

# VODG Response to Supported Housing Regulations Consultation, May 2025

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**The Voluntary Organisations Disability Group (VODG) is the membership body for voluntary sector organisations that support and work alongside disabled people. We bring together over 140 care and support, health, welfare and housing organisations around our shared commitment to providing the best support and services for disabled people.**

Our members encompass a broad range of provision relevant to the proposed regulations, including but not limited to regional and national care and support providers and housing associations.

This response has been informed by our members but is submitted as a VODG response.

We want to acknowledge engagement from VODG members Ability Housing, Affinity Trust, Aspens, Avenues, Certitude, Choice Support, Fitzroy, Golden Lane Housing, Jewish Blind and Disabled, Look Ahead, Mencap in Kirklees, One Fylde, Options for Supported Living, National Star, Rossendale Trust, SeeAbility, Thera and Turning Point.

Alongside our response, we broadly support the responses of the National Housing Federation, the Learning Disability and Autism Housing Network and Supported Housing People Ltd.

## Our response

### Overarching messages

Many of our members have been involved with the development of the regulations from the early stages of the legislation and recognise the spirit with which they are intended.

We welcome the Act's intention to address and halt rogue providers from operating and the commitment made through the regulations to improve the support received by people living in supported housing, the promotion of improved standards and quality, enhanced oversight and the recognition of the importance of housing with support in the wider housing sector.

Many of our members, however, have concerns that inadvertently, high quality, values-driven providers, already regulated and/or commissioned by local authorities, will bear a disproportionate cost of the measures being proposed.

While the regulations are rightly thorough, they are also complex to implement, with an administrative burden, increased workload and unfunded costs.

There are significant concerns that depending on who the licensee is, what the evidence requirements are and at what point the license applies (per area, per postcode, per front door) there could be an overwhelming administrative and cost burden which could inadvertently deter housing providers from the market, leaving an already underserved cohort of people, without the essential housing and support they need. This may also take time away from the delivery of vital direct support.

There is also concern around the capacity and skills within local authorities to implement the changes, especially at a time of significant local government change, with devolution plans under review in many areas. Councils continue to be under significant financial pressures, much of which is felt sharply by the organisations they commission to deliver care and support on their behalf. In recent months care organisations have faced unfunded rises in employer national insurance contributions (ENIC); impending changes to international staff recruitment routes; and many face imminent changes to VAT grouping structures which will have a financial cost. The cost of supported housing licenses is a further, as yet unfunded burden.

We therefore urge for swift clarity on several points of ambiguity, namely:

- What constitutes a supported housing scheme for licensing purposes?
- What services fall under the new regime and what services will fall under the remit of licensing, particularly for mixed model settings?
- Do HMOs require an additional supported housing license or will there be a merged approach over time?
- How will support be defined and measured, and by who, under the new regime?
- Will there be a read across to existing commissioned and regulated care where in place?
- Training for staff is referred to, but further clarity will be required to explain what training, for who, how this will be accredited and delivered.

Given the extent to which there are issues outstanding, the breadth of change required and the relatively short consultation period underway for such changes, we urge the government to consider a transition phase, potentially with early adopters, to test some of the assumptions, standards and practicalities of implementation.

## Part 1: Standards, Licencing and a new planning class

We agree that the licensing regime being proposed should apply to all supported housing to help achieve consistency of quality. The standards are welcome, and while in places they risk duplication with existing regulatory frameworks and adding to the already significant burden on the sector, they are well intended.

So too are the principles, which reflect the core elements of a good quality service but need to reflect the provision of housing related services, rather than overly complicate and convolute the process of delivering care – already closely managed via commissioners and regulation.

The key challenge with the proposals as they stand, is the applicability of them, given pressures facing local authorities and providers alike; the unintended consequences which might arise; and the need to support passporting across areas, to ensure licensing is proportionately considered, rather than a blunt instrument.

**Our response below refers to the key themes and recommendations that arose when speaking with VODG members.**

### Costs

The introduction of a licensing regime, while welcome in its attempts to address rogue providers, comes, as one of our members cautions ‘with significant administrative, operational and financial pressures’.

