." **Provider**

Making decisions about their own home

The SNMA schemes also typically encourage choice and independence by involving service users in decisions about their housing (e.g. home decoration, choosing furniture etc.). All the respondents of the Financial Templates also said that their schemes allowed residents to bring items of furniture and belongings to their accommodation to make it their home.

"All of our residents have an opportunity to say what activities they want to do, what clothing they want to wear, what way they want their home decorated, what way they want to spend their days and what activities they like to be involved in, both internally in the home and externally within the community and we facilitate that as far as possible." **Provider**

"the tenants would be involved in maybe colours, making the place really homely, adapting their surroundings, having their own tastes and stuff portrayed in their own bedrooms" **Provider**

Practicalities

The respondents all articulate that the diversity and complexity of the individual circumstances, capabilities and needs of residents varies significantly both between and within client groups. Many make clear that this is also the case within SP provision. An element of choice and independence is facilitated for service users on a daily basis whenever possible but the extent to which this is feasible varies given each individual's circumstances.

The Providers of schemes for residents with more complex or greater care needs - including schemes for older people with dementia and adults with complex learning disabilities - acknowledge that whilst independence and choice is promoted where possible many of their residents cannot live fully independently without intensive housing support and care packages. This chimes with the Independent Living in Scotland definition and that living independently does *"not necessarily mean living by yourself"* and *"it means the right to practical assistance and support to participate in society and live an ordinary life"*.

"our average age of resident would be in their 80s, 90s now so again that is obviously feeding into the frailty issue as well and while we do what we can to promote

independence and independent living, that's curtailed by people's frailty and care needs too." **Provider**

"I would say that we have some people who are unable to verbalise their choice within our SNMA schemes and where they're not able to do that and in that case we take a best interest decision." **Provider**

"we're very keen to risk assess, to make sure they live the best life they can." **Provider**

Care and support plans

Some Providers comment that service users' needs are defined and documented separately in support plans and care plans whereas others have combined plans.

"Support plans are developed in addition to care plans to ensure that staff and residents work together to differentiate between the two and empower residents to support themselves to retain elements of independence which varies between residents" **Provider**

"we hold separate care and support plans to ensure that assessments are documented and implemented appropriately, and care and support needs are clearly defined." **Provider**

Some Providers feel that some of their SNMA schemes for adults with learning disabilities or older people with dementia are able to promote independent skills more than it is normally possible to do in traditional RCHs.

"Within our partner schemes who provide support and care for people with dementia, we are aware that they follow a similar process with defined support and care plans. Care homes without SNMA, we understand only provide care plans with less focus on support [and] empowerment to retain levels of independence." **Provider**

"So our SNMA projects have always had a different element than traditional registered units where they have had a lot more promotion towards giving them independent skills is really where we see it, where we're trying to promote their rights and give them more influence and empowerment than you would have naturally seen in traditional registered care units." **Provider**

Holistic approach to service delivery

Many respondents comment on the holistic approach to service delivery in their SNMA schemes. For those delivering wider service provision under the SP funding regime, they say this holistic approach is integral to both their SMNA and non-SMNA schemes. This holistic approach means it is the responsibility of all staff to promote choice and independence as part of every employee's job.

"…it's a holistic service, we don't have a dedicated housing member of staff and dedicated care staff, it's part of everyone's job I suppose to provide that holistic service and again that meets the needs of the client group better". **Provider**

"Yes from the chief executive to the leadership team, senior management team down to support workers, team leaders down to cooks, domestic staff, it's part of our mission and we're a valued based organisation and even down to appraisals and work plans are all based around promoting those values." **Provider**

Several Providers comment that day-to-day frontline staff who are employed in schemes are often not separated out into either care workers or support workers and jobs can be advertised as joint 'support and care' workers. These staff are tasked with providing the ongoing personalised support necessary to promote independence and choice. Given the small size of some of the schemes and the complexity of needs of the residents (for example those with dementia or learning disabilities) then having the stability of a familiar support worker who fulfils most roles is more reassuring to the resident than dealing with lots of different people.

> *"the title we have for our staff are care and support workers because somebody goes in to maybe help somebody get dressed, you're not going to bring somebody else in then to support them to make a cup of tea, so our jobs are advertised as care and support workers."* **Provider**

> *"given the scale of the schemes, …. you couldn't imagine having two cohorts of staff delivering two sets of service"* **Provider**

> *"…they do everything for them, you wouldn't bring in a housing officer to look at their finances and pay their bills. It's the same as supported living, like Supporting People, we don't bring in housing officers to do the housing bit, it's a support worker who would help with everything, help them sort out their meal plan, pay their bills, they do everything, you wouldn't bring in two different people because it would be confusing for the person."* **Provider**

> *"I remember having a discussion years ago with people about the issue of if something was a housing or a care function and you can imagine having that conversation with a resident or family members, this falls on this side …… they would just think it was nonsense, their question is on whether their mother or father can have a particular [activity] or experience in their life."* **Provider**

Across the SNMA schemes, depending on the type of facility and service users' needs and circumstances, Providers often mention a range of housing support functions which are provided to residents. All these services fall within the SP guidance for housing related support for vulnerable people.

- supporting residents to make contact and attending meetings with housing staff, social workers, Health Professionals, either in getting them to visit them in their own home, assisting with telephone calls or other correspondence
- supporting residents to maintain the cleanliness, hygiene and safety of their dwelling
- helping residents to access internal and external activities and events such as going to the bank, church, day centre
- support to pay bills and managing finances.

Their home for as long as residents chose to live there

The holistic approach to care and support is seen to facilitate independence and choice for people to live in the schemes for as long as is possible and for as long as they choose to. The needs of longstanding residents change over time as they get older and support is adapted accordingly.

> *"We support and care for people to live with us a long as possible or for as long as they choose too."* **Provider**

If a resident's needs change to the extent that a resident requires nursing or more specialised care then it is in their best interests for a move to other services which can meet their needs better. These decisions are made in conjunction with the multi-disciplinary and multi-agency teams. Many of the respondents comment that this is no different to the processes within their SP funded provision when residents need nursing care.

> *"our big desire is that people can live their life with us, ...we will care for people as long as we can and as long as we can maintain them, so sometimes maybe due to a hospital admission or the dementia increases to the point where we can't look after them then that decision is again a multi-disciplinary decision with the family, if the person at that point has the capacity to talk about moving on elsewhere."* **Provider**

Several of the Providers talk about how their long-term residents and their families very much see this as their home. They therefore try to enable residents and their families to make the same decisions about staying their home until end of life if this is feasible. They equate this to the same decisions that people make living in the community. Where a resident can be supported up till the end of life and a palliative approach facilitated with the support of health and community partners in the SNMA scheme this is done just as it would be if they were living in their own home.

> *"..if it's a case that they go (into hospital) and the outcome is that it's maybe an end of life, short term we, with the agreement of RQIA, have been allowed to bring people back to the home because it's their home, and end their days there and that's happened on quite a number of occasions but we always make sure we've got permission to do that because it's not the norm for a lot of residential homes…But if someone's been with us a long time it's their home and families need to see the staff that know them. In some cases where maybe people have had no family, they've been able to end their life with us and then be buried from there and things like that, so we've facilitated all of that."* **Provider**

> *"this is the person's home and people do end their lives with us, in all our schemes where they can and where they want to and we're able in collaborative working to provide that people do live with us until the end of their life."* **Provider**

> *"…if a resident/family and key workers decide upon or require a palliative approach while remaining in place, this is facilitated with partners e.g., GP or HSCT partners."* **Provider**

7 SNMA schemes in relation to the SP policy framework

Overview

Since the outset of SP in 2003, the policy framework has posed significant challenges for the SNMA RCH schemes to meet all the policy intentions and requirements of the SP funding regime. The core aims of SP are to support people to live more independently in the community and improve the quality of life of vulnerable people including by:

- assisting transitions to independent living from institutionalised environments
- providing support services that reduce hospitalisation, institutional care or homelessness
- maintain tenancies.

Consequently, whilst the majority of the SNMA funded schemes were 'passported' over to SP funding, RCHs with SNMA funding were deemed a being unable to meet the SP policy aims, ineligible for SP funding, and categorised as 'Excepted Accommodation'. This was based on the:

- ability of schemes to provide high quality housing-related support services which are cost-effective and provide value for money
- suitability of accommodation in some HWC schemes, and that as no capital funding is available, they are unable to remodel accommodation
- level of care needed by residents means that a residential care environment is required this makes it difficult to deregister as RCHs
- ability to offer security of tenancy based on tenancy agreements
- right of residents to occupy the accommodation as their own home.

These issues led the Judicial Review to set out a fourth and final question about the nature of SNMA schemes:

- **Are these services in accordance with the SP programme?**

Findings

Several of the other Chapters address different aspects of this question including whether services provide are able to support people to live more independently in the community and improve the quality of life of vulnerable people (Chapter 6) and their ability to offer quality housing support services (Chapter 5) which are cost-effective (Chapter 4).

Chapter 8, which assesses the future options for SNMA funding mechanisms, refers to several other of the issues as to whether SNMA schemes are in line with the SP policy aims including the extent to which SNMA schemes assist transitions to independent living from institutionalised environments, their ability to provide support services that reduce hospitalisation, institutional care or homelessness, and the need for RQIA regulation of the sector. The indications are that:

- the SNMA schemes reduce the need for institutional care as without the support of SNMA funding some of schemes are at risk of closure and the alternative for some residents would be to move to more institutional care settings providing nursing provision
- the SNMA schemes provide a steppingstone for some residents on a journey from more institutionalised care towards SP provision
- some residents might potentially be at risk of homelessness if the SNMA schemes were to lose their funding this would increase the need for some to be placed in nursing care which would not be suitable to their needs or provide housing support services to promote choice and independence
- many SNMA schemes confirm that they think it is necessary to remain within the RCH regulatory framework to provide assurances to residents and their families that adequate quality care is being provided and that this is more than the regulatory requirements of SP supporting living schemes.

