

# Taunton Deane Borough Council

## Council Meeting – 2 October 2012

### Part I

To deal with written questions to and receive recommendations to the Council from the Executive.

#### **(i) Councillor Mrs Adkins**

##### **Somerset Strategic Housing Partnership Tenancy Strategy**

The Executive has recently considered proposals to develop a new sub-regional Tenancy Strategy for Somerset in partnership with a range of agencies including the five Somerset Districts and Registered Landlord Partners.

The Localism Act introduced the requirement for all local housing authorities to publish a Strategic Tenancy Policy consistent with their Homeless Strategy and Allocation Scheme. This policy needed to take account of the tenancy and rent standards which social housing providers took into account when drawing up their own tenancy policies.

As Somerset already has a county-wide Homeless Strategy and Allocation Scheme (Homefinder Somerset) it was considered expedient to produce a county-wide Strategic Tenancy Policy, a copy of which is attached as Appendix 1.

The Strategy is intended to provide guidance to social and other landlords operating in Somerset, informing their policies and practices to produce lettings for customers that meet local housing need and improved market function.

In developing the Strategy all key stakeholders (landlords, external agencies such as Shelter and CAB Housing and Enabling officers) have been involved.

Consultations have taken place via an on-line survey circulated to staff and Members across the five local Housing Authorities and Registered Provider partners and guidance from the Department of Communities and Local Government has also been taken into consideration.

Overall the feedback has been very positive with the majority of respondents agreeing with the key principles within the strategy and that all relevant evidence has been included.

The management and monitoring of the Strategy in the future will be through a Project Team reporting to the Somerset Strategic Housing Partnership through the Somerset Strategic Housing Group. Representation on the Project Team includes the Council's Strategy and Corporate Manager.

It is **recommended** that the Somerset Strategic Housing Partnership Tenancy Strategy be adopted.

#### **(ii) Councillor Mrs Stock-Williams**

## **Review of Lease Car, Cash Alternative and Car Loan Schemes**

The Executive had considered a number of changes to the Lease Car and Cash Alternative Schemes and the Car Loan Scheme at its meeting on 12 September 2012.

The terms and conditions of employment for staff at Taunton Deane Borough Council are based on the National Terms and Conditions of Service for Local Government Services, as amended locally by the Council through collective agreements with UNISON as the recognised trade union.

These local terms include a frozen Lease Car and Cash Alternative Scheme and a Car Loan Scheme.

As part of the Budget Review Project these Schemes had been identified as possible staff benefits where changes could be made.

Advice from Counsel had been used to formulate a range of options which had been subject of extensive discussions with UNISON and the staff who would be affected by changes to the schemes.

As a result of this consultation, an amended proposal had been put together which would maintain a reduced (between 40% and 45% of current benefit levels) Lease Car and Cash Alternative Scheme with the option to 'buy out' the contractual benefit of the car lease or cash alternative scheme with a payment equivalent to the current allowance of the affected employee.

The buy out option would be treated as an 'invest to save' initiative and would be funded by the use of General Fund Reserves. The maximum potential cost of buy out is estimated at £103,000.

A ballot of affected UNISON members asking for their endorsement of the proposed changes would shortly be undertaken.

If these proposals were agreed and implemented savings would be in the region of £57,500 per annum with effect from 1 April 2013.

In the circumstances, it is **recommended** that a supplementary estimate from General Fund Reserves of £89,000 and from Housing Revenue Account (HRA) Reserves of £89,000 - £103,000 in total - to fund the maximum potential cost of buy-out from the existing schemes, be approved. Please note this is a variation to the recommendation at Executive, which originally showed the full amount to be allocated from General Fund reserves. The updated recommendation reflects a relevant share being funded from the HRA.

## **(ii) Councillor Mrs Herbert**

### **Update on the proposal to build a swimming pool at Blackbrook Pavilion Sports Centre and the refurbishment of Station Road Pool, Taunton**

The Executive had recently considered options and proposals to build a new public swimming pool in Taunton together with the refurbishment of the existing pool in Station Road to provide future public swimming provision.

In 2010, the Swimming Task and Finish Review had concluded that St James Street Pool was nearing the end of its life and that without taking action, Taunton would be unable to offer swimming facilities for a variety of different organisations.

Great concerns were also expressed about the Station Road Pool, in that the capital investment needed to continue to operate it was significant and that further investment would also be needed to ensure that the pool would continue to be attractive to users and to prevent any future decline in membership.

The timetable for these pressing issues have already been agreed by all parties due to the continuing deterioration of the current pools with the resulting adverse impact on local users and the rising costs of maintenance. There is therefore an imperative to progress the project as quickly as possible.

An independent study has been commissioned from FMG Consulting, who specialise in business modelling for the leisure industry and local authorities. Based on a future scenario of a new pool at Blackbrook, a refurbished Taunton Pool and St James Street Pool closed, the FMG report identifies that there is a positive potential for funding the proposals achieved by:-

- Increased income and cost savings;
- Reduced staff costs, energy and maintenance costs;
- Increased demand for swimming, health and fitness; and
- A new high quality spa and café.

A second specialist report was commissioned from Jacqueline Ross Spa Consultancy by Tone Leisure to investigate the addition of a spa. The report confirms that the facility should generate a net operating surplus taking into account projected demand and costs.

Extensive work has been undertaken in assessing different procurement models to deliver a new pool, supported by MMA Limited, a specialist leisure consultancy, with general technical advice provided by the Amateur Swimming Association and Sport England. This produced four primary options and a fifth 'do nothing' option. Both the Corporate Scrutiny Committee (which met on 16 August 2012) and the Executive had expressed support for Option B, brief details of which are shown below:-

<b>Option B</b>	<b>Tone Leisure procures the project via a specialist leisure funding broker to facilitate the funding and procuring the design and build of a new 25m pool, learner pool, spa and café</b>
Indicative Costs	<p>A basic 6 lane pool and learner pool, construction, £2,950,000, spa and café £850,000 (median cost) Total: £3,800,000</p> <p>A basic 8 lane pool and learner pool, construction, £3,200,000, spa and café £850,000 ( median cost) Total: £4,050,000</p>

As part of the development of the Business Case to support the proposed investment in swimming provision in Taunton Deane, one of the key financial objectives will be affordability.

The financial modelling undertaken to date had indicated that the proposed project would be affordable and could be delivered, subject to a detailed design brief for the pool, spa and café being agreed by the Council and Tone Leisure.

There were two options for raising the loan finance for this investment:-

(a) A specialist leisure broker who would raise the capital for Tone Leisure and procure the asset on behalf of the Trust who would then be liable to meet the loan repayments; and

(b) The Council raising the capital and procuring the asset, which Tone Leisure would then manage with other existing leisure facilities.

In considering which is the best option for the project, both the Corporate Scrutiny Committee and the Executive, have acknowledged that Tone Leisure procuring and funding the investment in a new pool, spa and café at Blackbrook would be the preferred option.

The cost of refurbishing Taunton Pool is estimated at £1,200,000. Funding of these costs would potentially come from one or a combination of several sources, including:-

- The Council's Leisure Maintenance Reserve;
- External funding;
- Borrowing;
- A capital receipt from the disposal of St James Street Pool; or
- The Community Infrastructure Levy.

The funding proposal for both the new swimming pool and the refurbishment of Station Road Pool would be finalised as part of the development of the full Business Case, with the intention of minimising the need to undertake capital borrowing.

The high level business case has demonstrated the likely affordability of a swimming pool, café and spa. The next stage, if approved by Members, will be a detailed (full) Business Case, involving architects, quantity surveyors and construction experts to gain cost confidence, prior to full cost certainty. This work could take place within a short length of time with Members being updated in December 2012 on the full Business Case and modelling with final recommendations on future swimming pool provision for approval.

The table below set out an indicative timescale and likely fees, including costs for the leisure funding broker. The fees were risk costs that would need to be met as irrecoverable costs if the project did not proceed. This would be shared between the Council (with a potential exposure of £68,000 – half of the £136,000 outlined below) and Tone Leisure. If the project proceeded the fees would be built into the overall project costs.

In addition, the Council also needed to fund its own one off costs of external VAT, leisure, legal, plant condition surveys and the proposed inclusion of work to include Passivhaus principles at an estimated £57,000, plus half of project management costs (estimated at £50,000 overall) so £25,000, giving a total of £150,000 of exposure for the Council:-

		<b>Fees</b>	<b>Timescale</b>	<b>Fees</b>	<b>Timescale</b>
Architects	£5,000	4 – 6 Weeks	£35,000	8 - 12 weeks*	
Construction	£0	4 weeks	£71,000	16 weeks*	
QS	£0	n/a	£20,000	n/a	
Leisure Funding Broker	£0	n/a	£10,000	n/a	

<b>Total</b>	<b>£5,000</b>	<b>-</b>	<b>£136,000</b>	<b>-</b>
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The FMG and Jacqueline Ross Spa Consultancy reports were considered in detail by the Corporate Scrutiny Committee on 20 September 2012. Although support for the swimming pool project was reiterated, Members did express concern about a number of issues, not least, the amount of money required to be allocated to ascertain the Cost Certainty of the project.

However, these up-front costs have previously been accepted by the Executive.

In the circumstances, it is **recommended** that proposals for further joint working with Tone Leisure on a detailed Business Case be supported with Taunton Deane's share of this phase of the project - £150,000 - being funded from the Leisure Maintenance Reserve.





# Countywide Tenancy Strategy

June 2012

**Document Approval**

<b>Group</b>	<b>Date</b>
Core Group	1/12/11
Project Team	7/12/11
Core Group	14/12/11
Somerset Strategic Housing Officers Group for consultation	22/12/11
Somerset Strategic Housing Programme	24/4/12

**Version Control**

<b>Version</b>	<b>Author</b>	<b>Review</b>	<b>Reason For Issue</b>	<b>Date</b>
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1.0 Final Strategy	AH		Amended into Final Document	4.6.12
1.1 Final Strategy	AH		Following Review by Sally McCarthy	12.6.12

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## 1. Context

### 1.1 Background

1.1.1 The Localism Act<sup>1</sup> included a number of changes relating to social housing provision and allocation:

- Housing allocation reform
- Housing tenure reform
- Reform of homelessness legislation
- Reform of Council Housing Finance
- National Home Swap Scheme
- Reform of social housing regulation

1.1.2 Within the provisions for housing tenure reform is a requirement for local housing authorities to produce a Tenancy Strategy.

*Section 150 Localism Act 2011*

*(1) A local housing authority in England must prepare and publish a strategy (a "tenancy strategy") setting out the matters to which the registered providers of social housing for its district are to have regard in formulating policies relating to-*

- (a) the kinds of tenancies they grant*
- (b) the circumstances in which they will grant a tenancy of a particular kind,*
- (c) where they grant tenancies for a term certain, the lengths of the terms, and*
- (d) the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.*

The five local housing authorities within Somerset are as follows:

- Mendip District Council
- Sedgemoor District Council
- South Somerset District Council
- Taunton Deane Borough Council
- West Somerset Council

The Councils have agreed through the Somerset Strategic Housing Programme to produce a single Tenancy Strategy that all social landlords<sup>2</sup> need to have regard to when framing and reviewing their own Tenancy Policies.

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<sup>1</sup> Localism Act <http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted> Part 7

<sup>2</sup> Social Landlords are Housing Associations and for the purposes of this document also include Taunton Deane Borough Council as a stock holding landlord.

## **1.2 Tenancy Strategy Key Principles - Summary**

1.2.1 We have worked with social landlords in Somerset to create the Key principles for the strategy. These were initially released within an Strategy to help social landlords draw up their own tenancy policies.

The agreed Key Principles are as follows:

- *Social landlords will generally be expected to offer tenancies of general needs properties of no less than 5 years following a 12 month probationary period.*
- *Social landlords can only offer tenancies of less than 5 years, but no less than 2 years, in exceptional circumstances, which must be clearly set out in the social landlords Tenancy Policy.*
- *There is an expectation that social landlords will protect existing tenants' security as far as the regulations allow. Social landlords are expected to have a clear statement within their tenancy policy regarding the security of tenure they would offer a tenant transferring from another social landlord.*
- *Those social landlords who have an Homes & Communities Agency (HCA) agreement should have regard to affordability issues within the geographic area of the vacancy when deciding which properties to re-let at Affordable Rents and should state how they will do this within their Tenancy Policy.*
- *Social landlords should take into account the needs of vulnerable applicants (including families with children to avoid disruptive changes, older people, people with long-term illness or disability or a member of their household affected by) when granting fixed term tenancy agreements, and make clear within their Tenancy Policies how this will be done.*
- *Social landlords will undertake a Comprehensive Appraisal of all Fixed Term Tenancies before issuing Notice at the end of a Fixed Term Tenancy.*
- *The key principles of the Comprehensive Appraisal will be developed with social landlords.*
- *The Comprehensive Appraisal will consider relevant options e.g .issuing a replacement tenancy, home ownership, property sale to the tenant, supported housing, housing in the private rented sector etc.*
- *There is a presumption that, following the Comprehensive Appraisal social landlords will renew the tenancy wherever appropriate.*
- *The expectation when re-issuing a tenancy, is that as a minimum, the existing tenure type will be maintained.*

- *Any new Tenancy issued after an initial Fixed Term Tenancy should have regard to an applicant's circumstances (vulnerability, financial etc.) at the time of appraisal.*
  - *Social landlords are expected to give at least 6 months notice to the tenant before the expiry of the tenancy if the social landlord will not be granting a new tenancy at the end of the fixed term.<sup>3</sup> Where a tenancy will end Social landlords are expected to follow the existing Somerset Pre-Eviction Protocol (to be reviewed).*
  - *Social landlords must give the Local Housing Authority Housing Options team advance warning of the expiry of the tenancy if they do not wish to grant a new tenancy at the end of the fixed term.*
  - *Social landlords will publish clear and accessible policies and procedures to support their Tenancy Policies.*
  - *The Local Authority partners will develop robust mechanisms to monitor allocations against the Key Principles.*
  - *Social Landlords will provide relevant data to help with monitoring, which will include the number of complaints and requests for review.*
  - *Partners to this Tenancy Strategy support the promotion of 'downsizing' through incentives and encourage social landlords and Local Authority Landlords to review under-occupation at the end of Fixed Term tenancy.*
  - *This Strategy recognises the Partnership of Homefinder Somerset. It is acknowledged that the Strategic and Operational groups will deal with any anomalies and issues arising from the implementation of the Tenancy Strategy and Tenancy Policies.*
  - *It is an expectation that all Affordable Rent and social rented properties will initially be advertised through Homefinder Somerset.*
  - *It is expected that properties will be let in accordance with the way in which they are advertised.*
- 1.2.2 The Tenancy Strategy takes account of the Regulatory Framework for tenure as set out by the Homes and Communities Agency and the final directions on regulatory standards issue by the government<sup>4</sup>.
- 1.2.3 The Somerset Strategic Housing Programme ) is a framework of strategic housing projects aimed at achieving substantial improvements within housing in Somerset by collaborative working both within local authorities and with our partners.

