

NCF response to Levelling Up, Housing and Communities Committee Inquiry into Exempt Accommodation - January 2022

The National Care Forum – Who we are

The National Care Forum brings together 160 of the UK’s leading social care organisations, representing large numbers of care providers, offering thousands of services across the country, which are not-for-profit and always at the heart of community provision. Collectively, these organisations deliver more than £2 billion of social care support to more than 202,000 people in over 8,000 settings. The NCF membership body collectively employs more than 115,000 colleagues.

The inquiry needs to hear directly from the not-for-profit care & support sector

We would be delighted to have the opportunity to support our members who provide a wide range of housing with care and support services to present evidence to the Levelling Up, Communities and Housing Select Committee at one of your oral evidence sessions. We can link you to a large number of not-for-profit care providers, from both large national care sector charities and housing associations as well as smaller not-for-profit providers, which have used exempt accommodation to help support those that draw upon their support.

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Summary of our submission

- **Good quality supported housing is vital for the transformational impact it can have on people's lives.** It empowers people to live life as independently as possible and is tailored towards providing person-centred support while giving value for money for the public purse.
- **Many factors influence cost and value for money.** Services vary in cost according to building and service type, location, client group, levels of throughput, levels of security needed and type of support provided.
- **There are important distinctions between different types of exempt accommodation.** There is an important distinction to make between shorter-term services (for example, schemes for homeless people or refuges for people experiencing domestic abuse) and longer-term services (for example a shared house for people with a learning difficulty). The term 'exempt accommodation' is often used to describe both types of service. Many of the short-term services also tend to be non-commissioned.
- **We need to strengthen regulation & oversight.** There is a consensus that action is needed to ensure more robust oversight in the current system, specifically in relation to non-commissioned exempt accommodation. Changes to the existing oversight and regulatory system should be focussed on tackling problematic providers of low-quality provision.
- **Ensure there are no unintended consequences from any reform.** Supported housing provision will still be needed for short- & medium-term care and support. We must not undermine this. Consideration is needed about sustaining and adequately funding quality short-term supported housing services for people who do not have the means to pay themselves. It is essential that there are no unintended consequences to the entire sector purely because of the failures of one part of the supported housing sector.

Specific themes of the inquiry call for evidence

Quality of provision & geographical picture

The inquiry: What is the quality of exempt housing provision? Are there significant geographical and regional differences in the provision and the problems of exempt accommodation?

It is important for the inquiry to understand the importance of good quality supported housing and the transformational effect it can have on people's lives, offering choice about their lives, providing tailored, person-centred support and giving value for money for the public purse.

There is an important distinction to make between shorter-term services (for example, schemes for homeless people or refuges for people experiencing domestic abuse) and longer-term services (for example a shared house for people with a learning difficulty). The term 'exempt accommodation' is also often used to describe both types of services.

Longer-Term Services

Thinking about the longer-term services, it is important to note that Specialist Supported housing (SSH) differs from the more generic 'exempt accommodation' or 'supported housing'. SSH is a specific type of supported housing and, under the Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016, is described as accommodation 'specifically designed or adapted for people who require specialised services to enable them to live independently as an alternative to a care home, and where the level of ongoing support provided is approximately the same as that provided by a care home' (RSH 2019: 3). SSH must be provided by a registered provider in agreement with a local authority or the NHS and must not receive any public assistance for its construction or acquisition.

There is clear evidence of the value for money specialised supported housing for people with a learning disability and autism provides. A report by one of our members, [Mencap](#), in 2018 sets out the clear benefit of this provision and the increasing future demand for accommodation.

A number of our NCF members use the exempt accommodation provisions to provide effective long-term housing, care & support (Specialist Supported Housing) solutions for people with learning disability, autism and complex needs. It provides an important route to enabling as much choice and independence as possible for those people, for whom other options have proved to be entirely unsuitable, and to responding to government's wider Transforming Care ambitions. Below we include two case studies from our NCF member, Active Prospects, to bring to life for the Committee the power of life transformation possible through the effective use of exempt accommodation in long-term housing, care & support solutions.

Active Prospects – Sarah’s Story

Sarah (not her real name) is a young autistic woman with a learning disability, who had a very traumatic start in life. She was abandoned as a baby and rescued from an orphanage abroad in the late 1990s by an aid worker. She was adopted by an Italian family who moved with her to the UK. Despite being brought up in a loving home environment, the trauma and neglect suffered by Sarah as a baby led to her exhibiting challenging behaviour through her teenage years.

