Sheffield Hallam University | Centre for Regional Economic and Social Research

# The Supply and Demand for Supported Housing in London

## Summary Report for Greater London Authority

July 2026

# The Supply and Demand for Supported Housing in London

## Summary Report for Greater London Authority

**July 2026**


**Authors:** **Professor Christina Beatty and Dr Elizabeth Sanderson**

Centre for Regional Economic and Social Research

Sheffield Hallam University

# Summary of findings

## Overview

This study builds on methods previously developed by CRESR for the national **Supported Housing Review 2023**[1] for the Ministry of Housing, Communities and Local Government (MHCLG) and the Department for Work and Pensions (DWP). The analysis gets beyond national data to generate regional, sub-regional and local authority level supported housing stock estimates. The research provides an overview of the scale and distribution of supported housing in London in 2025 and provides estimates of supported housing need to 2035. This research will inform the development of the London Plan and support London boroughs to meet new statutory duties which were introduced through the Supported Housing (Regulatory Oversight) Act 2023. Local authorities will be required to undertake their own needs assessments and the data provided here can help to inform the process. Integration of locally held data and in-depth knowledge of the local supported housing landscape will help to refine the estimates further.

The study:

- **Includes:** supported accommodation which is designed or designated to come with care, support or supervision to help people who are vulnerable, socially disadvantaged or are disabled to live as independently as possible in the community.
- **Does not include:** floating support, which is allocated to an individual rather than integral to supported accommodation provided. The study does not include retirement housing in the private sector which may also provide care, support or supervision but which is either owner-occupied or available at market rents. Residential care homes are also beyond the scope of the study.
- **Builds on:** robust regulatory data on supported housing delivered by Private Registered Providers (PRPs) and Local Authorities Registered Providers (LARPs).
- **Integrates:** DWP Housing Benefit data from the Single Housing Benefit Extract (SHBE) on the number of claimants in Specified Accommodation within each local authority.
- **Takes into account:** the supply of supported housing from non-registered providers.

This summary report highlights the key findings from the main report for London as a whole, for Inner London and Outer London. Refer to the main report for full data for each of the London Boroughs on stock estimates, projections of stock required by 2035, and additional stock required to address unmet need.

[1] Beatty, C., Bimpson, E, Gilbertson, J., McCarthy, Sanderson, E., and Wilson I. (2024) Supported Housing Review 2023. London: Ministry of Housing, Communities and Local Government and Department for Work and Pensions.

## Current stock estimates

Chapter 2 in the main report provides supported housing stock estimates for individual local authorities; Inner London; Outer London; and London as a whole. In 2025, there were:

- 74,790 supported housing units in London.
    - 34,505 (46 per cent) of these are in Inner London.
    - 40,285 (54 per cent) are in Outer London.

Supported housing provides vital accommodation which is provided alongside care, support or supervision to support the most vulnerable in society to live as independently as possible in the community. The needs of tenants, both in terms of types of accommodation and levels of support required, vary notably across client groups. Provision falls into three main service types:

- **Short-term/transitional supported accommodation:** intermediate provision for a range of cohorts with support needs with a view to move on towards more independent accommodation. Duration of stay would typically be two years or less (but this isn't a fixed time limit). This may include hostels and transitional housing for people in crisis.
    - 30 per cent of provision in London is short-term/transitional accommodation (22,105 units).
        - A higher proportion of stock in Inner London is for short-term transitional provision (40 per cent; 13,775 units).
        - A lower proportion of stock in Outer London is for short-term transitional provision (21 per cent; 8,330 units).
- **Long-term supported housing for working age disabled people:** provision for people with a physical disability or long-term mental health conditions, and people with a learning disability and/or autistic people or living with other lifelong conditions. This type of provision is often known as "supported living".
    - 10 per cent of provision in Inner London, Outer London and London as a whole is for long-term provision (7,540 units).
- **Housing for older people with care and/or support needs:** supported housing typically designed for and restricted to people aged over 55. This may have different names depending on the design, for example sheltered housing (although this often much of this comes with very limited levels of care and support), flexible retirement housing, retirement villages, very sheltered and extra care.
    - 60 per cent of provision in London is for older people's housing (45,145 units).
        - A higher proportion of stock in Outer London is older people's housing (69 per cent).
        - A lower proportion of stock in Inner London is older people's housing (50 per cent).

