

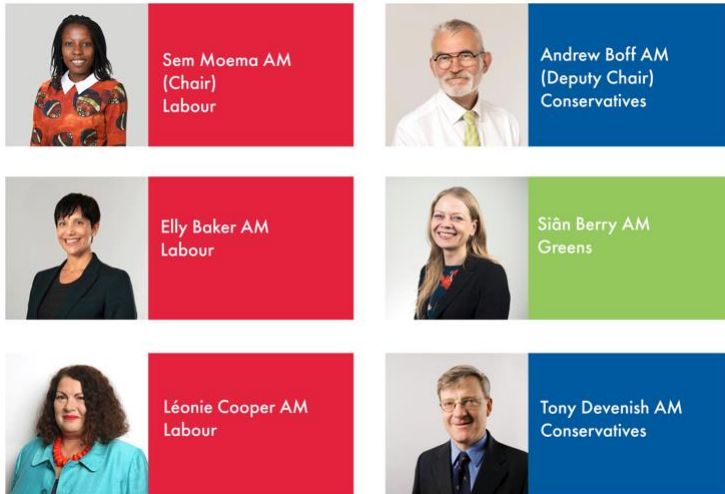
An aerial view of a city street map, rendered in shades of green. The map shows a dense network of streets and buildings. Overlaid on the map are several people walking in various directions, some carrying bags or backpacks. The overall scene is a stylized representation of a busy urban environment.

Unsafe and unregulated: London's rogue supported housing providers

March 2023

LONDONASSEMBLY

Housing Committee



The London Assembly Housing Committee examines matters relating to housing in London and takes a lead on scrutiny of the Mayor's housing responsibilities.

To read more about the Housing Committee's work or to contact us, please visit [our website](#).

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Foreword



Sem Moema AM **Chair of the Housing Committee**

The scandal of rogue providers in supported 'exempt' accommodation has gained more and more attention over recent years. When the Housing Committee first began its work into this area, it was met with assumptions that these problems were less of an issue in London than elsewhere. The Committee sought to understand if this is the case – are there rogue supported housing providers in London? And if so, what is the impact of these rogue providers on the Londoners who live in their homes, and on the boroughs struggling to tackle the issue? What can the Mayor do to help?

The Committee, thanks to the evidence of stakeholders across the city, found that rogue exempt-accommodation providers are indeed an issue in London. Unchecked and unregulated, London runs the risk of these rogue landlords – who are already extracting millions in housing benefit from the public purse – proliferating.

We were shocked by what we heard during the investigation. Particularly serious examples included two homicides in exempt accommodation, and people with specific safeguarding needs – such as domestic abuse survivors and care leavers – being placed with an unsafe mix of residents. We also heard of rogue providers targeting vulnerable women, to maximise placements in their housing and thus yield the highest possible rent.

Our investigation also sought to uncover the financial implications of exempt accommodation. The findings show that exempt accommodation costs the taxpayer millions of pounds every year. While much of this will be spent to support and house residents, more work is needed to ensure that there is high-quality support, and that all exempt accommodation is providing value for money.

We know that there are good providers of exempt accommodation. We heard examples of excellent support and services to residents, for whom exempt accommodation offers the opportunity to live more independently than is the case with other forms of housing. We also heard that there is not enough supported housing in London to meet the demand.

This report is timely, given the Supported Housing (Regulatory Oversight) Bill that is currently passing through Parliament. While we hope regulation on a national level will ensure consistency in standards of accommodation, the Committee believes that the Mayor should take action, on behalf of Londoners, before new legislation comes into force. The Committee therefore calls on the Mayor to take forward its recommendations to improve exempt accommodation as a matter of urgency, working with boroughs and discussing the impact of potential legislation on the capital. Equally important is for the Government to ensure support is fully funded, to meet the needs of all Londoners who need it.

The Committee is grateful for the input of a wide range of individuals and organisations who provided evidence as part of this investigation. These include representatives from London boroughs and providers through roundtables and a Call for Evidence; and those working to improve regulation in the sector, such as Crisis and Bob Blackman MP.

A handwritten signature in black ink that reads "Sam Moama". The signature is written in a cursive, slightly slanted style.

Chair of the Housing Committee

Executive Summary

In supported housing, accommodation is provided alongside other types of support to enable people to live as independently as possible. Some types of supported housing are 'exempt accommodation', meaning the usual caps of housing benefit do not apply. This is because the housing is more expensive to run than other types of housing, due to adaptation and accessibility needs, heavier wear and tear, and higher staff costs.

Several organisations are responsible for the regulation of exempt housing, but registration with a regulator is not compulsory for all providers. There have been reports that some providers – particularly non-commissioned exempt providers who are not subject to regulation – are exploiting these more generous rules: charging extremely high rents for poor-quality, sometimes dangerous, housing while providing little to no support to those living in exempt accommodation. Increasingly, private, for-profit landlords are entering this market.

Compared to other areas of the country, particularly Birmingham, relatively little had been done, until this investigation, to understand whether there are similar issues in London's exempt accommodation. However, on a national level, the Levelling Up, Housing and Communities (LUHC) Committee described the system of exempt accommodation as a 'complete mess'. To help address these issues, Bob Blackman MP is sponsoring the Supported Housing Regulatory Oversight Bill (the Bill). The Bill seeks to strengthen regulation of supported housing, and give local authorities more oversight and enforcement powers.

The Committee's investigation sought to understand the picture of exempt accommodation in London, and explore the Mayor's delivery of supported accommodation for vulnerable Londoners. Its aims were to:

- explore the delivery of supported accommodation in London, and whether it is meeting the level of need
- understand the scale and cost of exempt accommodation in London
- assess the quality of exempt accommodation in London
- consider the impact of potential new legislation on London.

The investigation reached the following key conclusions:

- Instances of poor-quality and unsafe exempt accommodation that does not meet support needs are a serious concern. The Committee's investigation found evidence of two homicides in exempt accommodation; instances of domestic violence referrals being placed in the same accommodation as single male homeless referrals; and targeting of vulnerable women. The Committee also noted a concern about looked-after children and care leavers.
- Data-quality issues make it difficult to know how many households are living in exempt accommodation in London. However, a partial picture from 22 London boroughs suggests there are at least 17,100 households living in exempt accommodation. Almost all boroughs that provided data over time showed an increase in the number of exempt-accommodation households.
- £107 million was spent by 16 London boroughs on exempt accommodation in the last year.

Again, this offers a partial picture when considering the variety of costs associated with exempt accommodation (for example, commissioning and housing benefit costs), and the fact that not all boroughs were able to provide information. This suggests the total figure is higher. Almost all boroughs that were able to provide information showed significant increases in spending over time, although the exact period varied.

- The overall level of need for supported housing in London is not clear, nor is the current level of provision. Boroughs complete needs assessments, as required by the London Plan, and conduct regular reviews. That said, they find it difficult to know the need or provision of this type of housing, because people from other boroughs can be placed across London. However, there is clearly a high level of demand for supported housing, and current delivery is not keeping up.
- Supported housing is more expensive to build than other types of accommodation, so requires more capital funding. Providers and the GLA also noted a lack of revenue funding to fund the ongoing support costs as a key challenge.
- Statistics provided by the GLA about supported housing have not been sufficiently transparent. Until recent correspondence with the Committee, the GLA had not released all supported housing targets under its funding programmes. Additionally, because supported housing can be delivered under multiple GLA funding streams, it is not currently clear how many are being started or completed overall.
- The Assembly backs¹ the Supported Housing (Regulatory Oversight) Bill² currently progressing through parliament, and believes that regulation is needed to give local authorities more powers to challenge poor-quality providers, but notes that local authorities will need additional funding to deliver the Bill.
- The Committee believes there are multiple ways in which the Mayor can tackle problems with exempt accommodation in London, ahead of any expected legislation. These recommendations are listed below and outlined throughout the report.

¹ London Assembly press release, [Assembly supports 'Regulate the Rogues' campaign](#), 29 November 2022

² Parliament.uk, [Supported Housing \(Regulatory Oversight\) Bill](#), 15 June 2022

Recommendations

Recommendation 1

The GLA should immediately start work with boroughs, providers, and the Mayor's Office for Policing and Crime to better understand, and start to tackle, quality issues in exempt accommodation in London.

Recommendation 2

The GLA should broaden use of its 'report a rogue landlord' and 'rogue landlord checker' tools by allowing reporting and checking of exempt accommodation landlords.

Recommendation 3

The GLA should work with the Department for Work and Pensions (DWP), London Councils and boroughs to estimate the number of exempt accommodation units in London, and track annual spend on these units.

Recommendation 4

The GLA should produce an annual report on exempt accommodation in London based on findings from recommendations 1 to 3, and consider more frequent reporting in the future.

Recommendation 5

The GLA should bring together the sponsor of the proposed legislation (Bob Blackman MP) and other London stakeholders to discuss the impact of new regulation on London. This should then form part of the Mayor's lobbying around the Supported Housing Regulatory Oversight Bill.

Recommendation 6

The Mayor should write to the Secretary of State for the Department of Levelling Up, Housing and Communities (DLUHC) to highlight that new regulation must come with sufficient new funding, so as not to add an unmanageable burden to London boroughs.

Recommendation 7

If licensing legislation passes, the GLA should work with London boroughs to ensure consistency across the capital and reduce bureaucracy. The GLA should also consult London boroughs to establish if there would be a benefit to pan-London licensing.

Recommendation 8

The GLA should set out its consideration of the measures used in the supported housing oversight pilots, and set out any plans to take any of these interventions forward in London. The GLA should ensure that any measure implemented fits with the new regulatory regime expected in 2024-25.

Recommendation 9

The GLA should seek an understanding, from the Department of Levelling Up, Housing and Communities, of why London boroughs have been unsuccessful for Supported Housing Improvement Programme (SHIP) funding; and work with the Government to establish further funding opportunities for London boroughs to tackle issues with exempt accommodation.

Recommendation 10

The GLA's next Strategic Housing Market Assessment should estimate current and future housing need for all supported accommodation across London. As this Assessment is likely to take place in the next Mayoral term, the GLA should begin scoping this work as part of its Planning for London programme.

Recommendation 11

The next London Plan should set targets for all forms of supported housing, as it does for older people's supported housing. As this Plan is likely to be produced in the next Mayoral term, the GLA should begin scoping this work as part of its Planning for London programme.

Recommendation 12

The GLA should complete annual analyses of boroughs' supported housing needs assessments, and publish its findings.

Recommendation 13

The GLA should outline which groups it is referring to when it mentions, in the London Plan, that need may be best assessed and met on a multi-borough or pan-London basis. The GLA should consult with boroughs to identify demand for pan-London delivery, and begin work to establish this where there is demand.

Recommendation 14

The GLA should create a pan-London database of supported housing stock, provision and need, which can be broken down by client group. This should then inform the GLA's supported housing delivery, by helping to identify where there are gaps in provision. The Committee recommends visualising this data in a map to improve accessibility.

Recommendation 15

The GLA should calculate how much funding is required to build the supported housing that would meet need in London, as it has done with general needs housing.³ The GLA should use this calculation to optimise use of its current Affordable Homes Programme (AHP) funding, and strengthen its lobbying for more funding for commissioned new-build supported housing where needed.

Recommendation 16

The GLA should commission an independent review of GLA Group Supported and Specialist Housing Delivery, as part of its current work reviewing policy levers, planning guidance, and creating its 'vision document'.

Recommendation 17

The GLA should calculate and make public the amount of additional revenue funding that would be required for the GLA to meet its own supported housing delivery targets, and to meet wider need across London. The GLA should work with the Government to establish sources of funding to meet this, be it through existing GLA funds, additional funding from the Government, or elsewhere.

Recommendation 18

The GLA should immediately make public all sub-targets within the 2016-23 and 2021-26 Affordable Homes Programmes.

Recommendation 19

The GLA should expedite work to improve reporting of GLA supported housing delivery. The GLA should publish quarterly updates on all supported housing developed by the GLA, as it does for the Affordable Homes Programme, and include the corresponding funding programme and client group.

³ GLA, [London's Affordable Housing Funding Requirement](#), August 2022

Introduction

What is supported housing?