Eventually she was placed in a residential special school in Lincolnshire, away from her family in Surrey. However, she struggled to cope in a group setting, regularly exhibiting severe physical challenging behaviour and property damage. She ended up living alone in an annex; the space that she lived in was very bare and empty, and all property was bolted down to reduce the risk of damage as much as possible. She was not permitted to have any of her possessions with her in her room, and slept on the floor without a mattress or bed.

Active Prospects was approached by Surrey County Council to assess Sarah’s needs and provide a supported living opportunity in the Surrey area, so she could be nearer her family. The Active Prospects Clinical Lead carried out a thorough assessment over a period of weeks, working with her key worker, teachers, occupational therapist, speech and language therapist and psychologist in order to understand her needs.

Active Prospects concluded that Sarah would require bespoke accommodation in a community setting in the Surrey area. Active Prospects was able to access social finance to fund the cost of purchasing and renovating a suitable property, without any capital investment from the NHS or local authority. However, the up-front and ongoing costs of supporting someone with complex needs such as Sarah are so high that higher rents enabled by housing benefit exemptions are the only realistic way for placements to be financially viable for the provider.

As there was a high risk of Sarah causing damage to the property, and risking her own safety at the same time, Active Prospects had to include bespoke features such as:

- *all electric wiring was directed through the roof so that light and plug sockets were out of reach, and all electrics could be controlled from an external panel;*
- *one-piece flooring which ran from the front door throughout the flat (plank-based flooring would have been too easy for Sarah to pull up);*
- *underfloor heating to avoid the need for radiators;*
- *specialist windows which contained blinds within the actual window, so that blinds or curtains couldn’t be removed; and*
- *toilet and water sources operated via sensor, so there was no need for taps, flushers or handles which could be removed.*

Sarah requires 2:1 support at all times, and needs to form very close attachments with support staff (perhaps as a result of the neglect she suffered as a baby). She prefers to have the same two staff (ideally a male and a female) for twelve hours a day. Active Prospects put together a small core team and carefully managed the rota to ensure that there was always a male and female support team working together for longer shifts.

Despite all of the preparation and hard work, Sarah’s early weeks in her new home were extremely challenging. There was extreme property damage: Sarah destroyed all of the kitchen units, and removed the specialist window and door frames. She dug into the walls, removing most of the plaster. She even managed to pull the flooring up, which the builders had assured could only be removed with a pneumatic drill. Multiple mattresses were torn up, as was the sofa and other furniture.

Sarah also displayed some significant physical aggression in the first couple of weeks. However, her support team understood that she needed time to build rapport and form attachments, and slowly and steadily built trust and rapport with Sarah over a period of weeks and months, through intensive interaction, and physical, art and craft and sensory activities.

A year later, the situation has transformed. Sarah is a happy, confident, young woman who is great fun to be around. There has been no physical aggression, self-harm or property damage for months. Her team love working with her, and are able to enjoy more and more adventurous trips and activities: she has been on climbing walls; been out on a 10k run; visited the adventure playground; and been on multiple shopping trips. Active Prospects have got a motability vehicle for her so she can go further afield.

Sarah loves art, and uses it as a communication method. She has produced some beautiful works of art, which are on display on the walls at home. Her family are able to visit regularly and spend time with her: they spent Christmas and her birthday together, enjoyed a family barbecue, or just hang out watching TV with her in her flat. She has also built friendships with some of the other people we support: for example, she has been to one of our other supported living services to have dinner with a friend and use the trampoline. At this service, she has been able to spend time in a 'snug' room watching TV, and hasn't caused any damage. In her own flat, she is now sleeping on a mattress on a bed for the first time in years.

In September, Sarah won a Most Aspiring Person award at our annual Star Awards for staff and people we support. She was even able to attend the black-tie awards ceremony and pick up her award in person. Her flat has been refurbished, and there has been no damage caused.

The lack of suitable accommodation and high housing and support costs for people in the Transforming Care cohort mean that success stories such as Sarah are rare. Without the higher rental income allowed under the current system, Active Prospects would not have been able to provide the bespoke accommodation and support that Sarah needs to lead a full and aspiring life.