Introducing a complex process for each property or ‘scheme’, subject to additional inspections, monitoring and compliance documentation when many are already subject to monitoring by a number of different bodies including local authorities, not only risks duplication, but potentially undermines existing systems.

From the plans set out in the consultation, it is unclear how the new standards and the evidence required, will relate to existing regulatory frameworks. It is unclear what is meant by a scheme – a decision that will have significant consequences and must be part of the impact assessment work underway. Many of our members feel the current proposal is too limited and potentially complex, requiring multiple licenses for clustered scheme.

There are also mixed views on whether the 5-year license limit is the right approach, or whether licenses should be rolling until reviewed – especially for services already commissioned and audited by local authorities and regulated by the CQC, Ofsted and/or others. This should be reconsidered alongside any passporting plans implemented.

- **We urge for balance and proportionality in setting the definition of what is meant by ‘scheme’. This must form part of the impact assessment accompanying these regulations.**
- **Alongside new burdens funding for councils, we seek funding to cover the full implementation of this for third sector providers, commissioned by the local authority to deliver care, support and housing. License fees are not currently funded and may therefore need to be covered by rent, which may not be possible. Urgent clarity is needed.**
- **We agree that where a property license already exists, providers should be treated as licensed under the new scheme until they are newly assessed, or their existing license needs to be reviewed. We would also urge an initial focus on licensing departments on providers and schemes that are of concern or where parties are not already known to the local authority.**
- **Licensing fees must be proportionate and ideally standardised across local authorities. Organisations must be given adequate time to account for these costs. Any unfunded in-year costs will have a significant impact on already squeezed budget.**
- **As part of the impact assessment, the costs on third sector providers commissioned by local authorities to deliver care, must be taken into consideration, and potentially a waiver considered to mitigate what could be a detrimental impact on the sustainability of provision.**
- **We urge the government to reduce duplication and link existing regulatory assurance and evidence, to what’s needed here, as much as possible.**

### **Fragmentation of the Market**

In the case of supported housing provision, there can often be multiple providers involved in a single ‘scheme’. Proposals point to the landlord being the licensee, but often they are not the providers of care and support. This poses an uncomfortable, maybe insurmountable, burden on landlords, without any clear plan to fund, train or increase capacity within the market to ensure landlords are able to take this on.

Our members are concerned that the enforcement of national supported housing standards may affect existing relationships between registered providers and managing

agents, potentially leading to operational challenges, because of the large financial and risk burden put on providers.

They may also be prohibitive to further support coming online if small providers lacking capacity, or larger organisations offering much needed housing stock but with a portfolio beyond supported housing, are unable to commit the necessary resources to meet the standards or risk burden they present.

Given these arrangements, there may need to be a split licensing regime, where responsibility sits with the appropriate organisation. This would need to be accompanied with clear guidance, local authority monitoring and assurances.

Along similar lines to the above, there are numerous issues regarding the responsible person standard and Fit and Proper Person test as written in the consultation document, particularly where there are multiple agencies involved in a single service. The test should include DBS and have the potential to be passported if people are registered via the local authority or NHS.

There needs to be a consistent approach to how supported housing providers demonstrate quality assurance and how local authorities judge this. It is unclear where accountability ultimately lies and points to the need to align with existing regulatory measures around this in the first instance, for example rules under the Charity Commission or CQC.

If providers are unable to meet new requirements quickly enough, or the burden is perceived to be too high on housing providers, there is a significant risk of service closures, reduced supply and a negative impact on vulnerable people relying on supported housing services. In these instances, transitional support will be essential.

- **We would welcome exploration of ‘schemes’ being defined at the provider level in each local authority. Licenses per front door, building or postcode could add undue administrative burden to both providers and local authorities.**
- **Where care and housing are delivered by different organisations, it is essential that arrangements are in place to ensure the right body is licensed for the right areas of delivery. This may require split arrangements, and the necessary monitoring and guidance for this.**
- **We strongly urge the government to consider a passporting scheme where providers commissioned by a local authority and/or subject to regulation,**

**can provide evidence standards through existing systems, rather than recreating a new system.**

- **The consistency of approach with licensing via a national framework is appreciated. It would help enormously to have a common national supported housing quality framework.**

### **Changing and Complex Needs**

While we welcome efforts to focus on person-centred support within the proposals, some of the detail, for example having the same support worker, is unrealistic and unworkable. There also needs to be further thought about how this standard applies to those who lack capacity and have fluctuating needs. It is also unclear how signposting support will be funded.