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<sup>3</sup> Localism Act 2011 Part 7, Chapter 2 Section 154, 107D (3)

<sup>4</sup> [http://www.homesandcommunities.co.uk/sites/default/files/our-work/regulatory\\_framework\\_2012.pdf](http://www.homesandcommunities.co.uk/sites/default/files/our-work/regulatory_framework_2012.pdf)

- 1.2.4 The principle of joint working has long been established within the strategic housing function across Somerset. The Programme builds on this solid foundation to seek the most sustainable and cost-effective structures for delivering housing services across Somerset, maximising benefits of scale whilst also delivering good quality, locally based services.
- 1.2.5 It has long been recognised that Strategic Housing is important to maximising opportunities to improve the Health and Wellbeing of people living and working in Somerset. Strategic Housing provides opportunities for people to live in decent, warm & affordable homes, whether new-build, social housing or in the private sector, or in sustainable communities. Strategic housing also ensures that current & future housing is sustainable by developing housing that is affordable, reducing homelessness & improving access to services for vulnerable adults.
- 1.2.6 The Tenancy Strategy has taken account of the existing countywide Homelessness Strategy (2008-11)<sup>5</sup> which is currently being updated. A countywide Housing Strategy Framework is in development and will take account of this Tenancy Strategy.
- 1.2.7 All the Somerset authorities will in some way be impacted by the proposed development of the Hinkley Point C nuclear power station (if full planning permission is granted) The housing markets in the Sedgemoor, West Somerset and Taunton Deane Housing Authority areas will be most dramatically affected by this development.
- 1.2.8 EDF Energy's workforce assumptions regarding the scale of temporary workforce are that the lifetime of the project is likely to require some 26,600 full time equivalent (FTE) workers across the lifetime of the build project with a peak of 5600 FTE on site by 2016. Of this number it is agreed that an estimated 34% could be home-based leaving 66% (approximately 3700 workers) requiring accommodation in the local area. The analysis undertaken by EDF includes geographic areas represented by a sixty minute travel zone to Hinkley Point and includes Sedgemoor, West Somerset, Mendip and Taunton Deane.<sup>6</sup> We also believe that there is potential for South Somerset to be affected because parts of the South Somerset area are within the sixty minute drive time as identified in EDF documentation.
- 1.2.9 All the Somerset Housing Authorities aim to make best use of existing resources to try to ensure that there is a sufficient supply and range of decent accommodation to meet demand. Any development such as Hinkley Point needs to be considered in the context of local needs in order to avoid exacerbating pressures on provision of housing.

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<sup>5</sup> Making Homes, Helping People Changing Lives (Somerset Homelessness Review & Prevention Strategy 2008-2011) <http://www.westsomersetonline.gov.uk/getattachment/Housing/Housing-Strategies-and-Policies/Somerset-Homeless-Review-Strategy.pdf.aspx>

<sup>6</sup> [EDF Energy Proposed Development at Hinkley Point – Additional Information](#)

- 1.2.10 In 2008 the Strategic Housing Market Assessment highlighted data from 2006 to show a demand in the private rented sector from households aged under 30 years old. More recent data from Homefinder Somerset supports this finding although there are still high levels of demand from the 30s to 40s age bracket. This heightens concern that the demand from Hinkley workers for accommodation will have a particular impact on the under 40s who are reliant on low cost accommodation in the affected areas.<sup>7</sup>
- 1.2.11 Analysis of the Homefinder Somerset register has shown that the profile of applicants shows a majority are 1 and 2 person households<sup>8</sup>. The Tenancy Strategy focuses on ensuring that these groups are not disadvantaged by conversions to Affordable Rents. Particularly since this same group will be affected by the demand for private sector accommodation introduced by the proposed Hinkley Point power station and it is in the lower bedroom sizes that Local Housing Allowance (LHA) rates usually exceed 80% market rents.
- 1.2.12 The analysis of Homefinder Somerset property advert data has also shown that 1 and 2 bedroom properties make up the majority of property adverts<sup>9</sup>. The strategy may further need to determine if these properties make up the larger share of Affordable Rented lets and if so for what length of tenure. Single applicants will be further affected by the changes to LHA rates in January 2012 when the shared accommodation rate that currently applies to single people under the age of 25 living in private rented accommodation was extended to people aged under 35. This could leave many single applicants in private rented accommodation that they cannot afford and place further demands on the supply of social/affordable rented accommodation.
- 1.2.13 Where larger family homes (3 / 4 bed and above) are advertised at Affordable Rent levels then the flexible tenancy may need to be longer to reflect the family nature of the accommodation. To avoid shortfalls in benefits the Strategy focuses on reducing the Affordable Rent percentage in the larger properties across those districts. Under Government changes to Housing Benefit Regulations referred to in paragraph 1.2.12 above, for under 35s there will be an increase in people seeking shared accommodation and an overall reduction in single persons under 35 seeking, or being able to afford, self contained accommodation from January 2012.<sup>10</sup>

### **1.3 Methodology**

- 1.3.1 Building on the strong relationships that already exist between the Somerset Local Housing Authorities and the social landlords, the Tenancy Strategy was developed

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<sup>7</sup> EDF (2011) Draft Accommodation Strategy

<sup>8</sup> See Analysis of Homefinder Somerset Housing Register & CBL Data

<sup>9</sup> See Analysis of Homefinder Somerset Housing Register & CBL Data

<sup>10</sup> [http://www.direct.gov.uk/en/NI1/Newsroom/DG\\_192415](http://www.direct.gov.uk/en/NI1/Newsroom/DG_192415)

collaboratively by involving both social landlords and other key stakeholders, especially in the production of the Key Principles. This has been achieved through a Project Team made up of the following organisations:

- Mendip District Council (Project Sponsor, and representing the Somerset Enablers Group)
- South Somerset District Council
- Sedgemoor District Council
- West Somerset Council (representing Somerset Homeless Managers Group)
- Yarlington Housing Group
- Hastoe Housing Association
- Homes in Sedgemoor (ALMO for Sedgemoor District Council)
- Taunton Deane Borough Council - Landlord
- Knightstone Housing Association
- Raglan Housing Association
- Flourish Homes
- Magna West Somerset Housing Association
- Shelter
- South Somerset CAB

In developing this Tenancy Strategy together we have had regard to our Homefinder Somerset Choice Based Lettings (CBL) partnership allocation scheme<sup>11</sup> and the existing homelessness strategy.

1.3.2 Partners to this Tenancy Strategy recognise that a strategy alone is insufficient. Strong and effective partnerships will be important to the implementation and monitoring of both the Tenancy Strategy and individual social landlord tenancy policies. Joint working is also required to ensure that any risks and unintended consequences are addressed promptly and effectively within the review mechanism for this Tenancy Strategy.

1.3.3 The evidence to support the Tenancy Strategy is listed within Appendix 2.

## **1.4 Aim of this Strategy**

1.4.1 The Tenancy Strategy is intended to provide guidance to social and other landlords operating in Somerset, informing their policies and practices to produce lettings for customers that meet local housing need and improve market functioning in the County. It should also prove invaluable to policy makers and property professionals.

## **1.5 Scope of the Strategy**

1.5.1 This Tenancy Strategy covers the following key areas regarding social landlords:

- a) the kinds of tenancies they grant;

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<sup>11</sup> Homefinder Somerset Allocations Policy <http://www.homefindersomerset.co.uk/Data/ASPPages/1/107.aspx>

- b) the circumstances in which they will grant a tenancy of a particular kind;
- c) where they grant tenancies for a fixed term, the lengths of the terms; and
- d) the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

1.5.2 We have structured the Tenancy Strategy around agreed Key Principles that summarise the issues that social landlords should have regard to when framing their own tenancy policies.

## 1.6 Governance

1.6.1 Individual social landlords are responsible for their own Tenancy Policies. We have also set out in appendix 1<sup>12</sup> the details of where the tenancy policies of social landlords operating within the Somerset area can be found. We propose that the Homefinder Somerset Monitoring Board will be responsible for monitoring and reviewing the Tenancy Strategy on behalf of the Somerset local housing authorities.

1.6.2 The Tenancy Strategy is produced will be reviewed every three years<sup>13</sup> with the results being discussed by the Homefinder Somerset Monitoring Board and that Board recommending changes to the Somerset Strategic Housing Group.<sup>14</sup>

1.6.3 The review of evidence moving forward will include (but not be limited to) monitoring of trends in:

- Housing needs
- Homelessness (aligning with Homeless Strategy)
- Reviewing effectiveness of allocation policy (and aligning with any changes)
- Rent levels across all tenures
- Social landlords activity
- Number of new homes built including affordable, and which tenure(s)
- Changing trends in housing and benefit paid, including proposals for the Universal Credit
- Lettings of Affordable Rents including number of bids and acceptances
- Outcomes of Reviews e.g. number tenancies re-issued, no of under occupied properties recycled
- Site viability

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<sup>12</sup> Localism Act 2011 Part 7, Chapter 2 Section 150 (2)

<sup>13</sup> Localism Act Part 7, Chapter 2 section 150 (5).

<sup>14</sup> The Somerset Strategic Housing Officers Group (SSHG) is made up the 5 local housing authorities (District) and the County Council, together with NHS Somerset (PCT)

## 1.7 Legal Context

1.7.1 Alongside the requirements of the Localism Act, the Homes and Community Agency (HCA) has agreed programmes for the delivery of new affordable housing over the next 4 years with social landlords. All new homes built with HCA subsidy are expected to be offered at Affordable Rents - up to 80% of the market rent. In addition social landlords may increase rents on a percentage of re-let properties. Social landlords are also encouraged to take a more proactive approach to managing their stock, including disposal of stock where this will release funds to invest in new homes.

1.7.2 The Tenancy Strategy has adopted the definition of Affordable Housing as set out in the draft National Planning Policy Framework (or subsequent updates of that definition in the National Planning Policy Framework) which replaces PPS3 and states that Affordable Housing is;

**'Affordable housing:** Social rented, Affordable Rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.'

- *Social rented housing* is owned by local authorities and private registered providers, for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.
- *Affordable Rented housing* is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).
- *Intermediate housing* is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not Affordable Rented housing.<sup>15</sup>

1.7.3 Social landlords who have entered into a contract with the HCA to deliver new homes will be able to offer fixed term tenancies at Affordable Rents with a minimum 5 year length<sup>16</sup> as well as life time tenancies at Affordable Rents on new properties and conversion of some of their existing stock. The Government has stated that only

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<sup>15</sup> Draft National Planning Policy Framework Glossary

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/1951811.pdf>

<sup>16</sup> A 2 year minimum period may be used in exceptional circumstances.

<http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(4)(a)

in exceptional cases will the term be less than five years and these circumstances would need to be set out within the social landlords' Tenancy Policy.<sup>17</sup>

- 1.7.4 Social landlords who are not developing, or developing without HCA resources can either continue to offer assured lifetime tenancies or flexible tenancies from April 2012.
- 1.7.5 Social landlords will continue to be able to offer introductory tenancies.
- 1.7.6 These changes will mean that properties will be available on the Homefinder Somerset CBL scheme at different rent levels and with different tenures depending on the social landlord arrangements with the HCA and social landlords own tenancy policies. Additional advert symbols (highlighting Affordable Rent and fixed term tenure) together with applicant guidance notes on Affordable Rent and fixed term tenure have been made available through the Homefinder Somerset CBL scheme.
- 1.7.7 Existing tenants who remain in their existing homes will not be affected by Affordable Rents/tenure change, and will retain their security of tenure if they move to another social rented home. However they will reduce their security of tenure if they move to a home let at an Affordable Rent which also has a Fixed Term Tenancy<sup>18</sup>.
- 1.7.8 Mutual exchange tenants are protected within the Localism Act<sup>19</sup> such that they will retain their security of tenure when they move, subject to the relevant Guidance.
- 1.7.9 Note that under the Allocation of Accommodation Guidance issued in December 2011 (consultation draft) stockholding local authorities are encouraged to use flexible tenancies to support households in low paid employment and incentivise others to take up employment opportunities. It will be for Sedgemoor District Council and Taunton Deane Borough Council to decide on how they implement this.<sup>20</sup>

## 1.8 Consultation

- 1.8.1 The Localism Act 2011 requires that Local Housing Authorities consult with social landlords and other agencies on the content and give them a reasonable opportunity to comment.<sup>21</sup>

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<sup>17</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(d)

<sup>18</sup> Final Direction on Tenure <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A (2)(4)(d)

<sup>19</sup> Localism Act 2011 Part 7, Chapter 2, Section 158 (9)

<sup>20</sup> <http://www.communities.gov.uk/documents/housing/pdf/2060702.pdf>

<sup>21</sup> Localism Act 2011 Part 7, Chapter 2 Section 151

- 1.8.2 The Tenancy Strategy was released for consultation in January 2012. This final version of the strategy takes account of comments received during the consultation period.

## 2. The Evidence Base

- 2.1 We have included at Appendix 2 evidence that we believe supports the Key Principles we have included within the Tenancy Strategy. The evidence referred to seeks to provide information about the local housing markets that operate within Somerset together with other national indicators.

## 3. Tenancy Strategy Key Principles

### 3.1 Length of Fixed Term Tenancy

- 3.1.1 ***Social landlords will generally be expected to offer tenancies of general needs properties of no less than 5 years following a 12 month probationary period.***
- 3.1.2 ***Social landlords can only offer tenancies of less than 5 years, but no less than 2 years, in exceptional circumstances, which must be clearly set out in the social landlords Tenancy Policy.*** The social landlord will be expected to demonstrate within their Tenancy Policy, how any tenancy of less than five years can be managed in order to minimise adverse impact on local community cohesion, the sustainability of that community and homelessness. An Equality Analysis will also be required in order to show how any adverse impact on the vulnerable groups will be prevented.<sup>22</sup>
- 3.1.3 ***There is an expectation that social landlords will protect existing tenants' security as far as the regulations allow.*** Social landlords are expected to have a clear statement within their tenancy policy regarding the security of tenure they would offer a tenant transferring from another social landlord.<sup>23</sup>
- 3.1.4 The Somerset Strategic Housing Partnership Affordable Housing Programme 2011-2015 Investment Policy (paragraph 18.14) sets out guidelines on creating and maintaining stable, mixed and balanced communities, encouraging social landlords to provide minimum period tenancies appropriate to the needs of the household, dwelling type and location within Somerset.<sup>24</sup>
- 3.1.5 Collectively the five Somerset Local Housing Authorities together with social landlords agreed that a flexible non prescriptive approach on fixed term tenancies should be adopted, with a minimum of five years following a 12 month probationary period. This will allow a reasonable length of security to enable some tenants to plan

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<sup>22</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(d)

<sup>24</sup> See [Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines](#)

<sup>24</sup> See [Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines](#)

ahead taking account of future options. Allowing social landlords the freedom to allocate more flexible tenancies based on local need within each of the five districts but retaining the discretion to offer tenancies on a lifetime basis. Combined with an Affordable Rent model social landlords will be able to offer a range of housing options, whilst raising extra rents to invest in new building.