Many of the Providers point out during the course of their interviews that whilst the residents in their SNMA schemes might require a higher level of care than their SP schemes the ethos of the schemes and attitudes towards residents is the same – they try to support the residents to live the best quality life that they can within their capabilities and disabilities.

Most providers state that their processes, pathways and referral routes into the SNMA schemes as well as multi-agency approach to needs assessments is the same as for their SP schemes.

Tenure

On the issue of security of tenancy and tenancy agreements, nearly all of the Providers state that their residents have Licence to Occupy Agreements rather than Tenancy agreements. This seems in line with the original 1993 Housing Association Guide[31] in place at the time of the introduction of SNMA which said that:

> *"Associations must seek to provide tenants with as much security of tenure as possible. This should normally be in the form of a secure tenancy although it is recognised that in some circumstances this may not be appropriate ... [and]*
>
> *"Approved management arrangements include:*
>
> > *Direct management by the housing association;*
> >
> > *Joint management agreements between the housing association and a 'compatible' and 'competent' non-profit making organisation; Nomination*

[31] Department for the Environment (1993) *Housing Association Guide 1993, Part 5, Section 5 Revenue Funding Procedure,* Ref 5.6.2 and 5.6.3.

agreements between the housing association and a Health and Social Services Board."

Whilst tenancy agreements and Licence Agreements offer a different legal basis for occupancy, many Providers say that their occupancy agreements give residents *'a degree of security similar to tenancies'.*

> *"Our understanding is that a Licence to Occupy afford similar rights and protections to people living in our HWC schemes versus those living in SP funded schemes. The rights and protections of a licencee were tested in the NI Courts for a similar scheme …. leading to a ruling that the rights were comparable."* **Provider**

Many Providers also comment that the realities are the same for a 'tenant' in SP schemes as it is for a 'resident' in a SNMA scheme. If the tenant or resident requires additional nursing care more than the personal care provided by the scheme whether it is SP or SNMA then multi-agency discussions take place with the resident and their family to find better alternative accommodation that meets the resident's needs.

> *"I think it doesn't matter whether it's in SMNA, SP or in the case of sheltered where you've got a similar client groups on a continuum…we are ultimately covering the less mobile, but no less worthy group. There's a reality you find whether it's the licence to occupy or a tenancy agreement you find that gets resolved by all those involved [if someone needs to move because of additional nursing needs]….but I think in the vast majority of cases it's not really an issue what the actual agreement is."* **Provider**

Most Providers also talk about their residents' ability to occupy their accommodation as their own home. This includes bringing their own furniture, belongings and contribution to how their room is decorated.

> *"[They bring] their favourite chair and whatever, all sorts and that's a big thing for talking points, keeping the independence, keeping all that alive with who's this, what does that piece of china mean to you and gives that sense of memories."* **Provider**

> *"…every room shouldn't be the same, it should be what is personal to you and we encourage people to bring their own stuff....when that person opens that door they'll see their pictures, their bedclothes, their wardrobes or cabinets, musical instruments, somebody had a bird, a whole range of things that makes it as personal as possible."* ***Provider***

> *"Yeah absolutely, they're encouraged to bring in their own personal belongings, that's a big thing with us, we're very, very keen on people bringing in, part of that is for pathways for finding, so people can know their location because they've got their picture or whatever so they know when they open the door, so we're very keen and everybody likes to do that."* **Provider**

> *"…the housing with care scheme is more designed and built, and they're small number wise, and they're designed like that to promote that, provide that homely atmosphere, that housing type home atmosphere."* **Provider**

Many schemes have very long-term residents who have been with them for years. Because these residents and their families very much see these as their home the Providers support the residents to live in the scheme to the end of their life if this is what the resident and their families wish for (see Chapter 6 earlier).

The future of SNMA

8

Overview

SNMA funding has been considered at various points of time since the introduction of the SP in 2003. This included the decision to continue Legacy SNMA for a number of RCHs since 2003.. Subsequently, the funding has been reduced to 70 per cent of its original level, then to 50 per cent, before being reinstated at 70 per cent of the original level. The lack of inflationary uplifts along the way also means that the funding is increasingly worth less in real terms over time.

Given the current inflationary pressures, rising energy costs and the cost-of-living crisis this is accelerating the depreciation in the value of the payment to the schemes. Coupled with a squeeze on labour supply, which is especially acute in the social care sector, many schemes talk about how this is adding to difficulties in their ability to be competitive in recruitment and retention of staff.

The current funding landscape is putting the sustainability of the schemes at risk and the financial analysis demonstrates that many of the schemes are struggling financially. The majority are running at a deficit which is increasing over time. Conversely, the average unit costs to DfC for SNMA schemes are substantially lower than the vast majority of SP schemes working with similar client groups.

As part of the consultation exercise, each of the respondents were asked to consider five possible options for the future of SNMA funding:

- **Option 1: Do Nothing -** Continue SNMA funding for those registered Residential Care Homes unable/unwilling to remodel into the Supporting People programme
- **Option 2: Remodel Existing Providers and Fund via SP** - Providers de-register as a Residential Care Home and re-register as a Supported Housing/Living Scheme with domiciliary care to fit within SP Programme funding (SPG)
- **Option 3: Develop Dual Registration** - Registering schemes as in part providing Supported Housing/Living Scheme with domiciliary care under SP, and in part as a registered Residential Care Home would allow Providers to access funding from both SP and Dept of Health
- **Option 4: Transfer Departmental responsibility** - Funding responsibility transfers to Department for Health as with other registered Residential Care Homes
- **Option 5: Withdraw SNMA –** Withdraw SNMA funding as previously planned from all remaining registered Residential Care Homes.

Each of the interviewees and respondents who provided written responses were invited to think about the main advantages, disadvantages, barriers, feasibility of achieving each of these options in their response. This Chapter considers their views on these options.

Option 1 - Do nothing

HA Landlords

As discussed earlier in Chapter 5, the HAs which act solely as landlords for the SNMA schemes often have little to do with their partner Providers with regards to how exactly the SNMA funding is used by the schemes. However, they recognise that their Providers may well be adversely affected by a change to SNMA funding. They also see the value of SNMA in supporting the extra assistance which improves the lives of service users.

This group of respondents thought that Option 1 would probably be best for Providers mainly because it is the least disruptive option.

> *"Option one also, if we could continue with SMNA funding for services with a guarantee that it was going to remain in place surely that's the least disruptive."* **HA Landlord**

> *"Well from the Housing Association's point of view we're completely neutral on it because obviously we don't get anything from it, but our partner does and they're our tenants at the end of the day. So do nothing, okay, keep the status quo. …. It does, I think it certainly does improve the life of the tenants there, it certainly provides for extra activities and extra assistance in helping people."* **HA Landlord**

Providers

All the Providers express views in support of the advantages of Option 1 and many say why change something that works. However, several qualify their support by saying this is on the proviso that to make this work it needs to be at an increased level of funding than is currently the case. Several Providers make the point that there have been no substantive changes to their schemes since they first registered; that they were designed specifically to deliver HWC; that since then they have consistently successfully delivered a quality service under the SNMA funding regime; and so why change things.

> *"[this] option would probably be the easiest option for all of us Providers and equally I would be saying that 19 years into the SP programme. We've been able to deliver on it thus far, I don't see it being that much of a problem if we did continue to do nothing."* ***Provider***

> *"…that's almost what I call a legacy option. …. I go for this one, we entered it in good faith with the Department for Health...and the housing provider with a view in 1993 to build something that was special for people with dementia so we built it with the model and the rules that were there at that time which is why we still feel the do nothing is where we would want to sit, it's a legacy scheme and we think it works well so why tamper with it."* **Provider**

> *"I would also say that there is nothing different from when we were first registered."* **Provider**

> *"SNMA is a valuable resource to us to deliver the work and services to residents at our schemes."* **Provider**

> *"….we support option 1 and the funding to continue."* **Provider**

"…[SNMA schemes providing HWC] straddles housing, care and social services. So why we seek to change something that evidently works well is hard to articulate to customers and their families." **Provider**

Another argument articulated by Providers which supports Option 1 is to do with the increasing relevance of the SMNA model. They suggest that many SNMA schemes are in high demand so changing funding doesn't make sense. Several reason that there is a growing need for the sort of accommodation that SNMA schemes deliver given an increasingly aging population and people living longer with conditions like dementia.

One Provider states there is not only a strong argument to maintain SNMA funding but to have an enhanced Option 1 - rather than doing nothing, increase it and expand it. They say that the success and positive impact of the SNMA model should be recognised more widely and provision like this expanded.

"… the truth of the matter is these schemes are in high demand, they create a particularly positive outcome for the people involved, they're popular with the families, they're working" **Provider**

A few Providers comment on amendments or enhancements that may need to be made to make Option 1 feasible. These include the current level of SMNA and the SP rules. Three Providers say that the status quo of Option 1 only works if funding is restored to at least its original level and that they would discount it as a viable option if no increases are made to this funding stream. A further Provider points out that current SP rules may make Option 1 difficult but that this should be relatively straightforward to sort out.

"Doing nothing at all is not a viable option. Continuing SNMA but increasing the rates to even pre-reduction levels and with future inflationary uplifts would be a step towards our services becoming more viable and continuing to provide the blend of care and support that makes such services unique." **Provider**

"Option 1 -Feasible but even more so if returned to 100%" **Provider**

"I think it might need to be a slight reshaping of the SP parameters to allow them to continue the funding through their funding pot, so that is an easy, fail-safe option which would keep all the providers happy and to be honest it wouldn't be upsetting the equilibrium because that's been happening thus far and it's worked well." **Provider**

A couple of Providers point out that an added advantage of Option 1 is that maintaining the current funding regime also allows them access to the regional residential care rate. This has the benefit of providing inflationary uplifts which helps their overall budget and ability to provide the services they do.

