

MAYOR OF LONDON

The Lord Bailey of Paddington AM

Chairman of the London Assembly Housing Committee

C/o [Ashleigh Tilley@london.gov.uk](mailto:Ashleigh.Tilley@london.gov.uk)

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Date: 29 August 2023

Dear Shaun,

Thank you to the London Assembly Housing Committee for sharing with me its report, '[Unsafe and unregulated: London's rogue supported housing providers](#)'. I welcome the Housing Committee's focus on the issue of poor-quality exempt accommodation, particularly given the severity of the issues exposed in other parts of England. I am acutely aware that poor-quality supported housing can have extremely serious impacts on vulnerable households. I am pleased that my Deputy Mayor for Housing and Residential Development was invited to contribute to a Housing Committee meeting on this topic in December 2022.

It is clear that the problems with poor-quality exempt accommodation are rooted in the lack of government regulation and oversight of the sector, and lack of investment in specialist and supported housing (SSH). This reflects the wider picture of insufficient funding for general needs affordable housing, which puts pressure on London's entire housing system. Although I am proud of City Hall's track record in delivering high-quality SSH, a lack of government investment – in both capital spending and revenue funding for support – has created a backlog of unmet need, and rogue landlords have stepped in to fill a void.

The issues with exempt accommodation are also connected to failings in the welfare system, which I have long argued needs reform. Many vulnerable Londoners are unable to access homes in the private rented sector because of insufficient levels of Local Housing Allowance and the benefit cap. The exempt accommodation sector has been one of the avenues found by unscrupulous providers to be able to charge higher, uncapped rents to tenants on benefits.

My Deputy Mayor for Housing and Residential Development will write to the relevant Minister to raise concerns with government following the issues highlighted by your report and will reiterate our shared call for more investment in London's SSH sector. I am pleased that since you published your report, the Supported Housing (Regulatory Oversight) Bill has received royal assent and has now become an act. The act is an important step forward in bringing more regulation and scrutiny to the exempt accommodation sector. Government needs to ensure, however, that boroughs are properly resourced to take on the new duties. My Deputy Mayor will convene a roundtable with key stakeholders later this year to discuss implications of the act for London and to agree a set of collective lobbying asks for the government to improve the sector more widely.

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I want to assure you that I am working closely with boroughs and other housing providers to promote supported and specialist housing for a diverse range of client groups. I have a number of programmes directly funding high-quality SSH, such as my Single Homelessness Accommodation Programme. The latter will add to the thousands of homes we have delivered already for some of London's most vulnerable residents through programmes such as the Rough Sleeping Accommodation Programme, Move On Programme and Homelessness Change. I intend to publish a SSH vision document to bring together in one place the Mayor's funding support available and articulate the role for SSH housing in meeting London's housing need. This document will take into consideration the recommendations and findings set out in the Committee's report. I am also committed to improving the Greater London Authority's (GLA) own reporting of SSH housing delivery in London.

The Annex below provides a detailed response to each of the Committee's recommendations.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sadiq Khan', with a small number '2' written below the name.

Sadiq Khan
Mayor of London

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Annex

Mayor of London's response to the recommendations of the London Assembly Housing Committee's report **Unsafe and unregulated: London's rogue supported housing providers**

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.

The Mayor recognises the value of working with stakeholders to better understand the issue of exempt accommodation in London. This is particularly relevant as exempt accommodation is connected to the housing, health and social care sectors.

The Mayor welcomes the Supported Housing (Regulatory Oversight) Act 2023 as it will bring more scrutiny to the exempt accommodation sector, including by introducing licensing requirements and setting national minimum standards. However, the act must come with sufficient new burdens funding for local authorities to be able to resource this additional work.

The Deputy Mayor for Housing and Residential Development will take this recommendation forward by convening a roundtable later in autumn 2023 with key stakeholders to discuss implications of the act for London and to agree a set of collective lobbying asks for the government to improve the sector more widely.

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.

The Mayor is working hard to improve the private rental sector in London, and tackle rogue providers despite his limited powers. Since their launch in 2017, the [Rogue Landlord and Agent Checker](#) has been used over 300,000 times, and the [Report a Rogue Tool](#) has received over 6,000 reports. The Reporting tool already allows reporting of exempt accommodation provided by private rental sector landlords or agents. It is also the case that if a London borough successfully enforces against a private rental sector exempt landlord, then their details will be added to the Rogue Landlord and Agent Checker.

However, the Checker does not hold information on whether a case is for an exempt landlord or a regular private rental sector landlord. Any data held on the Checker belongs to the London boroughs. GDPR policies require that any reports submitted through the Reporting tool are not stored by the GLA. The reports submitted are automatically sent directly to the relevant borough to investigate. For these reasons, the data held on the Checker or sent via reports through the Reporting tool could not be used as suggested in Recommendation 4 below.

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.