### 3.2 Affordable Rents

3.2.1 ***Those social landlords who have an HCA agreement should have regard to affordability issues within the geographic area of the vacancy when deciding which properties to re-let at Affordable Rents and should state how they will do this within their Tenancy Policy.***<sup>25</sup>

3.2.2 The Tenancy Strategy has adopted the definition of Affordable Housing as set out in the draft National Planning Policy Framework (as set out in section 1.7.2).

3.2.3 Affordable Rents must be no more than 80% of market rents, including service charges. When setting an Affordable Rent, Landlords should have regard to Local Housing Allowance (LHA) rates within the area of the property being let.

3.2.4 We have not provided any definition of affordability within this Tenancy Strategy but would expect social landlords to have regard to the evidence provided at Appendix 2 regarding affordability issues and availability of private rented accommodation when setting their Affordable Rent levels.

### 3.3 Vulnerable Groups

3.3.1 ***Social landlords should take into account the needs of vulnerable applicants (including families with children to avoid disruptive changes, older people, people with long-term illness or disability or a member of their household affected by) when granting fixed term tenancy agreements, and make clear within their Tenancy Policies how this will be done.***<sup>26</sup> In addition when issuing and reviewing tenancies social landlords should have regard to the long term housing needs of vulnerable groups, including those that require adapted properties.

3.3.2 This principle ties in closely with the existing Sub-Regional Homelessness Strategy – ‘Making Homes, Helping People, Changing Lives (Somerset Homelessness Review & Prevention Strategy 2008-2011) sets out the local strategic aims to achieve positive outcomes in the support for vulnerable people. The action plan to prevent homelessness focuses on the following key priorities<sup>27</sup>:

- Floating support services
- Homeless prevention

<sup>25</sup> See [Shelter Private Rent Watch - Report one: Analysis of local rent levels and affordability October 2011](#)

<sup>26</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(g)

<sup>27</sup> <http://www.westsomersetonline.gov.uk/getattachment/Housing/Housing-Strategies-and-Policies/Somerset-Homeless-Review-Strategy.pdf.aspx> Action plan page 56 onwards.

- Improved access to the Private Rented Sector
- Improved access to appropriate housing
- Improve protocols and partnerships to tackle homelessness

3.3.3 In addition the South West Regional Housing Strategy 2005-2016 supports action to tackle homelessness and to reduce the use of Temporary Accommodation through investment in new social rented housing and by promoting positive models of prevention and address homeless prevention services for vulnerable groups.<sup>28</sup>

### 3.4 Comprehensive End of Tenancy Appraisal

3.4.1 ***Social landlords will undertake a Comprehensive Appraisal of all Fixed Term Tenancies before issuing Notice at the end of a Fixed Term Tenancy.***<sup>29</sup>

3.4.2 ***The key principles of the Comprehensive Appraisal will be developed with social landlords.*** Both the Local Housing Authority partners and social landlords could benefit from a structured approach to housing options advice. The current Homefinder Somerset system provider (Abritas) facilitates housing options advice provision through a system module that can be tailored to provide applicants and tenants with a printed housing options report, setting out the next steps they would need to take regarding their housing. This could be used as part of the 'End of Tenancy Appraisal' to provide social landlords with a clear decision path for sustaining tenancies and tenants with clear housing options advice.

There are two ways in which this may be utilised:

#### **Initial presentation for housing advice**

The applicant presents to the Local Housing Authority requesting housing options advice or to join the register. Before they can join the register the applicant is invited to complete a housing options online questionnaire which will then alert them to the best housing option available and include an indication (based on their circumstances) of how long they may have to wait if they joined the housing register. This will help to manage expectations and also highlight to applicants the other options available.

#### **Tenancy Assessment for Flexible Tenancy**

When a tenant is coming up to their 6 months assessment period with a landlord, Homefinder Somerset will flag up to landlords that a 6 month assessment is required, from the data logged when the applicant was initially housed.

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<sup>28</sup> <http://www.swslim.org.uk/documents/themes/lt12-housingstrategy.pdf>

<sup>29</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(e)

The landlord is required to provide housing options advice to the tenant but may wish to extend the tenancy if the review proves successful. In these circumstances the tenant can complete the housing options assessment. This assessment will look at the following:

- financial circumstances to see if they can afford a different housing options
- Household size
- Medical/welfare issues
- Any other key circumstances

Once completed the assessment can then advise the applicants of other possible housing options that would suit their circumstances (including 80% market rents) OR justify the landlord in issuing a new tenancy.

Landlords can have a PDF copy of the housing options report to attach to the tenancy file within their housing management systems if necessary (as a record) and access the housing options module (including its set up) for an increase in the advert fee or a one off charge.

3.4.3 ***The Comprehensive Appraisal will consider relevant options e.g. issuing a replacement tenancy, home ownership, property sale to the tenant, supported housing, housing in the private rented sector etc.***<sup>30</sup>

3.4.4 There is a great deal of uncertainty around how frequently fixed term/flexible tenancies will be renewed. This is likely to depend on a number of factors, including the:

- i. criteria social landlords adopt for their lettings policies; and
- ii. the circumstances of tenants that are granted flexible tenancies and the way these evolve over the period before reviews.

3.4.5 One of the grounds that might lead landlords to decide not to renew a flexible tenancy could be a large and sustained increase in income. Other grounds could include household composition, e.g. number of inhabitants and their age, and suitability of accommodation. Factors that could be taken into account in renewing a flexible tenancy might include age of occupiers, having dependent children, and health of the tenant.<sup>31</sup> Further examples are set out below.

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<sup>30</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(h)

<sup>31</sup> Amended from work done by St Edmundsbury DC

<http://www.stedmundsbury.gov.uk/sebc/say/pdf/PublicConsultation/110915TS%20Consultation%20Final.PDF>

Criteria	Explanatory Notes
Property under occupied	Potentially tenants, such as young couple or families may be allowed to under occupy in order to allow the family to grow into the house and have a firm base in the area. A range of occupation levels may also help contribute to balanced communities.
Property over occupied	To prevent low quality housing conditions developing.
Suitability of property	Is the property/services/facilities still suitable for the current tenant?
When a tenant requires re-housing in a more suitable/appropriate location	This scenario is likely to be picked up and dealt with through housing management measures before the need not to renew a tenancy occurs. Examples might include Domestic Abuse cases/witness protection/antisocial behaviour
Tenant change in circumstances	For example when a tenant has demonstrably a high enough income to comfortably afford (for example purchase) market housing and arguably the affordable house would be better used by somebody in greater need.

3.4.6 ***There is a presumption that, following the Comprehensive Appraisal social landlords will renew the tenancy wherever appropriate.***

3.4.7 It is generally accepted that creating high turnover in the housing stock is not desirable – for the Local Housing Authority keeping people in established communities is more sustainable and for the social landlords it helps to keep costs down for their business model. Therefore the occurrences when tenancies are not renewed (i.e. granting a new fixed term/flexible tenancy at the end of the original term) are likely to be the exception and not the rule. This will also be important in ensuring that homelessness is minimised (one of the principle reasons for homelessness is the termination of existing Assured Shorthold Tenancies in the private sector).

### 3.5 Renewing a Tenancy

3.5.1 ***The expectation when re-issuing a tenancy, is that as a minimum, the existing tenure type will be maintained.*** Principle 3.3 would still apply in terms of addressing the needs of vulnerable groups.

3.5.2 ***Any new Tenancy issued after an initial Fixed Term Tenancy should have regard to an applicant's circumstances (vulnerability, financial etc) at the time of appraisal.***

### **3.6 Notice Period**

- 3.6.1 Legal requirements to end a tenancy will be a matter for the social landlord concerned but social landlords will be expected to refer to the following key principles when ending tenancies.
- 3.6.2 ***Social landlords are expected to give at least 6 months notice to the tenant before the expiry of the tenancy if the social landlord will not be granting a new tenancy at the end of the fixed term.<sup>32</sup> Where a tenancy will end social landlords are expected to follow the existing Somerset Pre-Eviction Protocol (to be reviewed).***
- 3.6.3 ***Social landlords must give the Local Housing Authority Housing Options team advance warning of the expiry of the tenancy if they do not wish to grant a new tenancy at the end of the fixed term.***
- 3.6.4 The advance warning process will be developed as part of the Comprehensive Tenancy Appraisal.
- 3.6.5 The Governments latest figures on statutory homelessness in England show that there has been an increase in the number of households applying to councils for help with re-housing (an increase of 14% in the last year). There has also been a 26% increase in the number of households accepted as homeless who are still waiting for re-housing by the local authority.<sup>33</sup>
- 3.6.6 Analysis of Somerset homeless statistics shows that termination of AST private sector tenancies is the main reason for homelessness and is increasing when compared to 2010-11.<sup>34</sup>

### **3.7 Appeals /Reviews Offers/Notice**

- 3.7.1 Social landlords should set out in their Tenancy Policy the way in which the tenant or prospective tenant may appeal against or complain about the length of fixed term tenancy offered and the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term.<sup>35</sup>
- 3.7.2 Social landlords will also be responsible for dealing with any requests for a review of their decision to end a fixed term tenancy or on the length of tenancy offered to a prospective tenant under Section 154, 107B of the Localism Act.<sup>36</sup> We would expect the processes for these requests to be made clear in social landlords Tenancy Policies.

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<sup>32</sup> Localism Act 2011 Part 7, Chapter 2 Section 154, 107D (3)

<sup>33</sup> <http://www.communities.gov.uk/publications/corporate/statistics/homelessnessq22011>

<sup>34</sup> Somerset P1E Homeless Statistics

<sup>35</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(f)

<sup>36</sup> Localism Act 2011 Part 7, Chapter 2 Section 154, 107B

### **3.8 Monitoring**

**3.8.1 *Social landlords will publish clear and accessible policies and procedures to support their Tenancy Policies.***

**3.8.2 *The Local Housing Authority partners will develop robust mechanisms to monitor allocations against the Key Principles.***

**3.8.3 *Social Landlords will provide relevant data to help with monitoring, which will include the number of complaints and requests for review.***

### **3.9 Conversions of Social Rented Housing Stock to Affordable Rent and Disposal of Affordable Homes**

3.9.1 Consultation with the Local Housing Authority on the detail of any conversion is required. This consultation by social landlords is seen as crucial to enable the Local Housing Authority to ensure that a sustainable mix of housing is maintained locally. See Appendix 2

3.9.2 Registered Providers should have regard to the following when considering the proportion of properties which will be re-let at an 'Affordable Rent':

- The pattern of re-lets by location, property size and type.
- The need to ensure that under-occupiers wishing to downsize are not put off by having to pay a higher rent or being given reduced tenancy rights.
- The need to ensure a reasonable supply of family-sized accommodation at social rents.
- The need to ensure that properties in rural areas can be let to those working in the area on low wages.
- The shortage of wheelchair accessible accommodation.

3.9.3 We will support disposals to the open market subject to the agreement of the social housing regulator, where the provider has completed an options appraisal and can demonstrate a clear benefit.<sup>37</sup>

### **3.10 Mobility**

3.10.1 The Tenancy Strategy encourages Social Landlords to promote and assist tenants who need to move to other properties, to find their own solutions, and to make best use of existing stock.

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<sup>37</sup> See [Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines](#)

### **3.11 Down sizing and Under Occupation**

**3.11.1 *Partners to this Tenancy Strategy support the promotion of ‘downsizing’ through incentives and encourage social landlords and Local Housing Authority Landlords to review under-occupation at the end of Fixed Term tenancy.***

### **3.12 Choice Based Lettings**

**3.12.1 *This Strategy recognises the Partnership of Homefinder Somerset. It is acknowledged that the Strategic and Operational groups will deal with any anomalies and issues arising from the implementation of the Tenancy Strategy and Tenancy Policies.***

***It is an expectation that all Affordable Rent, intermediate housing products and social rented properties will initially be advertised through Homefinder Somerset.***

***It is expected that properties will be let in accordance with the way in which they are advertised.***

### **3.13 Equality**

**3.13.1** The Tenancy Strategy will meet the requirements of the Equality Act 2010. This strategy through its key principles, encourages landlords to undertake their responsibilities under both the Localism Act and Tenancy Standard in a robust and equitable manner. With regard to this point Landlords will need to ensure that they have clear records, supported by strong evidence that show how and why decisions have been made.

**3.13.2** An Equality Analysis has been undertaken on the Tenancy Strategy as part of the consultation exercise. We have addressed the issues highlighted by the Equality Analysis and the changes have been incorporated into this Tenancy Strategy.

## **4. Action Plan**

**4.1.1** The Tenancy Strategy and the final version of the Tenancy Strategy when it is available will need to evolve as circumstances dictate. A number of the Key Principles identified within this document have highlighted the need for further work. These pieces of work are included at appendix 3.

**4.1.2** The Tenancy Strategy will be reviewed every 3 years by the Local Housing partner authorities in consultation with relevant agencies.

## **Appendix 1 – Details of where Social Landlord tenancy policies can be found.**

We will place a link to your homepage on the Homefinder Somerset website and it will be Social Landlords responsibility to ensure that their Tenancy Policy is available on their website by 1<sup>st</sup> April 2012.

## **Appendix 2 – The Evidence Base**

### **1. Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines (December 2011)**

#### **Introduction**

1. The comprehensive spending review in October 2010 significantly reduced the direct investment available from the Homes and Communities Agency (HCA) and introduced a new product, Affordable Rent. The affordable homes programme 2011 – 2015 replaces the national affordable homes programme (NAHP).
2. This document covers investment policy guidelines, giving a clear indication of the expectations and wishes of the Local Housing Authorities. Specific guidance for providers is set out in section 18, but should not be taken as prescriptive.