"for this relatively small fund of supporting the SMNA funded schemes and it's almost a passport through to be able to access the residential regional care rate." ***Provider***

One Provider says continuing SNMA would also enable the schemes to continue to deliver the enhanced independence for residents whose needs and requirements can't be met under SP supported living.

"Option one, do nothing, that's fine with us because we've already stated that any withdrawal of that funding would probably result in [these] schemes not being viable which would result in closure which is obviously not very good for the residents. They have independent lives where possible, but they can't live independently as in the way our supported living tenants do … there is a need for these residential homes and the types [of] residential homes that we have." ***Provider***

Finally, one provider states that Option 1 is in reality the only option that they think is viable for their scheme. They feel that their service users do not fit into a supported living model due to their high needs.

When asked about the potential disadvantages and feasibility of Option 1 no specific disadvantages were identified by Providers other than the reduced level of funding attached to it and lack of inflationary uplifts. Since this option requires no real changes for the schemes they see it as completely feasible and the path of least disruption to services.

HSCTs

HSCTs' views on Option 1 are more mixed. Most talk about the need to maintain the schemes, their wish for the schemes to continue provision, and that ultimately their key concerns are to support what is best for the residents.

> *"The Trust's key priority is the safety, health and wellbeing of those residents for whom placements are commissioned. It is the Trust expectation that DfC take this under consideration as a key variable when assessing the potential impact of any of the above options in undertaking any options appraisal."* **HSCT**

One HSCT representative reflects on the need to continue the status quo given the importance of the SMNA Providers in delivering a particular model for residents with higher complex needs but who don't require nursing homes. They feel that the *'do nothing'* approach by continuing funding will help to ensure that the schemes carry on delivering these much-needed services, and at the same standard, and that this is a good reason not to change things.

> *"…do nothing, to me has the advantages of that they remain as stated, they will remain getting the funding and they will continue to be able to provide the support to the more complex service users, I can't really see any disadvantages there..."* **HSCT**

Another HSCT interviewee feels that a particular scheme wants to hang onto SMNA funding in order to keep its residential status. This is bound up with the ethos of the Provider, the long-term identity and origins of the scheme, and their particular model of care within that service.

> *"They're very keen to maintain their residential status and therefore what they're saying to us is SMNA is very important to them to be able to turn on that model of care."* **HSCT**

Option 2 - Remodel existing Providers and fund via SP

Limited perceived advantages to remodelling

Few specific advantages are identified by the Providers in response to Option 2. This partly reflects comments from many of them that they find it hard to assess the pros and cons of this option given there is limited information about how this would work in practice. However, one Provider states that one potential benefit of Option 2 relative to Option 3 is having one regulator rather than two.

> *"The advantage would be having only one regulator and potentially give providers some more autonomy over service provision, however, we do not have enough information to assess this option."* **Provider**

Again, the views of the HSCTs are more mixed. One maintained their stock response that residents' best interests should be central to any decisions made and one states there are no advantages of Option 2 over the current arrangements.

"….remodel the existing providers and fund via Supporting People, I don't see any advantages of that." **HSCT**

Another HSCT is more positive about the potential advantages that remodelling to SP could offer residents. These centre on independent living leading to an enhanced quality of life.

"So in terms of somebody being able to live like their peers, it's important that they have their own tenancy, it's important that they are supported to live the best life that they can. So for me it would probably be more of a supported living arrangement." **HSCT**

"I suppose the option for people to move to a more supported living environment would probably be in line with the principles around helping people to live more independently." **HSCT**

"I think that is probably the way forward, if we're thinking about people and helping them to live as independently within their disability or whatever then I think that is the best option because that's in line with independent living …. if you're talking about equality and all of that, that sits so well." **HSCT**

The same HSCT respondent also suggests that remodelling might work for one of the schemes in their area as it is already currently delivering a similar service to a supported living model but under residential arrangements. A key difference identified by the interviewee is that whilst as a RCH the scheme needs to provide staff 24/7 'waking night staff' in reality some of the residents probably don't need this level of care. Having someone sleeping in the facility overnight would probably be sufficient for some of the residents although not necessarily all.

Perceived barriers to remodelling

The respondents identify several barriers with Option 2 to do with SP not being suitable for the needs of many service users currently living in SNMA schemes. Several Providers, two HA landlords as well as one HSCT made this point.

"I don't think it's suitable for the client group, it might have been at the outset when people were moving in in their 60s and 70s but not now, the client group's needs have moved on and people moving into housing with care and residential care in [Scheme] in particular are people in their late 80s, early 90s." **Provider**

"But also, not all of these service users would fit the definition for supported living. I consider all of those ones that we have, I know other landlords might be different and might have a different profile of service users, but when I look at those I just think that there are none of them that could be considered as supported living." **HA Landlord**

"… the disadvantages, the people who are in there have greater needs than people who live in supported housing and so it doesn't fit with Supporting People, they are not independent in the way people in Supporting People tenancies would be so I can't see how that would work." **HSCT**

One concern is that the level of care needed by SNMA service users cannot be met by current domiciliary care. If it is not possible to provide adequate care and support to meet service users' needs, remodelling is an unsuitable option from a regulatory point of view as it must be pursued in the best interests of service users. From a practical perspective existing domiciliary care services are already stretched and under increasing pressure making it difficult to envisage how services might cope with any further demands.

"Option two, for us that simply wouldn't work, domiciliary care would not provide sufficient, unless you changed the nature of what you describe as domiciliary care, I just don't think it would work and I don't think RQIA would be particularly happy to re-register it as that, I really don't think they would find that one acceptable" **Provider**

"We have already in the past done a feasibility study as to whether [name of scheme] could be registered as a supported living scheme, and it couldn't due to the nature and requirements and needs of the residents." ***Provider***

In addition, remodelling would remove an important model of care for residents with high level complex needs who don't need nursing care and reduce the amount of accommodation available that is suitable for them.

"I would be very worried about option two because you're removing an element of a housing model that suits these people because of their assessment of needs, what you're saying if you're going to live in supported living or your next stop is nursing care and that's not a fair thing to do, it's not equitable." **Provider**

Regulation implications of remodelling

Option 2 also raises issues around regulation from several respondents. One Provider described how being registered as an RCH imparted a level of assurance for their RCH, its residents and their families that could potentially be lost if the SNMA scheme remodelled under SP.

".. there's not an independent assurance in Department of Communities' side of the house, the departments should be working together and saying here's external eyes that will come in and do that for us and that should be seen as a positive…. So those layers of assurance are assurance there for everybody, not just the person that's providing but the person that's receiving and the families and the trusts and society. I've always thought we need assurance for all that we do just to give people a bit of comfort about when it goes wrong who they can talk to" **Provider**

Another Provider expresses uncertainty about the regulatory requirements involved in Option 2 and is concerned about the potential risks.

"To consider option 2, as a Provider, we would need to understand further the risks and implications of deregistering with RQIA and registering with SP. Understanding what the standards would look like, inspection/audit process as well as support to providers would be critical assessing this." **Provider**

However, some respondents do not see a shift in regulatory frameworks as being a particular issue as schemes under SP are regulated services and supported living is a registered service with RQIA under domiciliary care. But there is also a recognition that this approach is unlikely to suit all SNMA schemes.

"If it's registered under the domiciliary care arrangements, supported living is a registered service with RQIA under domiciliary care …. it all comes under the one umbrella but it's still very thorough, certainly the schemes that I manage are highly regulated and there are standards and inspections and all of that so they are regulated." **HSCT**

"We certainly have statutory supported living schemes within our trust and I know all the trusts do and they're regulated services so there would be still the requirements to meet the standards." **HSCT**

"I think it would certainly be possible under regulation for a residential service who's in receipt of this funding to decide to remodel towards more supported living ….obviously they'd need to be satisfied that they're meeting the relevant regulations for supported living…...[for some schemes] probably more akin to supported living then it probably makes more sense to move towards remodelling rather than it be a bit of an ill fit under residential care home regulation" **RQIA**

"we would be more than happy to sit down with a service and say even just in broad terms in principle, let's have a look at what you're suggesting, …… what exactly they're trying to achieve and can they achieve it and is it compliant with relevant regulations in terms of the premises and the general running of the supported living setting….. I think that would suit some people and not others…my guess would be that it would still be a minority of services that realistically could achieve that to be honest." **RQIA**

Funding implications of remodelling

HA landlords, Providers and Landlords raised several financial concerns about Option 2 and have questions about whether the cost implications of remodelling have been fully worked through.

"I imagine they would need to look at their funding streams and see what is to come from supported living and I don't know if they've done that yet, I don't know if they've sat down and said we're getting X amount of money from Department of Health, if we move to supported living we would get Y amount of money, I don't know." **HA Landlord**

A disadvantage of Option 2 is the potential risk to SNMA funding given the existing demands on the SP budget. Several stakeholders questioned whether the SP budget would increase if schemes remodelled. Others raise questions about being given reassurances about the level of funding under SP, whether SNMA funding would be ring-fenced under SP, and that these reassurances are needed if this is to become viable option.