'Supported housing' is an umbrella term covering a wide range of accommodation-based support for vulnerable people. In supported housing, accommodation is provided alongside support, supervision and care to help people live as independently as possible.⁴

What is exempt accommodation?

Some types of supported housing are 'exempt accommodation', meaning the usual caps of housing benefit, such as the benefit cap⁵ and the Local Housing Allowance (LHA) cap,⁶ do not apply. This is because the housing is more expensive to run than other types of housing due to adaptation and accessibility needs, heavier wear and tear, and higher staff costs.⁷ To qualify as exempt accommodation, the housing must be provided by a non-metropolitan county council, a housing association, a registered charity or a voluntary organisation; and support must be provided to the tenant by or on behalf of the landlord.⁸

Who lives in exempt accommodation?

The London Plan 2021 states:

“Supported and specialised accommodation⁹ [most of which is exempt accommodation] could include:

- *accommodation for people leaving hostels, refuges and other supported housing, as well as care leavers and people leaving prison to enable them to live independently*
- *accommodation for young people with support needs*
- *reablement accommodation (intensive short-term) for people who are ready to be discharged from hospital but who require additional support*
- *accommodation for disabled people who require additional support or for whom living independently is not possible*
- *accommodation for people with mental health issues who require intensive support*

⁴ DLUHC, [Supported housing: national statement of expectations](#), 20 October 2020

⁵ [Citizens Advice](#) says, “The Benefit Cap is a limit to the total amount of money you can get from benefits. If your benefits would add up to more than the limit, your Housing Benefit will be reduced.” Its website states that for a single individual in London the current cap is £296.35 a week or if in a couple or have children and live in London it is £442.31 a week.

⁶ [Citizens Advice](#) says LHA is the maximum housing benefit payment you can receive. The LHA cap varies depending on several factors, including location, if the home is a house or flat, and the number of bedrooms needed.

⁷ DWP, [Housing Benefit Reform Supported Housing](#), 2011

⁸ DWP, [Housing Benefit guidance for supported housing claims](#), May 2022

⁹ Supported and specialised housing is a term that covers a wide range of accommodation-based support for vulnerable people. It is also sometimes used to encapsulate both supported housing and accommodation for older Londoners in need of support.

- *accommodation for rough sleepers*
- *accommodation for victims of domestic abuse*
- *accommodation for victims of violence against women and girls.*¹⁰

What are the different types of exempt accommodation?

Exempt accommodation can be either commissioned or non-commissioned. **Commissioned** refers to accommodation that a local authority or the GLA has directly commissioned. **Non-commissioned** refers to accommodation that is not commissioned by a borough, but can meet the criteria set out in the definition of exempt accommodation. For example, non-commissioned exempt accommodation could be directly provided by charities that are funded by donations, rather than local authority contracts.

There are also different models of housing provision in exempt accommodation. In some cases, a housing association or charity will supply homes they own – sometimes also providing the support element themselves, or contracting a third party to provide support on their behalf. In other instances, the housing association or charity will lease the home from a landlord (who may be a housing association or a private landlord), and another organisation provides the support.

How is exempt accommodation funded?

The DWP is responsible for housing benefit policy legislation, including for supported housing. It also works with the DLUHC and devolved administrations on wider supported housing policy. Local authorities administer and make decisions on housing benefit claims, and are responsible for assessing need in their area, commissioning supported housing and strategic planning.¹¹

For commissioned services, local authorities administer housing benefit for housing costs, and funding for support comes from either the local authority or a metropolitan authority (such as the GLA). However, for non-commissioned services, local authorities administer the housing benefit for housing costs, but funding for support should come from elsewhere – e.g. service charges, charity funding or the NHS.¹² The uncapped level of housing benefit in exempt housing cannot legitimately be used to fund the cost of support. Local authorities claim back their housing benefit spend from the DWP, although the DWP can cap this if they deem the rent to be unreasonable, and issue guidance on when rents must be reviewed by a rent officer. This sometimes leads to a situation where local authorities are not reimbursed in full for their housing benefit spend.¹³

Is exempt accommodation regulated?

There is no single regulator for exempt accommodation. Providers of exempt accommodation may or may not be registered with the Regulator of Social Housing.¹⁴ With the exception of local authorities, this is not a requirement. Providers may also be charities, and therefore regulated by the Charity Commission; community interest companies, regulated by the Financial Conduct Authority; or social

¹⁰ GLA, [London Plan 2021](#), March 2021, Policy H12

¹¹ DLUHC, [Supported housing: national statement of expectations](#), 20 October 2020

¹² House of Commons Library, [Supported exempt accommodation \(England\)](#), June 2022

¹³ LUHC Select Committee, [Exempt Accommodation: Third Report of 2022-23 Session](#), 17 October 2022

¹⁴ [The Regulator of Social Housing](#) is an executive non-departmental public body, sponsored by the DLUHC.

care services, regulated by the Care Quality Commission.¹⁵ Supported accommodation for looked-after children and care leavers aged 16 and 17 will be regulated by Ofsted from spring 2023.¹⁶ Therefore, while there are several regulatory frameworks for supported housing, some parts of the sector are currently not regulated.¹⁷

Why has the Committee investigated this issue?

The Committee became aware of concerns about issues in exempt accommodation in other areas of the country, such as Birmingham, from media reports of exploitation of vulnerable groups, antisocial behaviour and organised crime.¹⁸ In December 2021, the LUHC Select Committee launched an inquiry into these issues nationally. Their report, published on 27 October 2022, described the system of exempt accommodation as a 'complete mess'.¹⁹

Little was known about the extent of issues with exempt accommodation in London. This investigation sought to ascertain whether concerns with the sector in other parts of the country, particularly non-commissioned exempt accommodation, are also an issue in the capital. It also sought to understand the Mayor's delivery of supported housing and whether this is meeting the needs of Londoners.

How did the Committee investigate this issue?

The Committee collected evidence in the following ways:

- a Freedom of Information (FOI) request to the DWP
- an FOI request to London boroughs
- a Call for Evidence aimed at London boroughs, and providers and residents of exempt accommodation
- a roundtable with London boroughs and a roundtable with London providers of exempt accommodation
- a formal oral evidence session with:
 - Tom Copley, Deputy Mayor for Housing and Residential Development, GLA
 - Jasmine Basran, Head of Policy and Campaigns, Crisis
 - Councillor Sharon Thompson, Cabinet Member for Housing and Homelessness, Birmingham City Council
 - Guy Chaundy, Senior Manager for Housing Strategy, Birmingham City Council
 - Bob Blackman, MP for Harrow East.

¹⁵ DLUHC, [Supported housing: national statement of expectations](#), 20 October 2020

¹⁶ Department for Education, [Introducing regulations for supported accommodation provision](#), 5 December 2020

¹⁷ DLUHC, [Supported housing: national statement of expectations](#), 20 October 2020

¹⁸ *The Guardian*, [UK crime gangs rake in millions through supported housing, say police](#), 16 October 2022

¹⁹ LUHC Select Committee, [Exempt Accommodation, Third Report of 2022-23 Session](#), 17 October 2022

What does good exempt accommodation look like?

During its investigation, the Committee found that support offered to residents, the physical standards of the accommodation, and good oversight of the service are all key to providing good-quality exempt accommodation.

“We know there are a lot of very, very good providers in this space who are operating as intended, and who are providing very high-quality accommodation and support, which is often highly specialised support.”

Jasmine Basran, Head of Policy and Campaigns, Crisis

“Where we provide funding for specialist and supported housing, of course we have quality control. Indeed, where we are providing revenue support, we have some quite intensive ongoing relationships with providers to make sure that the funding is being used properly; that any issues are being dealt with. In terms of the stuff that we are funding, we have those quality-control mechanisms in place.”

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

Support

Providers at the roundtable session described the types of support given to residents living in exempt accommodation, which is often tailored and specific based on the needs assessment. Support types include:

- therapies
- trauma-informed approaches to support
- practical support, such as gardening and cleaning
- security.

“There will be initial assessment and then when someone moves into our service there will be a risk assessment in place for them within the first 24 hours. That covers every area of their life, from risks around life skills to offending behaviours, risks from others and risk to others. Those are kind of broad categories and quite a lengthy piece of work.”

Provider

Oversight

In the Committee's informal roundtables, boroughs and providers gave examples of ways in which the quality of exempt accommodation is assessed. Boroughs told the Committee they feel confident that the accommodation they commission is of high quality. This was due to the level of scrutiny and

procedures in place to spot poor quality. Boroughs and providers mentioned the following types of quality assurance:

- self-assessments
- visits – announced and unannounced
- audits
- key performance indicators
- case file reviews
- meetings between boroughs and providers.

This is consistent with written evidence that the Committee received from providers as part of its Call for Evidence.

“Typically, the commissioned support we deliver is provided in accordance with a defined service specification and the delivery of support is monitored through submitting monitoring returns, commissioner audits, regular review meetings and other measures.”

Look Ahead

“Commissioning brings with it oversight and accountability of the support being delivered, and is more likely to sit within a multi-agency setting, and operate within a referral and safeguarding processes.”

St Mungo's

The exempt accommodation scandal in London

The Committee wanted to understand whether issues found in exempt accommodation in other areas of the country, most prominently Birmingham, are also a concern in London. These issues include 'rogue' providers who essentially enter the exempt accommodation market to exploit the housing benefit exemptions, resulting in poor-quality housing, a lack of appropriate support and safeguarding, and a dangerous environment for residents.²⁰

Councillor Sharon Thompson, Cabinet Member for Housing and Homelessness at Birmingham City Council, told the Committee in its formal meeting that issues with exempt accommodation are not exclusive to Birmingham. Evidence that the Committee has received as part of this investigation corroborates this.

²⁰ *The Guardian*, [UK crime gangs rake in millions through supported housing, say police](#), 16 October 2022

“I would say you do have a problem in London. I have been contacted by people from London. I have met with cabinet members within London, and we have had conversations and the starting point was very much where we were in Birmingham when we first started on this journey.”

Councillor Sharon Thompson, Cabinet Member for Housing and Homelessness, Birmingham City Council

The Committee found evidence that problems with exempt accommodation in London have manifested in three ways:

- A duty-of-care scandal – in part due to a lack of regulation, poor-quality housing and a lack of support and safeguarding, which mean residents are living in unsafe conditions, in the worst cases resulting in serious harm. Rogue providers have been known to target vulnerable people into their housing to maximise their rents.
- A financial scandal – rogue providers are entering the market to exploit the housing benefit system and charge exorbitant rents.
- A lack of good-quality exempt accommodation exacerbates growth in the unsafe part of the market. The GLA delivers new-build supported housing – through the AHP and other programmes – and funds some support, but this does not come close to meeting need.

“The big challenge is, over the last probably five years, there have been an influx of supposedly not-for-profit community interest companies who provide very, very little support. It is very difficult to track down what support is provided. The rents on these properties are astronomical, £500, £600, £700 a week for a single person with support needs. All too often, these are people we have not placed in these accommodations, the landlords find them or other boroughs have placed them because they are desperate to house these people. It is an absolute nightmare trying to ensure those properties are of a decent standard, trying to drive the rents down. They all claim to be not-for-profit. How they work is they lease a property, often from themselves, because they set up a sub-company, at an astronomical above-market rent. Then they add service charges on top that are astronomical. We meet all of them, we try to drive them down, but it is like fighting a losing battle.”

Ross Hatfull, Business Improvement Service Analyst, London Borough of Hackney

In addition, the Committee heard that London faces several broader housing challenges that drive growth in non-commissioned exempt accommodation. The rest of the report will consider these drivers, before delving into each of the issues outlined above, and making recommendations to the GLA. It will also outline evidence collected by the Committee that begins to show the scale of exempt accommodation in London.

The drivers of non-commissioned exempt accommodation

There are several factors that drive growth in non-commissioned exempt accommodation. It is important to place the issues with exempt accommodation into the wider context of a stark lack of available supported housing to meet the needs of vulnerable Londoners. Boroughs told the Committee of the high demand for supported housing, which exacerbates growth in the poor-quality, unsafe part of the sector.

“We have experienced an increase in demand for exempt accommodation in Enfield in recent years, reflective of a high level of housing need in the borough. As a result, we have seen a significant rise on our exempt accommodation spend in recent years.”

London Borough of Enfield

“We have nowhere near enough units to meet demand.”