We have made the point elsewhere, that any further requirements around the provision of care must be closely aligned with existing frameworks, regulations and plans, to avoid unnecessary duplication and burden, on the care organisation, housing provider and most importantly, the individual themselves.

For most of VODG's member organisations, the needs of the people they support are rarely linear. They fluctuate and may require different levels of support at different times. It is therefore important that there is a shared definition and understanding of what is meant by care, support, supervision and the plans required to evidence that the right support is in place. Any ambiguity in these definitions might lead to tensions between housing and care providers, particularly given the responsibilities being placed on the licensee.

It is also vital that local authority staff in charge of licensing and related assurance understand the changing needs people may have, how this relates to dynamic care and support, and that there are not delays – in licensing or payments – where care provision changes.

- **We need clear definitions of care, support and supervision and local authority staff need appropriate training to communicate, monitor and enforce appropriate standards and assurances if queries arise.**
- **We support the statement of purpose support standard and agree this should include a description of how supported housing residents are involved in influencing which services are provided and how. Where residents lack capacity under the mental Capacity Act 2005, supported**

**housing providers should be able to demonstrate how they support and facilitate people to make their voices heard and have their choices realised.**

### **Consistency and Standardisation**

While we largely support the proposed standards, they are very general and therefore the evidence needed is ambiguous. They also do not recognise or appreciate the scale and variety of support housing offers, or the nuances of the support provided.

VODG members are especially concerned that current plans risk creating hundreds of different approaches to the licensing of supported housing and challenge the need for local authorities to set different fees or requirements.

For organisations working across authorities, in some cases tens or hundreds of areas, the prospect of different forms and fees is unfathomable. Such variation will lead to inconsistencies across the sector, a postcode lottery, and undermines the very objective of national regulations. Instead, joint working would support consistency of provision, standards, safety and risk while also reducing duplication, confusion and room for error.

Selective licensing offers a sombre lesson in how, for example, two London boroughs apply, charge and administer selective licenses in completely different ways. This is confusing, unhelpful and increases the burden on often small, third sector providers to adhere to multiple different processes. This is easily avoided, and we hope the implementation of the supported housing regulations learns from what does not work currently in other areas of licensing.

It is essential that providers are supported to prepare for supported housing licensing by being given an adequate timeframe for implementation, sufficient information and consultation with local authorities and partners.

The application process should be the same everywhere, with opportunity to passport through elements as a result of existing commissioning or regulatory arrangements.

It may help for some early adopters or trailblazers to test this in practice, including examples where care and housing are delivered by different providers, cluster arrangements and other models of delivery.

- **We welcome the idea of local authorities joining up to administer licenses and elsewhere propose a passporting approach to avoid unnecessary duplication.**

- **We agree that licensing authorities should be able to issue improvement notices for a period of time and extend as required, except in the case of serious failure.**
- **We strongly encourage local authorities to consider a standardised approach to the administration of licenses, so that an organisation is not faced with multiple different processes and fees across the country. This means standardised forms, fees and guidance to local authorities on setting up and running supported housing licenses schemes and the administration of this.**
- **We urge councils to look at existing data sets, evidence and systems to avoid duplication, for example CQC reports and local authority quality assessments. Councils will hold a lot of information about care providers already – we will need teams within council to talk to each other to reduce the burden on providers.**
- **We discourage any additional, discretionary conditions being applied, to ensure standardisation across the country.**
- **We caution against the use of financial penalties unless there are clear rules and application of this, standardised across local authorities, and proportionate to the failure.**

### **Market Sustainability**

While we fully support the steps being proposed to ensure high quality support is in place for people living in supported housing, there are likely to be significant operational challenges in those schemes where housing and care are delivered by different organisations.

We agree with the Learning Disability and Autism Housing Network in that, any regulation needs to maintain the current provision of good quality provision and encourage the supply of much needed new accommodation. If the regulations are not proportionate or balance risk in the right way, there will be an impact on the supply chain.

