



To: Scrutiny Co-ordination Committee

Date: 8th January 2023

Subject: Exempt Supported Accommodation

1 Purpose of the Note

- 1.1 The purpose of the note is to give some background information regarding the definition of Exempt Supported Accommodation and the situation in Coventry. Appendix one sets out a number of issues, what the current position is in regard to interventions by different council teams and details of the funding the council has secured to seek to improve the sector in Coventry.

2 Recommendations

- 2.1 Scrutiny Co-ordination Committee are recommended to
- 1) Note the current position and funding
 - 2) Support the co-ordinated response to managing Exempt Accommodation in the city
 - 3) Include as a future agenda item to receive an update on progress and outcomes achieved through the SHIP funding

3 Background and Information

- 3.1 Exempt accommodation is supported housing which is exempt from certain Housing Benefit provisions. It is a sector which often houses more marginalised groups with support needs, such as prison leavers; care leavers; those fleeing domestic violence; and homeless people with substance dependence or mental health issues. The accommodation is provided alongside support, supervision or care to help people live as independently as possible in the community.
- 3.2 There is also a small element of care, support and supervision provided to clients, which means it is exempt from Local Housing Allowance (LHA) caps, hence the use of the term 'exempt'. These exemptions enable organisations providing this type of housing to charge higher rates, when compared with general LHA rates, to clients living in their properties. Where the accommodation is provided by an organisation other than a registered provider, Local Authorities bear the additional costs of the provision beyond the LHA rate. In 2022/23 the cost to the Council is approximately £3.4 million resulting in a net subsidy loss of £2.7 million.
- 3.3 As securing permanent accommodation has become more difficult the Supported Exempt Sector has grown significantly both locally and nationally. This type of accommodation is often the only option for groups of people who don't meet the statutory priority need threshold, particularly if their homelessness is unplanned.

- 3.4 Case law states that there only needs to be a “more than minimal” level of care and support to qualify as ‘exempt’, meaning some providers secure high rental levels while providing a small amount of support.
- 3.5 Exempt accommodation clients are usually housed in houses in multiple occupation (HMOs), which are often large properties that have been converted. Due to the complicated nature of defining a building as a HMO not all exempt accommodation can be classified as such and therefore would not fall under the provision of the citywide HMO licensing scheme. Furthermore in some cases if they are operated by or under the umbrella of a registered social landlord (RSL) then they are afforded an exemption from licensing under the Housing Act 2004.
- 3.6 While there are many good examples of exempt accommodation providers, there have been instances where the quality of accommodation has not been up to standard, and the support being provided has been found to be inadequate.
- 3.7 The three main types of providers in Coventry are.
- Registered Providers’ who provide supported housing e.g., Citizen, St Basils
 - Non-RP’s which are well established organisations e.g. Salvation Army, Cyrenians, Mind
 - Community Interest Companies who often have limited expertise/experience of accommodating vulnerable groups
- 3.8 Coventry has seen an increase in provision over the last few years.
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| 2019/20 | 2829 units |
| 2020/21 | 3073 units |
| 2021/22 | 3398 units |
| 2022/23 | 3570 units (Jan 2023) |
- 3.9 Increases in this type of accommodation isn’t something that is just impacting on Coventry. In October 2021, research by charity Crisis estimated that there could be more than 150,000 households living in this type of housing. This has grown by 58% from the 95,149 people living in exempt accommodation in 2016.
- 3.10 Exempt accommodation not commissioned by the City Council has no specific regulatory framework. Therefore, whereas the Housing & Homelessness Team monitor the provision of commissioned supported housing in the city for people who are homeless this isn’t in place for the non-commissioned providers.
- 3.11 There have been a number of concerns raised by residents of Supported Exempt Accommodation, partner agencies, local residents impacted by these properties and elected members in the city regarding the quality of support provided to residents and the disruption this type of accommodation can cause in neighbourhoods.
- 3.12 Due to a number of Issues being raised regarding specific properties/providers over the last 12 months the council has collectively across all key departments developed a joined-up approach to deal with issues working alongside the Police. This has resulted in some provision no longer being available in the city and a small number of providers enhancing their service. This work will be enhanced significantly during 2023/24 and 24/25 following the successful bid for funding through the Governments Supported Housing Improvement Programme (SHIP)
- 3.13 The issue of poor-quality exempt accommodation is also an issue of national interest. The Supported Housing (Regulatory Oversight) private members Bill is

currently going through the House of Commons. Additionally a cross-party Levelling Up, Housing and Communities (LUHC) Committee in a report published on 27 October 2022 stated that '*exempt housing and support services are a complete mess*'.

- 3.14 It should be noted that there are a range of good quality supported housing providers who fund their provision through the Exempt Accommodation provisions in the city. Additionally, there continues to be the requirement for this type of provision if it is quality accommodation with appropriate levels of support being provided to residents.

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