#### **HCA framework**

3. The HCA's affordable homes programme 2011 – 15 framework, released on 14<sup>th</sup> February, required Registered Providers to produce and submit by 3 May 2011 a 4 year programme for the delivery of affordable housing. Once the package of funding is agreed between the Registered Provider and the HCA they will sign a Contract committing to delivery for homes to be completed by March 2015. Contracts are due to be signed by the end of September 2011. A short form of the Contract will also be signed by those Registered Providers not in receipt of funding but wishing to provide the Affordable Rent product without subsidy.
4. The framework is intended to:-
  - Meet housing need at a local level
  - Provide a more flexible offer for social housing tenants
  - Ensure that public funds (and funds generated from re-lets resulting in Affordable Rent) are properly and effectively spent
  - Maximise delivery of new affordable housing supply through the introduction of the new Affordable Rent product and other means and
  - Ensure quality standards are maintained
5. The HCA framework places the onus on Registered Providers to raise capital for new affordable housing supply. In future access to the reduced government subsidy is directly linked to a Registered Provider's willingness to incorporate Affordable Rent into their business plans for both new homes and for a percentage of their existing homes when re-let (conversions).

#### **Affordable Rents**

6. The new Affordable Rent product requires homes to be let at 'up to' 80% of market rent. This guidance is the basis on which Registered Providers are expected to raise capital for new affordable homes and is the basis on which they will qualify for HCA subsidy.

7. For context Social Rents in Somerset are generally well below 80% prevailing market rates, although the % varies according to size of property and location. As an example a brief analysis of social rents in South Somerset gives the following averages;
  - One bedroomed flat – 81% (note actually higher than Affordable Rent model)
  - Two bedroomed flat – 66%
  - Two bedroomed house – 65%
  - Three bedroomed house – 57%
  - Four bedroomed house – 43%
8. The above figures quote averages across the district. Affordable Rents will be calculated based on an RICS valuation of what the same property would command as an open market rent. It is therefore reasonable to assume that variations will also exist according to the exact locale – for example between different neighbourhoods and between urban and village locations.
9. It should be noted that the Affordable Rent is effectively capped by the Local Housing Allowance (LHA) limit which applies to Housing Benefit claims. From June 2010 the LHA has been based on the 30<sup>th</sup> per centile of (available) market rents in a broad housing market areas. It is unlikely that 80% prevailing market rents will be above the LHA, except in the case of 5 or more bedrooms as the 4 bed LHA will apply – although we already have one case in South Somerset where the 80% rent is forecast as marginally above the LHA.

## **Four year programme**

10. The four year programme will reflect specific existing commitments and the current affordable housing delivery pipeline in the first 2 years with unnamed schemes in the latter 2 years. the programme will be developed through partnership based on capital finance generated and HCA subsidy.
11. The HCA will assess Registered Providers capacity to deliver across the whole of their business plans and will moderate on a national basis.
12. The Framework puts the onus on Registered Providers to work in close collaboration with Local Authorities across their housing areas to develop their programmes in accordance with Local Investment Plans and local housing need.

## **Strategic Tenancy Policies**

13. Under the Localism Bill, assuming it is passed in its current form, authorities will be required to put in place strategic tenancy policies by April 2012. These will guide social landlords as to how they will develop their programmes, manage their assets and let their properties.
14. The five Somerset Local Housing Authorities (Somerset Housing Partners) through the Somerset Strategic Housing Partnership ) are seeking to create a single Strategic Tenancy Policy that will reflect local circumstances, with overarching principles that underpin the countywide investment plans. This has been prioritised by the Shared Housing Programme Board as a project to commence in early June using a project team heavily drawn from the Homefinder Somerset Monitoring Board, reflecting the need to integrate well with our county wide Choice Based Lettings scheme.
15. Our strategic tenancy policy must reflect both identified need and the process through which lettings are made. All registered providers and the Housing Authorities must work together to ensure a continuous, fair and equitable provision of affordable housing is delivered to meet the needs of tenants and allow for flexibility and opportunity for tenants to progress from social housing into home ownership and to facilitate movement to support economic growth.
16. Registered Providers will be required to develop their lettings policies having regard to the strategy adopted by the relevant Housing Authority. Co-operating on a county wide basis to produce a single strategy will make this easier for most Associations, although there will still be dissimilarities between ours and neighbouring authorities, e.g. Wiltshire, West Dorset, North Devon etc.
17. It should be noted that some Registered Providers have already formulated their tenancy strategies as lettings under Affordable Rent will commence in advance of April 2012. Where possible it is expected that cyclical reviews of these policies should take into consideration the issues raised in this document and the guidelines set out below.

## **Guidelines for Registered Providers**

18. The following are to be taken as guidelines, giving a clear indication of the expectations and wishes of the Local Housing Authorities but without being prescriptive.
  - 18.1. Existing countywide planning policies require that affordable housing delivered through S106 agreements should not require public subsidy.
  - 18.2. Where it is confirmed that a scheme is not viable to deliver without public subsidy, a minimum level of affordable housing will be expected through planning obligation alone and it is likely that social rent housing will remain the major component of this, possibly supplemented by some shared ownership.
  - 18.3. Both the developer and the Housing Association partner will then seek public subsidy to complement the affordable housing delivered through planning gain alone. Where this public subsidy is secured through the HCA, or a combination of HCA and Local Authority funds, it is likely that Affordable Rent will be the major component.
  - 18.4. We will not normally support conversions of social rent and shared ownership units which were delivered (or due to be delivered) through existing s106 agreements to

Affordable Rent where the S106 agreement or other legal covenants state that the affordability/tenure of those units to remain as social rent or shared ownership or where other similar legal restrictions apply to previously delivered schemes.

- 18.5. Conversion of existing social rent dwellings which have previously been developed using subsidy (grant and/or free/reduced land) only from the Local Housing Authority (e.g. with no additional public subsidy being forthcoming from the HCA) will ordinarily be subject to the approval of that Authority. The Housing Authority may require either direct re-investment within the same District or repayment of the subsidy which was directly attributable to that Authority.
- 18.6. Where social housing has been acquired by a Housing Association from the sponsoring Council through Large Scale Voluntary Transfer (LSVT) it is possible that the detail of the transfer agreement restricts the loss of such dwellings from social rent except through the exercise of the Preserved Right To Buy. Any request to vary an LSVT agreement to allow for Affordable Rents will only be considered by the relevant Local Housing Authority if the Registered Provider can demonstrate that detailed consultation with the appropriate tenants has been undertaken.
- 18.7. We will support the conversion of social rent tenancies when the property becomes void to Affordable Rent or New Build Home Buy (unless there is a restriction in the S106 agreement or other legal covenants) where such migrations will deliver balanced and sustainable communities.
- 18.8. We may wish to apply restrictions to conversions of tenancies to Affordable Rent where deemed appropriate based on locally identified need and circumstances. Where Registered Providers have committed themselves to a proportion of vacancies being subject to conversion, they should discuss with the relevant Local Housing Authority those instances and locations where conversions may be deemed appropriate and those instances and locations where the Authority may wish to preserve an element of social rent provision.
- 18.9. We will support Affordable Rent provided as affordable housing *in addition* to those required under agreed s106 at nil public subsidy beyond the individual Council's approved affordable housing planning policy requirement.
- 18.10. We will also support Affordable Rent provided as part of the Registered Providers contract with the HCA (e.g. on 100% affordable sites) or by negotiation subject to viability.
- 18.11. We will support disposals to the open market subject to the agreement of the social housing regulator (currently the TSA), where the provider has completed an options appraisal and can demonstrate a clear benefit. Where Registered Providers have committed themselves to a designated number of disposals, they should discuss with the relevant Local Housing Authority those instances and locations where disposals may be deemed appropriate
- 18.12. Any affordable housing delivered with or without public subsidy must be compliant with HCA quality and design standards 2007 or any other subsequent standards introduced. This requirement may be reduced but only exceptionally where there is a clear and case specific justification.
- 18.13. Where specified in individual agreements, affordable housing delivered must remain at an affordable price for future eligible households or, if restrictions are lifted, the appropriate Housing Authority should be consulted and all effort should be made to

ensure that the resulting funds realised should be recycled for alternative affordable housing provision in that District area in the first instance.

- 18.14. In order to create and maintain stable, mixed and balanced communities, we shall encourage Registered Providers to provide tenancies for a minimum period appropriate to the needs of the household, the dwelling type and the specific location. To allow for flexibility any reduction from appropriate minimum period should be discussed with the Somerset Housing Partners in advance of any decision being made

*(NOTE Minimum periods to be considered as part of the tenancy strategy by the project team. Our expectation is that a blanket number of years will not work for all client groups and that different minimums shall be set on a county-wide basis for different categories)*

- 18.15. Somerset Housing Partners would support Affordable Rents of up to 80% (including service charges) as long as the actual rent charged is below the housing benefit cap to ensure clients who are eligible for housing benefit will be able to claim the full rental amount and to remain affordable after the move to universal credit.
- 18.16. All Affordable Rent properties should be advertised through the Somerset Choice Based Lettings scheme.

## 2. Shelter Private Rent Watch - Report one: Analysis of local rent levels and affordability October 2011

[http://england.shelter.org.uk/data/assets/pdf\\_file/0008/386828/Private\\_Rent\\_Watch\\_Report\\_1.pdf](http://england.shelter.org.uk/data/assets/pdf_file/0008/386828/Private_Rent_Watch_Report_1.pdf)

See in particular Figure 6 and Figure 8, Figure 25 and 26 on affordability levels in the South West. Appendix 1 also provides information on average private rent levels.

## 3. Analysis of Social Rents on the Homefinder Somerset CBL scheme Average Rents by LA by Property and Bed Size

			Highest	Lowest		
Local Authority	HFS Average	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
<b>Bungalow</b>						
1 Bedroom	68.10	67.05	56.75	77.47	60.28	79.90
2 Bedroom	80.11	76.01	64.94	83.16	71.55	86.87
Studio	51.06		51.06			
<b>Flat</b>						
1 Bedroom	62.29	55.10	54.93	66.72	60.75	70.88
2 Bedroom	74.06	70.81	74.72	75.44	71.84	79.23
3 Bedroom	62.87	83.87	61.56			
Studio	58.33	93.12	44.38	63.61		
<b>House</b>						
1 Bedroom	67.13	63.37	57.16	72.75		74.51
2 Bedroom	75.85	81.00	74.91	76.18	70.65	84.36
3 Bedroom	85.08	90.95	78.83	86.18	83.21	91.06
4 Bedroom	93.04	101.51	79.99	105.28	103.29	104.90
5 Bedroom	86.15		72.90		79.99	118.81
6 Bedroom	129.05			129.05		
<b>Maisonette</b>						
2 Bedroom	65.08	62.17	61.60	74.75	62.60	76.76
3 Bedroom	67.91	77.42	64.85	82.45	64.25	
<b>Studio flat</b>						
1 Bedroom	50.94				50.94	
Studio	52.14	27.33	50.38	60.28	55.09	63.47

Source: Analysis of property adverts from 1/4/10 to 31/3/11



## 5. EDF Energy Proposed Development at Hinkley Point – Additional Information

- a) EDF Energy has submitted a development consent order application to the Infrastructure Planning Commission for the construction and operation of two nuclear generating units at Hinkley Point power station (HPC), together with Allied Works within and off the site. The site of the proposed new reactors is within West Somerset; much of the associated, ancillary and other related development required to construct and operate the facility would be located in Sedgemoor. The issue of the accommodation requirements for the construction of HPC is a particular concern for the relevant local authorities.
- b) EDF Energy's workforce assumptions regarding the scale of temporary workforce are that the lifetime of the project is likely to require some **26,600 FTE** and a peak of **5600 FTE** on site by 2016. Of this number it is agreed that an estimated 34% could be home-based leaving 66% (approximately 3700 workers) requiring accommodation in the local area.
- c) The Councils are particularly concerned about the potential of significantly increased demand for accommodation in an area of high demand for affordable housing and limited capacity. A major influx of nearly 4000 construction workers seeking accommodation for a temporary period is likely to have a significant impact on the local accommodation market. These impacts may relate to the level of supply in relation to demand but also can be related to the price of accommodation. Where the supply and availability of housing is constrained as a consequence of construction worker demand, this will result in competition in the local housing market with other users of accommodation. Given the higher than local average wages of construction workers this is likely to have inflationary impact on rents and as a consequence will lead to (1) local people unable to access local housing and (2) the displacement of existing residents from accommodation.