Ross Hatfull, Business Improvement Service Analyst, London Borough of Hackney

In addition to a low supply of supported housing, the broader issues of a lack of social housing and high housing costs mean that, in London, there is a particular lack of options available to people ready to move on from supported housing. Challenging conditions in the housing sector have led to many ‘mainstream’ housing providers leaving the supported housing market. These factors leave a gap in the market and exacerbate the growth of exempt accommodation.

“The other area where those providers have moved into the market is in terms of providing move-on; it is where there is a real dearth of housing. Many of the people in our services will no longer have a priority need to access social housing. There is very little social housing, so we move people on mostly into the private rented sector. There are those people who still have some ongoing support needs, and there has been this gap in the market. There will be private providers who will often look very slick and will have beautiful slogans and taglines, such as ‘Profit with purpose’. They will move into a borough, and they will market themselves to the local authority, who will be really short on housing and will be desperate for some additional units.”

Provider

“Our view of the main London-specific challenge is the even-greater impact of high prices within the housing market; in London, this substantially contributes to demand outstripping supply in even greater numbers than other localities. This leaves move-on from supported housing very difficult, with a negative impact on people’s support needs and the service offer.”

Notting Hill Genesis

“Suitable property supply in London is a challenge due to the housing pressures and many large [social] landlords moving their stock into general needs. Many of these services are also delivered in older buildings which need substantial investment to meet modern sustainability standards. The challenge is that many traditional housing associations have pulled out of this unsustainable market and we are therefore not seeing a modern supply of supported housing stock to replace these buildings.”

Look Ahead

In London there is also a challenge with a lack of Housing First – a supported housing solution for people with long-term complex needs. The Committee investigated Housing First in 2019, and called on the Mayor and the Government to provide longer-term funding for Housing First provision.²¹ The evaluation of the supported housing oversight pilots highlighted the need of Housing First provision alongside other forms of supported housing, so that people can access a housing solution suitable to their needs.²²

Finally, a lack of capital and, particularly, revenue funding underpins many challenges in supported housing, leading providers to seek income from outside of traditional commissioned structures. The removal of the ringfence on Supporting People in 2009, which funded support costs, has long placed significant pressure on the supported housing sector.²³

“To deliver our service, following the removal of the ringfencing from Supporting People funding several years ago, we need to recover our costs from the intensive housing management element of the eligible service charge. [...] We would advocate for the reinstatement of a protected ‘Supporting People’ type funding stream that would allow agencies such as ourselves to be able to provide the appropriate level of person-centred care that would enable residents, such as the ones we support, to be able to move on with confidence more quickly.”

YMCA St Paul's

²¹ London Assembly Housing Committee, [Housing First – a solution to chronic homelessness?](#), 21 May 2019

²² Kantar Public and Imogen Blood Associates, [Evaluation of the Supported Housing Oversight Pilots](#), April 2022

²³ House of Commons, [Research briefing](#), 16 July 2012

Where there is capital funding available, providers are reluctant to commit to building supported housing where there is no guaranteed support funding.

“The Mayor can also support the delivery of supported housing by calling on the Government to ... align capital and revenue funding, to ensure that supported housing providers are not left with a building without a support contract.”

St Mungo's

Against this backdrop, there is a heightened incentive to turn to non-commissioned exempt accommodation. However, there is also heightened opportunity for rogue providers to enter the market and provide unsafe housing, as explored in the following chapters.

A duty-of-care scandal

Boroughs and providers told the Committee shocking stories of violence, including homicides and exploitation, in non-commissioned exempt accommodation. They told us this is fuelled by unscrupulous exempt-accommodation providers that disregard their safeguarding responsibilities, and in some cases actively target vulnerable people. A representative from Standing Together Against Domestic Abuse (STADA) – an organisation that works with domestic abuse services and survivors – told the Committee about cases in London where providers are targeting vulnerable women and placing them in unsuitable mixed-gender accommodation, without the necessary support or safeguarding in place.

Concerns were expressed that many issues in non-commissioned exempt accommodation go unnoticed due to the unregulated nature of the sector. Where boroughs did notice quality concerns, this was generally through safeguarding referrals; police reports and increased attendance by the London Ambulance Service; and reviews of housing benefit claims. However, in one instance of domestic violence referrals being placed in the same accommodation as single male homeless referrals, the London Borough of Harrow told the Committee that it was spotted by an astute officer through ‘luck’, rather than as part of their role.

*“Where we are really concerned is that in Havering, we have 44 schemes that we have not commissioned. They are by providers that we do not really know at all, but they have that support element to them, and they are claiming high rents, but the service is not there. We have had several incidents ongoing in some properties with antisocial behaviour. **We have even had two homicides in the last year.** We have had some really sad situations where out-of-borough have placed a vulnerable person into one of those properties, for example, an 18-year-old care leaver.”*

Katri Wilson, Assistant Director Supported Housing, London Borough of Havering

“We do flag as well where we can see – there was a scheme set up a couple of years ago now, where we had single male homeless [referrals] in the same block as domestic violence referrals from a domestic violence charity.”

Jenny Townsley, Housing Benefit Service Manager, London Borough of Harrow

*“What we see is these providers particularly **target vulnerable women**, they will put them in spaces that are not single-gender and what that opens up to is more vulnerability. **What ends up happening is a lot of these women who have been abused end up being sexually exploited**, for example, they will be often placed with other vulnerable people who take advantage of that and that is the kind of thing that we often see. It is targeting vulnerable women and then putting them in spaces where there is no safeguarding, there are no risk assessments, there is no multi-agency working and it is not recognising the needs at all of [the] victims’ families. What ends up happening as well is they come out worse from the situation and so therefore they need even more support, which obviously is expensive as well and it becomes a much worse situation. That is what we have often seen ... What we are seeing is a lot of outer boroughs and it is just these massive HMOs [Homes of Multiple Occupancy] and they are just essentially put there and there is no regulation, there is nothing there, and **it does not give any support to these women and they come out worse.**”*

Standing Together Against Domestic Violence

Impact of lack of regulation and oversight

The Committee heard greater levels of concern from boroughs and providers about non-commissioned exempt accommodation, compared to commissioned exempt accommodation. There was also greater concern about exempt accommodation delivered by non-registered providers because there is less oversight and scrutiny of these providers.

However, the Committee is aware from responses to its Call for Evidence, and from its roundtables, that providers reported poor-quality provision from registered providers as well, suggesting that merely being registered is not a guarantee of high-quality provision.

“Although the process of being registered [with the regulator] does bring with it standards, however, St Mungo’s has still witnessed examples of poor-quality provision delivered by registered providers.”

St Mungo’s

QVT, a non-commissioned provider, responded to the Committee’s Call for Evidence to comment on the funding advantages that commissioned providers have in order to provide better-quality accommodation.

“Commissioned [providers] are at an advantage because of the stability of income and the flexibility to do more with more, for their service users. They do not face the same pressures as us exempt providers who cannot afford the necessary bolt-on services to support our clients – so we have to work harder to be imaginative and creative in offering more than just tenancy sustainment to our service users.”

QVT

We also heard accounts of high-quality provision from non-commissioned services, particularly those providing support to specific groups and through by-and-for services – for example domestic abuse survivors from ethnic minority groups and veterans, who in particular may not access mainstream commissioned services.

“Veterans often, given the choice between engaging in a mainstream service or not engaging at all, will choose not to engage at all.”

Lee Buss-Blair, Director of Operations, Riverside

“The by-and-for services are essentially by women from particular groups for women from particular groups, and the support they provide is very specialist. They will look at specific forms of violence, which are not covered by your traditional routes; for example, honour-based abuse and forced marriage. They will then provide support around language; for example, immigration status and supporting around no recourse to public funds. These are essentially women that are not able to go through traditional routes.

One of the biggest things that we see is these services are not traditionally commissioned because local authorities will opt for a more generic service.

We also often see women from protected characteristics, not just around ethnicity and race, but deaf survivors; disabled survivors; and LGBT+ survivors. They will fall through the net if they go through the traditional routes, and so it is really important to protect these particular by-and-for services.”

Standing Together Against Domestic Violence

A financial scandal

As part of the Committee's roundtable discussions, boroughs raised concerns about the high rent costs associated with some exempt-accommodation providers. As illustrated on page 15, some exempt-accommodation providers are charging £500-£700 a week, but boroughs have no way of knowing if the care or housing being provided is of good quality or represents value for money. In contrast, a provider told us that they would expect usual rents in exempt accommodation to be '£250 a week, maybe up to £350, £400'.

“Members did speak to the poor-quality end of the exempt accommodation provided, reporting that in some instances accommodation represented ‘squalid living conditions’. This was particularly attributed to non-commissioned, for-profit providers who are perceived to be taking advantage of the funding model.”

Homeless Link²⁴

Boroughs are under pressure to pay, and in some cases increase, these already-high rents; some exempt providers are skilled in finding ways to increase their income. The London Borough of Harrow shared that an exempt-accommodation provider had hired a consultancy to advise them how to

²⁴ Homeless Link is the national membership charity for frontline homelessness agencies.

maximise their rent, and had submitted a report from the consultancy to the borough. Harrow used this as an example of increasing rents and costs for their area, which in this report was £464 per resident per week. During the discussion, multiple boroughs mentioned that they had received a similar report.²⁵

Boroughs also noted that exempt-accommodation providers and their consultants use FOI requests to find out information about boroughs' practices of commissioning of accommodation. They use this information to identify local authorities whose housing benefit policies may be easier to exploit.

*“One of the things that we found out quite early on when we started looking into this, is that there are consultants who gain a lot of information through freedom of information (FOI) and **rank the local authorities in London in terms of who is more of a ‘pushover’**. Essentially, they rank local authorities in terms of giving advice to some of these providers, and which boroughs you might be more successful with, because they have done FOIs around rent levels and different things.*

We were kind of shocked initially, but now we understand that it is part of the picture. What we find is a lot of these providers engage with the local authority really late in the process; too late for us to be able to influence.”

Meghan Zinkewich-Peotti, Housing Strategy Project Manager, London Borough of Harrow

The financial implications for local authorities are huge. Not only are they having to pay extremely high rents, but the fact that vulnerable people are not receiving adequate care goes on to create more costs for the borough. One provider illustrated this well:

“The thing is, in the long term, it will be really costly by putting people in that type of exempt accommodation, because they will come out with more vulnerabilities; local authorities need to think about that long-term cost. Investing in proper supported accommodation that has proper support in the short term will work out in the long term, because a lot of the people that go into these properties come out with so many support needs, so many health needs, or they end up in hospital, etc. Things like women who have been sexually abused – the costs that incurs – so just thinking about the long-term costs in terms of making that case as to why you should not go with them.”

Provider

²⁵ Names of the provider and consultancy were redacted in the copy of the report that was shared with the Committee.

Mayoral action on the exempt accommodation scandal

In February 2022, the Deputy Mayor for Housing and Residential Development undersigned an open letter sent to Secretary of State Michael Gove from Commonweal Housing and the Local Government Association (LGA). The letter called for urgent reform in exempt accommodation and encouraged the Government to tackle the cases of exploitation. It recommended that the Government develop a strategy for ensuring that vulnerable people receive quality services and are not forced to live in substandard accommodation.²⁶

Also in February 2022, the Deputy Mayor for Policing and Crime Sophie Linden submitted a response to the LUHC Committee's investigation into exempt accommodation. The submission highlighted that the GLA has considerable concerns with exempt accommodation in London:

“The growth of exempt housing provision associated with investors looking to maximise returns using the higher rents permitted by exempt housing benefit provisions is concerning.

Because exempt accommodation is not subject to the level of scrutiny, oversight or regulations required of other affordable housing or care suppliers, there is opportunity for unethical operators to provide inadequate support for vulnerable residents, resulting in poor, unfit housing conditions, without the effective care and support needed. Exempt accommodation must provide the most vulnerable people with support to address the risks associated with criminal and sexual exploitation, mental health and substance misuse.

Lack of consistent regulation and oversight of exempt accommodation providers has led to organised criminals entering the market. The UK's National Crime Agency has stated that ‘the property market is a route exploited by criminals, particularly in London’. The danger is that unregulated non-commissioned exempt accommodation processes and services could be criminally exploited, facilitating money laundering and organised crime.”
Sophie Linden, Deputy Mayor for Policing and Crime, GLA²⁷

During its formal meeting, the Committee asked the Deputy Mayor for Housing and Residential Development, Tom Copley, what the GLA has done to understand the quality of exempt accommodation in London, both accommodation that is commissioned by the GLA and more broadly.