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The Mayor shares the Assembly's concerns that there is currently a lack of data on exempt accommodation, including comparisons between London and other regions, and that this is one of the key issues with the sector. Central government is responsible for monitoring and reporting national data on benefits and is best placed to set relevant monitoring metrics and reporting systems, to ensure consistency in data capture at a national level. The Mayor welcomes the requirement introduced by the Supported Housing (Regulatory Oversight) Act 2023 for local authorities to assess existing provision of exempt accommodation in their area. This will improve data collection around exempt accommodation. However, any regulation arising from the act must come with sufficient new burdens funding for local authorities to be able to resource this additional work and to ensure it is implemented.

The Mayor also notes that the Department for Levelling Up, Housing and Communities (DLUHC) should work with DWP to ensure that data collected around housing benefits is used to help local authorities build a comprehensive picture of the issue and develop strategies to tackle it.

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.

As referenced in the response to Recommendation 3, the Mayor agrees that comprehensive and consistent data needs to be provided about exempt accommodation in order to understand the true scale of the sector, and any associated quality issues. As mentioned in the response to Recommendation 2 above, the Mayor welcomes the new requirement introduced by the Supported Housing (Regulatory Oversight) Act 2023 for local authorities to assess existing provision of exempt accommodation in their area as this will improve data collection. He notes, however, that local authorities need to be properly resourced to be able to do this additional work.

The Mayor will look at including relevant information and analysis in the annual Housing in London report or other relevant publications.

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.

The Supported Housing Bill has now received royal assent and it has become an act. The Deputy Mayor still intends to convene a roundtable to understand how the act will be implemented in London, and to take stock of barriers to SSH delivery and agree a set of collective lobbying asks for the government to improve the sector more widely.

The Supported Housing (Regulatory Oversight) Act 2023 is a welcome step in bringing higher standards and regulations into the sector. However, it is essential that central government takes responsibility for ensuring any new regulation is a success and is backed by appropriate funding. The government also needs to ensure there is sufficient investment in the SSH sector.

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.

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The Deputy Mayor for Housing and Residential Development will write to the relevant Minister restating his calls for more investment in the sector. He will also highlight that any regulation arising from the act must come with sufficient new burdens funding for local authorities.

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.

The Mayor has long called for licensing powers to be devolved to London as part of his strategy to improve the private rental sector in the capital. He believes that there are a range of benefits in taking a more localised approach to licensing.

The Mayor notes that licensing of exempt accommodation would enable boroughs to have a better understanding of the scale of provision within their local area and tackle poor conditions within it. The Mayor is supportive of this recommendation and of working with councils in London to ensure that the proposed new licensing scheme introduced for exempt accommodation via the Supported Housing (Regulatory Oversight) Act 2023 is effective and does not add undue barriers to supported housing provision. In the roundtable that the Deputy Mayor for Housing and Residential Development will convene there will be an opportunity to discuss implications of the act for London, including around licensing requirements.

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.

The Mayor has reviewed the findings of the supported housing oversight pilots with interest and is supportive of national government taking action to implement measures, including in London. As this was a national initiative, the Mayor and the GLA do not have a formal role in assessing the pilot and the measures used.

The Mayor notes that an [independent evaluation of the pilot](#) made a series of recommendations to DLUHC, including around the need for funding to local authorities and clearer definitions from DWP around the 'care, support and supervision' that need to be provided by exempt accommodation to justify higher rents so that councils can undertake further scrutiny around benefit claims. The Mayor welcomes these recommendations.

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.

The Mayor welcomes initiatives such as the Supported Housing Improvement Programme (SHIP) funding, which aimed to support councils in tackling issues of poor-quality supported housing. The Mayor was disappointed to learn that no London boroughs were successful in accessing this funding, given the scale of the need for high-quality SSH in the capital.

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The Mayor and his officers are engaging with DLUHC to understand why London boroughs were unsuccessful in accessing the programme. As referenced under the response to Recommendation 6, the Deputy Mayor for Housing and Residential Development will continue to re-iterate his calls to the Government for increased funding for SSH in London.

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.

The Strategic Housing Market Assessment focuses on housing needs at the London-wide level. It draws on population data to make demographic estimates, for example, to inform demand from older people. However, there are significant complexities associated with estimating the need across the whole spectrum of demand. SSH includes an extensive list of client groups such as older people; homeless people and those at risk of homelessness; care leavers; and people with disabilities, among others. For most of these groups, boroughs are generally best placed to assess the level of need for the different types of SSH accommodation within their local authority areas, particularly where this corresponds to their existing duties around adult and social care, health and homelessness. Where the numbers of people in need of certain types of SSH are low at a borough level, or the group in question is highly mobile, sub-regional assessments may be more appropriate.

Therefore, the Mayor believes that local authorities are best placed to assess need for different categories of SSH, and the Supported Housing (Regulatory Oversight) Act 2023 confers new responsibilities to undertake needs assessments. But in order for local authorities to carry out comprehensive and robust needs assessments, they need to be properly resourced. The government should also provide standardised national guidance to help local authorities to conduct needs assessments in a consistent way for different client groups.

