



Homeless Link

Supported Accommodation (Regulatory Oversight) Act

Overview from
Homeless Link
Policy Team



Background to SHROA



House of Commons
Levelling Up, Housing and
Communities Committee

Exempt Accommodation

Third Report of Session 2022–23



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Crooks and fraudsters 'free to exploit' city's £110 million exempt homes sector

A new report from inside the city's exempt supported housing sector lays bare the reality of 'dangerously unregulated' accommodation - with calls for rapid action

- Introduced in response to the prevalence of **exploitative landlords** operating in the supported accommodation market, abusing public funds with terrible consequences for residents
- **Supported Housing Improvement Pilots** ran in particular areas between 2020 and 2021
- Issue received **increasing press coverage** in years leading up to SHROA being introduced, and was covered in a damning **Select Committee report** in 2022
- **Supported Housing (Regulatory Oversight) Act** began as a Private Member's Bill introduced by Bob Blackman MP
 - Received Royal Assent on 28th June **2023** so is currently law but not yet implemented
- Aims of the Act – to improve and standardise the quality of supported housing for residents and drive exploitative 'rogue providers' out of the sector – are **widely backed by legitimate supported housing providers and residents.**

What's happened since it was passed into law?



- The **Supported Accommodation (Regulatory Oversight) Act** gave a clear sense of the overall direction of travel for regulation of the sector, but details were still up for grabs
- From **February – May 2025**, Government consulted on how SHROA would be implemented
- The consultation generated **significant interest** and 100s of responses from local authorities, providers, umbrella bodies like us, and current and former residents of supported housing
- A lot of concern that the Government **hadn't quite got the balance right** between cracking down on rogues, empowering local authorities, and supporting the continuation and expansion of good quality services
- A lot of fear about **unintended consequences** for providers and residents in the context of a historically overstretched and underfunded sector
- And about the adequacy of LAs' resourcing and capacity

What's happened since it was passed into law? (cont.)



- Then there was a **long wait**, and we saw LAs starting to do their own thing within current powers in some areas leading to more of a postcode lottery
- Also some **anger about the delays** in Government action and frustration that vulnerable residents continued to be let down
- The LGA published its [interim guidance](#) in August 2025
- In February 2026 the Government published [statutory guidance](#) for councils in England on **Local Supported Housing Strategies** and published a [Ministerial Statement](#)
- This confirmed that **£39m in new burdens funding** would be given to LAs for the development of local strategies and that the first strategies would be **due by 31 March 2027**, and updates every 5 years.

What's happened since it was passed into law? (cont.)

- The Government finally published its **full [response](#)** to the consultation on **16 April 2026**
- Response to this from the sector appears to be positive – lots of improvements made to the original proposals and a **better balance struck**
- MHCLG and DWP are now drafting regulations, with **MHCLG expecting to consult** on draft regulations in late 2026 before laying them in Parliament.
- Further detailed guidance on many aspects of implementation still to be published
- Government have not yet set a start date for implementation or a deadline that providers need to have applied for a licence by

Overview

What does SHROA do?



- The Act creates a **national set of standards for supported accommodation providers** (all, not just homelessness) and creates a **licensing system**, to be administered by local authorities, to monitor and enforce the standards
- It requires local authorities to **understand the current and future need** for supported housing in their area and take a strategic approach to provision by creating a **local supported housing strategy**
- There will also be some related changes to Housing Benefit legislation so that DWP can link licensing to the entitlement to claim **Enhanced Housing Benefit** in England, although some of the other proposed changes to Housing Benefit law have been put on pause

Overview

National Supported Housing Standards



- The consultation response confirmed that the revised NSHS that providers will have to meet are:
 - **The person-centred support standard**
 - **The empowerment standard**
 - **The environment standard**
 - **The staff and safeguarding standard**
 - **The local need standard**
 - **The statement of purpose standard**
- Detailed guidance will be published for providers on meeting and evidencing these
- Some changes were made to the standards so they can be met in full by the support provider
 - The housing elements apply to the licence holder through the other licensing conditions, not through the National Supported Housing Standards licensing condition
- The local need standard was changed quite a lot compared to the original consultation proposals, but still reflects that the scheme should meet a need identified in the local supported housing strategy

Overview

The licensing scheme



The consultation response confirms that the Government will -

- Introduce licensing in all local housing authorities in England, each operating a local scheme using same national licensing framework and guidance issued by Government
- Allow local licensing authorities to join up and run licensing schemes across bigger areas
- **Require licenses to be held at local authority/licensing district level, with each address where the provider operates a scheme listed on the licence**
- Require LAs to take a risk-based approach
- Licence holder must be the person 'managing or in control of' the supported exempt accommodation
- Licence holder **(and Board of Directors if an organisation)** will need to take **an amended** Fit and Proper Persons Test **to be aligned with similar tests used by CQC and Ofsted**
- Licences to last for 5 years
- LAs to work with providers to improve before denying a licence
- Civil penalties and enforcement for operating supported housing without a licence

Overview

The licensing scheme



- Exemptions to needing a license –
 - **MoJ commissioned or provided supported housing providing temporary accommodation for people leaving custody, including CAS-2**
 - **supported housing containing at least one Ofsted-regulated bed, for residents aged up to 25 years old**
 - **Local authority managed/controlled accommodation where support is commissioned by the LA or a public body**
 - **Commissioned domestic abuse services**
 - **Older people's age restricted housing for over 55s supported housing, regulated by the Regulator of Social Housing**
 - **Almshouses**
- Commissioned services (where accommodation controlled/managed by another party who is not the LA) will still need a licence but won't be required to comply with the National Supported Housing Standards licensing condition.
- The licence holder will not be held responsible for that service not meeting support standards but should make the licensing authority aware if they have concerns about a commissioned support service.
- Commissioners will be expected to commission support services to comply with the National Supported Housing Standards.

Overview

The licensing scheme



- Licensing conditions:
 - The standard of accommodation
 - The use of accommodation
 - Conditions related to the provision of care, support, and supervision
 - Needs assessment
 - **Suitability test for Service Managers**
 - That the scheme meets the NSHS (**not applicable to commissioned services**)
- **Regulations will not include the power to add discretionary licensing conditions**
- **Government not planning to introduce any planning changes for supported accommodation at this stage**

Overview

Changes to Housing Benefit law



- Eligibility to receive enhanced housing benefit will be linked to having a supported housing licence
 - EHB will still be payable if you have made a legitimate application for a licence but are still awaiting the outcome
- LAs will need to help residents with rehousing who live in a scheme that's been denied a licence and can't stay there (ie. they need supported housing elsewhere or can't afford general needs rents)
 - Unclear if any further changes to be made or guidance published around this – ie. would someone made homeless due to a licencing decision be in priority need
- **Government not introducing new definitions or thresholds for care, support and supervision at this stage**
- HB subsidy loss issue not addressed by this consultation response

Summary

The timeline



- **April 2026** - Government response published
- **Later this year** – MHCLG and DWP to lay regulations based on the response
- **‘Late 2026’** – MHCLG to consult on draft regulations
- **Between now and the end of the financial year** – LAs to be producing Local Supported Housing Strategies
- **31 March 2027** – strategies due
- **Mid-2027 (?)** – SHROA implementation comes into force



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