

Supported Housing and High Rents (*ref 49*)

- 1.** Many tenants in supported housing rely on housing benefit to help towards the rent. The housing benefit system is complex and currently offering problems and challenges to some landlords.
- 2.** How much rent can be covered by housing benefit will vary depending on the nature of the landlord or the nature of the accommodation. If there is no support attached to a tenancy, or if the landlord is a private company or individual, then housing benefit will be restricted to the amount decided by the Rent Officer or to the local Housing Allowance.
- 3.** Registered Social Landlords and Local Authority tenancies have different and more generous rules around rent levels which can be covered by housing benefit.
- 4.** Supported accommodation is often provided by non-profit making landlords (eg housing associations not registered with the housing Corporation, charities, not-for-profit companies). People renting supported housing from these types of landlord can often get higher levels of housing benefit if the accommodation they have is defined as 'exempt accommodation'. If accommodation is exempt, then people can get more housing benefit unless the council can show that there are cheaper alternatives and it is reasonable to expect people to move.
- 5.** However, recent Social Security Commissioner decisions have made clear what arrangements have to be in place for accommodation to be 'exempt'.
- 6.** Exempt accommodation is where the support, care or supervision is provided either by, or on behalf of, the landlord. This means that schemes where there is a split between the landlord function and the support function will not qualify as exempt, and the ordinary housing benefit rules will apply. The question comes down to whether the landlord contracts with the support provider. For example, if the local authority contracts for the support service, or if people buy their own through direct payments or individual budgets, then the accommodation will not be exempt. This housing benefit rule runs contrary to good practice, which assumes that there should be a clear difference between the landlord and support provisions.
- 7.** Even if a landlord provides some support to the tenants, it has to be a 'substantial' amount of support to bring it into the exempt type of accommodation. There is as yet no clear rule on how much support qualifies as substantial, although the Commissioner has said that he could not agree that 3 hours per week support was insubstantial - a hint that this level of support could be accepted to make accommodation exempt.
- 8.** If peoples' support needs fluctuate with time, leading to periods when they do not need support, care or supervision, there is the possibility that their accommodation will cease to be exempt, and so lower housing benefit levels become appropriate.
- 9.** The position has become very complex, difficult for service providers and landlords to negotiate, and for tenants in some supported accommodation to know where they stand. The DWP is looking at the situation, and we will let our readers know of any developments as they happen.

If you require further information or have other queries contact Housing Options.

Housing Options, Stanelaw House, Sutton Lane, Sutton, Witney, Oxfordshire, OX29 5RY, United Kingdom
Telephone: +44 (0)845 4561497 E-mail: enquiries@housingoptions.org.uk

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