The [Inspector's Panel report](#) from the Examination in Public into the London Plan recommended that the Mayor should commit to instigating and leading a London-wide accommodation assessment for Gypsies and Travellers, which the Mayor accepted. This assessment is well underway. Following the Mayor's duties under Part 4 of the Domestic Abuse Act 2021, the GLA and MOPAC undertook a needs assessment for survivors of domestic abuse and their children.

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.

SSH policies of the London Plan include H12 Supported and specialised accommodation, H13 Specialist older persons housing and H14 on Gypsy and Traveller accommodation, which are relevant to this recommendation. The plan highlights the potential types of SSH and ensures that boroughs support such uses where there is an identified need.

The plan also sets annual borough benchmarks for specialist older persons housing, rather than targets. These benchmarks are important in encouraging delivery of this type of accommodation.

As noted in the response to Recommendation 10, local authorities are best placed to determine the need for SSH at a local level. As work progresses on drafting the new London Plan, the Mayor will

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carefully consider the information available for SSH client groups to determine whether including benchmarks for different types of SSH is feasible.

Recommendation 12

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

The Mayor does not have a formal duty to assess boroughs' SSH needs assessments. These are conducted as part of the evidence-base for local plans and other local strategic documents and the Mayor does not have the power to request changes.

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.

The Mayor notes that the GLA already works with boroughs on sub-regional and regional delivery through his existing funding programmes for SSH. For example, through the Rough Sleeping Accommodation Programme, 608 units were delivered at a pan-London level with referrals being made through Clearing House for 211 of these.

The Mayor will carefully consider whether it is a feasible option for the next London Plan to provide further details about groups whose needs may be best met on a sub-regional or regional basis.

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.

The GLA already collects several datasets on SSH provision through the [Planning London Datahub](#). These datasets are created from data provided by developers and councils. The SSH categories in relation to which data is currently being collected and published are:

- sheltered self-contained housing
- sheltered self-contained housing for older people
- care homes
- care homes for older people
- hostels/ temporary accommodation
- hostels/ temporary accommodation for older people

Council planning teams do not currently monitor other types of SSH, therefore the GLA is not able to expand data collection or produce the visualisation suggested.

The Regulator of Social Housing currently publishes local authority and provider-level data on social housing stock owned by councils and registered providers, including some limited data on supported housing with a focus on provision for older people.

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As previously noted, the Mayor shares the Assembly's concerns that there is a current lack of data on exempt accommodation and SSH more widely. The Mayor welcomes the requirement introduced by the Supported Housing (Regulatory Oversight) Act 2023 for local authorities to assess existing provision of exempt accommodation in their area. This will improve data collection around exempt accommodation. However, any regulation arising from the act must come with sufficient new burdens funding for local authorities to be able to resource this additional work and to ensure it is implemented.

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. 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.

The Mayor agrees with the Assembly's view on the need to lobby central government for commissioned SSH. The GLA has commissioned modelling to calculate the funding gap for general needs affordable housing. This was informed by data relating to identified need for general needs affordable housing included in the Strategic Housing Market Assessment. Without equivalent baseline information for SSH, it is not possible to undertake or publish the same analysis for SSH.

This gap in data reinforces the Mayor's concern around a lack of comprehensive national data on exempt accommodation and SSH. The Mayor welcomes the requirement introduced by the Supported Housing (Regulatory Oversight) Act 2023 for local authorities to assess existing provision of exempt accommodation in their area but once more highlights that local authorities need to be properly resourced to undertake this work.

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'.

The Mayor's team has undertaken extensive research and internal and external engagement to review our policy levers and understand the barriers to SSH delivery. This review also looked at ways in which the GLA could support boroughs and housing associations to deliver more SSH with its existing powers and resources, but primarily highlighted that lack of sustainable revenue funding for the delivery of accommodation-based support is the prevailing barrier. Engagement to date has not suggested that an independent review is necessary.

Relevant information gathered through this internal review exercise will be published in the Mayor's upcoming SSH 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.

The Mayor's priority is to continue to lobby the Government to provide sufficient and long-term revenue funding to meet both the targets currently agreed for SSH, and for expanded supply to

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address unmet need. He believes that providers will not deliver supported housing at the scale required unless they have confidence in an ongoing commitment to provide adequate support for a full range of client groups.

The GLA's agreed targets for SSH do not in all cases specify the types of SSH and client groups. As there are significant variations in costs arising, it is not possible to estimate an aggregate revenue demand.

Recommendation 18

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

The Mayor is committed to delivering SSH under the 2021-26 Affordable Homes Programme (AHP) and has agreed with DLUHC that it will seek to maximise delivery as far as possible. This has been communicated to partners as one of the priorities for the continuous market engagement phase of the 2021-26 AHP.

The Mayor successfully met the target of delivering 2,000 specialist and supported homes under the AHP 2016-23.

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.

The GLA will report more granular data about SSH programmes delivered by the GLA from 2023-24 onwards. This will be done within the confines of how GLA data is captured for existing programmes, and with due regard to the sensitivity of some data around SSH (e.g. housing for domestic abuse survivors).