"So if we were going to look at remodelling these there'd need to be consideration given to whether they're going to be allocated a bigger pot of funding and if they're going to be allocated a bigger pot of funding then the other providers are going to say we're already stretched, can we have a share of it as well." **HA Landlord**

"Option 2 would require reassurance adequate funding is available for a long-term security." **Provider**

"… we would be seriously concerned at [the] risk to even existing SNMA levels given the various demands on SP funding overall, should it not be ring-fenced any longer." **Provider**

"… I'd be really worried if that wasn't ringfenced for SMNA residential homes, I think it would be swallowed up in the [SP] budget. At the minute they're already trying to reconfigure that budget to provide an additional 1000 places including support that aren't really tied to accommodation and this would reduce the accommodation even further for our client groups." **Provider**

One Provider also points out their reservations about whether Option 2 stacks up financially for DfC. They suggest that moving to an SP model compared to the current SNMA model would actually cost the Department more to fund once not only SP funding but Housing Benefit funding is taken into consideration. This Provider, as a couple of others also mention elsewhere, say that the schemes are originally built with substantial investment from the

Department's housing budget and that they should remain part of the Department's responsibility.

> *"….if I was sitting in the department [for Communities]….I built the schemes, the capital money came from housing so this is my investment,..... I don't understand this, here I am in the department paying £45 and I want to move to something [SP model] where I'm going to pay potentially £550 out of the housing budget and it just doesn't seem to make sense to me …. particularly based on the fact that these were housing investments some time ago."* **Provider**

One Provider highlights that remodelling will also potentially impact on residents and their families as changing funding arrangements might mean that some people could lose their funding status.

> *"[potential] impact for families and moving to supported living, does that mean I might have to take my relative home and I think the other side for that is the whole financial assessment bit because it's very different for supported living than it is for the residential, so people may find that they're being funded at the minute but they might not be funded if they moved to another funding regime."* **Provider**

Providers point out that they may require additional capital funding if they need to alter the layout of buildings to meet SP requirements. Several comment that this is no longer available under the programme. There may be practical issues for providers to deal with too, such as decanting residents to suitable alternative accommodation whilst work is undertaken.

> *"….my understanding is that the capital to remodel isn't there anymore so I think that would be a challenge for us. ."* **Provider**

One provider with experience of remodelling a previous SNMA scheme confirms that major capital expenditure was needed to remodel their scheme and that without this investment it seems unlikely schemes would be able to meet all the requirements:

> *"[our scheme] did need a lot more SP funding to go into it, it also had a massive capital impact because we had to refurb the building, so there was a massive cost implication for both of those remits to make it work. It has been a really good success story, ….for that option to remain a viable option there would need to be a capital investment into the existing property or else finding a new property. So I think it needs to be considered as a possible option for a lot of providers, however there will need to be investment and it'll be more significant than what they're currently paying out for SMNA."* **Provider**

> *"so for me option two, the remodelling will definitely need capital investment plus additionality from SP pot to transform it into an SP service."* **Provider**

Feasibility of remodelling

The DfC engagement exercise with SNMA schemes prior to this review indicates that there is little appetite amongst them to pursue the option of remodelling. However, a Provider that has previously received capital expenditure to make the transition to remodel one of their SNMA schemes to an SP scheme is positive about the experience and thinks it has been in the best interest of their residents. They are also of the opinion they are better able to promote independence as a supported living environment rather than as a RCH. They also comment that it may make more sense for some providers in the future if the needs of new client referrals change. For them, the profile of their residents was changing over time and this facilitated their ability to remodel.

"over time with the new referrals coming through the individuals coming through had a learning disability but they didn't have any real physical disability so the needs assessment at that point was there's no reason why these individuals can't live in a supported living environment. So I suppose from our point of view Supporting People and the ethos of the other schemes, it's all very much been personal choice and promoting independence and you can't really do that within that residential care model so that was really where we started that process." **Provider**

From the regulatory authority's perspective, the key to the feasibility of any particular scheme remodelling is that it must be demonstrated that it in the best interests of the service users.

"so when we look at any service application coming in, like a service that was cancelling one registration to start another, all of our questions are rooted in, they're all predicated on a basic principle of what's in the best interests of the service user and the people who'll actually be living in these places and is what's being suggested going to work for them." **RQIA**

Option 3 - Develop dual registration

Barriers to dual registration

Most interviewees perceive Option 3 to be a *'messy', 'complicated' and a 'muddy'* option for several reasons. Providers deliver services holistically so it would be challenging to make Option 3 work due to the difficulty in separating out what is housing support from care support.

"I just think that makes life so much more complicated for everybody, it would end up trying to divide the two up, what advantage would that be, you're basically still getting the SMNA but in a different way. It possibly might work but it would be very complicated to work that out and to work out a scheme that would work for all the varieties of different people providing it." **Provider**

"So, in all our services, not just the SMNA ones, trying to clearly define what are housing tasks and what are care tasks and what should come from the health budget and what should come from the housing budget, it does become very difficult to try and differentiate. And of course for the providers, their aim isn't to deliver a set of care tasks and a set of housing tasks, their aim is to keep people in their homes and taken care of and deliver a quality service, so it's a headache I suppose to have to break it all down." **HA Landlord**

"Developing dual registration, also I think that would become muddy and confused, I think they are a residential home, they are not supported, if you had people in there who their ability is more then they shouldn't be in that environment, they should be living in their own tenancy and being more independent." **HSCT**....

Given existing financial constraints on budgets providers queried how the funding arrangements between SP and the Health Trusts would work under a dual registration scheme. Several Providers also point out that there are likely to be additional costs and administrative burdens on Providers, the Departments and the regulatory bodies if a more complex administrative process emerged from dual-registration. They were also very unclear about what dual registration might mean in practice and if some of the requirements from both sets of regulation frameworks would be compatible in the same scheme. In the main, nearly all respondents consider this approach would be unviable.

"Option three I just don't see how that would work between Supporting People and the trust because it's challenging enough in supported living schemes with Supporting People funding and trust funding particularly the impact that Supporting People has not given us a funding uplift in 12 years …. so in essence the Trust is now funding some of the supported living aspects because our costs have increased." **Provider**

"So to burden themselves even with the dual registration and having an extra set of services to look at, I can't see how it would help them either without additional funding on their part with their own team as well as the Providers. Again it's the amount of time and effort that goes into the audit process for SP services." **Provider**

"This option would greatly increase our staff costs as this would require a separate manager." **Provider**

"If we could access funding from SP and DOH? What quotas would be in place? what would compliance and regulation look and feel like? Standards of service would differ for clients and the risk is that customer offer would vary that residents and staff would be unclear. This could be a bureaucratic and complex approach that would introduce further complexity into the system." **Provider**

Respondents foresee a whole range of intractable problems within having to comply with two regulatory frameworks. It could mean having two regulators, two separate sets of inspections and audits. They not only perceive these as the main barriers to the feasibility of Option 3 but think this makes the option unviable.

".. it is possibly more work and I think something like a dual registration you would have two sets of government bodies to work through which may prove more difficult." **HA Landlord**

"The other option around a dual registration, and this is purely a practical thing, from the organisation's point of view is that that actually puts more work onto [us], because when we're dually registered then we're inspected twice, there's RQIA who inspect us under the domiciliary regulations and under the residential and therefore have the Department for Communities coming in for Supporting People, so from the point of view of the labour intensity of that, that increased cost for the organisation because we're going to have to have people doing all of these because there's audits involved on a monthly basis." **Provider**

"I would not ever propose doing a separate SP inspection and a separate RQIA inspection under Option three, they would need to learn to accept that RQIA can come in and legitimately look and check for the housing support elements as well, or else find slightly additional set of standards where it'll keep those parties happy because really it's just, for the amount of SMNA funding it does not make sense having to go through two sets of audit process under two different sets of standards and even the admin burden and the time involved and the training to make sure it's done properly." **Provider**

"Our board would sleep better at night knowing that they've got one body overseeing the scheme as would also be the families of the people involved." **Provider**

Another potential barrier to dual registration that respondents are the practicalities of ensuring a consistency of approach across HSCTs and organisations which interpret things differently. The diversity of the remaining SNMA schemes and the varying often complex needs of service users also means developing a dual registration system that was fair to all the schemes would be difficult.

"I definitely think some Trusts are easier to work with than others and I suppose their outlook varies by trust as well....., I'd like to think if they were going to develop a dual registration that the trusts would have to come together, have a uniform approach to it, …We work with them all on a separate basis and we don't have that." ***HA Landlord***

"Because of the level of dementia that we're dealing with, I think they would not consider that to be suitable, they have said that previously." **Provider**

Feasibility of dual registration

When looking at the feasibility of a possible dual registration option there are several issues to consider. SNMA scheme providers are unclear what this would mean in practice, have concerns about the potential complexity and costs of such a system and would therefore require reassurance and greater clarity about what it would entail. There is a preference for one regulator and any regulatory system under this option would need to be streamlined. Many providers also feel that existing issues with domiciliary care and the fact that SP funding is not keeping pace with costs call into question the feasibility of Option 3.

"I think the issue for me [with Option 3] would be the domiciliary care because in the [HSCT], as every trust, domiciliary care is already on its knees, there's probably no workforce and there's certainly no money for care packages so I would like to know how that would be funded. …The difficulty as well with SP is SP has not increased in something like 15 years." **Provider**

However, Providers feel that there may be possible ways of making a dual registration scheme work. It might be possible if schemes are able to separate out the services they provide for independence and choice.

"I think there are possibly ways that you could develop a dual registration but it would not be as it is at present because the domiciliary care under SP, I could see us being able to in some way tailor it so that those additional services that we provide about independence and choice were somehow separated out. It would be a construct if you like, it would be something that we would, but how true it would be I don't actually know." **Provider**

Two Providers suggest it could work if in essence the schemes essentially stayed the same but are dual registered under a streamlined or hybrid regulatory system.