²⁶ Commonweal Housing and the LGA, [Open Letter to the Secretary of State for Levelling Up, Housing and Communities](#), 17 February 2022

²⁷ LUHC Committee, [Written evidence submitted by London's Deputy Mayor for Policing and Crime \[EXA 018\]](#), February 2022

The Deputy Mayor spoke about the work the GLA has done to ensure that its commissioned accommodation is high quality, but did not give examples of work the GLA is doing to understand the overall quality of exempt accommodation in London.

“In terms of what we are funding and the services that we commission, we are keeping a very close watch to make sure that it is being delivered properly; that it is of a high quality, and that it is decent. More broadly, we are not a regulator; as such, we do not have that function and we do not have the ability to take a view of the stock more broadly ... I do think this is one where we simply do not have the powers or the teeth to do that. This is where we need the Government to regulate the sector properly.”

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

While the Committee understands that the GLA's role is not to act as a regulator, the Committee's findings in relation to cross-borough issues around quality lead it to believe that the GLA could play a more active part in understanding and discussing quality issues with boroughs. This was also suggested by the London Borough of Havering, the borough in which there have been two recent homicides in exempt-accommodation properties.

“[The] Mayor could support by establishing regular pan-London meetings to share information between boroughs as the exempt providers probably have control over properties across boroughs.”

London Borough of Havering

During the formal Committee meeting, the Deputy Mayor stated data is collected at a local rather than regional level, as the London Plan also outlines. However, it became clear from the Committee's investigation that individuals can be placed out of borough and indeed out of London. This creates challenges for boroughs in terms of tracking data; and suggests that there may be a role for regional government at GLA level.

“The GLA does not have that function [in relation to housing benefit] and so, to some degree, the evidence gathering and the data needs to be at a local level.”

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

The Committee believes that the GLA should do more to understand the number and quality of exempt-accommodation units in London. As part of its inquiry, the House of Commons' LUHC Committee similarly noted the lack of adequate data in relation to exempt accommodation and concluded:

“We therefore call on the Government, within twelve months of publication of this Report, to organise the collection, collation and publication of annual statistics at a local authority level under a number of key headings, including the number of exempt accommodation claimants, the number of exempt-accommodation providers and the amount of money paid by both the Department for Work and Pensions and the local authority in exempt accommodation housing benefit.”²⁸

Although new legislation to improve the regulation of supported housing is expected in 2024-25 (see page 33 for further details),²⁹ the Committee believes that the Mayor must act now to understand the extent of the issue in London and begin to tackle it before it gets worse.

There are also other avenues the GLA could use to start to build a picture of exempt accommodation in London, and place some power in the hands of exempt-accommodation tenants. The GLA currently runs a rogue landlord checker tool³⁰ and a reporting system for homes in the private rented sector.³¹ The rogue landlord checker allows tenants/prospective tenants to check if their private landlord and/or letting agents have been prosecuted or fined. The rogue landlord reporting tool allows tenants, the police and others to report landlords who they think do not have a property licence; hold an incorrect licence; or may be breaching the terms of their licence. The Committee believes that there is an opportunity within these tools to open up reporting of poor-quality exempt accommodation, and accountability of poor exempt-accommodation landlords.

Recommendation 1

The GLA should immediately start work with boroughs, providers, and the Mayor's Office for Policing and Crime to better understand, and start to tackle, quality issues in exempt accommodation in London.

Recommendation 2

The GLA should broaden use of its 'report a rogue landlord' and 'rogue landlord checker' tools by allowing reporting and checking of exempt-accommodation landlords.

²⁸ LUHC Committee, [Exempt Accommodation](#), 19 October 2022, p.34

²⁹ Parliament.uk, [Supported Housing \(Regulatory Oversight\) Bill](#), 13 March 2023

³⁰ GLA, [Rogue Landlord Checker](#)

³¹ GLA, [Report a rogue landlord or agent](#)

How big is the exempt accommodation sector in London?

Number of exempt accommodation units

The exact scale of exempt accommodation in London is unknown. Considering the severity of the issues raised, it is important – now more than ever – to understand the scale of exempt-accommodation provision in London. The Housing Committee has undertaken the first published analysis of the scale and cost of exempt accommodation in London, with findings outlined below.

It should be noted that this is difficult to estimate, and the Committee has found some gaps in information and a lack of reliable data. London's borough structure has additionally created challenges for understanding the number of units across the capital, as information is collected by different boroughs in different ways. In its formal Committee meeting, representatives from Crisis and Bob Blackman, MP for Harrow East, highlighted data gaps and quality issues in relation to the London's exempt housing.

“A real issue with this is that there is a significant paucity of data of the quality of exempt accommodation.”

Jasmine Basran, Head of Policy and Campaigns, Crisis

“One of the problems here is the lack of data on the number of units that are being provided across the country, but in particular in London, for this purpose ... I think it is one of the jobs of the Mayor and the GLA to make sure that we have the data on what exactly is going on ... There is a massive job to be done in London to collect the data on this position ... That is the sort of role that is vitally important to guide Government policy.”

Bob Blackman MP, Harrow East

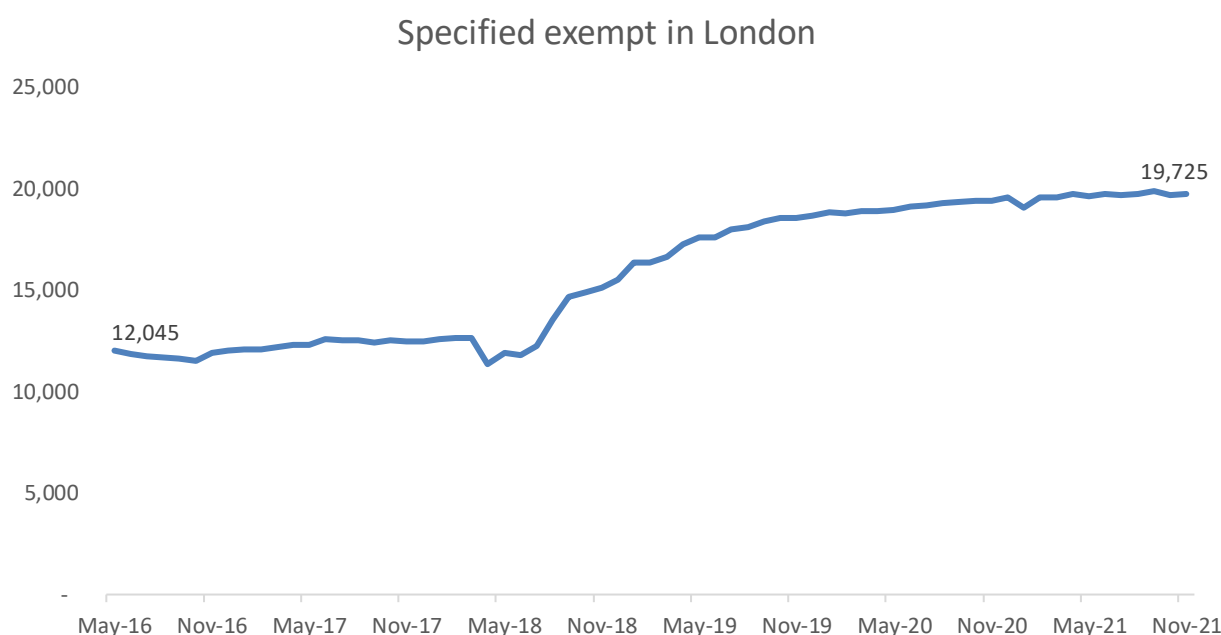
The Committee requested information from the DWP and London boroughs. It asked for information relating to the number of units; whether the accommodation is commissioned or non-commissioned; the cost of exempt accommodation in boroughs; and the names of providers.

Information from the DWP

In September 2021, Crisis submitted an FOI request to the DWP in relation to exempt accommodation on a national level. Their response found that, in May 2021, there were 153,701 households living in exempt accommodation across Great Britain.³² From the Committee's request to the DWP in relation to London, data suggests that in November 2021 there were around 28,400 units of supported housing, up from 16,175 units in May 2016. Of these, the majority (19,725 units) were specified

³² Crisis press release: [Over 150,000 households in controversial exempt accommodation](#), 21 October 2021

exempt housing,³³ up from 12,045 units in May 2016. While it is difficult to determine the specific need or reason for exempt housing, the data suggests that a significant proportion of London’s exempt housing in November 2021 was for those aged under 65 (77 per cent, or 15,200 units).



That said, this information should be considered with some caution, as the DWP noted the following:

“Supported Accommodation (SA) cases identified in SHBE [Single Housing Benefit Extract] do not align with published statistics. We are aware that there is some under reporting of Specified Accommodation claims on SHBE which will affect the Specified Exempt classification used in this FOI. Hence, we would advise caution in comparing caseload trends over time as any changes in under reporting could be interpreted as a change in trend.”

This is consistent with the DWP’s review of specified accommodation claims from October 2022, which found a significant undercount across local authorities as a whole.³⁴

Information from boroughs

The Committee submitted FOI requests to London boroughs to better understand the current scale of exempt accommodation, and change over time, at a borough level. From the 22 boroughs that were able to provide data or an approximation, there were around 17,100 households living in exempt accommodation. Nine boroughs said they do not hold this information, or refused the request on the

³³ ‘Specified accommodation’ is a term used in housing benefit legislation to describe supported housing that benefits from special treatment in welfare law. All specified accommodation is exempt from the benefit cap, and people living in it must claim housing benefit in respect of their housing costs. Exempt accommodation is a subset of specified accommodation, which is exempt from all housing benefit caps.

³⁴ DWP, [Changes to supported housing and temporary accommodation Single Housing Benefit Extract management information](#), 20 December 2022

basis of cost,³⁵ i.e. that their systems do not allow for generating an overall figure of exempt accommodation, and providing one would involve a manual search of individual cases. For boroughs that were able to provide data over time, several showed large increases in exempt accommodation between earliest and most recent data provided – for example Westminster, Lambeth, Islington and Bromley. The period over which boroughs reported increases varied, as illustrated in the tables.

Borough	Year ³⁶	Count	Year ³⁷	Count	Difference
Barking & Dagenham	Cost exemption				
Barnet	2021	666	2022	729	63
Bexley	2016	129	2022	168	39
Brent	Not held				
Bromley	2018-19	1040	2021-22	1,792	752
Camden	Cost exemption				
City of London	2017	17	2022	17	0
Croydon	Not answered				
Ealing	No historic records		2022	835	*
Enfield	2018	712	2022	1,144	432
Greenwich	Not held			232 ³⁸	*
Hackney	Not available ³⁹				
Hammersmith & Fulham	2015-16	287	2022-23	566	279
Haringey	2016	583	2022	605	22
Harrow	Not held				
Havering	2018	50	2022	148	98
Hillingdon	Not held				
Hounslow	2016-17	138	2021-22	595	457
Islington	2016-17	109	2022-23	762	653
Kensington & Chelsea	2016-17	578	2021-22	578	0
Kingston upon Thames	Cost exemption				
Lambeth	2016	225	2022	1,484	1,259
Lewisham	Cost exemption				
Merton	Not held				
Newham	2019-20	738	2021-22	790	52
Redbridge	Not held				

³⁵ The Information Commissioner's Office [website](#) states that under Section 12 of the Freedom of Information Act, the cost limit for complying with a request or a linked series of requests from the same person or group is set at £600 for central government, Parliament and the armed forces; and £450 for all other public authorities. If a request is estimated to exceed this limit it can be refused.

³⁶ This column represents the earliest information provided by boroughs. Some boroughs provided individual months; however, the overall year is shown for ease.

³⁷ This column represents the most recent information provided by boroughs. Date is listed in the format that boroughs reported.

³⁸ The London Borough of Greenwich responded that it does not hold this information; however, it did provide individuals currently housed by providers, which has been used to calculate this figure.

³⁹ London Borough of Hackney said: "We would like to inform you that we have searched our records and some of the information you requested is not available. This is a result of the serious cyber-attack the Council experienced in October 2020."