## 6. Analysis of Homefinder Somerset Housing Register & CBL Data

### 6a Overall Household numbers as at 30.6.11

As a percentage of the total for each authority

Household numbers	1	2	3	4	5	6	7	8	9	10	13	Grand Total
Mendip District Council	41.96	26.01	14.58	10.24	4.58	1.82	0.63	0.13	0.05	0.00	0.00	100.00
Sedgemoor District Council	34.98	29.18	17.48	10.17	4.78	2.35	0.60	0.30	0.16	0.00	0.00	100.00
South Somerset District Council	39.56	28.37	15.38	9.36	4.30	2.01	0.70	0.18	0.10	0.02	0.02	100.00
Taunton Deane Borough Council	43.16	26.55	15.21	8.57	3.97	1.56	0.51	0.37	0.06	0.04	0.00	100.00
West Somerset Council	39.65	27.46	15.33	9.90	4.25	2.09	1.11	0.07	0.07	0.07	0.00	100.00
<b>Grand Total</b>	<b>39.75</b>	<b>27.65</b>	<b>15.69</b>	<b>9.56</b>	<b>4.38</b>	<b>1.96</b>	<b>0.65</b>	<b>0.24</b>	<b>0.09</b>	<b>0.02</b>	<b>0.00</b>	<b>100.00</b>

**6b Banding and Household Numbers by Local Authority as at 30.6.11**

Shown as a %age of total	Emergency		Emergency Total	Gold										Gold Total	
	1	3		1	2	3	4	5	6	7	8	9	10		13
Household Number															
Mendip District Council	0.03	0.03	0.05	3.47	1.53	0.76	0.32	0.24	0.13	0.24	0.00	0.05	0.00	0.00	6.74
Sedgemoor District Council	0.00	0.00	0.00	1.97	1.59	0.56	0.24	0.18	0.16	0.08	0.08	0.04	0.00	0.00	4.90
South Somerset District Council	0.00	0.00	0.00	3.48	2.45	1.20	0.60	0.13	0.15	0.15	0.13	0.08	0.02	0.02	8.41
Taunton Deane Borough Council	0.00	0.00	0.00	3.19	1.60	0.84	0.31	0.18	0.18	0.06	0.10	0.00	0.04	0.00	6.51
West Somerset Council	0.14	0.00	0.14	3.00	1.46	0.49	0.98	0.14	0.35	0.21	0.07	0.07	0.00	0.00	6.76
Grand Total	0.01	0.00	0.02	3.02	1.82	0.84	0.42	0.18	0.17	0.13	0.09	0.05	0.01	0.00	6.73

Shown as a %age of total	Silver									Silver Total
	1	2	3	4	5	6	7	8	9	
Household Number										
Mendip District Council	24.53	13.06	7.29	4.58	2.63	0.79	0.32	0.11	0.00	53.30
Sedgemoor District Council	18.84	12.94	7.32	3.27	2.29	1.14	0.42	0.16	0.10	46.50
South Somerset District Council	20.65	13.22	6.49	3.53	2.18	1.25	0.42	0.02	0.02	47.77
Taunton Deane Borough Council	23.72	11.02	6.58	3.23	1.77	0.66	0.35	0.23	0.04	47.58
West Somerset Council	16.66	10.73	5.51	3.28	2.37	1.11	0.63	0.00	0.00	40.28
Grand Total	21.36	12.45	6.79	3.57	2.20	1.00	0.40	0.11	0.04	47.91

Shown as a %age of total	Bronze										Bronze Total	Grand Total
	1	2	3	4	5	6	7	8	9	10		
Household Number												
Mendip District Council	13.92	11.42	6.50	5.34	1.71	0.89	0.08	0.03	0.00	0.00	39.91	100.00
Sedgemoor District Council	14.17	14.65	9.59	6.66	2.31	1.04	0.10	0.06	0.02	0.00	48.61	100.00
South Somerset District Council	15.43	12.70	7.69	5.23	1.98	0.62	0.13	0.03	0.00	0.00	43.82	100.00
Taunton Deane Borough Council	16.26	13.93	7.79	5.03	2.01	0.72	0.10	0.04	0.02	0.00	45.91	100.00
West Somerset Council	19.86	15.26	9.34	5.64	1.74	0.63	0.28	0.00	0.00	0.07	52.82	100.00
Grand Total	15.35	13.39	8.06	5.57	2.00	0.79	0.12	0.04	0.01	0.00	45.34	100.00

**6c Adverts By Landlord and bedroom number (Numbers) 2010-11**

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	Studio	Total
Falcon Rural Housing Association	3	8	2					13
Flourish Homes	167	142	49	4			2	364
Guinness Hermitage	3	1						4
Hastoe HA	2	64	46					112
Homes in Sedgemoor	207	106	94	20	2		53	482
Jephson HA	5	26	13	3				47
Kennet Housing Society	5	1	2					8
Kilmersdon Rural Housing Association	3	2	1					6
Knightstone HA	54	70	41	7			11	183
Magna (West Somerset)	59	128	27	4	1		1	220
Magna HA Ltd	7	27	10	2				46
Places For People	6	11						17
Raglan HA Ltd	64	213	67	7				351
Redland HA		1	1	1				3
Sanctuary HA	29	131	5				2	167
Selwood Housing		1						1
SHAL	12	24	21	2				59
Signpost HA	31	19	9					59
Somer Community Housing Trust	1	1	1					3
Southwestern Housing Society		11	4					15
Sovereign HA	7	22	18	2				49
Taunton Deane Borough Council	173	163	54	3	1			394
The Alexander Every`s Almshouses Charitable Trust		1						1
Western Challenge HA	6	6	4					16
William Sutton Homes		2						2
Wyvern Rural Housing Association		1						1
Yarlington Housing Group	525	502	331	6		9	12	1385
<b>Grand Total</b>	<b>1369</b>	<b>1684</b>	<b>800</b>	<b>61</b>	<b>4</b>	<b>9</b>	<b>81</b>	<b>4008</b>

**6d Adverts By Landlord and bedroom number (Percentage) 2010-11**

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	Studio	Total
Falcon Rural Housing Association	0.07	0.20	0.05	0.00	0.00	0.00	0.00	<b>0.32</b>
Flourish Homes	4.17	3.54	1.22	0.10	0.00	0.00	0.05	<b>9.08</b>
Guinness Hermitage	0.07	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.10</b>
Hastoe HA	0.05	1.60	1.15	0.00	0.00	0.00	0.00	<b>2.79</b>
Homes in Sedgemoor	5.16	2.64	2.35	0.50	0.05	0.00	1.32	<b>12.03</b>
Jephson HA	0.12	0.65	0.32	0.07	0.00	0.00	0.00	<b>1.17</b>
Kennet Housing Society	0.12	0.02	0.05	0.00	0.00	0.00	0.00	<b>0.20</b>
Kilmersdon Rural Housing Association	0.07	0.05	0.02	0.00	0.00	0.00	0.00	<b>0.15</b>
Knightstone HA	1.35	1.75	1.02	0.17	0.00	0.00	0.27	<b>4.57</b>
Magna (West Somerset)	1.47	3.19	0.67	0.10	0.02	0.00	0.02	<b>5.49</b>
Magna HA Ltd	0.17	0.67	0.25	0.05	0.00	0.00	0.00	<b>1.15</b>
Places For People	0.15	0.27	0.00	0.00	0.00	0.00	0.00	<b>0.42</b>
Raglan HA Ltd	1.60	5.31	1.67	0.17	0.00	0.00	0.00	<b>8.76</b>
Redland HA	0.00	0.02	0.02	0.02	0.00	0.00	0.00	<b>0.07</b>
Sanctuary HA	0.72	3.27	0.12	0.00	0.00	0.00	0.05	<b>4.17</b>
Selwood Housing	0.00	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.02</b>
SHAL	0.30	0.60	0.52	0.05	0.00	0.00	0.00	<b>1.47</b>
Signpost HA	0.77	0.47	0.22	0.00	0.00	0.00	0.00	<b>1.47</b>
Somer Community Housing Trust	0.02	0.02	0.02	0.00	0.00	0.00	0.00	<b>0.07</b>
Southwestern Housing Society	0.00	0.27	0.10	0.00	0.00	0.00	0.00	<b>0.37</b>
Sovereign HA	0.17	0.55	0.45	0.05	0.00	0.00	0.00	<b>1.22</b>
Taunton Deane Borough Council	4.32	4.07	1.35	0.07	0.02	0.00	0.00	<b>9.83</b>
The Alexander Every's Almshouses Charitable Trust	0.00	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.02</b>
Western Challenge HA	0.15	0.15	0.10	0.00	0.00	0.00	0.00	<b>0.40</b>
William Sutton Homes	0.00	0.05	0.00	0.00	0.00	0.00	0.00	<b>0.05</b>
Wyvern Rural Housing Association	0.00	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.02</b>
Yarlington Housing Group	13.10	12.52	8.26	0.15	0.00	0.22	0.30	<b>34.56</b>
<b>Grand Total</b>	<b>34.16</b>	<b>42.02</b>	<b>19.96</b>	<b>1.52</b>	<b>0.10</b>	<b>0.22</b>	<b>2.02</b>	<b>100.00</b>

**6e Adverts By Local Authority and bedroom number (Numbers) 2010-11**

	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>	<b>5 Bedroom</b>	<b>6 Bedroom</b>	<b>Studio</b>	<b>Total</b>
Mendip District Council	207	203	73	3			2	<b>491</b>
Sedgemoor District Council	260	416	165	28	2		53	<b>924</b>
South Somerset District Council	596	688	426	13		9	14	<b>1746</b>
Taunton Deane Borough Council	254	304	108	13	1		11	<b>691</b>
West Somerset Council	52	73	28	4	1		1	<b>159</b>
<b>Grand Total</b>	<b>1369</b>	<b>1684</b>	<b>800</b>	<b>61</b>	<b>4</b>	<b>9</b>	<b>81</b>	<b>4008</b>

**6f Adverts By Local Authority and bedroom number (Percentage) 2010-11**

	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>	<b>5 Bedroom</b>	<b>6 Bedroom</b>	<b>Studio</b>	<b>Total</b>
Mendip District Council	5.16	5.06	1.82	0.07	0.00	0.00	0.05	<b>12.25</b>
Sedgemoor District Council	6.49	10.38	4.12	0.70	0.05	0.00	1.32	<b>23.05</b>
South Somerset District Council	14.87	17.17	10.63	0.32	0.00	0.22	0.35	<b>43.56</b>
Taunton Deane Borough Council	6.34	7.58	2.69	0.32	0.02	0.00	0.27	<b>17.24</b>
West Somerset Council	1.30	1.82	0.70	0.10	0.02	0.00	0.02	<b>3.97</b>
<b>Grand Total</b>	<b>34.16</b>	<b>42.02</b>	<b>19.96</b>	<b>1.52</b>	<b>0.10</b>	<b>0.22</b>	<b>2.02</b>	<b>100.00</b>

### Appendix 3 – Tenancy Strategy Action Plan

Action	To complete by	Resource	Output
LA's to carry out feasibility study for use of Housing Options Wizard	October 2012	AH – via Op Group, HMG and Monitoring Board	This will provide a clear specification of the work required to implement the housing options wizard including costs and inputs from all partners.
Develop a comprehensive end of tenancy appraisal mechanism and principles. Waiting for Regulations, some social landlords have already developed a Framework; Tenants need to know offer, will be in Tenancy Policy. General Principles/Framework Interaction between Social Landlords and Housing Options Teams	Dec 2012	LAs to draft in consultation with landlords – use information from this document	End of tenancy checklist for social landlords Clear guidance/principles on what should and shouldn't be taken into account at end of tenancy review The circumstances that social landlords should have regard to in terms of vulnerabilities when undertaking tenancy reviews
Development of mechanism for provision of standard housing options advice at the end of the tenancy.	Dec 2012	HMG	The implementation of the Housing Options wizard
LA's to create standard procedures for housing advice teams	Dec 2012	As above	Consistency of approach when dealing with applicants/tenants affected by tenure/rent type changes.



# Countywide Tenancy Strategy

June 2012

**Document Approval**

<b>Group</b>	<b>Date</b>
Core Group	1/12/11
Project Team	7/12/11
Core Group	14/12/11
Somerset Strategic Housing Officers Group for consultation	22/12/11
Somerset Strategic Housing Programme	24/4/12

**Version Control**

<b>Version</b>	<b>Author</b>	<b>Review</b>	<b>Reason For Issue</b>	<b>Date</b>
0.5	Anne Harland & Tracy Vernon		1 <sup>st</sup> draft	29/11/11
1.0	AH/TV		As amended by Core Group meeting 1/12/11	2/12/11
1.1	AH/AD/Project Team		As amended by Project Team 7.12.11	8.12.11
1.2	AH/Core Group		As amended by Core team 14.12.11	14.12.11
1.2.1	AH/Core Group		Minor typo errors following Core group	5.1.12
1.3	AH/Core Group		Post Consultation Amendments	1.3.12
1.4	AH/Core Group		Final Amendments following Equality Analysis	5.4.12
1.0 Final Strategy	AH		Amended into Final Document	4.6.12
1.1 Final Strategy	AH		Following Review by Sally McCarthy	12.6.12

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## 1. Context

### 1.1 Background

1.1.1 The Localism Act<sup>1</sup> included a number of changes relating to social housing provision and allocation:

- Housing allocation reform
- Housing tenure reform
- Reform of homelessness legislation
- Reform of Council Housing Finance
- National Home Swap Scheme
- Reform of social housing regulation

1.1.2 Within the provisions for housing tenure reform is a requirement for local housing authorities to produce a Tenancy Strategy.

*Section 150 Localism Act 2011*

*(1) A local housing authority in England must prepare and publish a strategy (a "tenancy strategy") setting out the matters to which the registered providers of social housing for its district are to have regard in formulating policies relating to-*

- (a) the kinds of tenancies they grant*
- (b) the circumstances in which they will grant a tenancy of a particular kind,*
- (c) where they grant tenancies for a term certain, the lengths of the terms, and*
- (d) the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.*

The five local housing authorities within Somerset are as follows:

- Mendip District Council
- Sedgemoor District Council
- South Somerset District Council
- Taunton Deane Borough Council
- West Somerset Council

The Councils have agreed through the Somerset Strategic Housing Programme to produce a single Tenancy Strategy that all social landlords<sup>2</sup> need to have regard to when framing and reviewing their own Tenancy Policies.

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<sup>1</sup> Localism Act <http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted> Part 7

<sup>2</sup> Social Landlords are Housing Associations and for the purposes of this document also include Taunton Deane Borough Council as a stock holding landlord.

## **1.2 Tenancy Strategy Key Principles - Summary**

1.2.1 We have worked with social landlords in Somerset to create the Key principles for the strategy. These were initially released within an Strategy to help social landlords draw up their own tenancy policies.

The agreed Key Principles are as follows:

- *Social landlords will generally be expected to offer tenancies of general needs properties of no less than 5 years following a 12 month probationary period.*
- *Social landlords can only offer tenancies of less than 5 years, but no less than 2 years, in exceptional circumstances, which must be clearly set out in the social landlords Tenancy Policy.*
- *There is an expectation that social landlords will protect existing tenants' security as far as the regulations allow. Social landlords are expected to have a clear statement within their tenancy policy regarding the security of tenure they would offer a tenant transferring from another social landlord.*
- *Those social landlords who have an Homes & Communities Agency (HCA) agreement should have regard to affordability issues within the geographic area of the vacancy when deciding which properties to re-let at Affordable Rents and should state how they will do this within their Tenancy Policy.*
- *Social landlords should take into account the needs of vulnerable applicants (including families with children to avoid disruptive changes, older people, people with long-term illness or disability or a member of their household affected by) when granting fixed term tenancy agreements, and make clear within their Tenancy Policies how this will be done.*
- *Social landlords will undertake a Comprehensive Appraisal of all Fixed Term Tenancies before issuing Notice at the end of a Fixed Term Tenancy.*
- *The key principles of the Comprehensive Appraisal will be developed with social landlords.*
- *The Comprehensive Appraisal will consider relevant options e.g .issuing a replacement tenancy, home ownership, property sale to the tenant, supported housing, housing in the private rented sector etc.*
- *There is a presumption that, following the Comprehensive Appraisal social landlords will renew the tenancy wherever appropriate.*
- *The expectation when re-issuing a tenancy, is that as a minimum, the existing tenure type will be maintained.*

- *Any new Tenancy issued after an initial Fixed Term Tenancy should have regard to an applicant's circumstances (vulnerability, financial etc.) at the time of appraisal.*
  - *Social landlords are expected to give at least 6 months notice to the tenant before the expiry of the tenancy if the social landlord will not be granting a new tenancy at the end of the fixed term.<sup>3</sup> Where a tenancy will end Social landlords are expected to follow the existing Somerset Pre-Eviction Protocol (to be reviewed).*
  - *Social landlords must give the Local Housing Authority Housing Options team advance warning of the expiry of the tenancy if they do not wish to grant a new tenancy at the end of the fixed term.*
  - *Social landlords will publish clear and accessible policies and procedures to support their Tenancy Policies.*
  - *The Local Authority partners will develop robust mechanisms to monitor allocations against the Key Principles.*
  - *Social Landlords will provide relevant data to help with monitoring, which will include the number of complaints and requests for review.*
  - *Partners to this Tenancy Strategy support the promotion of 'downsizing' through incentives and encourage social landlords and Local Authority Landlords to review under-occupation at the end of Fixed Term tenancy.*
  - *This Strategy recognises the Partnership of Homefinder Somerset. It is acknowledged that the Strategic and Operational groups will deal with any anomalies and issues arising from the implementation of the Tenancy Strategy and Tenancy Policies.*
  - *It is an expectation that all Affordable Rent and social rented properties will initially be advertised through Homefinder Somerset.*
  - *It is expected that properties will be let in accordance with the way in which they are advertised.*
- 1.2.2 The Tenancy Strategy takes account of the Regulatory Framework for tenure as set out by the Homes and Communities Agency and the final directions on regulatory standards issue by the government<sup>4</sup>.
- 1.2.3 The Somerset Strategic Housing Programme ) is a framework of strategic housing projects aimed at achieving substantial improvements within housing in Somerset by collaborative working both within local authorities and with our partners.