"Option 3, I'm reading it as though we're just simply having dual registration but in essence not changing any other part of it other than

it might be regulated by both parties in which case I think they would need to streamline what they're doing." **Provider**

"I suppose if there's already a model there for jointly commissioned schemes [as in one of their existing young people SP schemes] where both housing and care can be put into a model then why is this any different? There's no right of ownership in those schemes either so there is a model there and I think there's many learning through the jointly commissioned schemes for young people.…I think in terms of the regulation of that I think RQIA are taking on the lead responsibility there and there was a hybrid model …. I think they come out and do the regulation on inspection and it's both the housing and the care element. So the RQIA and the Housing Executive agreed what needed to be assessed and I think RQIA developed a hybrid model effectively." **Provider**

The previous review by North Harbour noted that RQIA has allowed dual registration of schemes in the past which combine SP funded housing support with HSC Trust-funded residential care. There have been examples within in the SNMA portfolio in the past but if is unclear as to whether these schemes had dual registration for residential and nursing care within the same site. It was also only allowed in schemes where the accommodation provided for each type of regime could be physically separated. This is unlikely to be possible in most of the current SNMA funded schemes and thereby makes the implementation of dual registration problematic.

The North Harbour report also stated that RQIA had informed them of their intention not to approve any new dual registered schemes at that point in time. The reason given for this decision was the difficulties in maintaining standards in the nursing care parts of dual registered residential and nursing care homes.

A current interview with a HSCT also makes the point that of the dual registered care homes ended up becoming nursing homes as the process and regulatory requirements for dual registration were too difficult and onerous. The interview with the RQIA as part of the current consultation process also confirms that the homes that currently have dual registration are registered as care homes and nursing homes. In their opinion, although dual registration is possible in theory, the direction of travel has been away from this model. Ultimately, from a regulatory point of view they are two distinct models of care, and supported living is very different from residential care.

> *"There are still some services where physically you've got one premises and you've got a registered nursing home and residential under the same roof, but I think as time moves on that number will get smaller and smaller. So, it's [dual registration for SNMA schemes] not impossible but I think we would be minded away from that generally because we do see them as being two distinct models of care.* **RQIA**

> *"In terms of the dual registration option, I think it would be a little bit difficult if you were trying to have a dual registration where one part of the service is some sort of supported living and also a residential care home, I think that would be potentially quite a difficult thing to achieve and it would be a very strange hybrid."* **RQIA**

Option 4 - Transfer Departmental responsibility

Budget concerns

Whilst Option 4 keeps everything primarily within one Department's budget responsibilities compared to Options 2 and 3, most interviewees have concerns about whether funds would be protected and the risk of money for SNMA services being swallowed up by other DoH priorities.

> *"I suppose my only concern would be how well that would be protected if it was locked into a wider budget, the danger is it's not ringfenced in the same, it has been diminished obviously but at least what we've got at the moment in ringfenced and can't be used by the Department for other things, whereas if it's moved into the Department of Health budget it could be raided for all those things I suppose."* ***Provider***

> *"I don't know about Department for Health in England but over here they seem to have very little pennies to spare and if anything come in it would certainly go out to what might be classed as more important issues."* **HA Landlord**

"I know the way the Department of Health works, it would just get sucked up, it would just disappear, there isn't any way that wouldn't happen." **Provider**

"I'm sure as everybody has said to you that if it moves to the Department of Health, we'll never see it, it'll go on hips or knees or whatever." **Provider**

One HSCT representative acknowledges that Providers may have concerns that SNMA services might lose out funding wise if the budget responsibility is transferred to DoH. However, they think in the longer run this issue could be resolved.

"So I can understand that fear because it takes time to do those things so I would imagine that we would find a way through that, but it might not be easy." **HSCT**

Another HSCT respondent also raises issues around the equity of funding SNMA recipients when compared to other care homes. They feel that it may be difficult administratively to distinguish between who gets SNMA funding and who doesn't.

"…but then I suppose how do we distinguish that from people who don't get it? That might be a disadvantage and we may need to then put a layer in from the Department of Health of who gets it and who doesn't get it and how to distinguish that because I think the people who get it all are owned by Housing Associations whereas our residential homes maybe owned by the owner or they're not Housing Association-led so there's a bit of a difference." **HSCT**

Implications for housing support services

A number of Providers worry that transferring departmental responsibility of SNMA schemes to DoH is likely to impact on housing related services. They believe that Option 4 poses a risk of SNMA services becoming diluted, and of housing related support being lost.

"It is our view that if this option were implemented the concept of housing related support would disappear and HWC become residential care. This would have a drastic impact on the nature of our services and customer and family experience." **Provider**

"Option 4 I don't believe is a viable option because the statutory duty for housing remains with the Housing Executive and the Department for Communities, if that goes into health it'll be swallowed up in meeting acute need and people will not receive the housing support that they require and I think that will be detrimental." **Provider**

"….diluting the SMNA potentially through option 4." **Provider**

"The other consideration is if it transferred directly to care would it become anything other than another extension of care where the housing support element would be fully lost from the SMNA element and it would just be swallowed up." **Provider**

In addition, some respondents query if DoH is the natural home for the departmental responsibility of HWC schemes and if the DoH would see funding and overseeing SNMA schemes as their responsibility. These respondents question if the health service could effectively manage a transfer of departmental responsibility at the present time given there is currently ongoing service reform and the health service itself is under pressure.

…. why now is it determined to be a health-related matter." **HA Landlord**

"This is the wrong time to be even thinking about that, we're looking at the reform of health services and the health services are not currently managing their services properly and that's acknowledged by the health service itself and by the executive when

it was in power. So the reality is why would you give them more to manage when they can't manage what they've got properly? Cos there's no doubt they would not manage the housing bit of this right, they have to get the health and social care right first before they can do that so why would you transfer housing in when they don't have expertise." **Provider**

Feasibility of departmental transfer

The previous section outlines the concerns of several respondents about the threat of the SNMA budget for housing-related support service being subsumed within a much larger DoH budget and the potential loss of housing support as a result. However, several stakeholders suggest this if various safeguards are put in place this may be a feasible option. Suggestions include ringfencing the SNMA budget, that it needs to be matched to at least current levels, and the criteria for eligibility would need to be clearly defined.

"Option 4, to transfer departmental responsibility over to the care side, that sounds really good, however, it would need to be under the remit that it was ringfenced, protected money for the legitimate purpose of the existing SMNA services. If it was to be transferred to the trust without that set in stone then it could equally be SMNA swallowed by 101 other service provision and never be seen by the services that needed it in the first place. So that would be my caution with that." **Provider**

"Feasible if funding was matched" **Provider**

"I don't really see any negatives actually, I suppose you would have clear criteria about who gets it and who doesn't get it, it would just have to be worked out the same as everything else. We have a set rate for residential homes, we've a set tariff rate for nursing homes but our tariffs would be lower than some of the homes set and then families have to set the difference so it might then come back on the family to have to pay more…Yes, I'd class it the same maybe as nursing because it's more complex." **HSCT**

Some respondents highlight that there is generally limited engagement between the HSCTs of the SNMA sector. This contributes to a lack of awareness within the health sector of the housing support services the schemes provide. For example, the RQIA respondent suggests that none of the senior members of the care homes team are aware that the 19 care homes with extra SNMA funding are offering something that other services don't provide. DfC would need to address this issue and enhance the level of understanding within DoH if they are to take over responsibility. This would include increasing awareness in the health sector about what the extra funding is for i.e. housing related services to support independence and choice so that services are protected.

"… we would just need a level of understanding before we would sign over to that to say this is why it's different and why you would be funded for that additionality." **Provider**

Option 5 - Withdraw SNMA

During the earlier discussion in Chapter 5 on SNMA funding is used by the schemes, many Providers comment on the consequences of previous reductions in SNMA and the potential, often drastic, implications to their schemes if SNMA is withdrawn without an adequate replacement.

Stakeholders were also asked explicitly about their opinion on the potential effects of an Option 5 – for SNMA funding to be withdrawn as originally planned. Many again state that removing SNMA funding threatens the viability of their schemes and risks the closure of SNMA services. Providers with multiple SNMA services, or those who state it makes up a greater percentage of their overall contract value, state that they are at a greater risk of having to close services if funding is withdrawn. The earlier financial analysis confirms that many schemes are already running on tight margins or are running a significant deficit.

> *"SNMA is crucial to the viability of our services and there is no doubt that the services provided would be at risk if the funding model were reduced or removed."* **Provider**

> *"The withdrawal of SMNA, as an organisation it would make the scheme not viable for us and as a charity we're not allowed to operate at a loss of public money so we would have to close the scheme."* **Provider**

> *"…obviously it raises a significant question about the financial viability of the scheme. Ultimately while obviously we'd want to resist that, it could bring us to the point of closure."* **Provider**

> *"….it makes little sense to withdraw SNMA."* **Provider**

> *"We should be investing in our HWC given the tsunami of dementia ahead, not dismantling it.* **Provider**

> *"The consequences are going to be closures… I think the withdrawal of SMNA would cause chaos."* **HA Landlord**

> *"Would cause concern in regard to the future viability of the service."* **HA Landlord**

Respondents also highlight that even if schemes do not close, the provision and quality of services would suffer, and residents' quality of life would be adversely impacted.

> *"It would put us in jeopardy of being able to provide what we actually want to provide so I don't think we could do that."* **Provider**

> *"…the delivery on the ground of what they'd be able to receive would be challenged because we couldn't be delivering any element of housing related support if it was withdrawn, it's too tight….. and I think every provider will find the same thing, we simply will dilute the quality of service to service users as they would see it…"* **Provider**

> *"…. well I don't feel it should be withdrawn because then they may not be able to provide the support that's needed. That's not an option I don't think."* **HSCT**

> *"….[the residents] they're the people that would suffer at the end of the day because this money does add small things and small things can be very important in the grand scheme of things."* **HA Landlord**

Many Providers express concern that withdrawing SNMA would have serious impacts on service users and their families. If the services close, then residents who have often lived in SNMA schemes for a long time could potentially be made homeless. Alternative accommodation will need to be found which could have cost implications for HSCTs and possibly alter service users funding status. Some residents might end up in nursing home accommodation that does not meet their needs.