Borough	Year	Count	Year	Count	Difference
Richmond upon Thames	Not held		2022	123 ⁴⁰	*
Southwark	Not held		-	1,000 ⁴¹	*
Sutton	No historic records		2022-23	348	*
Tower Hamlets	2019-20	1783	2021-22	2,353	570
Waltham Forest	2016-17	707	2021-22	747	40
Wandsworth	No historic records		2022	365	*
Westminster	2016-17	107	2022-23	1,720	1,613
Total				17,101	6,329

Most boroughs did not hold information relating to the proportion of their exempt accommodation that is commissioned or non-commissioned.

Cost of exempt accommodation

Other parts of the country report high spend on exempt accommodation. Senior Manager for Housing Strategy at Birmingham City Council Guy Chaundy told the Committee, “Between £350 million and £400 million a year is going out through housing benefit in Birmingham alone.”⁴² On a national level, *Inside Housing’s* report from November 2022 revealed a cost of £883.5 million on exempt accommodation from 2021-22 across 174 local authorities, including four London boroughs.⁴³ The Committee sought to understand what the cost may be in London and asked for exempt accommodation spend as part of its FOI to boroughs.

Our analysis from the 16 London boroughs that were able to provide data revealed a combined cost of just over **£107 million** spent on exempt accommodation. The overall cost across all London boroughs is likely to be significantly higher given that this data is incomplete; and that some data from boroughs represents housing benefit costs, and others commissioning costs. Additionally, some boroughs specified that costs provided for this year were to date, and therefore the total cost may increase. Several boroughs did not provide information on the basis of the cost of responding to the request. Where data was provided over time, spending across these 14 boroughs rose by almost £30 million between the earliest and most recent data provided, apart from Haringey, who reported a reduction in spend. The period over which boroughs reported spend varied, as illustrated in the tables.

⁴⁰ The London Borough of Richmond upon Thames said: “The Council does not record the number of people that are in exempt accommodation. Our records only show information about people who claim housing benefit or receive adult social care services whilst occupying exempt accommodation. This does not include all instances of exempt accommodation as there are people not claiming or receiving these services from us.”

⁴¹ The London Borough of Southwark responded that it does not hold this information, but did say: “We can confirm that there are approximately 1,000 to 1,300 cases per year.” Therefore, 1,000 has been used as a conservative estimate.

⁴² London Assembly Housing Committee, [Transcript of Agenda Item 6 – Exempt Supported Housing](#), 6 December 2022, p.26

⁴³ *Inside Housing*, [The true cost of exempt accommodation](#), 21 November 2022. *Inside Housing’s* checks with some councils showed that in some cases they were providing their expenditure for ‘specified accommodation’. Some of the figures received by the Committee for London boroughs were different from those in *Inside Housing’s* report, and the Committee has sought to clarify these differences where possible.

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Borough	Year	Cost	Year	Cost	Difference
Barking & Dagenham	Cost exemption				
Barnet	Not held				
Bexley	2016	£340,054.10	2022	£473,540.32	£133,486.22
Brent	2017-18	£7,988.40	2021-22	£976,102.00	£968,113.60
Bromley	2018-19	£6,533,788.53	2021-22	£11,364,849.87	£4,831,061.34
Camden	Cost exemption				
City of London⁴⁴	2017	£0.00	2022	£0.00	£0.00
Croydon	Not answered				
Ealing	Not held		2022-23	£10,470,658.00	*
Enfield	2018-19	£6,800,806.93	2021-22	£12,960,628.90	£6,159,821.97
Greenwich	Accessible elsewhere ⁴⁵				
Hackney	Not available ⁴⁶				
Hammersmith & Fulham	2016-17	£1,456,227.12	2022-23	£3,189,071.04	£1,732,843.92
Haringey	2016	£3,516,742.83	2022	£3,496,552.35	-£20,190.48
Harrow	Not held				
Havering	2018	£397,067.84	2022	£984,699.82	£587,631.98
Hillingdon	Not held				
Hounslow	Not collected or reported in this way				
Islington	Cost exemption				
Kensington & Chelsea⁴⁷	2016-17	£4,300,000.00	2021-22	£4,300,000.00	£0.00
Kingston upon Thames	Cost exemption				
Lambeth	2019-20	£15,210,313.00	2021-22	£26,341,102.00	£11,130,789.00
Lewisham	Clarification ⁴⁸				
Merton	2017-18	£6,161,451.59	2021-22	£7,469,676.74	£1,308,225.15
Newham	2019-20	£5,232,364.00	2021-22	£6,433,818.00	£1,201,454.00
Redbridge	Not held				
Richmond upon Thames	Cost exemption				
Southwark	2019	£10,889,994.70	2021	£11,277,754.11	£387,759.41
Sutton	Not held		2022-23	£1,248,744.14	*
Tower Hamlets	Cost exemption				
Waltham Forest	2016-17	£5,052,606.81	2021-22	£6,107,876.65	£1,055,269.84
Wandsworth	Cost exemption				
Westminster	Cost exemption				
Total				£107,095,073.94	£29,476,265.95

⁴⁴ The City of London specified that all of its 17 units are non-commissioned, which means the cost will come from the DWP directly rather than from boroughs.

⁴⁵ The London Borough of Greenwich exempted this on the basis of information being accessible elsewhere and shared a link to its register of contracts. However, this does not easily identify exempt housing contract costs.

⁴⁶ The London Borough of Hackney said: "We would like to inform you that we have searched our records and some of the information you requested is not available. This is a result of the serious cyber-attack the Council experienced in October 2020."

⁴⁷ The Royal Borough of Kensington and Chelsea indicated that its housing benefit system does not allow for calculating exempt accommodation specifically. This figure therefore represents only the cost of commissioning in the borough.

⁴⁸ The London Borough of Lewisham requested clarification on this part of the request, but this was not resolved by the time of publication.

As part of its FOI request to DWP, the Housing Committee asked for costs in London but was advised that this would exceed the cost limitation of the request.

The DWP has recently updated guidance relating to housing benefit. It has outlined that between now and 31 March 2024, local authorities must carry out a desk-based review of their whole housing benefit caseload to determine if claimants are living in supported housing, temporary accommodation or neither; and record as such on their systems. Where the case is supported housing, local authorities should specify the type of the accommodation.⁴⁹ This information should assist the GLA in any work it carries out assessing supported housing in London.

Recommendation 3

The GLA should work with the Department for Work and Pensions (DWP), London Councils and boroughs to estimate the number of exempt-accommodation units in London, and track annual spend on these units.

Recommendation 4

The GLA should produce an annual report on exempt accommodation in London based on findings from recommendations 1-3, and consider more frequent reporting in the future.

The regulation of supported housing

Impact of the lack of regulation in London

“We do not have the legislation currently to set even a basic standard of what supported accommodation should be, to have definitions that supported accommodation is more than a normal landlord would do. It just is not fit for purpose and actually we need very clear regulation as to what minimum standards should be in the supported sector.”

Jon Scarth, Lead of Commissioning of Supported Housing, London Borough of Lewisham

Providers told the Committee of the difficulties they face when working in London, due to boroughs' different interpretations of current housing benefit legislation and ways of working to commission

⁴⁹ DWP, [A3/2023: Supported housing and temporary accommodation Single Housing Benefit Extract management information for caseload review](#), March 2023.

exempt accommodation. This was evident both from the roundtable discussion and in some of the written responses the Committee received from its Call for Evidence.

“What we are seeing, across a number of local authority areas, is different interpretations of what [the current legislation] means, and that is one of the biggest risks to us as a sector: that lack of a national standard or definitions to achieve consistency.”

Lee Buss-Blair, Director of Operations, Riverside

“Complexity is added in London with the number of boroughs and Local Authorities. Loose definitions within HB [housing benefit] legislation gives the local authority scope to interpret principles differently in their application making working across the city difficult, leading to nuances and differences in our service offers from borough to borough. This increases resources required for management, quality and compliance assurance practices.”

Notting Hill Genesis

The Supported Housing Regulatory Oversight Bill

Proposed legislation

A new Supported Housing (Regulatory Oversight) Bill (the Bill) introduced in Parliament seeks to provide regulation of supported exempt accommodation and give local authorities more oversight and enforcement powers.⁵⁰ It is a Private Member's Bill sponsored by Harrow East MP Bob Blackman, and supported by homelessness charity Crisis. The Bill is intended to address the kind of quality and safeguarding concerns outlined in this report and seen elsewhere in the country. Key measures in the Bill include:

- requiring local authorities in England to review supported housing in their areas and develop strategies
- providing for the creation of a national expert advisory panel to advise on matters related to supported housing
- giving the Secretary of State power to introduce national support standards
- giving local authorities power to create local licensing schemes for exempt accommodation
- giving the Secretary of State an option to introduce a new planning Use Class for exempt accommodation.⁵¹

The Government has indicated its support for the Bill, and it is expected to receive Royal Assent in this year.⁵² There will then be a period of consultation, followed by the development of regulations, meaning that implementation of the new licensing regime is unlikely before the second half of 2024.

⁵⁰ Parliament.uk, [Supported Housing \(Regulatory Oversight\) Bill](#), 13 March 2023

⁵¹ Ibid

⁵² Parliament.uk, [Supported Housing \(Regulatory Oversight\) Bill](#), Second reading, 18 November 2022

Bob Blackman MP gave evidence as part of this investigation and told the Committee of the need for greater regulation, given the quality issues found in exempt accommodation.

“At the moment, as you have heard, neither the GLA, nor the boroughs, have the power to do anything about this if rogues set up within their areas. Once again, there is a need, a clear need, for people who are vulnerable to be provided with suitable housing and suitable support to rebuild their lives.”

Bob Blackman MP, Harrow East

What do London boroughs think about the Bill?

During its roundtables on 22 November 2022,⁵³ the Committee heard from boroughs that they are supportive of the proposals from the Bill, because they currently lack the powers needed to challenge exempt-accommodation providers in their area who are not commissioned and delivering poor-quality housing or support. However, boroughs also told the Committee that government funding would be needed to support the legislation given the resourcing issues within local government.

“[In] Lewisham we are very supportive of the proposals set out in Bob Blackman’s Private Member’s Bill on the subject around essentially a minimum level of regulation for this sector.”

Rhona Brown, Head of Private Sector Housing and Home Improvement, London Borough of Lewisham

“On the whole it [the Bill] is something that we would like to see but we do worry about how we will fund it. It is trying to understand where that is going to be funded from to be able to do this work and to pull together that incredible amount of specialist knowledge that is needed across so many areas, to be able to do this piece of work properly and how we manage that as we move forward. The will is definitely there.”

Jenny Townsley, Housing Benefit Service Manager, London Borough of Harrow

What do providers think about the Bill?

While providers highlighted to the Committee the various regulatory mechanisms in place within the supported housing sector for commissioned or regulated providers, they also told the Committee about the need for clear standards within supported accommodation and clear definitions around support. The Committee consistently heard from providers that the current definition of support needing to be ‘more than minimal’ is unclear; therefore, there is an opportunity for the Bill to improve standards and expectations of support nationally.

⁵³ This date is after the Bill’s second reading in Parliament on 18 November 2022, but before the money resolution stage on 9 January 2023.

Standing Together Against Domestic Violence, who work with by-and-for services and smaller providers told the Committee that these definitions would need to be inclusive of the different types of exempt-accommodation providers, and that the legislation more generally should not deter high-quality providers working in these areas.

“A definition would be helpful, but the key thing is ensuring the definition is not restrictive and that it encompasses a range of support. One of the things that we have seen services really struggle with is restricted definitions.”

Standing Together Against Domestic Violence

The London Assembly's response to the Bill

On 29 November 2022, the London Assembly passed a unanimous motion proposed by Housing Committee Chair Sem Moema AM supporting the new legislation.⁵⁴ This was in response to evidence received by the Committee from boroughs and providers during its roundtables. It called on the Mayor and the Chair of the Assembly to write to the Secretary of State for Levelling Up, Housing and Communities, asking him to urgently provide a regulatory framework for the exempt accommodation sector. In response to this motion, the Chair of the Assembly wrote to the Secretary of State on 9 December 2022, and also wrote to the Mayor asking him to do the same.⁵⁵ The Mayor responded to the Assembly's motion on 9 March 2023, stating:

“Alongside my Deputy Mayor for Housing and Residential Development, I will use our channels of communication with the Secretary of State for Levelling Up, Housing and Communities to affirm our support for the provisions of the Supported Housing (Regulatory Oversight) Bill, and more broadly secure better oversight of the exempt accommodation sector.”⁵⁶

The Committee welcomes the Mayor's commitment to write to the Secretary of State to support the legislation following this motion of the Assembly. However, the Bill has already moved into the House of Lords, with the first reading taking place on 6 March 2023. As outlined below, the Committee believes there is more work that the Mayor should do in relation to this legislation.