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<sup>3</sup> Localism Act 2011 Part 7, Chapter 2 Section 154, 107D (3)

<sup>4</sup> [http://www.homesandcommunities.co.uk/sites/default/files/our-work/regulatory\\_framework\\_2012.pdf](http://www.homesandcommunities.co.uk/sites/default/files/our-work/regulatory_framework_2012.pdf)

- 1.2.4 The principle of joint working has long been established within the strategic housing function across Somerset. The Programme builds on this solid foundation to seek the most sustainable and cost-effective structures for delivering housing services across Somerset, maximising benefits of scale whilst also delivering good quality, locally based services.
- 1.2.5 It has long been recognised that Strategic Housing is important to maximising opportunities to improve the Health and Wellbeing of people living and working in Somerset. Strategic Housing provides opportunities for people to live in decent, warm & affordable homes, whether new-build, social housing or in the private sector, or in sustainable communities. Strategic housing also ensures that current & future housing is sustainable by developing housing that is affordable, reducing homelessness & improving access to services for vulnerable adults.
- 1.2.6 The Tenancy Strategy has taken account of the existing countywide Homelessness Strategy (2008-11)<sup>5</sup> which is currently being updated. A countywide Housing Strategy Framework is in development and will take account of this Tenancy Strategy.
- 1.2.7 All the Somerset authorities will in some way be impacted by the proposed development of the Hinkley Point C nuclear power station (if full planning permission is granted) The housing markets in the Sedgemoor, West Somerset and Taunton Deane Housing Authority areas will be most dramatically affected by this development.
- 1.2.8 EDF Energy's workforce assumptions regarding the scale of temporary workforce are that the lifetime of the project is likely to require some 26,600 full time equivalent (FTE) workers across the lifetime of the build project with a peak of 5600 FTE on site by 2016. Of this number it is agreed that an estimated 34% could be home-based leaving 66% (approximately 3700 workers) requiring accommodation in the local area. The analysis undertaken by EDF includes geographic areas represented by a sixty minute travel zone to Hinkley Point and includes Sedgemoor, West Somerset, Mendip and Taunton Deane.<sup>6</sup> We also believe that there is potential for South Somerset to be affected because parts of the South Somerset area are within the sixty minute drive time as identified in EDF documentation.
- 1.2.9 All the Somerset Housing Authorities aim to make best use of existing resources to try to ensure that there is a sufficient supply and range of decent accommodation to meet demand. Any development such as Hinkley Point needs to be considered in the context of local needs in order to avoid exacerbating pressures on provision of housing.

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<sup>5</sup> Making Homes, Helping People Changing Lives (Somerset Homelessness Review & Prevention Strategy 2008-2011) <http://www.westsomersetonline.gov.uk/getattachment/Housing/Housing-Strategies-and-Policies/Somerset-Homeless-Review-Strategy.pdf.aspx>

<sup>6</sup> [EDF Energy Proposed Development at Hinkley Point – Additional Information](#)

- 1.2.10 In 2008 the Strategic Housing Market Assessment highlighted data from 2006 to show a demand in the private rented sector from households aged under 30 years old. More recent data from Homefinder Somerset supports this finding although there are still high levels of demand from the 30s to 40s age bracket. This heightens concern that the demand from Hinkley workers for accommodation will have a particular impact on the under 40s who are reliant on low cost accommodation in the affected areas.<sup>7</sup>
- 1.2.11 Analysis of the Homefinder Somerset register has shown that the profile of applicants shows a majority are 1 and 2 person households<sup>8</sup>. The Tenancy Strategy focuses on ensuring that these groups are not disadvantaged by conversions to Affordable Rents. Particularly since this same group will be affected by the demand for private sector accommodation introduced by the proposed Hinkley Point power station and it is in the lower bedroom sizes that Local Housing Allowance (LHA) rates usually exceed 80% market rents.
- 1.2.12 The analysis of Homefinder Somerset property advert data has also shown that 1 and 2 bedroom properties make up the majority of property adverts<sup>9</sup>. The strategy may further need to determine if these properties make up the larger share of Affordable Rented lets and if so for what length of tenure. Single applicants will be further affected by the changes to LHA rates in January 2012 when the shared accommodation rate that currently applies to single people under the age of 25 living in private rented accommodation was extended to people aged under 35. This could leave many single applicants in private rented accommodation that they cannot afford and place further demands on the supply of social/affordable rented accommodation.
- 1.2.13 Where larger family homes (3 / 4 bed and above) are advertised at Affordable Rent levels then the flexible tenancy may need to be longer to reflect the family nature of the accommodation. To avoid shortfalls in benefits the Strategy focuses on reducing the Affordable Rent percentage in the larger properties across those districts. Under Government changes to Housing Benefit Regulations referred to in paragraph 1.2.12 above, for under 35s there will be an increase in people seeking shared accommodation and an overall reduction in single persons under 35 seeking, or being able to afford, self contained accommodation from January 2012.<sup>10</sup>

### **1.3 Methodology**

- 1.3.1 Building on the strong relationships that already exist between the Somerset Local Housing Authorities and the social landlords, the Tenancy Strategy was developed

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<sup>7</sup> EDF (2011) Draft Accommodation Strategy

<sup>8</sup> See Analysis of Homefinder Somerset Housing Register & CBL Data

<sup>9</sup> See Analysis of Homefinder Somerset Housing Register & CBL Data

<sup>10</sup> [http://www.direct.gov.uk/en/NI1/Newsroom/DG\\_192415](http://www.direct.gov.uk/en/NI1/Newsroom/DG_192415)

collaboratively by involving both social landlords and other key stakeholders, especially in the production of the Key Principles. This has been achieved through a Project Team made up of the following organisations:

- Mendip District Council (Project Sponsor, and representing the Somerset Enablers Group)
- South Somerset District Council
- Sedgemoor District Council
- West Somerset Council (representing Somerset Homeless Managers Group)
- Yarlington Housing Group
- Hastoe Housing Association
- Homes in Sedgemoor (ALMO for Sedgemoor District Council)
- Taunton Deane Borough Council - Landlord
- Knightstone Housing Association
- Raglan Housing Association
- Flourish Homes
- Magna West Somerset Housing Association
- Shelter
- South Somerset CAB

In developing this Tenancy Strategy together we have had regard to our Homefinder Somerset Choice Based Lettings (CBL) partnership allocation scheme<sup>11</sup> and the existing homelessness strategy.

1.3.2 Partners to this Tenancy Strategy recognise that a strategy alone is insufficient. Strong and effective partnerships will be important to the implementation and monitoring of both the Tenancy Strategy and individual social landlord tenancy policies. Joint working is also required to ensure that any risks and unintended consequences are addressed promptly and effectively within the review mechanism for this Tenancy Strategy.

1.3.3 The evidence to support the Tenancy Strategy is listed within Appendix 2.

#### **1.4 Aim of this Strategy**

1.4.1 The Tenancy Strategy is intended to provide guidance to social and other landlords operating in Somerset, informing their policies and practices to produce lettings for customers that meet local housing need and improve market functioning in the County. It should also prove invaluable to policy makers and property professionals.

#### **1.5 Scope of the Strategy**

1.5.1 This Tenancy Strategy covers the following key areas regarding social landlords:

- a) the kinds of tenancies they grant;

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<sup>11</sup> Homefinder Somerset Allocations Policy <http://www.homefindersomerset.co.uk/Data/ASPPages/1/107.aspx>

- b) the circumstances in which they will grant a tenancy of a particular kind;
- c) where they grant tenancies for a fixed term, the lengths of the terms; and
- d) the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

1.5.2 We have structured the Tenancy Strategy around agreed Key Principles that summarise the issues that social landlords should have regard to when framing their own tenancy policies.

## 1.6 Governance

1.6.1 Individual social landlords are responsible for their own Tenancy Policies. We have also set out in appendix 1<sup>12</sup> the details of where the tenancy policies of social landlords operating within the Somerset area can be found. We propose that the Homefinder Somerset Monitoring Board will be responsible for monitoring and reviewing the Tenancy Strategy on behalf of the Somerset local housing authorities.

1.6.2 The Tenancy Strategy is produced will be reviewed every three years<sup>13</sup> with the results being discussed by the Homefinder Somerset Monitoring Board and that Board recommending changes to the Somerset Strategic Housing Group.<sup>14</sup>

1.6.3 The review of evidence moving forward will include (but not be limited to) monitoring of trends in:

- Housing needs
- Homelessness (aligning with Homeless Strategy)
- Reviewing effectiveness of allocation policy (and aligning with any changes)
- Rent levels across all tenures
- Social landlords activity
- Number of new homes built including affordable, and which tenure(s)
- Changing trends in housing and benefit paid, including proposals for the Universal Credit
- Lettings of Affordable Rents including number of bids and acceptances
- Outcomes of Reviews e.g. number tenancies re-issued, no of under occupied properties recycled
- Site viability

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<sup>12</sup> Localism Act 2011 Part 7, Chapter 2 Section 150 (2)

<sup>13</sup> Localism Act Part 7, Chapter 2 section 150 (5).

<sup>14</sup> The Somerset Strategic Housing Officers Group (SSHG) is made up the 5 local housing authorities (District) and the County Council, together with NHS Somerset (PCT)

## 1.7 Legal Context

1.7.1 Alongside the requirements of the Localism Act, the Homes and Community Agency (HCA) has agreed programmes for the delivery of new affordable housing over the next 4 years with social landlords. All new homes built with HCA subsidy are expected to be offered at Affordable Rents - up to 80% of the market rent. In addition social landlords may increase rents on a percentage of re-let properties. Social landlords are also encouraged to take a more proactive approach to managing their stock, including disposal of stock where this will release funds to invest in new homes.

1.7.2 The Tenancy Strategy has adopted the definition of Affordable Housing as set out in the draft National Planning Policy Framework (or subsequent updates of that definition in the National Planning Policy Framework) which replaces PPS3 and states that Affordable Housing is;

**'Affordable housing:** Social rented, Affordable Rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.'

- *Social rented housing* is owned by local authorities and private registered providers, for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.
- *Affordable Rented housing* is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).
- *Intermediate housing* is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not Affordable Rented housing.<sup>15</sup>

1.7.3 Social landlords who have entered into a contract with the HCA to deliver new homes will be able to offer fixed term tenancies at Affordable Rents with a minimum 5 year length<sup>16</sup> as well as life time tenancies at Affordable Rents on new properties and conversion of some of their existing stock. The Government has stated that only

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<sup>15</sup> Draft National Planning Policy Framework Glossary

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/1951811.pdf>

<sup>16</sup> A 2 year minimum period may be used in exceptional circumstances.

<http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(4)(a)

in exceptional cases will the term be less than five years and these circumstances would need to be set out within the social landlords' Tenancy Policy.<sup>17</sup>

- 1.7.4 Social landlords who are not developing, or developing without HCA resources can either continue to offer assured lifetime tenancies or flexible tenancies from April 2012.
- 1.7.5 Social landlords will continue to be able to offer introductory tenancies.
- 1.7.6 These changes will mean that properties will be available on the Homefinder Somerset CBL scheme at different rent levels and with different tenures depending on the social landlord arrangements with the HCA and social landlords own tenancy policies. Additional advert symbols (highlighting Affordable Rent and fixed term tenure) together with applicant guidance notes on Affordable Rent and fixed term tenure have been made available through the Homefinder Somerset CBL scheme.
- 1.7.7 Existing tenants who remain in their existing homes will not be affected by Affordable Rents/tenure change, and will retain their security of tenure if they move to another social rented home. However they will reduce their security of tenure if they move to a home let at an Affordable Rent which also has a Fixed Term Tenancy<sup>18</sup>.
- 1.7.8 Mutual exchange tenants are protected within the Localism Act<sup>19</sup> such that they will retain their security of tenure when they move, subject to the relevant Guidance.
- 1.7.9 Note that under the Allocation of Accommodation Guidance issued in December 2011 (consultation draft) stockholding local authorities are encouraged to use flexible tenancies to support households in low paid employment and incentivise others to take up employment opportunities. It will be for Sedgemoor District Council and Taunton Deane Borough Council to decide on how they implement this.<sup>20</sup>

## 1.8 Consultation

- 1.8.1 The Localism Act 2011 requires that Local Housing Authorities consult with social landlords and other agencies on the content and give them a reasonable opportunity to comment.<sup>21</sup>

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<sup>17</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(d)

<sup>18</sup> Final Direction on Tenure <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A (2)(4)(d)

<sup>19</sup> Localism Act 2011 Part 7, Chapter 2, Section 158 (9)

<sup>20</sup> <http://www.communities.gov.uk/documents/housing/pdf/2060702.pdf>

<sup>21</sup> Localism Act 2011 Part 7, Chapter 2 Section 151

- 1.8.2 The Tenancy Strategy was released for consultation in January 2012. This final version of the strategy takes account of comments received during the consultation period.

## 2. The Evidence Base

- 2.1 We have included at Appendix 2 evidence that we believe supports the Key Principles we have included within the Tenancy Strategy. The evidence referred to seeks to provide information about the local housing markets that operate within Somerset together with other national indicators.