It is important that exempt rents remain available to charities who specialise in supporting people with complex needs in their community, and organisations who do so in clear partnership with local authority leads. The vast majority of registered social landlords would also not support someone who had a history of such extensive property damage or requiring such specific bespoke building investment.

Without exempt rents being available most of Active Prospects' existing accommodation would be unviable and people would need to be returned to more institutional settings. It is the lack of available capital subsidy, the higher property standards (frequently large one bedroomed flats sometimes with additional space for staffing), bespoke safety and disability features (and their servicing) and robust or specialist furnishing that result in higher rents.

There could be a simple registration process for properties supporting exempt rents that would be signed off by the Strategic Adult Social Care lead of that that area.

Exempt rents do enable people to live in their communities in line with National Policy and Disability Inclusion targets.

Active Prospects – Katie’s Story

Katie (not her real name) was diagnosed as a young child with learning disability, autism spectrum condition and a sensory processing disorder, and was no longer able to live with her family due to her high sensitivity to loud noises, difficulty managing her anxiety day-to-day and tendency to cause damage to her living environment.

After leaving her family home, Katie spent a turbulent few years in a supported living communal home for autistic people. The care provided for her during this time was very institutionalised and disregarded her specific needs, meaning that her standard of living and happiness were non-existent. Katie was left to spend her time alone in an empty space with only a mattress on the floor and a locked set of drawers.

Katie was referred to Active Prospects in 2018 from the integrated health and adult social care pathway, and the team quickly assessed that she would benefit from moving to her own, purpose-built home in a community setting. Active Prospects was able to purchase a suitable property through a mortgage arrangement and fund the higher accommodation and tenancy support costs for Katie through higher exempt rental income. There was no capital investment available from the public purse, and without the additional income from housing benefit exemptions for charities it would not have been financially viable for Active Prospects to support Katie, and she would have remained in her previous, unsuitable (and high cost) institutional accommodation.

Active Prospects developed bespoke accommodation for Katie to meet her specific needs. This included the removal of doors, adapting flooring, equipping the kitchen with certain safety measures and the removal of any visible pipes. Active Prospects created a safe home for Katie, but even more importantly her home allowed her to have space to be herself, without fear of disruption or unexpected noise.

Katie’s support team are trained in Positive Behaviour Support, and she has a specialised care plan that considers all of her needs in detail. Her care is 2:1 at all times and the team use visual rotas to guide her to enjoy the day ahead. Katie’s support team work closely with Active Prospects’ Clinical Lead as well as professionals from partner organisations, to ensure her requirements are always met.

Katie’s specific needs mean that there is an ongoing risk of property damage, which would leave Active Prospects, as landlord, with responsibility for the repair costs. In the summer of 2021, during the pandemic, Katie had a challenging time adjusting to team changes and limitations to her own lifestyle. As a result, she caused property damage and showed physical aggression to herself and members of the team. Her positive behaviour care plan was reviewed and changes were made to support her differing needs. Investment had to be made to reassess her home to ensure it was once again safe.

Access to higher rental income meant that Active Prospects was able to meet the costs of repairs promptly. All doors were changed to move both ways, star locks were used, radiators were replaced and fitted with robust protective covers, all furniture had to be tough, every pipe or wire had to be completely boxed, the kitchen had to be refitted and an emergency shut off switch had to be installed for electricity and water.

The quick response and changes made to Katie’s home and care resulted in her challenging behaviour declining and she now shows signs of enjoying life once more. Recently, Katie has started clinical sessions within a sensory room. The aim is to develop her communication through speech and therapy work. This is another big step for Katie, and she has immediately started to find ways to demonstrate anxiety or enjoyment.

Over time, with the support of Active Prospects, Katie has become increasingly more comfortable in her home and confident in herself. Katie will now go on daily outings to do her favourite things, or head out to the cinema to see a film. However, the biggest progress Katie has made in the last few months is reconnecting with her family.

There was a time when Katie would not see her Mum, she wouldn't allow her in the same house, let alone the same room. But over time she has felt secure enough to welcome her Mum back into her home. They now enjoy weekly visits and cook lunch together.

It is important that exempt rents remain available to charities which specialise in supporting people with complex needs in their community, and organisations who do so in clear partnership with local authority leads. The vast majority of registered social landlords would also not support someone who had a history of such extensive property damage or requiring such specific bespoke building investment.