The Mayor's response to the Bill

During the Committee's formal meeting on 6 December 2022, the Deputy Mayor said that he also fully supports the Bill, as long as it comes with the funding needed to implement it.

⁵⁴ London Assembly press release, [Assembly supports 'Regulate the Rogues' campaign](#), 29 November 2022

⁵⁵ Unpublished as wording is direct copy of the motion.

⁵⁶ GLA, [Exempt Accommodation Motion with Mayor's response](#), 1 December 2022

“I fully support Bob Blackman’s Bill but with the obvious caveat – and Assembly Member Devenish raised this with him – that if you are going to put new duties onto local authorities, you have to make sure that they are adequately funded to deliver on those duties.”

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

In the same meeting, Bob Blackman MP told the Committee that he had not had conversations about the proposed legislation with the Deputy Mayor or London Councils. Given the potentially significant impact of legislation on London boroughs, and the Deputy Mayor’s previous calls for reform in exempt accommodation, the Committee was surprised to hear that, as of December 2022, the GLA and parliament had not worked more closely together on development of the Bill.

“We have not had conversations with London Councils or the Deputy Mayor in particular [about the Bill].”

Bob Blackman MP, Harrow East

“I do think that the best role for the Mayor would be in amplifying the call for improved regulation of this part of the market really.”

Rhona Brown, Head of Private Sector Housing and Home Improvement, London Borough of Lewisham

The Committee believes that the Mayor and the Deputy Mayor should be taking a more active role in understanding the impact of potential legislative changes on London, particularly given its unique structure. Since the Committee started its investigation into exempt accommodation in London, when asked about the issue by the Chair, the Mayor said that he is ‘very concerned’ about the issue and acknowledged, “It is an area that it is not talked about much and that is why I was really pleased that your Committee looked into this.” During Mayor’s Question Time on 19 January 2023, the Mayor said he would look into how he and the Deputy Mayor could assist the Committee in the work they are doing in relation to the Bill.⁵⁷

In view of the Bill’s proposed licensing requirements for local authorities, and calls from providers around the need for consistency in exempt accommodation practices across boroughs, the Committee asked Bob Blackman MP and Deputy Mayor Tom Copley about the potential for licensing in London to be on a pan-London level. Bob Blackman MP noted that the proposed legislation is not intended to add bureaucracy for boroughs or providers; and the Deputy Mayor spoke about the Mayor’s calls for private rented sector housing to be licensed across London also.

⁵⁷ London Assembly, [Questions to the Mayor: Except accommodation](#) 19 January 2023

“There is clearly a role for the regional mayors ... I do think, in particular, what we are talking about here is going to be a question of scale; the licensing that we are proposing in the Bill, if a local authority only has one housing unit, we do not want a heavy bureaucracy to deal with one housing unit. It might be that boroughs come together and it might be, as you say, that the regional mayors put together the support and assistance to assist local authorities in controlling and licensing and approving and inspecting the wider area, which would give economies of scale. We do not want to add levels of bureaucracy unnecessarily.”

Bob Blackman MP, Harrow East

“Landlord licensing more broadly as a London-wide thing is something that the Mayor has been calling for. There is great merit in having a licensing system applying to exempt accommodation as well.”

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

Recommendation 5

The GLA should bring together the sponsor of the proposed legislation (Bob Blackman MP) and other London stakeholders to discuss the impact of new regulation on London. This should then form part of the Mayor's lobbying around the Supported Housing Regulatory Oversight Bill.

Recommendation 6

The Mayor should write to the Secretary of State for the Department of Levelling Up, Housing and Communities DLUHC to highlight that new regulation must come with sufficient new funding, so as not to add an unmanageable burden to London boroughs.

Recommendation 7

If licensing legislation passes, the GLA should work with London boroughs to ensure consistency across the capital and reduce bureaucracy. The GLA should also consult London boroughs to establish if there would be a benefit to pan-London licensing.

How have other cities tackled exempt accommodation?

The Committee sought to hear about work under way to tackle poor-quality exempt accommodation in other areas of the country. In 2020-21 the DLUHC ran 'supported housing oversight' pilots in five local authorities (Birmingham; Blackburn with Darwen; Blackpool; Bristol; and Hull) to test ways of improving quality and value for money in supported housing.⁵⁸ Another DLUHC fund, the Supported Housing Improvement Programme (SHIP), was launched in 2022 to assist local authorities facing poor-quality supported housing provision or unscrupulous landlords operating in their area.⁵⁹ The Committee understands that no London boroughs were successful in their application to the Government's SHIP funding and therefore may not have the same level of resources to understand quality issues as other areas.

Representatives from Birmingham City Council were present at the oral evidence session, and told the Committee about the work they are taking to address issues and better support those living in exempt accommodation. They outlined following actions:

- a voluntary accreditation scheme where providers are assessed for quality and given a Kitemark award
- a Charter of Rights for tenants and those living in exempt accommodation to know what they should expect from this housing and support
- a training programme for providers of what 'good' looks like, especially in terms of support
- an exempt accommodation forum, made up of individuals representing different residents' groups
- strengthening of relationships with the regulator through regular meetings to exchange information.

Additionally, Councillor Sharon Thompson told the Committee about the work being done across the West Midlands region to understand quality issues, and the impact of changes made in Birmingham across other areas.

⁵⁸ DLUHC, [Evaluation of the supported housing oversight pilots](#), 7 April 2022

⁵⁹ DLUHC, [Supported Housing Improvement Programme prospectus](#), 24 November 2022

“We are also speaking across the region; I chair the Homelessness Group of cabinet members from across the region in the West Midlands cross-party. We are looking at analysis across the whole region to see what the impact is. If we improve things in Birmingham, does that have a knock-on effect to other local authority areas?”

Councillor Sharon Thompson, Cabinet Member for Housing and Homelessness, Birmingham City Council

The Committee noted the extensive work done in Birmingham to address quality issues with exempt accommodation, both before and leading up to potential new legislation.

Recommendation 8

The GLA should set out its consideration of the measures used in the supported housing oversight pilots, and set out any plans to take any of these interventions forward in London. The GLA should ensure that any measure implemented fits with the new regulatory regime expected in 2024-5.

Recommendation 9

The GLA should seek an understanding, from the Department for Levelling Up, Housing and Communities, of why London boroughs have been unsuccessful for Supported Housing Improvement Programme funding; and work with the Government to establish further funding opportunities for London boroughs to tackle issues with exempt accommodation.

The Mayor's role in delivering supported housing

Due to the reported lack of supported housing and move-on options, the Committee also sought to understand the Mayor's delivery of supported housing in London. This section will outline need, current stock, and Mayoral delivery and reporting.

Need for supported housing

The overall level of need for supported and specialist housing across London is not clear. The GLA collects data in relation to supported and specialist housing need for some groups, rather than for each group or at an overall level. During the Committee's formal meeting, Deputy Mayor Tom Copley was asked about research conducted by the GLA to understand the need for supported housing in London.

He discussed 'three key ways that the GLA collects and analyses and provides data on the need for specialist and supported housing'.⁶⁰

- the benchmarks provided for older people's specialist and supported housing
- the GLA's current work to assess accommodation needs for Gypsies and Travellers in London⁶¹
- research that the GLA does to support the needs assessment for specialist and supported housing under part 4 of the GLA's duties under the Domestic Abuse Act for accommodation-based support for victims and survivors of domestic abuse.

The London Plan 2021 and part of its evidence base, the Strategic Housing Market Assessment,⁶² references research that identified a total potential demand for just over 4,000 specialist older persons' units a year between 2017 to 2029.⁶³ Annual borough benchmarks for specialist older persons' housing are included in the London Plan, which states that they are designed to inform local level assessments of specialist housing needs.⁶⁴

London boroughs are responsible for assessing the need for supported and specialist accommodation in their area. Within this, Policy H12 of the London Plan specifies that boroughs' assessments of supported housing need should be considered for short-term, medium-term and permanent accommodation.⁶⁵ The Committee heard evidence in its informal roundtable discussion that these are completed and regularly reviewed by boroughs their supported housing current and future need.

"We have formulated the Supported Housing Strategy for London Borough of Havering where we looked at all the vulnerable client groups, what was the current supply, and then compared to the need for the next five years. From that, we were able to come up with models and aspirations of what we are going to develop and the various ways we are going to do that."

Katri Wilson, Assistant Director Supported Housing, London Borough of Havering

"Reviewing our need for supported [housing] in the borough is something we do regularly. The demand at our front door from homeless applications is – we

⁶⁰ London Assembly Housing Committee, [Transcript of Agenda Item 6 – Exempt Supported Housing](#), 6 December 2022, p.1

⁶¹ Gypsies and Travellers are not a group mentioned in the London Plan in relation to supported housing. While that list may not be exhaustive, and some people from Gypsy and Traveller communities may be eligible for supported housing, the [previous assessment](#) from 2008 referenced by the Deputy Mayor during the Committee meeting does not refer to supported or specialist accommodation. In the London Plan, the policy relating to Gypsy and Traveller accommodation (Policy H14) does not describe this type of accommodation in connection to supported housing.

⁶² The [2017 London Strategic Housing Market Assessment](#), in its introduction, states that it "sets out estimates of London's current and future housing requirements, to inform the development of the Mayor's London Plan and London Housing Strategy. It estimates the number of new homes needed in London by tenure and type, as well as analysing the housing requirements of important sub-groups of the population."

⁶³ GLA, [The London Plan](#), March 2021, p.200, paragraphs 4.13.8, 4.13.9, 4.13.10

⁶⁴ GLA, [The London Plan](#), March 2021, p.202, Table 4.3

⁶⁵ GLA, [The London Plan](#), March 2021, p.197, Policy H12

are getting – 70 per cent of applications are from singles. The demand is definitely there.”

Samantha Braddish, Service Manager for Outreach and Support, Royal Borough of Kensington and Chelsea

The Committee asked the Deputy Mayor about how assessments undertaken by boroughs are used by the GLA. The Deputy Mayor responded that desk-based research has been conducted by the GLA's Supported and Specialist Housing team, but did not outline any specific analysis or collation of data from borough assessments to understand the need for supported housing across London.

Sem Moema AM (Chair): *There is a requirement in the London Plan ... for boroughs to undertake a needs assessment for supported housing – does the GLA analyse these needs assessments? Are [these] shared with your Supported and Specialist Housing Team?*

Tom Copley (Deputy Mayor for Housing and Residential Development): *Yes. Our Supported and Specialist Housing team have done a lot of desk-based research recently, and would be looking at the information that is out there from boroughs.*

The London Plan acknowledges that ‘for some groups, need may be best assessed and met on a multi-borough or pan-London basis.’⁶⁶ However it does not outline how this should be achieved, nor does it describe a role for the GLA in coordinating this in its function as a strategic regional body. In a recent response to a Mayor's Question from the Chair of this Committee, the Mayor said:

“The GLA does not hold data for other types of supported accommodation [apart from older people's accommodation] and it would be challenging to ascertain the need for all types of specialist and supported housing at a pan-London level given its broad definition and number of client groups.”⁶⁷

However, the Committee believes that the GLA should play a greater role in understanding the pan-London picture of supported housing need and that the GLA's role in this area should not be limited to supported housing for older Londoners.

Recommendation 10

The GLA's next Strategic Housing Market Assessment should estimate current and future housing need for all supported accommodation across London. As this Assessment is likely to take place in the

⁶⁶ GLA, [The London Plan](#), March 2021, p.198, paragraph 4.12.1

⁶⁷ London Assembly, [Questions to the Mayor: Supported Accommodation \(1\)](#), 19 January 2023

next Mayoral term, the GLA should begin scoping this work as part of its Planning for London programme.