## 3. Tenancy Strategy Key Principles

### 3.1 Length of Fixed Term Tenancy

- 3.1.1 ***Social landlords will generally be expected to offer tenancies of general needs properties of no less than 5 years following a 12 month probationary period.***
- 3.1.2 ***Social landlords can only offer tenancies of less than 5 years, but no less than 2 years, in exceptional circumstances, which must be clearly set out in the social landlords Tenancy Policy.*** The social landlord will be expected to demonstrate within their Tenancy Policy, how any tenancy of less than five years can be managed in order to minimise adverse impact on local community cohesion, the sustainability of that community and homelessness. An Equality Analysis will also be required in order to show how any adverse impact on the vulnerable groups will be prevented.<sup>22</sup>
- 3.1.3 ***There is an expectation that social landlords will protect existing tenants' security as far as the regulations allow.*** Social landlords are expected to have a clear statement within their tenancy policy regarding the security of tenure they would offer a tenant transferring from another social landlord.<sup>23</sup>
- 3.1.4 The Somerset Strategic Housing Partnership Affordable Housing Programme 2011-2015 Investment Policy (paragraph 18.14) sets out guidelines on creating and maintaining stable, mixed and balanced communities, encouraging social landlords to provide minimum period tenancies appropriate to the needs of the household, dwelling type and location within Somerset.<sup>24</sup>
- 3.1.5 Collectively the five Somerset Local Housing Authorities together with social landlords agreed that a flexible non prescriptive approach on fixed term tenancies should be adopted, with a minimum of five years following a 12 month probationary period. This will allow a reasonable length of security to enable some tenants to plan

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<sup>22</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(d)

<sup>24</sup> See [Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines](#)

<sup>24</sup> See [Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines](#)

ahead taking account of future options. Allowing social landlords the freedom to allocate more flexible tenancies based on local need within each of the five districts but retaining the discretion to offer tenancies on a lifetime basis. Combined with an Affordable Rent model social landlords will be able to offer a range of housing options, whilst raising extra rents to invest in new building.

### 3.2 Affordable Rents

3.2.1 ***Those social landlords who have an HCA agreement should have regard to affordability issues within the geographic area of the vacancy when deciding which properties to re-let at Affordable Rents and should state how they will do this within their Tenancy Policy.***<sup>25</sup>

3.2.2 The Tenancy Strategy has adopted the definition of Affordable Housing as set out in the draft National Planning Policy Framework (as set out in section 1.7.2).

3.2.3 Affordable Rents must be no more than 80% of market rents, including service charges. When setting an Affordable Rent, Landlords should have regard to Local Housing Allowance (LHA) rates within the area of the property being let.

3.2.4 We have not provided any definition of affordability within this Tenancy Strategy but would expect social landlords to have regard to the evidence provided at Appendix 2 regarding affordability issues and availability of private rented accommodation when setting their Affordable Rent levels.

### 3.3 Vulnerable Groups

3.3.1 ***Social landlords should take into account the needs of vulnerable applicants (including families with children to avoid disruptive changes, older people, people with long-term illness or disability or a member of their household affected by) when granting fixed term tenancy agreements, and make clear within their Tenancy Policies how this will be done.***<sup>26</sup> In addition when issuing and reviewing tenancies social landlords should have regard to the long term housing needs of vulnerable groups, including those that require adapted properties.

3.3.2 This principle ties in closely with the existing Sub-Regional Homelessness Strategy – ‘Making Homes, Helping People, Changing Lives (Somerset Homelessness Review & Prevention Strategy 2008-2011) sets out the local strategic aims to achieve positive outcomes in the support for vulnerable people. The action plan to prevent homelessness focuses on the following key priorities<sup>27</sup>:

- Floating support services
- Homeless prevention

<sup>25</sup> See [Shelter Private Rent Watch - Report one: Analysis of local rent levels and affordability October 2011](#)

<sup>26</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(g)

<sup>27</sup> <http://www.westsomersetonline.gov.uk/getattachment/Housing/Housing-Strategies-and-Policies/Somerset-Homeless-Review-Strategy.pdf.aspx> Action plan page 56 onwards.

- Improved access to the Private Rented Sector
- Improved access to appropriate housing
- Improve protocols and partnerships to tackle homelessness

3.3.3 In addition the South West Regional Housing Strategy 2005-2016 supports action to tackle homelessness and to reduce the use of Temporary Accommodation through investment in new social rented housing and by promoting positive models of prevention and address homeless prevention services for vulnerable groups.<sup>28</sup>

### 3.4 Comprehensive End of Tenancy Appraisal

3.4.1 ***Social landlords will undertake a Comprehensive Appraisal of all Fixed Term Tenancies before issuing Notice at the end of a Fixed Term Tenancy.***<sup>29</sup>

3.4.2 ***The key principles of the Comprehensive Appraisal will be developed with social landlords.*** Both the Local Housing Authority partners and social landlords could benefit from a structured approach to housing options advice. The current Homefinder Somerset system provider (Abitas) facilitates housing options advice provision through a system module that can be tailored to provide applicants and tenants with a printed housing options report, setting out the next steps they would need to take regarding their housing. This could be used as part of the 'End of Tenancy Appraisal' to provide social landlords with a clear decision path for sustaining tenancies and tenants with clear housing options advice.

There are two ways in which this may be utilised:

#### **Initial presentation for housing advice**

The applicant presents to the Local Housing Authority requesting housing options advice or to join the register. Before they can join the register the applicant is invited to complete a housing options online questionnaire which will then alert them to the best housing option available and include an indication (based on their circumstances) of how long they may have to wait if they joined the housing register. This will help to manage expectations and also highlight to applicants the other options available.

#### **Tenancy Assessment for Flexible Tenancy**

When a tenant is coming up to their 6 months assessment period with a landlord, Homefinder Somerset will flag up to landlords that a 6 month assessment is required, from the data logged when the applicant was initially housed.

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<sup>28</sup> <http://www.swslim.org.uk/documents/themes/lt12-housingstrategy.pdf>

<sup>29</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(e)

The landlord is required to provide housing options advice to the tenant but may wish to extend the tenancy if the review proves successful. In these circumstances the tenant can complete the housing options assessment. This assessment will look at the following:

- financial circumstances to see if they can afford a different housing options
- Household size
- Medical/welfare issues
- Any other key circumstances

Once completed the assessment can then advise the applicants of other possible housing options that would suit their circumstances (including 80% market rents) OR justify the landlord in issuing a new tenancy.

Landlords can have a PDF copy of the housing options report to attach to the tenancy file within their housing management systems if necessary (as a record) and access the housing options module (including its set up) for an increase in the advert fee or a one off charge.

3.4.3 ***The Comprehensive Appraisal will consider relevant options e.g. issuing a replacement tenancy, home ownership, property sale to the tenant, supported housing, housing in the private rented sector etc.***<sup>30</sup>

3.4.4 There is a great deal of uncertainty around how frequently fixed term/flexible tenancies will be renewed. This is likely to depend on a number of factors, including the:

- i. criteria social landlords adopt for their lettings policies; and
- ii. the circumstances of tenants that are granted flexible tenancies and the way these evolve over the period before reviews.

3.4.5 One of the grounds that might lead landlords to decide not to renew a flexible tenancy could be a large and sustained increase in income. Other grounds could include household composition, e.g. number of inhabitants and their age, and suitability of accommodation. Factors that could be taken into account in renewing a flexible tenancy might include age of occupiers, having dependent children, and health of the tenant.<sup>31</sup> Further examples are set out below.

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<sup>30</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(h)

<sup>31</sup> Amended from work done by St Edmundsbury DC

<http://www.stedmundsbury.gov.uk/sebc/say/pdf/PublicConsultation/110915TS%20Consultation%20Final.PDF>

Criteria	Explanatory Notes
Property under occupied	Potentially tenants, such as young couple or families may be allowed to under occupy in order to allow the family to grow into the house and have a firm base in the area. A range of occupation levels may also help contribute to balanced communities.
Property over occupied	To prevent low quality housing conditions developing.
Suitability of property	Is the property/services/facilities still suitable for the current tenant?
When a tenant requires re-housing in a more suitable/appropriate location	This scenario is likely to be picked up and dealt with through housing management measures before the need not to renew a tenancy occurs. Examples might include Domestic Abuse cases/witness protection/antisocial behaviour
Tenant change in circumstances	For example when a tenant has demonstrably a high enough income to comfortably afford (for example purchase) market housing and arguably the affordable house would be better used by somebody in greater need.

3.4.6 ***There is a presumption that, following the Comprehensive Appraisal social landlords will renew the tenancy wherever appropriate.***

3.4.7 It is generally accepted that creating high turnover in the housing stock is not desirable – for the Local Housing Authority keeping people in established communities is more sustainable and for the social landlords it helps to keep costs down for their business model. Therefore the occurrences when tenancies are not renewed (i.e. granting a new fixed term/flexible tenancy at the end of the original term) are likely to be the exception and not the rule. This will also be important in ensuring that homelessness is minimised (one of the principle reasons for homelessness is the termination of existing Assured Shorthold Tenancies in the private sector).

### 3.5 Renewing a Tenancy

3.5.1 ***The expectation when re-issuing a tenancy, is that as a minimum, the existing tenure type will be maintained.*** Principle 3.3 would still apply in terms of addressing the needs of vulnerable groups.

3.5.2 ***Any new Tenancy issued after an initial Fixed Term Tenancy should have regard to an applicant's circumstances (vulnerability, financial etc) at the time of appraisal.***

### **3.6 Notice Period**

- 3.6.1 Legal requirements to end a tenancy will be a matter for the social landlord concerned but social landlords will be expected to refer to the following key principles when ending tenancies.
- 3.6.2 ***Social landlords are expected to give at least 6 months notice to the tenant before the expiry of the tenancy if the social landlord will not be granting a new tenancy at the end of the fixed term.<sup>32</sup> Where a tenancy will end social landlords are expected to follow the existing Somerset Pre-Eviction Protocol (to be reviewed).***
- 3.6.3 ***Social landlords must give the Local Housing Authority Housing Options team advance warning of the expiry of the tenancy if they do not wish to grant a new tenancy at the end of the fixed term.***
- 3.6.4 The advance warning process will be developed as part of the Comprehensive Tenancy Appraisal.
- 3.6.5 The Governments latest figures on statutory homelessness in England show that there has been an increase in the number of households applying to councils for help with re-housing (an increase of 14% in the last year). There has also been a 26% increase in the number of households accepted as homeless who are still waiting for re-housing by the local authority.<sup>33</sup>
- 3.6.6 Analysis of Somerset homeless statistics shows that termination of AST private sector tenancies is the main reason for homelessness and is increasing when compared to 2010-11.<sup>34</sup>

### **3.7 Appeals /Reviews Offers/Notice**

- 3.7.1 Social landlords should set out in their Tenancy Policy the way in which the tenant or prospective tenant may appeal against or complain about the length of fixed term tenancy offered and the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term.<sup>35</sup>
- 3.7.2 Social landlords will also be responsible for dealing with any requests for a review of their decision to end a fixed term tenancy or on the length of tenancy offered to a prospective tenant under Section 154, 107B of the Localism Act.<sup>36</sup> We would expect the processes for these requests to be made clear in social landlords Tenancy Policies.

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<sup>32</sup> Localism Act 2011 Part 7, Chapter 2 Section 154, 107D (3)

<sup>33</sup> <http://www.communities.gov.uk/publications/corporate/statistics/homelessnessq22011>

<sup>34</sup> Somerset P1E Homeless Statistics

<sup>35</sup> <http://www.communities.gov.uk/documents/housing/pdf/2017529.pdf> Annex A Final Directions (2)(3)(f)

<sup>36</sup> Localism Act 2011 Part 7, Chapter 2 Section 154, 107B

### **3.8 Monitoring**

**3.8.1 *Social landlords will publish clear and accessible policies and procedures to support their Tenancy Policies.***

**3.8.2 *The Local Housing Authority partners will develop robust mechanisms to monitor allocations against the Key Principles.***

**3.8.3 *Social Landlords will provide relevant data to help with monitoring, which will include the number of complaints and requests for review.***

### **3.9 Conversions of Social Rented Housing Stock to Affordable Rent and Disposal of Affordable Homes**

3.9.1 Consultation with the Local Housing Authority on the detail of any conversion is required. This consultation by social landlords is seen as crucial to enable the Local Housing Authority to ensure that a sustainable mix of housing is maintained locally. See Appendix 2

3.9.2 Registered Providers should have regard to the following when considering the proportion of properties which will be re-let at an 'Affordable Rent':

- The pattern of re-lets by location, property size and type.
- The need to ensure that under-occupiers wishing to downsize are not put off by having to pay a higher rent or being given reduced tenancy rights.
- The need to ensure a reasonable supply of family-sized accommodation at social rents.
- The need to ensure that properties in rural areas can be let to those working in the area on low wages.
- The shortage of wheelchair accessible accommodation.

3.9.3 We will support disposals to the open market subject to the agreement of the social housing regulator, where the provider has completed an options appraisal and can demonstrate a clear benefit.<sup>37</sup>

### **3.10 Mobility**

3.10.1 The Tenancy Strategy encourages Social Landlords to promote and assist tenants who need to move to other properties, to find their own solutions, and to make best use of existing stock.

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<sup>37</sup> See [Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines](#)

### **3.11 Down sizing and Under Occupation**

**3.11.1 *Partners to this Tenancy Strategy support the promotion of ‘downsizing’ through incentives and encourage social landlords and Local Housing Authority Landlords to review under-occupation at the end of Fixed Term tenancy.***

### **3.12 Choice Based Lettings**

**3.12.1 *This Strategy recognises the Partnership of Homefinder Somerset. It is acknowledged that the Strategic and Operational groups will deal with any anomalies and issues arising from the implementation of the Tenancy Strategy and Tenancy Policies.***

***It is an expectation that all Affordable Rent, intermediate housing products and social rented properties will initially be advertised through Homefinder Somerset.***

***It is expected that properties will be let in accordance with the way in which they are advertised.***

### **3.13 Equality**

**3.13.1** The Tenancy Strategy will meet the requirements of the Equality Act 2010. This strategy through its key principles, encourages landlords to undertake their responsibilities under both the Localism Act and Tenancy Standard in a robust and equitable manner. With regard to this point Landlords will need to ensure that they have clear records, supported by strong evidence that show how and why decisions have been made.

**3.13.2** An Equality Analysis has been undertaken on the Tenancy Strategy as part of the consultation exercise. We have addressed the issues highlighted by the Equality Analysis and the changes have been incorporated into this Tenancy Strategy.

