
THE LAW FIRM WITH
A PASSION FOR PEOPLE

Proposed regulatory updates and the implications on Supported Living leases

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What we will cover



Supported Housing
(Regulatory
Oversight) Act



Key Proposed
changes



Impact on Leases



English Devolution
and Community
Empowerment Bill



Key Proposed
changes



Impact on Leases



Questions

Supported Housing (Regulatory Oversight) Act 2023

- Introduced following an inquiry by the Levelling Up Housing and Communities Committee.
- Seeking to address problematic housing and improve the quality of exempt accommodation.
- Legal status – Act has been passed but not yet implemented.

Key Proposed Changes

- Establishing a Supported Housing Advisory Panel
- National supported housing standards for England
- Licensing Schemes
- Planning

Impact on the Lease

- **Repairs** – should make the standard of repair clear for whichever party is responsible.
- **Specific licensing obligations** – provisions to ensure that tenants are complying with any licensing that might be required.
- **Break Clauses** – should these extend further and also be for the benefit of the landlord?
- **Landlord Warranties** – fit and proper person

English Devolution and Community Empowerment Bill

- Schedule 31 of the Bill has been proposed by government to specifically address rent review terms in commercial leases.
- Response to a growing concern that small businesses are being disadvantaged by upward only rent reviews.
- Seeking to promote economic growth and fairness.
- Whilst supported living properties are residential, the lease arrangement should be commercial and would be caught by the proposals.

Key proposed changes

- Ban on upwards only rent reviews where:
 - The lease is a new lease or renewal of an existing lease
 - Provisions that guarantee rents cannot fall will be prohibited
- Existing supported living leases are likely to have upward only rent reviews on an annual basis to RPI

Impact on the Lease

- **Rent review mechanisms** – if the bill passes then these are likely to change significantly.
- Given the current status of the bill, it is too early to assess the likely impact but we will be keeping a close eye as the bill passes through government.

Practical Implications

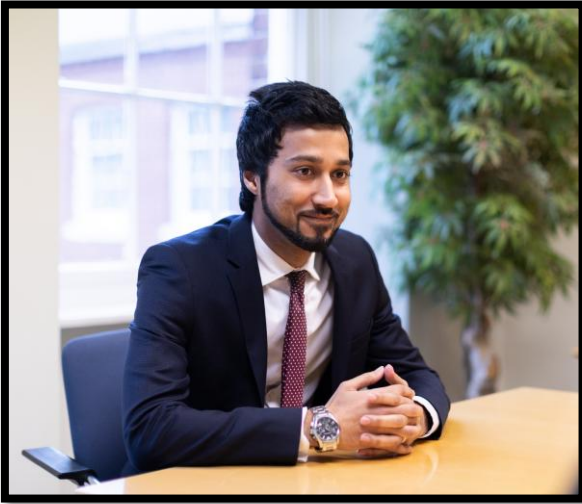
Strategic Oversight and data driven planning – more coherent supply planning

Risk to Supply if overly burdensome

Improved Quality and safety of Supported Housing

More clarity on conditions , support levels and residents' rights

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