Recommendation 11

The next London Plan should set targets for all forms of supported housing, as it does for older people's supported housing. As this Plan is likely to be produced in the next Mayoral term, the GLA should begin scoping this work as part of its Planning for London programme.

Recommendation 12

The GLA should complete annual analyses of boroughs' supported housing needs assessments, and publish its findings.

Recommendation 13

The GLA should outline which groups it is referring to when it mentions, in the London Plan, that need may be best assessed and met on a multi-borough or pan-London basis. The GLA should consult with boroughs to identify demand for pan-London delivery, and begin work to establish this where there is demand.

Current supported housing stock and provision

The GLA does not currently publish information on the current provision or stock of supported housing across London. As with need, the Committee heard from boroughs about their work to understand supported housing provision in their area. Boroughs and providers described a high level of demand for accommodation, but boroughs also highlighted their difficulty in tracking the number of units of supported housing. This was due to difficulty in tracking non-commissioned accommodation, and residents being placed from one borough into another. This latter issue is likely to be one that London faces more acutely than other areas of the country, due to high demand and authorities being unable to place people within their own borough.

"It is very hard to say, 'This is what we have in borough and these are the gaps,' because it has moved on so fast. Some of those placements coming in from elsewhere make that harder to know what is happening in the borough. It is a very difficult thing we have tried to do. We have a good idea, but it is very quickly out of date and then we struggle to know quite where we are today."

Jenny Townsley, Housing Benefit Service Manager, London Borough of Harrow

"As one of London's largest specialist supported housing providers, we are aware of an increasing need but have an ever-decreasing ability to meet that need."

YMCA St. Paul's

Given this feedback, the Committee believes that the GLA should work with boroughs to coordinate estimates of the amount of supported housing stock and provision overall in London. A similar recommendation was made in the Housing Committee's 2016 report *Supported Housing in the Balance*:

*"The Mayor should develop a clearer pan-London map of supported housing stock and provision. This could build on the outcomes of the current Government review and help define what's needed in London."*⁶⁸

In the Mayor's response to the Committee's report and this recommendation, he stated:

*"Local authorities undertake the sizeable task of assessing local provision and need, both for the purposes of developing local planning policy and to inform their commissioning of services that are typically best provided at a local level, in tandem with other services... I suggest that it makes sense to keep boroughs' assessments of provision and need in London under review with a view to offering them any support GLA can provide to assist them with this responsibility."*⁶⁹

Therefore, the Mayor did not implement the Committee's previous recommendation. The Committee asked the Deputy Mayor about this during its formal meeting.

Tony Devenish AM: *In 2016, the Housing Committee – of which you were Deputy Chair at the time – recommended a pan-London map of supported housing stock and provision. Do you still support this recommendation now that you have elevated yourself to Deputy Mayor? If yes, when can we expect to see one, please?*

Tom Copley (Deputy Mayor for Housing and Residential Development): *I must confess that that had escaped my mind, Assembly Member Devenish. I am very grateful to you for bringing it to my attention, and I will have to go back and refresh my memory about that recommendation. I do like data visualisation and I do like maps. We will have to have a look at it. I do not know whether this is something that the new all-seeing, all-dancing, London Datahub might be able to assist with. Let me speak to our team, have a look at the recommendation, and I will come back to you.*

The Deputy Mayor said that the GLA may be able to ask G15⁷⁰ organisations for information about their supported housing stock, and how this has changed over time. However, this would not offer a complete picture of the amount of supported housing in London overall, because much of London's

⁶⁸ London Assembly Housing Committee, [Supported Housing in the Balance](#), November 2016, p.6

⁶⁹ Mayor of London, [Correspondence to the Housing Committee](#), January 2017

⁷⁰ G15 is a group of London's largest housing associations.

supported housing is not delivered by the G15. When asked about a pan-London database by the Chair of the Housing Committee in a recent Mayor's Question in January 2023, the Mayor responded:

"A single database is likely to be difficult to compile and keep up to date and the GLA is not best placed to hold this information. Local authorities, registered providers and sub-regional housing partnerships are better placed to manage their own pathways and homes so that the data being compiled meets their needs in making referrals and allocations, managing their stock and planning to meet future need."⁷¹

However, the Deputy Mayor sent further correspondence to the Committee on 8 March 2023, where he outlined that his team is working with the Planning London Datahub team to establish what additional data would be possible to collate at London scale, including from G15 housing associations, and considering how this could be presented.⁷²

The Committee believes that the GLA should be aware of the number of supported housing units and households in London, and still holds a valuable role in compiling data collected by local authorities.

Recommendation 14

The GLA should create a pan-London database of supported housing stock, provision and need, which can be broken down by client group. This should then inform the GLA's supported housing delivery, by helping to identify where there are gaps in provision. The Committee recommends visualising this data in a map to improve accessibility.

Mayoral supported housing programmes

In July 2022, the Mayor stated that he has three roles in supported housing: policies and planning requirements; lobbying the Government; and, through funding programmes, delivering new homes and funding support.⁷³ There are several Mayoral funding programmes of which supported housing is a part, such as the Single Homelessness Accommodation Programme and the Rough Sleeping Accommodation Programme. See Appendix 1 for details.

Delivery challenges

As part of its investigation, the Committee received written evidence from two supported housing providers in London which noted challenges for organisations in applying for GLA funding for supported housing.

⁷¹ London Assembly, [Questions to the Mayor: Supported Accommodation Data Collection \(1\)](#), 19 January 2023

⁷² REF ONCE PUBLISHED

⁷³ London Assembly, [Questions to the Mayor: Specialised Accommodation \(1\)](#), 26 July 2022

“[We would like] greater funding opportunity for converting older buildings and bedsit units ... into self-contained fit-for-purpose flats. Within this there should be greater scope for us to undertake what needs to be done to each individual property. Placing conditions of what must be produced is prohibitive and in previous rounds has prevented us from being able to apply, ultimately to the detriment of those in need of supported housing.”

Notting Hill Genesis

One provider has submitted evidence to the Committee multiple times regarding challenges it has experienced with funding applications to the GLA. In response to the Committee's Call for Evidence, St Mungo's wrote that, while the rough sleeping team at the GLA were 'transparent, communicative and have gone the extra mile', they experienced a disconnect between this team and other teams within the Housing and Land directorate in the GLA in terms of communication. St Mungo's recommended greater clarity around aspects such as timing of releasing funds, accepting applications and timeline for review of applications.

“Applications can falter when they go beyond the rough sleeping teams, and the delivery of contracts, payments and procurement processes do not happen in a timely manner, because responsibility and accountability sits elsewhere ... The separation between Housing and Land, and the rough sleeping team, and the bureaucracy that comes from it, has created barriers which not all organisations have the ability to navigate ... This has been compounded by the lack of clarity over [what the] next steps were, and who needs to be proactively communicated with to prepare for them. The lack of structure surrounding this process has led to repetition in requests for information and circular discussions.”

St Mungo's

We asked the Deputy Mayor during the Committee's formal meeting about the ways in which the GLA is seeking to understand and overcome challenges with delivery. He noted a summit with providers; reviews of policy levers and planning guidance; and a vision document. The Committee has asked the Deputy Mayor for notes from the summit, which he shared with the Committee on 8 March 2023. However, these particular issues were not mentioned.⁷⁴ The Committee is therefore unable to understand whether the issues raised by St Mungo's and Notting Hill Genesis have been addressed.

⁷⁴ REF WHEN PUBLISHED

Capital funding challenges

During the Committee's Affordable Housing Committee meeting in October 2022, Deputy Mayor Tom Copley outlined that increasing costs, among other factors, make delivery of the AHP 'increasingly challenging'.⁷⁵ At the Committee's meeting on 6 December, the Deputy Mayor highlighted how increased costs exponentially impact supported and specialist housing delivery.

"In relation to the buildings themselves, they tend to be more expensive to build; with specialist and supported housing schemes on average, each unit is 20 per cent more expensive to construct than general needs housing. This is generally because of a need for higher spec because of the higher support needs, and often for communal spaces as well, which obviously takes out space for additional units. They are generally lower density, and in terms of competing for land, it is much more difficult for specialist and supported housing to compete for land versus other types of housing."

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

The National Audit Office's (NAO's) report, 'The Affordable Homes Programme since 2015' – while primarily focused on auditing the DLUHC and Homes England – made reference to the GLA's funding of supported homes:

"The GLA allocated funding for 325 new supported homes out of a target of 3,500 [for the 2021-26 programme, as of May 2022]. The GLA has told the Department in a formal return that it thinks the target is unachievable."⁷⁶

This target for 3,500 new supported homes is across all Mayoral programmes, including the AHP as audited by the NAO. The Deputy Mayor has told the Committee that this target would not meet the level of supported housing need in London,⁷⁷ and that the budget provided by the Government is insufficient. It is not clear why the GLA initially committed to this target if it was unable to meet it.

"We have a very large, assessed need, but the budget that we are given by the Government in order to try to meet that need is far from sufficient."

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

The GLA has undertaken considerable work in understanding its funding gaps and delivery challenges for general needs housing. This is well illustrated by the 2022 report, 'London's Affordable Housing Funding Requirement',⁷⁸ and by the 2022 Kerslake Review of GLA Group Housing Delivery,⁷⁹ which

⁷⁵ London Assembly Housing Committee, [Transcript of Agenda Item 5 – Affordable Housing Delivery in London](#), 18 October 2022, p.6

⁷⁶ NAO, [The Affordable Homes Programme since 2015](#), September 2022, p.25

⁷⁷ London Assembly Housing Committee, [Transcript of Agenda Item 5 – Affordable Housing Delivery in London](#), 18 October 2022, p.23

⁷⁸ GLA, [London's Affordable Housing Funding Requirement](#), August 2022

⁷⁹ Sir Bob Kerslake, [Review of GLA Group Housing Delivery](#), 18 March 2022

sets out how the GLA and its connected bodies (Transport for London, the Mayor's Office for Policing and Crime) could work together better to maximise housing delivery. The Committee recommends that the importance of specialist and supported housing should be recognised by a programme of similar work.

Recommendation 15

The GLA should calculate how much funding is required to build the supported housing that would meet need in London, as it has done with general needs housing.⁸⁰ The GLA should use this calculation to optimise use of its current Affordable Housing Programme funding, and strengthen its lobbying for more funding for new-build supported housing where needed.

Recommendation 16

The GLA should commission an independent review of GLA Group Supported and Specialist Housing Delivery, as part of its current work reviewing policy levers, planning guidance, and creating its 'vision document'.

Revenue funding challenges

The Government's longstanding position is that housing costs for supported accommodation can be met through the welfare system. However, as highlighted earlier in the report, it has been claimed that a lack of revenue funding for support costs in supported housing creates additional challenges. The GLA has claimed that a lack of revenue funding attached to the current 2021-26 AHP has meant that the GLA is unable to meet its initial target of 3,500 supported housing units, although revenue funding is not usually included within AHPs.

The Government has agreed to a 'relaxation' of the target in recognition of delivery challenges. The target for new supported and specialist housing under the 2021-26 AHP is now between 5 and 10 per cent, a softening of the original target for 10 per cent (3,500 units). The Deputy Mayor highlighted that this 'soft' target is dependent on provider interest, and many providers are concerned that, without accompanying revenue funding, building new supported housing is not viable.

"We have an ambition [for the AHP 2021-26] for 5 per cent to 10 per cent [supported housing]. The final figure will depend on the interest of partners; whether or not we can get partners interested, and whether or not we can get revenue supports in. We cannot force our delivery partners to deliver homes that they ultimately cannot pay for the revenue."

Tom Copley, Deputy Mayor for Housing and Residential Development, GLA

⁸⁰ GLA, [London's Affordable Housing Funding Requirement](#), August 2022

Recommendation 17

The GLA should calculate, and make public, the amount of additional revenue funding that would be required for the GLA to meet its own supported housing delivery targets, and to meet wider need across London. The GLA should work with the Government to establish sources of funding to meet this, be it through existing GLA funds, additional funding from the Government, or elsewhere.

Transparency of reporting

The GLA is not currently as transparent as it could be, both in reporting of supported housing delivery, and in informing the Committee and making public its supported housing targets. In response to this report, the GLA should set out how it plans to improve its transparency around supported housing delivery and targets in 2023.

