Exempt Accommodation Models

What is it?

1 Housing Benefit Exempt Regulations currently define “supported accommodation” as accommodation provided by a non-metropolitan county council, housing association, registered charity or voluntary organisation which also provides support or commissions somebody else to provide support on its behalf. This definition dates back to 1996 and is written in full at the end of this document.

2 In such cases rules around housing benefit and the way rent levels are determined are different to non-exempt accommodation.

3 Exempt accommodation status is significant because it has different rules around:
   - Levels of rent which can be paid for by benefits
   - How housing costs under universal credit are met
   - Recent benefit reforms such as the Benefit Cap and Under-Occupation regulations

CAUTION

Although we have checked this model with several sources and believe it to be correct, as with all legal definitions, other people may have very different interpretations. We suggest each service gets its own legal advice and/or talks to its local authority if it is unsure whether it is exempt or not.

WHAT IS HOMELESS LINK DOING?

Along with other agencies we are working extensively with DWP and other key stakeholders to attempt to find a solution to this issue which we are aware is causing a lot of apprehension in the homelessness sector.

HOW CAN YOU HELP

To get an idea of the full extent of the issue we would like to hear from agencies as to the percentage of projects they have which fit into Model 4. We are also aware that some services may not fit into any of these models and would be very interested to hear from any services that have a different structure.

WHAT? The government is currently reviewing how to ensure that the definition of exempt accommodation reflects the changes in the way supported housing and hostels are commissioned.

WHEN? The definition of exempt accommodation is in the current Universal credit Regulations due to come into force in October 2012.

www.homeless.org.uk/welfare-reform
www.facebook.com/homelesslink
@HomelessLink
Model 1 – Owner of Building is Also Support Provider

Owner of building is commissioned by local authority to provide support*

Local Authority (SP) commission support

Client receives her support from Owner of building
Client has tenancy agreement with Owner of building

*Provided the owner of the building is one of the following:

(i) an upper-tier county council,
(ii) a housing association,
(iii) a registered charity,
(iv) a voluntary organisation;

Property Will Be Exempt

**WHAT?** The government is currently reviewing how to ensure that the definition of exempt accommodation reflects the changes in the way supported housing and hostels are commissioned

**WHEN?** The definition of exempt accommodation is in the current Universal credit Regulations due to come into force in October 2012
Model 2 – Owner of Building Sub-Contracts Support from Support Provider

**Owner of building** commissions a second agency to provide the support on their behalf *

**Local Authority** (SP) commission support from owner of building

**Client** receives her support from second agency

Client has tenancy agreement with owner of building (although it may be administered by the second agency)

**Second agency** commissioned by the owner of the building provides support on behalf of the owner of the building to the client

---

Provided the **owner of the building** is one of the following: 
(i) an upper-tier county council, (ii) a housing association, (iii) a registered charity, (iv) a voluntary organisation;

**Property Will Be Exempt**

---

**WHAT?** The government is currently reviewing how to ensure that the definition of exempt accommodation reflects the changes in the way supported housing and hostels are commissioned

**WHEN?** The definition of exempt accommodation is in the current Universal credit Regulations due to come into force in October 2012

---

[Website Links]

- [www.homeless.org.uk/welfare-reform](http://www.homeless.org.uk/welfare-reform)
- [www.facebook.com/homelesslink](http://www.facebook.com/homelesslink)
- [@HomelessLink](http://@HomelessLink)
**WHAT?** The government is currently reviewing how to ensure that the definition of exempt accommodation reflects the changes in the way supported housing and hostels are commissioned.

**WHEN?** The definition of exempt accommodation is in the current Universal credit Regulations due to come into force in October 2012.

---

*Provided the support provider is one of the following:*  
(i) an upper-tier county council,  
(ii) a housing association,  
(iii) a registered charity,  
(iv) a voluntary organisation;*

**Property Will Be Exempt**
Model 4 – Owner of Building Has Management Agreement (or Similar) With Support Provider (no lease)

**Owner of building** has a managing agreement (or some other contract) with agency commissioned by the local authority. There is no leasehold agreement

**Commissioned agency** provides support on behalf of the local authority to the client

**Local Authority (SP)** commission support from agency other than the owner of the building

**Client** receives her support from local authority commissioned agency.

Client has tenancy agreement with owner of building (although it may be administered by the commissioned agency)

**PROPERTY MAY NOT BE EXEMPT**

(Care, support and supervision are not being provided by or on behalf of the organisation providing the accommodation or service level agreement)

**WHAT?** The government is currently reviewing how to ensure that the definition of exempt accommodation reflects the changes in the way supported housing and hostels are commissioned

**WHEN?** The definition of exempt accommodation is in the current Universal credit Regulations due to come into force in October 2012

www.homeless.org.uk/welfare-reform

www.facebook.com/homelesslink

@HomelessLink
Model 5 – A Building Was in Receipt of a Resettlement Grant Prior to 1999

Government previously ran building as a Resettlement Unit

In the early 90s the Government handed them over to a provider or closed them down and commissioned a replacement from a provider. The provider received a Resettlement Grant

Property Will Be Exempt

**WHAT?** The government is currently reviewing how to ensure that the definition of exempt accommodation reflects the changes in the way supported housing and hostels are commissioned

**WHEN?** The definition of exempt accommodation is in the current Universal credit Regulations due to come into force in October 2012
FULL DEFINITION:

“exempt accommodation” means—
(a) accommodation which is a resettlement place within the meaning of section 30 of the Jobseekers Act 1995(e) (grants for resettlement places) and which is provided by persons to whom the Secretary of State has given assistance by way of grant pursuant to that section

(b) accommodation provided to a claimant by any of the following bodies, where the body providing the accommodation, or a person acting on its behalf, also provides the claimant with care, support or supervision—
(i) an upper-tier county council,
(ii) a housing association,
(iii) a registered charity, or
(iv) a voluntary organisation;

(Schedule 1 Part 1 Main Universal Credit Regulations)
http://www.legislation.gov.uk/ukdsi/2013/9780111531938/schedule/1

MORE INFORMATION

If you have any comments or questions please contact::

Paul Anderson (Interim Policy Manager)
paul.anderson@homelesslink.org.uk
07738 580685

Alternatively you can contact the Regional Manager who covers your area:
http://homeless.org.uk/contact-regional-manager

WHAT? The government is currently reviewing how to ensure that the definition of exempt accommodation reflects the changes in the way supported housing and hostels are commissioned

WHEN? The definition of exempt accommodation is in the current Universal credit Regulations due to come into force in October 2012

www.homeless.org.uk/welfare-reform
www.facebook.com/homelesslink
@HomelessLink