> *"To be frank the Trust aren't going to want that because if these services close they have statutory responsibility for the individuals who are housed there and if there*

services close they're going to have to find them alternative accommodation, where is that going to be available? It might actually cost them more." **HA Landlord**

"….Option 5, that's not an option because the result would be people would be made homeless. The places that are assessed by the Trust as being needed to house people with those needs, that would reduce the number of places so where would those people go? Would they be forced into unsuitable placements in nursing homes or in unsuitable placements within the community? I think that's not an option at all, that would result in our homes that are receiving SMNA funding closing." **Provider**

"…where would these residents go? (They) would likely end up in nursing homes which are unsuitable for them." **HSCT**

All Providers and other stakeholders agree that Option 5 is not a feasible option for any of the SNMA schemes.

Preferred options

Continue and enhance current SNMA funding

In the main, the vast majority of respondents suggest that the least disruptive option is to go with Option 1 – Do nothing. They feel that this is best for the residents, their families, and to maintain the quality of services delivered. For many, this acknowledges that the schemes work well for the complex needs of their residents, that it seems pointless to change schemes which works well, or to potentially put current provision at risk of closure given that many are already struggling with finances.

"As a provider looking in, I'm thinking as far as I'm concerned option one seems the least hassle for everybody trying to change a scheme that's working…I just feel that it works, and I wonder why they'd want to change it." **Provider**

"Option one is the easy option to say is our key preference." **Provider**

"Option one if we could continue with SMNA funding for services with a guarantee that it was going to remain in place surely that's the least disruptive." **HA Landlord**

"I don't think that from the Housing Association that we would have any preference, we would just want whatever's best for our service provider." **HA Landlord**

However, if SNMA continues HA Landlords and Providers would like assurances that the funding will be guaranteed and not put at any future risk.

"I think it [Option 1] would allow for us to continue as we're doing and I think for the service users and the staff and the statutory and voluntary agencies it would absolutely be the least disruptive but I think it would have come with some sort of guarantee or indication that it was going to be a permanent funding stream rather than the constant worry of the services being at risk and having to consider what other options might be available to them." **HA Landlord**

Some interviewees argue that SNMA should not only be retained as under Option 1, but that this type of provision needs to be expanded to meet the housing, care and support needs of older people, and other vulnerable groups. For example, SNMA HWC schemes are in high demand and investment is required for unmet need for those with brain injuries and to meet future growing demand of people with dementia.

"…in reality no change except consider expanding SNMA provision." **Provider**

"To me my preferred option is to do nothing, is to remain as it is, it's working, why change it? We don't have many, actually I didn't know enough about it because we don't have many and now that I've seen it I think there should be more of this option because we have, if there's no beds available in [name of scheme] for somebody with a learning disability they have to go to a nursing home so it's a good in between and it keeps somebody as independent as possible for longer, whereas if there's no vacancies in [name of scheme] then they would have to go to a nursing home from a Supporting People or from their own home." **HSCT**

"….the unmet need that we have. So there's not an awful lot [of suitable provision], some people are having to go to Scotland if their needs can't be met here." **HSCT**

Alternative options

Some respondents do discuss alternative preferred options if Option 1 isn't possible. However, the responses are generally lukewarm, mixed and have a degree of uncertainty attached to which would be their second-best preference. Others express concerns that the alternatives may not offer a workable option for all the remaining SNMA funded schemes.

- *Option 2 - Remodel existing Providers and fund via SP*

  "…[in relation to a specific scheme rather than all] …but I suppose for me it would definitely be option two." **HSCT**

  "Option two we would consider with the parameters that there was additionality of funding available." **Provider**

  "Remodelling existing providers and fund via Supporting People, if it was ringfenced for SMNA and not swallowed into Supporting People pot that might be a consideration I would look at…" **Provider**

- *Option 3 - Develop dual registration*

  "Well you could say my preferred option is number one and there's a possible feasibility to number three." **Provider**

- *Option 4 - Transfer Departmental responsibility*

  "Transfer of departmental responsibility I think would be ideal if it was possible and if the trusts were accepting of it" **HA Landlord**

  "Option 1 or 4" **Provider**

A couple of Providers also suggest an enhanced version of Option 1 – i.e. to maintain SNMA - but that the current situation needs clarification of SNMA's position within the SP regime, that the funding needs to be clearly and permanently ring-fenced within SP, and that there needs to be an acknowledgement that SNMA is not an exact replica of mainstream SP models of provision. Several Providers also state that there needs to be annual inflationary uplifts to make the SNMA model sustainable in the long-term.

"We feel that a 6th option should be considered. This option would be to not change the SNMA model, ring-fence it for housing related support and instigate uplifts each year in line with inflation. An additional 7th option would be to move SNMA in with the SP programme again ring-fenced with inflationary uplifts each year." **Provider**

"The other option, …. is to have this slightly separate Supporting People, just have this SMNA legacy funded schemes that just sits there in Supporting People, what is wrong with having it just sitting in Supporting People?" **Provider**

Recommendations

9

Conclusions

Overall, the evidence from the consultation process is that Providers primarily want the minimum amount of disruption to funding, the current service delivery model, and regulatory framework for SNMA schemes. Most of the wider stakeholders also feel that this is the best course of action. The Providers are wary of changes to the current system that might reduce funding and their ability to deliver the same quality of service for residents as they currently provide. Wider stakeholders concur that these schemes deliver an important aspect of provision for residents with complex needs that is not necessarily easily replicated elsewhere in the system.

Housing support services which further independent living

The Providers make a strong case that the SNMA schemes do offer something that is distinct from either current SP or wider RCH provision. The SNMA model within RCH environments centres on a person-centred approach to delivering additional housing support functions in addition to the substantial packages of care that many residents need. These housing support functions promote and facilitate choice and independence amongst residents. Although this might not equate to the same degree of independent living as is feasible for some residents in SP Supported Living environments, the Providers feel that the additional housing functions they deliver are shaped to accommodate the more complex needs of the particular groups of residents they support. This ethos improves the quality of life for residents and enables them to live the best life they can within their capabilities and disabilities. This chimes with the underpinning principles of the independent living definition. The housing support functions which promote and facilitate choice and independence are integral to the schemes which are predicated on a holistic housing with care model.

There seems to be less knowledge and awareness amongst some of the wider stakeholders, especially those from the health sector, as to the specific nature of the additional housing support functions delivered. However, this may reflect what appears to be relatively limited engagement between the two groups. The majority of HSCTs do think that the schemes are providing much needed bespoke services for specific client groups with significant needs. It is also recognised that there is not necessarily much alternative provision elsewhere which meets this need. Many stakeholders comment that although most SNMA residents have significant care needs they do not require nursing care. And yet it is also acknowledged that for many residents the alternative if SNMA provision does not continue might be nursing home provision and that this type of provision is not suitable for these residents.

Many Providers and stakeholders state that many of the residents would not necessarily be best suited to existing SP models of provision. There is also an acknowledgement that many of the schemes would require significant capital investment (which is not readily available) if the accommodation is to meet the SP requirements. This would potentially entail major disruption for current long-term residents who would need to be rehoused to accommodate

building work. For some schemes there is also the possibility that the reconfiguration needed might require a reduction in scheme size thereby reducing capacity in the system in the long term.

Are these services in accordance with the SP programme?

In the main, the respondents who have provision both within SNMA and SP highlight that many similarities exist between the two types of provision. This is especially related to the ethos of the schemes which aim to enhance the residents' quality of life by supporting them to live the best life they can within the boundaries of their capabilities. The SNMA schemes provide housing support services to promote choice and independence as is the case in SP schemes.

Cost-effectiveness and a good use of public money

The financial analysis of the NIHE data demonstrates that SNMA scheme unit costs to DfC are all at the lower end of the spectrum compared to wider SP provision for similar client groups. The average unit costs for all SNMA schemes are also far below the average unit costs for similar client groups. This indicates that SNMA is a cost-effective model of provision and represents value for money to the Department. However, it needs to be acknowledged that is just on the basis of funding provided from DfC and the overall costs of the schemes are significantly higher much of which is funded by the DoH.

If Departmental responsibility and budgets are transferred to DoH, then whilst DfC would have the approximately £1m of SNMA funding costs removed from their budget, the Department could potentially be responsible for substantially higher additional costs to their SP budget via funding for Supported Living as all average unit costs are markedly higher for all client groups than SNMA. The DfC may also incur additional costs through the Housing Benefit System which would be required to top up accommodation costs for many SP tenants. Potentially, DWP may also incur some additional costs for those of working age who may require the Housing Component of Universal Credit (equivalent to Housing Benefit).

On the other hand, the DoH may potentially reduce their expenditure per unit as the domiciliary care rate is lower than the regional residential care rate. Although, some of this would be offset by the additional budget requirements for DoH to cover SNMA funding. The evidence also seems to indicate that it is questionable if the domiciliary care rate would be sufficient to cover the needs for all SNMA service user. Nursing care provision, even though this may not be in the best interests of some residents, may be the only alternative provision for some SNMA residents. This too will have cost implications for the DoH.

Overall, the government is unlikely to make any overall savings from a change in funding regime or by transferring the SNMA budget from one Department to another. Potentially, there may also be unforeseen consequences which not only increases the budget requirements for both Departments but impacts on the quality of service provided to residents. If the funding regime moves to a DoH model without suitable ringfencing then the housing and support activities may be at risk. This may lessen the extent to which schemes are able to continue to provide housing support which promotes choice and independence. It is unlikely all within the SNMA regime could remodel to fit within SP without substantial capital expenditure for at least some of the schemes.