## Additional supported housing required to maintain current rates of provision

Chapter 3 in the main report estimates the stock that would be required by 2035 to maintain current rates of provision and account for demographic trends. These estimates take into account the underlying population structure within each area and ONS population projections. It needs to be remembered that the population aged 65 and older are predicted to increase rapidly over the next ten years. At the same time, the working age population in London is relatively stable and for some age groups predicted to decline over the period.

The prevalence of 'conditions' or 'situations' associated with the population at risk of requiring supported housing are taken into consideration and prevalence rates are kept at steady state in the projections. Once these factors have been accounted for, in order to maintain current rates of provision it is estimated that by 2035 London requires:

- 11,540 additional units for older people's housing; an increase of 25.6 per cent.
- 775 additional units of short-term provision; an increase of 3.5 per cent.
- 220 additional units of long-term provision; an increase of 2.9 per cent.

## Additional supported housing units required to address unmet need

Chapter 4 in the main report takes the projections one step further by considering how much additional provision would be required if provision rates are raised to be on a par with those seen in local authorities who took part in the 2023 Commissioner Survey for the Supported Housing Review and reported that they had no unmet need. A locally calibrated benchmarking procedure has been deployed to account for prevalence rates, provision rates, and the local composition of need.

To increase provision rates to a **sufficient level to deliver supported housing units to address unmet need for short-term/transitional provision** requires:

- 3,715 additional units in London by 2035; equivalent to an increase of 16.8 per cent on current stock levels. Of these,
  - 2,090 units would be for Inner London; an increase of 15.2 per cent.
  - 1,625 units would be for Outer London; an increase of 19.5 per cent.

To increase provision rates to a **sufficient level to deliver supported housing units to address unmet need for long-term provision** requires:

- 890 additional units in London by 2035; an increase of 11.8 per cent on current stock levels. Of these:
  - 365 units would be for Inner London; an increase of 10.6 per cent.
  - 525 units would be for Outer London; an increase of 12.8 per cent.

To increase provision rates to a **sufficient level to deliver supported housing units to address unmet need for older people's housing** requires:

- 11,265 additional units in London by 2035; an increase of 25 per cent on current stock levels. Of these:
  - 4,585 units would be for Inner London; an increase of 26.5 per cent.
  - 6,680 units would be for Outer London; an increase of 24 per cent.

## Total additional supported housing units required to maintain current rates of provision and to address unmet need

This section combines the estimates of the additional units required to maintain current provision rates with units required for unmet need. The combined estimates account for population projections and prevalence rates. **The total additional units required in London by 2035 for each service type are:**

- **For short-term transitional supported housing**:
    - 4,490 additional units; just over 20 per cent higher than stock levels in 2025.
        - Of these, 2,655 would be required in Inner London and 1,835 for Outer London.

- **For long-term supported housing**:
    - 975 additional units; 12.9 per cent higher than stock levels in 2025.
        - Of these, 405 would be required in Inner London and 570 for Outer London.

- **For older people's housing**:
    - 22,805 additional units; 50.5 per cent higher than stock levels in 2025.
        - Of these, 9,940 would be required in Inner London and 12,865 for Outer London.

## Specified Accommodation

People who require financial support towards their housing costs and live in supported housing have their claim assessed under Housing Benefit Specified Accommodation regulations. The assessment criteria consider the type of landlord, the tenant being assessed as needing care support or supervision, that this is being provided, and if so by whom. Specified Accommodation rules use a four-fold classification which includes Exempt Accommodation, Managed Properties, Refuges, and Local Authority Hostels. This categorisation determines the rules used to assess the level of eligible rent for the accommodation.

Aggregate data from the DWP Single Housing Benefit Extract (SHBE) was obtained to provide a profile of the number and characteristics of Specified Accommodation claimants in each local authority. In London in August 2025, there were:

- 26,230 Specified Accommodation claimants.
    - 21,040 are working age households (80 per cent).
    - 5,190 are pensionable age households (20 per cent).
    - 21,830 of the Specified Accommodation claims are Exempt Accommodation (83 per cent).

Additional information on the characteristics of new tenants starting a supported housing letting with a PRP or a LARP in 2024/25 is provided in Appendix A2. The data tables are derived from MHCLG CORE (the continuous recording of lettings and sales in social housing in England). The CORE data provides information on the characteristics of new tenants within supported housing, their household circumstances and the homes they rent. All providers delivering affordable rent units are obliged to this provide data for their new supported housing tenancies to CORE.