We agree that the national supported housing standards condition is likely to be an effective means of ensuring standards are met. However, it will be complicated as often the license and the care provider can be different entities, and the system expects the licensee to have resources and expertise to provide oversight, which they may not have



or be willing to take on. Pushing responsibilities onto care providers, which will not be funded under existing arrangements to provide the evidence required, is also unmanageable.

- **It is essential that there is greater clarity, appropriate funding and assurances in place, so that the standards do not drive providers out of the supported housing market entirely.**
- **Fees must be consistent, proportionate and affordable. We ask government to consider when the best time is to introduce this new license cost, given existing pressures facing care providers.**
- **There needs to be a risk-based approach to the implementation of standards so to maintain market sustainability. Further consultation will be required, once definitions are agreed (Licensee, support, scheme) to test for any unintended consequences.**

### **Local Authority Capacity, Skills and Expertise**

Local authorities are under significant financial pressure and in many areas, at different points on their devolution journey.

We are concerned that not all local authorities will have the capacity, skills or expertise needed to deliver on the proposals set out. This lack of capacity may lead to differing approaches being taken in different areas, making the licensing arrangements more challenging for organisations working in more than one council or borough.

For example, while the idea of an information pack is welcome, we are unconvinced that councils will have the capacity to provide appropriate materials. We question whether they have the ability to assess and understand the data care organisations already submit to other agencies (e.g. the CQC) to help avoid duplication. We also do not have confidence that in some areas, teams will be sufficiently staffed to inspect schemes within the currently stated 5-year license period.

We support the local need support standard and the need for providers to demonstrate how they comply with local strategic priorities, including the five-year supported housing strategy. But there needs to be a formal way of assessing this. Local authorities also need to have the ability to resource programmes, and not as a bolt on to existing HMO work.

- **We strongly encourage local authorities to consider a standardised approach to the administration of licenses, so that an organisation is not faced with multiple different processes and fees across the country.**
- **We agree that local authorities should have discretion to treat support services commissioned by a public body as complying with the national supported housing standards, and evidence passported to avoid the need to duplicate.**

## **Part 2: Housing Benefit regulations**

While as a principle, aligning payment of housing benefit or any future housing support to licensing may be prudent, we are concerned about unintended consequences. If this would improve the process and related administration, this would be more welcome.

People often have long delays in waiting for their housing benefit payments, which may cause a problem in securing licensed housing. There is also a risk that vulnerable people may lose support if their housing provider fails to obtain or maintain a license. There are unanswered questions about what would happen to individuals in this situation, and the impact on continuity of support for those who need it most.

Funding should only be suspended or cancelled when it can be shown that a provider is demonstrably in breach or fails to provide information and reassurance to show that residents are not at risk and that there is no question of fraud or abuse.

While not the intention, this consultation should not be used as an opportunity to restrict revenue for supported housing by restrictive definitions or support or supervision. There is a lot of existing data that shows the financial and social cost benefit of supported housing and therefore urge any definition to be based upon existing data and definitions used, rather than a separate understanding being developed here.

While a definition of support in Housing Benefit regulations should include supervision, it should not lose those supervision functions that case law has shown are eligible to be funded by housing benefit. There should be consistency in definition across the UK.

Any framework for linking payments to levels of care, support and supervision must be transparent and consistent in their application, to avoid any variations in what is deemed 'reasonable.'

In terms of evidence, local authorities ask for very detailed data, but processing is typically slow, with tenants routinely falling into high level of rent appears. There is a

risk that this will worsen under plans outlined in the consultation. Current information requirements are appropriate, including costs, needs assessment, staff rotas, information concerning assets, staffing and maintenance records and management agreements, leases and subleases. There should be no reason to ask for more data, especially if this would add another layer to existing arrangements.

- **We call for greater clarity on what happens to the continuity of care if the housing provider loses or fails to maintain a license.**
- **In principle, we agree that to receive housing benefit, there should be a link between eligibility and living in licensed supported housing. There may be times where exceptions should be made, and a system in place for this.**

For any queries relating to this submission please contact  
[Research.Policy@vodg.org.uk](mailto:Research.Policy@vodg.org.uk)

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