The financial analysis from the Financial Data Templates of the total income and expenditure for a sample of all SNMA schemes (12 of the 19) indicates that the majority are in a precarious financial position. Many of the schemes are running at a deficit and expenditure over time has been increasing whilst income has been decreasing. For several larger scale Providers this is requiring cross-subsidy from their wider portfolio of housing delivered.

The combined deficit of the schemes increased substantially from 2016/2017 to 2019/20 and again in 2020/21. This increases the urgency that should be placed on introducing greater stability into the funding mechanisms for these schemes. Sustaining and improving the current funding regime would reduce the on-going uncertainty as to the long-term financial viability of some of the schemes. In the longer-term, this would maintain current capacity in provision for residents with complex housing and care needs which is clearly in demand.

All stakeholders feel that introducing more stability and sustainability into the funding system for these schemes will benefit the Providers, their landlords, the HSCTs, and especially the residents and their families. Providers articulate a strong case that for the schemes to be sustainable in the longer-term this not only means maintaining the current level of SNMA funding (through whichever funding mechanism is decided upon) but that this also requires funding to be returned to the 100 per cent level from the current 70 per cent of level funding being received. The Providers argue that inflationary uplifts also need to be built into future funding mechanisms. This has never been so important as since the pandemic when pressures on maintaining staffing levels have increased. The current period of high inflation and levels of pay available in the social care sector is also adding to labour supply difficulties. High inflation is also increasing expenditure on staffing costs, energy bills and day-to-day costs of running the schemes.

The funding regime for SNMA schemes has been re-visited on numerous occasions since the introduction of SP in 2003. This has led to a degree of uncertainty amongst the Providers, the HA landlords, the residents, and their families. Almost 20 years has passed since the original acceptance that there needed to be an exception for these RCH schemes when they were unable to transfer to the SP regime. The original compromise made, to continue funding these schemes under a Legacy system, seems to have maintained a distinct element of provision whilst enabling those schemes who feel able to and wish to move over to SP fully to do so. However, the remodelling of schemes has slowed to a trickle and there is little appetite amongst the remaining schemes to do so. The Providers explain that this is in the best interest of their residents whose complex needs require more than domiciliary care under the SP funding regime.

It seems that this Review offers a good opportunity to once and for all put in place a permanent solution to the funding regime. Ultimately, for many of the residents and their families they see these schemes not as ‘provision’ under particular classifications of funding regimes but their homes. Therefore, delivering a more stable and sustainable funding stream for this particular type of scheme will protect these residents, facilitate them to remain in their homes, enhance their quality of life, and protect capacity within housing with care provision in the longer term.

Recommendations

On the basis of the review of policy documentation, the consultation exercise, the options appraisal, the financial analysis of NIHE data, and the analysis of the Financial Data Templates the research team suggest that the following recommendations are considered:

- **The DfC maintains responsibility for SNMA schemes:**
  - the Department should aim to minimise disruption and support the sustainability of this distinct segment of provision
  - the Department should facilitate increased engagement between key actors in the health and housing sectors to increase understanding, good practice, and learning from SNMA provision in order to inform future joint commissioning of services.
- **Funding for SNMA schemes continues:**
  - future funding mechanisms need to recognise that this is a distinct form of provision within RCHs that cannot be fully transferred to current SP rules
  - this should be on a similar funding model as is currently the case
  - but funding should be reinstated at 100 per cent of SNMA
  - previous depreciation in the value of SNMA since 2008 should be considered and if possible, taken into account, to improve the long-term sustainability of the schemes
  - inflationary uplifts should be built into the future funding system
  - consideration should be given to whether the distinct model of HWC should not only be retained but expanded given unmet and growing demand including for older people with frailties and dementia, and those with learning disabilities or brain injuries.
- **Clarification that SNMA schemes should continue to be ring-fenced within the SP regime:**
  - there needs to be an acknowledgement that SNMA schemes are a distinct type of provision that should continue to be ring-fenced within SP
  - there needs to be recognition that SNMA schemes promote, support and facilitate choice and independence to improve the quality of life of residents but that the extent to which this is possible may differ than in SP supported living schemes amongst residents with less complex needs
  - continued reviews of the SNMA funding mechanisms cause uncertainty for Providers, their residents and their families and a resolution should be reached
  - if necessary, SP regulations should be amended to accommodate the distinct characteristics of SNMA provision which may differ from wider SP provision in order to bring the SNMA schemes within the SP policy framework
  - this will facilitate many aspects of the broader ethos and learning from SP to be embedded within SNMA schemes as appropriate
  - for schemes that decide further into the future that they may wish to consider remodelling to fully transition over to SP then this should be supported by the Department, but with a recognition that this may require capital expenditure to facilitate remodelling of schemes under SP.

Appendix 1 - Participant Information Sheet

A1

Review of Special Needs Management Allowance (SNMA)

Participant Information Sheet

1. Invitation and Purpose We are inviting you to take part in a six month research study to undertake a Review of Special Needs Management Allowance. The study is being conducted by The Centre for Regional Economic and Social Research at Sheffield Hallam University in partnership with the Department for Communities. Please read the following information carefully before you decide whether or not to take part.

2. Legal Basis for Research Studies The University undertakes research as part of its function for the community under its legal status. Data protection allows us to use the information you have provided for research with appropriate safeguards in place under the legal basis of public tasks that are in the public interest. A full statement of your rights can be found at: https://www.shu.ac.uk/about-this-website/privacy-policy/privacy-notices/privacy-notice-for-research

All University research is reviewed to ensure that participants are treated appropriately and their rights respected. This study has been approved by the University Research Ethics Committee (UREC). Further information can be found at:
https://www.shu.ac.uk/research/excellence/ethics-and-integrity

3. Why have I been asked to participate? You have been approached about this study because you are involved in the provision of registered Residential Care Homes which receive funding via Legacy Special Needs Management Allowance.

4. Do I have to take part? Taking part in this research is voluntary. If you would prefer not to take part, you do not have to give any reason. If you change your mind you should contact Professor Christina Beatty, C.Beatty@shu.ac.uk, 0114 2253073 up to 14 days after the interview date. If you withdraw after this point your data may be retained as part of the study.

5. What will taking part involve? The interview will take place via videoconferencing (MS Teams) or via telephone whichever you prefer and at a time convenient to you. The interview should last approximately an hour. We will ask you about SNMA funded schemes, the types of services provided and clients supported, and funding mechanisms for provision.

6. What are the possible disadvantages and risks of taking part? We do not anticipate that there are any risks in taking part. You will not be under any pressure to answer questions or talk about topics that you prefer not to discuss and you can choose to halt or withdraw from the interview at any point.

7. What are the possible benefits of taking part? Although there are no direct benefits of taking part, participating in the research provides an opportunity for your views to inform the Review of SNMA.

8. How will my confidentiality be protected? We usually prefer to record the interview, with your consent. This allows us to accurately reflect what is said. The recording will be transcribed (written out), with any names or identifying information removed. Any quotes that we use will be anonymised (using pseudonyms) in our reports.

9. What will happen to my data during the study and once the study is over? Sheffield Hallam University will be responsible for all of the data during the study and when it is over. No one outside of the research team will have access to this data during the study. The data will be held securely on Sheffield Hallam University servers. CRESR data management protocols are consistent with government GSAD and NHS data toolkit requirements, as well as GDPR legislation.

After the study, **the financial data collected will be shared** with the Department for Communities to inform the Review. **Transcripts of the interviews will not be shared** with the Department for Communities.

Data from this study may be retained by Sheffield Hallam University for up to 10 years after the study has finished. The only personal data we keep will be your signed consent form. We have to keep this for 10 years from the end of the project so we will keep it separately in a secure file for this length of time.

10. How will the data be used? We will use all the data collected to inform the Review of SNMA and any reports produced from the Review – which will be made available to Providers and other Stakeholders – as well as presentations and any academic publications arising from the Review. Copies of final reports will be available on request from the Department for Communities.

11. Who can I contact if I have any questions or concerns about the study? Professor Christina Beatty, Centre for Regional Economic and Social Research, Sheffield Hallam University, City Campus, Howard Street, Sheffield, S1 1WB

Tel: 0114 2253073

Email: C.Beatty@shu.ac.uk@shu.ac.uk

You should contact the Data Protection Officer if: • you have a query about how your data is used by the University • you would like to report a data security breach (e.g. if you think your personal data has been lost or disclosed inappropriately) • you would like to complain about how the University has used your personal data DPO@shu.ac.uk	**You should contact the Head of Research Ethics (Dr Mayur Ranchordas) if:** • you have concerns with how the research was undertaken or how you were treated • Ethicssupport@shu.ac.uk
Postal address: Sheffield Hallam University, City Campus, Sheffield S1 1WB. **Telephone:** 0114 225 5555	

Appendix 2 - Participant consent form

A2

Review of Special Needs Management Allowance: Consent Form

Please answer the following questions by ticking the response that applies:

		Yes	No
1.	I have read the Information Sheet for this study and / or had details of the study explained to me and understand that I may ask further questions at any point.	☐	☐
2.	I understand that I am free to withdraw from the study without giving a reason. If I change my mind I should contact Professor Christina Beatty, C.Beatty@shu.ac.uk, 07471 523429 up to 14 days after the interview date. If I withdraw after this point then I understand that my data may be retained as part of the study.	☐	☐
3.	I understand that I can stop the interview at any point or choose not to answer any particular questions.	☐	☐
4.	Although comments and quotes from this interview may be included in reports, your name will not be used. We will make every attempt to ensure your anonymity. However, complete anonymity cannot be guaranteed as it is possible that somebody may identify you through the specificities of your role. We will ensure that any sensitive information or comments are fully anonymised.	☐	☐
5.	I understand that my personal details such as my name will not be shared outside this project.	☐	☐
6.	I agree that the data in anonymised form can be used for other research purposes (e.g. writing articles in journals).	☐	☐
7.	I understand that the data from this study may be retained by Sheffield Hallam University for up to 10 years after the study has finished.	☐	☐
8.	I agree to take part in the interview for the above study	☐	☐
9.	I agree for the interview to be audio recorded and to quotes being used. I understand my name won't be used.	☐	☐

Name of participant	*Signature*	*Date*
Name of researcher	*Signature*	*Date*

If the researcher is taking verbal consent: *"I confirm that verbal consent has been recorded and that the consent form, information sheet and privacy notice have been read/explained verbally to the participant" (researcher signs below).*

Name of researcher	*Signature*	*Date*

Appendix 3 – Interview Schedule

A3

REVIEW OF SPECIAL NEEDS MANAGEMENT ALLOWANCE 2022

A research study by Sheffield Hallam University commissioned by the Department for Communities NI.