Without exempt rents being available most of our existing accommodation would be unviable and people would need to be returned to more institutional settings. It is the lack of available capital subsidy, the higher property standards (frequently large one bedroomed flats sometimes with additional space for staffing), bespoke safety and disability features (and their servicing) and robust or specialist furnishing that result in higher rents.

There could be a simple registration process for properties supporting exempt rents that would be signed off by the Strategic Adult Social Care lead of that area.

Exempt rents do enable people to live in their communities in line with National Policy and Disability Inclusion targets.

Shorter-Term Services

Thinking about shorter-term services, evidence from local authority and regulatory investigations and reports from other agencies are showing a growing problem with the quality of service and accommodation by a minority of providers who use what has become known as the 'exempt accommodation' model of supported housing provision. It is important to note that these are non-commissioned schemes, which do not form the majority of provision but do present a significant challenge in some areas. While the model of short-term services using exempt accommodation does not, in any way, have to be inherently poor quality or poor value for money, it is clear that this model has been used in some places by some unscrupulous landlords and organisations to extract high levels of return while delivering poor quality or unsuitable accommodation and services.

The excellent [report from Spring Housing Association](#), provides an in-depth exploration of 'the social injustices involved in the exempt accommodation sector, and the potential for solutions to these injustices.' It makes clear just how important it is to consider who exempt accommodation is for and how it meets their needs, priorities and aspiration/ outcomes so people are not stuck in non-commissioned exempt accommodation that is 'potentially unsafe, unsuitable or un conducive to progression or growth'

Learning from our members shows that there are often important safeguarding issues in some of these types of short-term exempt accommodation services, as there can often be an information gap between the Housing Benefit funding of them and the assurance and oversight of other parts of the local authority responsible for commissioning. This can be especially difficult in two-tier authorities. There can be a tendency for the safeguarding function in local authorities to be disconnected from both the Housing Benefit function and the Commissioning function, depending on how exempt accommodation is managed in the area.

There are also significant differences between local authorities on the strategic approach to the funding and commissioning of support services. This context is important in understanding what

has happened since the Supporting People programme became fragmented and funding for support services was cut.

After the ringfence around Supporting People funding was removed in 2009, many short-term supported housing services closed, resulting in an undersupply of supported housing in some areas. Following the Homelessness Reduction Act 2017 there has been an increased homelessness duty on local authorities. In some areas, there hasn't been enough short-term supported housing for local authorities to meet their new duties, creating an opportunity for newly formed community interest companies to establish unregulated supported housing to meet the demand.

Quality of provision: How does whether a provider is registered or non-registered, or commissioned or non-commissioned, impact the quality of provision?

The Regulator of Social Housing has an important role here and the measures in the Social Housing White paper for more robust consumer standards and tightening the definition of 'non-profit' in relation to the registration of private registered providers will help to detect and address poor quality services.

The distinction between commissioned and non-commissioned seems key in terms of quality. Where services are commissioned, there are clear arrangements for overall quality in service delivery and ways to monitor that. Non-commissioned services usually do not have this level of oversight, which presents more a risk re overall quality of service. It is not the role of Housing Benefit Teams to provide quality assurance function.

Balance of commissioned & non-commissioned providers and registered & non-registered providers

Inquiry: What is the proportion of exempt accommodation provided by commissioned compared to non-commissioned providers, and is an appropriate balance being struck? What is the proportion of exempt accommodation that is provided by registered compared to non-registered providers, and is an appropriate balance being struck?

We are not aware of any nationally available data on the balance between commissioned and non-commissioned providers. However, when we consider commissioned services, it is clear that they have much greater visibility, accountability and oversight, with partnership arrangements focussed on meeting individuals' needs, with clear outcomes to be achieved. Therefore, it seems wise, given the limited local authority resources available to tackle the problem of inappropriate or poor-quality provision in the sector, to concentrate your efforts on improving non-commissioned services. These services often have no local check on the quality and impact of the support being provided.

Some of our members are of the view that all exempt accommodation should be assured by local authorities, or even better, commissioned by them. This view is based on the idea that local authorities with strategic housing responsibilities understand the overall housing need in their area. Clearly, thought would need to be given to arrangements in two-tier areas in terms of joint working with social care commissioning responsibilities.

Cost & value for money

Inquiry: Is the current model of exempt accommodation financially viable, and does it represent value for money? How should exempt accommodation be provided and what should the service cost?

