

Vulnerable adult

T.P Properties defines a 'vulnerable adult' as a person aged 18 or over who receives services of a type listed in Table 1 below, and in consequence of a condition of a type listed in Table 2, and has a disability of a type defined in Table 3.

Table 1 Services

1. Accommodation and nursing or personal care at home
2. Personal care or support to live independently in his or her own home
3. Any services provided by an independent hospital, independent clinic, independent medical agency or National Health Service body
4. Social care services
5. Any services provided in an establishment catering for a person with learning difficulties and/or physical disabilities and/or mental health need

Table 2 Conditions

1. A learning and/or physical disability and/or mental health need
2. A physical or mental illness, chronic or otherwise, including an addiction to alcohol or drugs
3. A reduction in physical or mental capacity

Table 3 Disabilities

1. A dependency upon others in the performance of, or a requirement for assistance in the performance of, basic physical functions
2. Severe or moderate impairment in the ability to communicate with others
3. Impairment in a person's ability to protect him or herself from assault, abuse or neglect

T.P Properties

Providing you with the home that you need

Paula Woodruff
Managing Partner
T.P Properties
Head Office, Suite 103,
Blackburn Business Centre
Davyfield Road
Blackburn
Lancashire
BB1 2QY

01254 385845
info@tpproperties.co.uk

T.P Properties

Providing you with the home that you need



simplifying
**Supported
Living
Housing**

'Proud to define
ourselves as a specialist
provider of tailored
accommodation
solutions for those with
support needs.'



Insurance company (voids)

The RP has an option to either purchase a voids cover insurance policy (rent assure) or of course can retain an element of rent charged for this purpose and self insure. Where self insure applies, this covers for a maximum of twelve months per tenant on a void following a need for a tenant to move on. The ultimate length of cover is reflected in the terms provided by different RP's with some based on the length of time a tenant has been in residence. For example if an individual has only been at a dwelling for three months, then only three months will apply and so on. Some provide cover for a whole twelve months after the first two weeks a tenant has been in situ. Either way, the cost of this product is set within the rent charged to the tenant and covered by HB. (N.B. Whenever the voids insurance does not apply, then the management or nominations agreement will be activated and those voids are paid by either the registered care provider or local authority etc.



Definitions For Investors

CONNECTING YOU TO THE SUPPORTED HOUSING TERMINOLOGY THAT YOU NEED

Exempt accommodation

This is housing, provided by a social landlord (housing association aka registered provider (RP)) to vulnerable adults, in which elements of either, care, support or supervision are provided to the tenant directly by the social landlord or by someone contracted to provide that service on behalf of the social landlord. The significance of exempt accommodation is that it is 'exempt' from rent capping by the local housing benefit department due to the nature of the tenant and the landlord. This is the key to sustainable rent returns.

Housing benefit department (HBD)

All local authorities manage and agree claims made by the local public who have rights to receive a means tested subsidy towards their costs of rent in order to be able to sustain their tenancy. The rules that they use to manage this issue are provided by the Department of Works and Pensions (DWP). However, each is able to interpret the guidelines, which sometimes causes appeals to occur. At this juncture the guidelines can become in some form statute. Once a claim for HB has passed through the HBD, this department will then make payment for the tenant's rents direct to the RP.

Lease

Generally this is for a 21 year term, with no breaks and an annual upward only RPI rent review. Being fully repairing and insuring. This is agreed between the freeholder and the registered provider (RP). Other models are available to suit investment requirements.

Management agreement (MA)

This is an agreement between the registered care provider (RCP) or the purchaser of the support services (NHS, PCT or social services) and the RP. Its purpose is to establish each party's separate responsibilities in terms of services to the ultimate tenants of the property. More especially this document sets out the terms for management of any voids that may occur within the property that fall outside of any existing voids assurance.

Nominations agreement (NA)

Terms are broadly as in the management agreement above.

Property freeholder or investor

This is the entity that has chosen to purchase a finalised supported living scheme. The properties will always be either long leasehold or freehold in type. The property freeholder or investor has the benefit of owning the lease, property and if appropriate the umbrella agreement.



Registered housing provider (RP)

Until recent changes, a registered housing provider was known as a registered social landlord (RSL), and had to be registered with the Tenants Services Authority (TSA). The TSA still exists as a controlling body; however, its status has been subject to some change. The significance of a 'registered' provider is that their rent claims do not have to be scrutinised by the HBD for 'fair value' in the same way that a private landlord or non-registered social landlord would be. In addition, their claims do have to be referred to the rent officer to determine local housing allowance, as in the private market. The HBD has full central government subsidy for the HB they pay out via a RP, but only receive 60% subsidy for all other forms of rent claims. This is a significant reason for the housing association to be a RP.

The home that you need

Registered care provider (RCP)

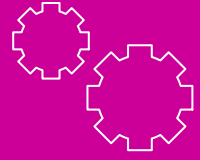
This is a business that is registered with the Care Quality Commissioner (CQC) to provide support services to vulnerable persons. The RCP is usually commissioned under contract with a local authority department, social services department, primary care trust or NHS department to provide support to selected tenants. The RCP can be involved in providing the management or nominations agreements (MA and NA) and the umbrella agreement (UA), if applicable.

Service contract

The contract between the purchaser of the support services and the RCP. This can be on a 'spot basis' or tendered.

Services purchaser (SP)

This is the local authority department, social services department, primary care trust or NHS department, who has the legal responsibility to make an assessment of needs for a vulnerable person, and subsequently to provide the appropriate levels of support to selected tenants. The SP can be involved in providing the management or nominations agreement (MA and NA) and the umbrella agreement (UA).



Supported living

The provision of social housing for vulnerable adults requiring support services that help them sustain their tenancy and independence, within 'exempt accommodation'.

Tenancy agreement

Is an assured tenancy agreement between the RP and the vulnerable adult. This has an annual rent review based on RPI. (Shorthold assured tenancies may apply in certain circumstances).

Total scheme costs

The entire costs involved in the establishment of an exempt accommodation for supported living purposes. The full calculation includes purchase, legal, stamp duty, improvement and refurbishment costs, furnishing, fees, cost of finance etc. The initial lease rent is based upon a rate of return on the total scheme costs.

Umbrella agreement (UA)

An agreement between the RCP and the freeholder. This agreement is constructed to establish a process which maintains longevity of investment, even in conditions where the chosen property may have failed in its ability to be marketable. The RCP does not want to be contracted to paying voids rents forever if the project has failed. This agreement allows for a compromise; wherein the RCP may ask for the first property to be sold and an equal value property with equal rental income to be bought as a replacement. This allows the investor to look at the investment in a long term way. The RCP has to pay the voids until the second property is in place and if this occurs within the first two years of the agreement, all losses and costs are covered by the RCP.