Stakeholder Interviews - Semi-Structured Interview Schedule for Housing Associations who also act as Providers

Name of Interviewee	
Job/Role	
Organisation Name	
Organisation Type	Housing Association and Provider
Date of Interview	

INTRODUCTION

Thanks for taking part in this independent research to undertake a Review of Special Needs Management Allowance. The study is being conducted by the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University for the Department for Communities.

You have been asked to take part because you are involved in the provision of registered Residential Care Homes which receive funding via Legacy Special Needs Management Allowance.

You will have received a copy of the information sheet and consent form setting out how we will ensure your data is kept securely in line with GDPR policy and how this data will be used. Our report will not attribute responses to individuals and will only include summary or anonymized data in the reports.

Can I just confirm that you are happy to take part in the study on the basis set out in the information sheet and consent form?

If completing a written response, you can use as much space as you need following each of the questions.

CONTEXT

Please see the summary sheet we have sent to you of the SNMA schemes you act as a Landlord and Provider for.

1) Are you familiar with these specific SNMA funded schemes and the and the types of provision they offer?

If so, *please answer the following questions about the SNMA funded schemes your HA acts as landlord and provider for, the services they provide, your general awareness of SNMA funding, and how these schemes compare with other provision you may be familiar with but which does not have SNMA funding.*

If not, *then please tell us about your general understanding of SNMA, your organisation's role in relation to SNMA, and about other provision you might be involved with that does not receive SNMA funding but which deals with similar client groups.*

(Please can you also indicate if there is someone else within your organisation who might be more familiar with the schemes listed in the summary sheet that it would also be good for us to talk to.)

2) **Can you tell us a little about how familiar are you with the SNMA funding regime in general, its purpose and aims, and your role in relation to SNMA funded schemes?**

NEEDS & ADMISSION CRITERIA

3) *We understand that you act as a Landlord and Provider for (see summary sheet) which cater for the following client groups: XXXX*

What types of needs are these SNMA schemes intended to meet for these groups?

(For example: Care needs; Housing with care needs; Housing needs.)

3.1) **Are you aware of how these needs might differ by client group?**

(For example, differences between Frail Older People and Older people with Dementia or other groups? If respondent only has awareness of a specific client group –move to next question.)

4) **Are you involved in the provision of Supported Housing Schemes that are funded under the Supporting People Programme and so do not receive SNMA funding?**

If so, which client groups do these cater for?

And do you act as a landlord or provider (or both) for these schemes?

And can you tell us how these SP schemes and their client needs differ from the SNMA funded schemes that you are involved with?

(For example: Differences in the housing support services provided? Or how funding is allocated to these tasks? Admissions criteria? Differences in client group needs in each type of provision? Such as differences between Frail Elderly client group versus Elderly with Support? Ethos?)

And do you act as a landlord or provider for any other schemes (non-SNMA/non-SP funded) that cover similar client groups? And are you aware of how these schemes and their client needs might differ from schemes receiving SNMA?

(For example: Differences in the housing support services provided? Differences in client group needs in each type of provision? Such as differences between Frail Elderly client group versus Elderly with Support? Or how funding is allocated to housing support tasks? Admissions criteria? Ethos?)

5) **Is a needs assessment carried out as a basis for admission to the SNMA funded schemes you are involved with?**

If so, who carries out the needs assessment?

(For Example: NIHE? Inter-agency complex needs assessment? HSCT care manager? In-house assessment by provider? Other?)

6) **What are the criteria for admission to these SNMA-funded schemes? And how this may vary by client groups?**

(For example: generally, for specific schemes, by client group needs; differences between Frail Older People and Older people with Dementia?)

7) **What are the pathways into the SNMA funded schemes you act as landlord and provider for? Does this differ for different client groups depending on needs being addressed?**

(For example: self/family referral; HSCT placement; GP/Community/Hospital referrals; NIHE waiting list; outside NI?)

8) **Are you aware of any differences between the pathways into your SNMA funded schemes compared to non-SNMA funded schemes addressing similar needs?**

(For example: Differences between RCHs and Supported Housing; differences between Frail Elderly, Elderly with Support etc)

OCCUPANCY AGREEMENTS AND A RIGHT TO A HOME

9) What types of occupancy agreements do Residential Care Homes with SNMA funding have with their residents?

(For example: License? Social Housing Tenancy? 'Occupancy Agreement' – specify?)

10) Do the residents in your SNMA funded schemes have the right to occupy the accommodation as their own home?

(Prompt: See DfC Guidance for SP-funded providers on what constitutes a 'home'?)

11) Do residents in your SNMA funded schemes have to move to different accommodation if they require a different type or level of care?

Is this the same as residents in other types of schemes without SNMA funding? For example, SP funded Supported Housing schemes? RCHs without SNMA funding?

INDEPENDENT LIVING

Please read: *Organisations that support Independent Living state that many people living with a disability describe it as: 'having the same freedom, choice, dignity and control as other citizens at home, at work and in the community. It does not necessarily mean living by yourself or fending for yourself. It means the right to practical assistance and support to participate in society and live an ordinary life'.*
(Source: What is Independent Living? Independent Living in Scotland).

For the purposes of this policy framework, independent living can mean living in an independent form of housing tenure for example as a tenant, a homeowner, occupier, hostel, refuge, sheltered housing or supported accommodation.

12) In general, are your SNMA funded schemes able to promote choice and independent living, as described above?

(If so, in what ways do they do this? Are housing support plans separate from care plans?)

Are you aware of whether this is different than in non-SNMA funded schemes you might have knowledge of?

(Please give examples of how is this different from SP funded Supported Housing schemes or RCHs without SNMA funding)

Or do your schemes promote choice and independent living but use a different definition than above of what this entails?

(If so, what definition do you use? In what way is this applied to the services that are provided?)

13) In general, is it the responsibility of care staff or housing support workers to promote choice and independence in your SNMA funded schemes?

(Is it seen as an integral part of the way care is delivered, or is it seen as a separate but related service activity?)

And is this different than in other non-SNMA funded schemes you are involved with?

SNMA FUNDING

14) How do your schemes specifically use SNMA funding?

15) **The level of SNMA funding was previously reduced. What was the direct impact on your SNMA funded schemes?**

(Initially reduced to 70% of peak level, to 50%, to suggested withdrawal, then reinstatement of Legacy SNMA at 70% of original level, with no further inflationary uplifts. What is not taking place now that previously used to under 100% funding regime? Did it impact on staffing levels, services provided, activities that support independent living?)

16) **What would be the consequence of reducing or removing SNMA funding without a replacement funding model?**

17) **How have your SNMA funded schemes been affected financially by the Coronavirus Pandemic?**

(And is this different than the impact for other non-SNMA funded schemes? Can you give me some examples; did you access additional funding to offset costs and if so from DfC or DoH?)

18) **Has the Coronavirus Pandemic had a bearing on the long-term financial viability of your SNMA funded schemes?**

Future options for SNMA

The continuation of SNMA funding has been considered at various points of time since the introduction of the Supporting People Programme in 2003. Moving forward, various options will need to be considered, including:

- ***Option 1: Do Nothing -*** *Continue SNMA funding for those registered Residential Care Homes unable/ unwilling to remodel into the Supporting People programme*
- ***Option 2: Remodel Existing Providers and Fund via SP*** *- Providers de-register as a Residential Care Home and re-register as a Supported Housing/ Living Scheme with domiciliary care to fit within SP Programme funding (SPG)*
- ***Option 3: Develop Dual Registration*** *– Registering schemes as in part providing Supported Housing/ Living Scheme with domiciliary care under SP, and in part as a registered Residential Care Home would allow Providers to access funding from both SP and Dept of Health*
- ***Option 4: Transfer Departmental responsibility*** *- Funding responsibility transfers to Department for Health as with other registered Residential Care Homes*
- ***Option 5: Withdraw SNMA –*** *Withdraw SNMA funding as previously planned from all remaining registered Residential Care Homes*

19) **What do you see as the main advantages, disadvantages, barriers, feasibility of achieving each of these options?**

(For Housing Associations, providers, residents, specific client groups)

20) **Could you please tell us what your preferred option would be?**

21) **Do you think there are other options which should be considered?**

THE RESEARCH

22) **Thank you so much for sparing your time to take part in the research with us for the Review of SNMA.**

- **Is there anything further you would like to add?**
- **Are there any issues you think the research questions have not addressed which need to be considered in the review?**

We realise that we've covered a lot of ground in this interview and further thoughts on the questions raised may come to you following this interview. Please do feel free to email us at a later point with additional comments you may wish to make in response to these questions