



What is the history of exempt accommodation?

Basic info

The concept of “exempt accommodation” dates from 2 January 1996 when the Housing Benefit rules were tightened to restrict the amount paid to tenants outside the regulated social rented sector (i.e. everyone except council tenants and tenants of registered housing associations). The government decided that supported housing in the charitable and voluntary sector should be exempt from the new restrictions.

More info

Before 2 January 1996 tenants outside the regulated social rented sector did not automatically have their Housing Benefit limited to any fixed amount. Instead, the local authority had to consider whether the claimant’s accommodation was unreasonably large or whether the rent payable for it was unreasonably high compared with suitable alternative accommodation elsewhere. As an incentive to apply the rules rigorously, local authorities were required to refer each benefit claimant’s tenancy for a subsidy valuation by an independent Rent Officer. The government would then only reimburse the local authority in full for benefit payments up to the level of the Rent Officer’s valuation.

From 2 January 1996 the rules changed so that the Rent Officer’s valuation acted as a limit on the amount of Housing Benefit payable to the claimant in most cases. But the government decided to make two groups of claimants exempt from the new restrictions:

- Existing claimants for as long as they remained on Housing Benefit at the same address, and
- People occupying “exempt accommodation”

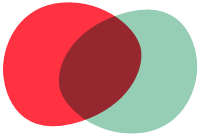
Moreover exempt accommodation remains exempt from more recent changes to the rules on how much rent can be met by Housing Benefit:

- The replacement of individual Rent Officer valuations by published Local Housing Allowance rates from April 2008 (earlier than that in some places)
- The Maximum Rent (Social Sector) or “bedroom tax” that applies to regulated social sector tenants from April 2013

In exempt accommodation the rules remain in force up to the present time in substance exactly as they were before 2 January 1996.

The relevant law

The rules on the calculation of eligible rent were amended by The Housing Benefit (General) Amendment Regulations 1995 (SI 1995/1644) with effect from 2 January 1996. Regulation 10 of these amending regulations saved the rules as they appeared up to and including 1 January 1996 for, among others, claimants occupying “exempt accommodation”.



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Then from 6 March 2006 the Housing Benefit Regulations were tidied up and reissued as three separate volumes containing respectively:

- The current rules for claimants of working age:
 - The Housing Benefit Regulations 2006;
- The current rules for people of state pension credit age:
 - The Housing Benefit (persons who have attained the qualifying age for state pension credit) Regulations 2006; and
- A collection of savings and transitional measures:
 - The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006.

The saved regulations governing eligible rent for exempt accommodation, together with the definition of what “exempt accommodation” means, can now be found in Schedule 3 to the HB and CTB (Consequential Provisions) Regulations.