Transparency of targets

The target for supported housing in the 2021-26 AHP is publicly available in the Mayoral Decision document for the programme,⁸¹ and the NAO report on the AHP.⁸² The Deputy Mayor referenced this target in the Committee's Affordable Housing meeting in October 2022, and provided the links to these documents in correspondence on 8 March 2023.⁸³

However, the reporting of the supported housing target for the 2016-2023 AHP has been less transparent. In the meeting in October 2022, the Deputy Mayor did not specify the supported housing target for the 2016-23 programme, saying only that it had been met. On 8 March 2023, the Deputy Mayor outlined in further correspondence to the Committee that the target for specialist and supported housing for the 2016-23 AHP was 2,000, which is outlined in the Memorandum of Understanding (MoU) between the GLA and the Government. He did not include a link to this MoU, and the Committee understands that it is not public.⁸⁴ As a result of not previously having had access to this information, the Committee has not been able to track progress on supported housing targets under the 2016-23 AHP until now.

Transparency of delivery statistics

As part of the AHP, the GLA publishes quarterly statistics on starts and completions from the programme, including several sub-categories. One of these – AH: Specialist Housing Programmes – includes, according to the GLA:

“the Mayor's Care and Support Specialised Housing, Move on, Homelessness Change, Platform for Life programmes and projects with a lease length of five years and over via Rough Sleepers Accommodation programme.”⁸⁵

⁸¹ GLA, [MD2707 Homes for Londoners: Affordable Homes Programme 2021-26](#), 23 November 2020

⁸² NAO, [The Affordable Homes Programme since 2015](#), 8 September 2022

⁸³ REF WHEN PUBLISHED

⁸⁴ REF WHEN PUBLISHED

⁸⁵ GLA, [GLA Housing Starts on Site and Completions](#), p.2

The Committee understands that this sub-category does not provide a complete picture, as some starts and completions are not included. The Deputy Mayor acknowledged in his correspondence on 8 March 2023 that, due to programme management or contractual reasons, some supported housing is not specifically identified as supported housing in the statistics; and some is not captured in the AHP reporting at all.⁸⁶ In response to a question from the Chair of this Committee, the Mayor provided statistics broken down by some of the delivery programmes from the 2015-16 to 2021-22 financial years, which are currently grouped into a single category in the quarterly statistics published by the GLA. However, the data provides includes only starts and not completions. The Mayor noted, regarding this data, “There are other projects which deliver homes for these client groups through my main Affordable Homes Programme.” As a result, the Committee cannot currently track the extent to which the GLA’s target for supported housing delivery for 2021-26 is being delivered.

In the correspondence on 8 March 2023, the Deputy Mayor outlined that work has begun on improving reporting of GLA supported housing delivery.⁸⁷ The Committee believes that transparency around the number of supported housing units being delivered in London across all programmes should be improved, and welcomes the Deputy Mayor’s commitment to making progress in this area.

Recommendation 18

The GLA should immediately make public all sub-targets within the 2016-23 and 2021-26 Affordable Homes Programmes.

Recommendation 19

The GLA should expedite work to improve reporting of GLA supported housing delivery. The GLA should publish quarterly updates on all supported housing developed by the GLA, as it does for the Affordable Homes Programme, and include the corresponding funding programme and client group.

⁸⁶ REF WHEN PUBLISHED

⁸⁷ REF WHEN PUBLISHED

Committee Activity

The Housing Committee agreed the following terms of reference for this investigation:

- explore the provision of supported accommodation in London to assess whether it is meeting the level of need and delivering appropriate quality
- assess concerns with non-commissioned exempt accommodation in London, and how these concerns compare to other areas of the UK.

This report is based on evidence the Committee received through FOI requests, a Call for Evidence, informal roundtables, and a formal Committee meeting, details of which can be found below.

Freedom of Information Requests

The Committee sent several FOI requests as part of this investigation. This included:

- the DWP
- London boroughs.

Requests sought to understand: the number of exempt-accommodation units in London over time; in some cases, demographic information of households living in exempt accommodation; data relating to commissioned versus non-commissioned accommodation; names of providers; and the cost of exempt accommodation.

Call for Evidence

In October 2022, the Committee issued a Call for Evidence on the topic of exempt accommodation. It was primarily aimed at understanding, from London boroughs and exempt providers, the need for and quality of exempt housing in London, but was open for anyone to respond. The Committee received nine responses from the following organisations:

- The London Borough of Havering
- The London Borough of Enfield
- ThamesReach
- QVT
- St Mungo's
- Notting Hill Genesis
- Look Ahead
- Homeless Link
- YMCA St Paul's

Informal Roundtables

On 22 November 2022, the Committee held two informal roundtable panels, one with London boroughs and the other with exempt housing providers or those working in the sector.

In the first discussion, the Committee heard evidence from the following representatives from London boroughs:

- Ross Hatfull, Business Improvement Service Analyst, London Borough of Hackney
- Meghan Zinkewich-Peotti, Housing Strategy Project Manager, and Jenny Townsley, Housing Benefit Service Manager, London Borough of Harrow
- Samantha Braddish, Service Manager for Outreach and Support, Royal Borough of Kensington and Chelsea

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- Rhona Brown, Head of Private Sector Housing and Home Improvement, and Jon Scarth, Supported Housing Commissioning Manager, London Borough of Lewisham
- Katri Wilson, Assistant Director of Supported Housing, London Borough of Havering.

To facilitate open discussion, the second discussion with exempt housing providers was conducted under Chatham House rules – meaning that the Assembly could use the information received in this report and include quotations, but not identify speakers without permission or provide a written transcript. One of the attendees to this session did not directly deliver exempt housing, but represented an organisation that works with domestic abuse services, including exempt services, and survivors. Any speakers identified have given permission to be cited and the following providers gave evidence to the Committee:

- Lee Buss-Blair, Director of Operations, Riverside
- a representative from Evolve Housing + Support
- a representative from Westmoreland Supported Housing
- a representative from Standing Together Against Domestic Violence.

Formal Committee Meeting

On 6 December 2022, the Housing Committee held a formal meeting and heard evidence from the following guests:

- Tom Copley, Deputy Mayor for Housing and Residential Development
- Jasmine Basran, Head of Policy and Campaigns, Crisis
- Councillor Sharon Thompson, Cabinet Member for Housing and Homelessness, and Guy Chaundy, Senior Manager Housing Strategy and Modernisation, Birmingham City Council
- Bob Blackman MP for Harrow East.

The Committee would like to thank all those who generously gave their time to provide written or oral evidence as part of this investigation.

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Appendix 1: Mayoral funding programmes

The Mayor has several funding programmes in relation to supported and specialist housing.

Single Homelessness Accommodation Programme

In December 2022, Deputy Mayor Tom Copley announced funding for London from the Government's £270m Single Homelessness Accommodation Programme. The programme aims to deliver homes with support for Londoners sleeping rough; and young Londoners aged 18-24 who are homeless or at risk of homelessness. Bidding opens in 2023, with capital funding available for homes that will start and complete from April 2023 to the end of March 2025, and up to three years of revenue funding.

The Affordable Homes Programme

The AHP is capital funding only for affordable homes including some supported homes, although the majority of the programme is for general needs housing.⁸⁸ However, this programme does allow for refurbishment and remodelling costs where these are capital costs for specialised supported housing.

Care and Support Specialised Housing Programme

The Care and Support Specialised Housing Programme is a £100 million-plus programme that provides older and disabled Londoners with well-designed, accessible homes. Funding is available for new-build and remodelling of existing schemes. The original programme ran until 31 March 2022, and has been extended for schemes starting up to the end of March 2025.⁸⁹

Domestic Abuse Safe Accommodation and Support

The Mayor's duty under Part 4 of the Domestic Abuse Act 2021 includes undertaking a needs assessment, and producing a strategy and commissioning services to support survivors of domestic abuse and their children. The new duty comes with over £20 million government revenue funding for London in 2022-23.⁹⁰

Other funding programmes

The GLA website lists the following programmes as ones that are closed to new bids this year:

- The **Rough Sleeping Accommodation Programme** (RSAP) provides capital for move-on homes (accommodation that enables people to transition to independent living) and revenue support for former rough sleepers. According to the GLA website, across two funding rounds (2020-21 and 2021-24) more than £140 million of capital and revenue has been available; and as of the end of March 2022 over 1,400 homes have received an allocation, with over 670 rough sleepers housed in accommodation delivered through the programme.⁹¹
- The £50 million **Move-On Programme** is being delivered alongside the RSAP to provide capital

⁸⁸ GLA, [Supported and specialist housing funding guidance](#)

⁸⁹ GLA, [MD2877 Mayor's Care and Support Specialist Housing Programme 2021-22](#), 1 April 2022

⁹⁰ GLA, [Domestic Abuse Safe Accommodation and Support](#)

⁹¹ GLA, [Funding for supported and specialist housing](#)

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and revenue for move-on accommodation and support for rough sleepers and survivors of domestic abuse, allowing them to transition into longer-term accommodation.⁹²

- The **Homelessness Change** capital funding is for building or remodelling hostels and domestic violence refuges for non-statutory homeless and victims of domestic abuse. The programme ran until 31 March 2022.⁹³
- The **Platform for Life** programmes is capital funding for short-term accommodation for young adults (18-24) in education, training or employment, as a step towards independent living. The programme ran until 31 March 2022.⁹⁴

⁹² Ibid

⁹³ Ibid

⁹⁴ Ibid

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Other formats and languages

If you, or someone you know needs this report in large print or braille, or a copy of the summary and main findings in another language, then please call us on: 020 7983 4100 or email assembly.translations@london.gov.uk

Chinese

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Vietnamese

Nếu ông (bà) muốn nội dung văn bản này được dịch sang tiếng Việt, xin vui lòng liên hệ với chúng tôi bằng điện thoại, thư hoặc thư điện tử theo địa chỉ ở trên.

Greek

Εάν επιθυμείτε περίληψη αυτού του κειμένου στην γλώσσα σας, παρακαλώ καλέστε τον αριθμό ή επικοινωνήστε μαζί μας στην ανωτέρω ταχυδρομική ή την ηλεκτρονική διεύθυνση.

Turkish

Bu belgenin kendi dilinize çevrilmiş bir özetini okumak isterseniz, lütfen yukarıdaki telefon numarasını arayın, veya posta ya da e-posta adresi aracılığıyla bizimle temasa geçin.

Punjabi

ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਸੰਖੇਪ ਅਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਲੈਣਾ ਚਾਹੋ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਇਸ ਨੰਬਰ 'ਤੇ ਫੋਨ ਕਰੋ ਜਾਂ ਉਪਰ ਦਿੱਤੇ ਡਾਕ ਜਾਂ ਈਮੇਲ ਪਤੇ 'ਤੇ ਸਾਨੂੰ ਸੰਪਰਕ ਕਰੋ।

Hindi

यदि आपको इस दस्तावेज का सारांश अपनी भाषा में चाहिए तो उपर दिये हुए नंबर पर फोन करें या उपर दिये गये डाक पते या ई मेल पते पर हम से संपर्क करें।

Bengali

আপনি যদি এই দলিলের একটা সারাংশ নিজের ভাষায় পেতে চান, তাহলে দয়া করে ফো করবেন অথবা উল্লেখিত ডাক ঠিকানায় বা ই-মেইল ঠিকানায় আমাদের সাথে যোগাযোগ করবেন।

Urdu

اگر آپ کو اس دستاویز کا خلاصہ اپنی زبان میں درکار ہو تو، براہ کرم نمبر پر فون کریں یا مذکورہ بالا ڈاک کے پتے یا ای میل پتے پر ہم سے رابطہ کریں۔

Arabic

الحصول على ملخص لهذا المستند بلغة تفضل،
فارجاء الاتصال برقم الهاتف أو الاتصال على
العنوان البريدي أو عنوان البريد
الإلكتروني أعلاه.

Gujarati

જો તમારે આ દસ્તાવેજનો સાર તમારી ભાષામાં જોઈતો હોય તો ઉપર આપેલ નંબર પર ફોન કરો અથવા ઉપર આપેલ ટપાલ અથવા ઇ-મેઇલ સરનામા પર અમારો સંપર્ક કરો.

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