These are very broad questions that don't reflect the wide range of settings and situations involved, so again it is worth thinking about the distinction between long-term services and short-term services, what they cost and the value they offer. Many factors influence cost: services vary in cost according to building and service type, location, client group, levels of throughput, levels of security needed and type of support provided.

As our earlier case studies show, and the [Mencap report](#) highlights, despite the higher rents, Specialist Supported Housing offers a cost-effective way of providing housing to those with the most complex needs. A report from NCF member Look Ahead highlights the value for money offered by integrated mental health and supported housing models and what these can save the NHS. [The research they commissioned](#) published in 2021 showed that if integrated mental health and supported housing systems currently used in parts of London and the South East were implemented across the rest of the country, approximately £950 million could be saved to the NHS.

As you can see from our case studies above, good quality supported housing providers want to offer transparency on costs and recognition that where costs are legitimately higher than general needs housing, they still represent value for money given the situation and needs of the people being supported to live well independently.

Prior to the pandemic, the [National Audit Office](#) found that funding for housing-related support services had been cut by more than two-thirds (69%) between 2010 and 2017 from a total of £1.6 billion. Huge pressures on budgets and the demand for care services mean that local authorities have sought to make further cuts since then.

Support services themselves are not eligible for Housing Benefit and yet providers need long-term certainty over revenue funding for support in order to be able attract and retain experienced and skilled staff to work in what can be a very challenging environment. In areas where supported housing schemes have closed because of the withdrawal of support service funding and some traditional registered providers have moved away from providing supported housing, it has left a gap in the market – in some areas, it seems that unscrupulous private providers with problematic governance and financial models are filling it.

Regulation & oversight

Inquiry: How should the regulatory oversight of exempt accommodation be organised? What should be the regulations governing exempt accommodation and how should those regulations be enforced? Is there sufficient publicly available information about exempt accommodation?

There is a consensus that action is needed to ensure more robust oversight in the current system, specifically in relation to non-commissioned exempt accommodation. Changes to the existing oversight and regulatory system should be focussed on tackling the problematic providers of low-quality provision. Supported housing provision will still be needed for short- & medium-term support, so consideration about how to sustain and adequately fund quality short-term supported housing services is urgently needed for people who do not have the means to pay for them.

The [Spring Housing Association report](#) talks of the need to address the ‘accountability deficit’ in the exempt accommodation sector. Stakeholders agree that there is the need to strengthen the criteria and definitions of ‘care, support and supervision’ in exempt Housing Benefit and Universal Credit Regulations. This will help to ensure organisations and landlords are appropriately funded for the accommodation services they provide to clients and will help to ensure residents can be more appropriately placed according to their level of need. The gateway for organisations to access Housing Benefit for supported housing could be strengthened to ensure that only legitimate non-profit providers were able to offer this type of accommodation.

A number of our members who provide long-term housing, care and support services designed around people with complex needs highlighted issues with the current Housing Benefit arrangements. In some areas, it seems that there are long delays to processing applications for individuals. This is very difficult for the individuals involved, their families and the provider. They also highlighted many problems with the consistency of decision making by Housing Benefit Teams where people with similar levels of needs, living in shared services with a small number of people end up with very different awards.

There is also the need for guidelines on assessing ‘exempt’ claims to allow for greater consistency across all local authorities and greater transparency for residents and providers. There is clearly a role for locally led accreditation for non-registered providers. Given the safeguarding concerns raised earlier in our submission, consideration also needs to be given to requirements to check and monitor the backgrounds of landlords and staff members, as well as standardised safeguarding proficiency requirements for providers. Effective referral pathways are also important, with proper needs assessments to support appropriate referral into services that can meet people’s needs.

Thinking about the key role that exempt accommodation plays in providing effective long-term housing, care & support (solutions for people with complex needs), it is essential that there are no unintended consequences due to additional oversight or changes purely because of the failures of one part of the supported housing sector.

Clearly, local authorities will need to be resourced effectively to operate these additional requirements as Housing Benefit Teams are not the appropriate route for quality assurance/ quality control - it would be unreasonable to expect benefit managers to monitor the quality and value for money of supported housing.

In terms of publicly available information about exempt accommodation, it is clear that there is not sufficient or transparent information to either the public or prospective tenants about costs, expectations and quality.

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