## **4. Action Plan**

**4.1.1** The Tenancy Strategy and the final version of the Tenancy Strategy when it is available will need to evolve as circumstances dictate. A number of the Key Principles identified within this document have highlighted the need for further work. These pieces of work are included at appendix 3.

**4.1.2** The Tenancy Strategy will be reviewed every 3 years by the Local Housing partner authorities in consultation with relevant agencies.

## **Appendix 1 – Details of where Social Landlord tenancy policies can be found.**

We will place a link to your homepage on the Homefinder Somerset website and it will be Social Landlords responsibility to ensure that their Tenancy Policy is available on their website by 1<sup>st</sup> April 2012.

## **Appendix 2 – The Evidence Base**

### **1. Somerset Strategic Housing Partnership Affordable Housing Programme 2011 – 2015 Investment Policy Guidelines (December 2011)**

#### **Introduction**

1. The comprehensive spending review in October 2010 significantly reduced the direct investment available from the Homes and Communities Agency (HCA) and introduced a new product, Affordable Rent. The affordable homes programme 2011 – 2015 replaces the national affordable homes programme (NAHP).
2. This document covers investment policy guidelines, giving a clear indication of the expectations and wishes of the Local Housing Authorities. Specific guidance for providers is set out in section 18, but should not be taken as prescriptive.

#### **HCA framework**

3. The HCA's affordable homes programme 2011 – 15 framework, released on 14<sup>th</sup> February, required Registered Providers to produce and submit by 3 May 2011 a 4 year programme for the delivery of affordable housing. Once the package of funding is agreed between the Registered Provider and the HCA they will sign a Contract committing to delivery for homes to be completed by March 2015. Contracts are due to be signed by the end of September 2011. A short form of the Contract will also be signed by those Registered Providers not in receipt of funding but wishing to provide the Affordable Rent product without subsidy.
4. The framework is intended to:-
  - Meet housing need at a local level
  - Provide a more flexible offer for social housing tenants
  - Ensure that public funds (and funds generated from re-lets resulting in Affordable Rent) are properly and effectively spent
  - Maximise delivery of new affordable housing supply through the introduction of the new Affordable Rent product and other means and
  - Ensure quality standards are maintained
5. The HCA framework places the onus on Registered Providers to raise capital for new affordable housing supply. In future access to the reduced government subsidy is directly linked to a Registered Provider's willingness to incorporate Affordable Rent into their business plans for both new homes and for a percentage of their existing homes when re-let (conversions).

#### **Affordable Rents**

6. The new Affordable Rent product requires homes to be let at 'up to' 80% of market rent. This guidance is the basis on which Registered Providers are expected to raise capital for new affordable homes and is the basis on which they will qualify for HCA subsidy.

7. For context Social Rents in Somerset are generally well below 80% prevailing market rates, although the % varies according to size of property and location. As an example a brief analysis of social rents in South Somerset gives the following averages;
  - One bedroomed flat – 81% (note actually higher than Affordable Rent model)
  - Two bedroomed flat – 66%
  - Two bedroomed house – 65%
  - Three bedroomed house – 57%
  - Four bedroomed house – 43%
8. The above figures quote averages across the district. Affordable Rents will be calculated based on an RICS valuation of what the same property would command as an open market rent. It is therefore reasonable to assume that variations will also exist according to the exact locale – for example between different neighbourhoods and between urban and village locations.
9. It should be noted that the Affordable Rent is effectively capped by the Local Housing Allowance (LHA) limit which applies to Housing Benefit claims. From June 2010 the LHA has been based on the 30<sup>th</sup> per centile of (available) market rents in a broad housing market areas. It is unlikely that 80% prevailing market rents will be above the LHA, except in the case of 5 or more bedrooms as the 4 bed LHA will apply – although we already have one case in South Somerset where the 80% rent is forecast as marginally above the LHA.

## **Four year programme**

10. The four year programme will reflect specific existing commitments and the current affordable housing delivery pipeline in the first 2 years with unnamed schemes in the latter 2 years. the programme will be developed through partnership based on capital finance generated and HCA subsidy.
11. The HCA will assess Registered Providers capacity to deliver across the whole of their business plans and will moderate on a national basis.
12. The Framework puts the onus on Registered Providers to work in close collaboration with Local Authorities across their housing areas to develop their programmes in accordance with Local Investment Plans and local housing need.

## **Strategic Tenancy Policies**

13. Under the Localism Bill, assuming it is passed in its current form, authorities will be required to put in place strategic tenancy policies by April 2012. These will guide social landlords as to how they will develop their programmes, manage their assets and let their properties.
14. The five Somerset Local Housing Authorities (Somerset Housing Partners) through the Somerset Strategic Housing Partnership ) are seeking to create a single Strategic Tenancy Policy that will reflect local circumstances, with overarching principles that underpin the countywide investment plans. This has been prioritised by the Shared Housing Programme Board as a project to commence in early June using a project team heavily drawn from the Homefinder Somerset Monitoring Board, reflecting the need to integrate well with our county wide Choice Based Lettings scheme.
15. Our strategic tenancy policy must reflect both identified need and the process through which lettings are made. All registered providers and the Housing Authorities must work together to ensure a continuous, fair and equitable provision of affordable housing is delivered to meet the needs of tenants and allow for flexibility and opportunity for tenants to progress from social housing into home ownership and to facilitate movement to support economic growth.
16. Registered Providers will be required to develop their lettings policies having regard to the strategy adopted by the relevant Housing Authority. Co-operating on a county wide basis to produce a single strategy will make this easier for most Associations, although there will still be dissimilarities between ours and neighbouring authorities, e.g. Wiltshire, West Dorset, North Devon etc.
17. It should be noted that some Registered Providers have already formulated their tenancy strategies as lettings under Affordable Rent will commence in advance of April 2012. Where possible it is expected that cyclical reviews of these policies should take into consideration the issues raised in this document and the guidelines set out below.

## **Guidelines for Registered Providers**

18. The following are to be taken as guidelines, giving a clear indication of the expectations and wishes of the Local Housing Authorities but without being prescriptive.
  - 18.1. Existing countywide planning policies require that affordable housing delivered through S106 agreements should not require public subsidy.
  - 18.2. Where it is confirmed that a scheme is not viable to deliver without public subsidy, a minimum level of affordable housing will be expected through planning obligation alone and it is likely that social rent housing will remain the major component of this, possibly supplemented by some shared ownership.
  - 18.3. Both the developer and the Housing Association partner will then seek public subsidy to complement the affordable housing delivered through planning gain alone. Where this public subsidy is secured through the HCA, or a combination of HCA and Local Authority funds, it is likely that Affordable Rent will be the major component.
  - 18.4. We will not normally support conversions of social rent and shared ownership units which were delivered (or due to be delivered) through existing s106 agreements to

Affordable Rent where the S106 agreement or other legal covenants state that the affordability/tenure of those units to remain as social rent or shared ownership or where other similar legal restrictions apply to previously delivered schemes.

- 18.5. Conversion of existing social rent dwellings which have previously been developed using subsidy (grant and/or free/reduced land) only from the Local Housing Authority (e.g. with no additional public subsidy being forthcoming from the HCA) will ordinarily be subject to the approval of that Authority. The Housing Authority may require either direct re-investment within the same District or repayment of the subsidy which was directly attributable to that Authority.
- 18.6. Where social housing has been acquired by a Housing Association from the sponsoring Council through Large Scale Voluntary Transfer (LSVT) it is possible that the detail of the transfer agreement restricts the loss of such dwellings from social rent except through the exercise of the Preserved Right To Buy. Any request to vary an LSVT agreement to allow for Affordable Rents will only be considered by the relevant Local Housing Authority if the Registered Provider can demonstrate that detailed consultation with the appropriate tenants has been undertaken.
- 18.7. We will support the conversion of social rent tenancies when the property becomes void to Affordable Rent or New Build Home Buy (unless there is a restriction in the S106 agreement or other legal covenants) where such migrations will deliver balanced and sustainable communities.
- 18.8. We may wish to apply restrictions to conversions of tenancies to Affordable Rent where deemed appropriate based on locally identified need and circumstances. Where Registered Providers have committed themselves to a proportion of vacancies being subject to conversion, they should discuss with the relevant Local Housing Authority those instances and locations where conversions may be deemed appropriate and those instances and locations where the Authority may wish to preserve an element of social rent provision.
- 18.9. We will support Affordable Rent provided as affordable housing *in addition* to those required under agreed s106 at nil public subsidy beyond the individual Council's approved affordable housing planning policy requirement.
- 18.10. We will also support Affordable Rent provided as part of the Registered Providers contract with the HCA (e.g. on 100% affordable sites) or by negotiation subject to viability.
- 18.11. We will support disposals to the open market subject to the agreement of the social housing regulator (currently the TSA), where the provider has completed an options appraisal and can demonstrate a clear benefit. Where Registered Providers have committed themselves to a designated number of disposals, they should discuss with the relevant Local Housing Authority those instances and locations where disposals may be deemed appropriate
- 18.12. Any affordable housing delivered with or without public subsidy must be compliant with HCA quality and design standards 2007 or any other subsequent standards introduced. This requirement may be reduced but only exceptionally where there is a clear and case specific justification.
- 18.13. Where specified in individual agreements, affordable housing delivered must remain at an affordable price for future eligible households or, if restrictions are lifted, the appropriate Housing Authority should be consulted and all effort should be made to

ensure that the resulting funds realised should be recycled for alternative affordable housing provision in that District area in the first instance.

- 18.14. In order to create and maintain stable, mixed and balanced communities, we shall encourage Registered Providers to provide tenancies for a minimum period appropriate to the needs of the household, the dwelling type and the specific location. To allow for flexibility any reduction from appropriate minimum period should be discussed with the Somerset Housing Partners in advance of any decision being made

*(NOTE Minimum periods to be considered as part of the tenancy strategy by the project team. Our expectation is that a blanket number of years will not work for all client groups and that different minimums shall be set on a county-wide basis for different categories)*

- 18.15. Somerset Housing Partners would support Affordable Rents of up to 80% (including service charges) as long as the actual rent charged is below the housing benefit cap to ensure clients who are eligible for housing benefit will be able to claim the full rental amount and to remain affordable after the move to universal credit.
- 18.16. All Affordable Rent properties should be advertised through the Somerset Choice Based Lettings scheme.

## 2. Shelter Private Rent Watch - Report one: Analysis of local rent levels and affordability October 2011

[http://england.shelter.org.uk/data/assets/pdf\\_file/0008/386828/Private\\_Rent\\_Watch\\_Report\\_1.pdf](http://england.shelter.org.uk/data/assets/pdf_file/0008/386828/Private_Rent_Watch_Report_1.pdf)

See in particular Figure 6 and Figure 8, Figure 25 and 26 on affordability levels in the South West. Appendix 1 also provides information on average private rent levels.

## 3. Analysis of Social Rents on the Homefinder Somerset CBL scheme Average Rents by LA by Property and Bed Size

			Highest	Lowest		
Local Authority	HFS Average	Mendip	Sedgemoor	South Somerset	Taunton Deane	West Somerset
<b>Bungalow</b>						
1 Bedroom	68.10	67.05	56.75	77.47	60.28	79.90
2 Bedroom	80.11	76.01	64.94	83.16	71.55	86.87
Studio	51.06		51.06			
<b>Flat</b>						
1 Bedroom	62.29	55.10	54.93	66.72	60.75	70.88
2 Bedroom	74.06	70.81	74.72	75.44	71.84	79.23
3 Bedroom	62.87	83.87	61.56			
Studio	58.33	93.12	44.38	63.61		
<b>House</b>						
1 Bedroom	67.13	63.37	57.16	72.75		74.51
2 Bedroom	75.85	81.00	74.91	76.18	70.65	84.36
3 Bedroom	85.08	90.95	78.83	86.18	83.21	91.06
4 Bedroom	93.04	101.51	79.99	105.28	103.29	104.90
5 Bedroom	86.15		72.90		79.99	118.81
6 Bedroom	129.05			129.05		
<b>Maisonette</b>						
2 Bedroom	65.08	62.17	61.60	74.75	62.60	76.76
3 Bedroom	67.91	77.42	64.85	82.45	64.25	
<b>Studio flat</b>						
1 Bedroom	50.94				50.94	
Studio	52.14	27.33	50.38	60.28	55.09	63.47

Source: Analysis of property adverts from 1/4/10 to 31/3/11



## 5. EDF Energy Proposed Development at Hinkley Point – Additional Information

- a) EDF Energy has submitted a development consent order application to the Infrastructure Planning Commission for the construction and operation of two nuclear generating units at Hinkley Point power station (HPC), together with Allied Works within and off the site. The site of the proposed new reactors is within West Somerset; much of the associated, ancillary and other related development required to construct and operate the facility would be located in Sedgemoor. The issue of the accommodation requirements for the construction of HPC is a particular concern for the relevant local authorities.
- b) EDF Energy's workforce assumptions regarding the scale of temporary workforce are that the lifetime of the project is likely to require some **26,600 FTE** and a peak of **5600 FTE** on site by 2016. Of this number it is agreed that an estimated 34% could be home-based leaving 66% (approximately 3700 workers) requiring accommodation in the local area.
- c) The Councils are particularly concerned about the potential of significantly increased demand for accommodation in an area of high demand for affordable housing and limited capacity. A major influx of nearly 4000 construction workers seeking accommodation for a temporary period is likely to have a significant impact on the local accommodation market. These impacts may relate to the level of supply in relation to demand but also can be related to the price of accommodation. Where the supply and availability of housing is constrained as a consequence of construction worker demand, this will result in competition in the local housing market with other users of accommodation. Given the higher than local average wages of construction workers this is likely to have inflationary impact on rents and as a consequence will lead to (1) local people unable to access local housing and (2) the displacement of existing residents from accommodation.

## 6. Analysis of Homefinder Somerset Housing Register & CBL Data

### 6a Overall Household numbers as at 30.6.11

As a percentage of the total for each authority

Household numbers	1	2	3	4	5	6	7	8	9	10	13	Grand Total
Mendip District Council	41.96	26.01	14.58	10.24	4.58	1.82	0.63	0.13	0.05	0.00	0.00	100.00
Sedgemoor District Council	34.98	29.18	17.48	10.17	4.78	2.35	0.60	0.30	0.16	0.00	0.00	100.00
South Somerset District Council	39.56	28.37	15.38	9.36	4.30	2.01	0.70	0.18	0.10	0.02	0.02	100.00
Taunton Deane Borough Council	43.16	26.55	15.21	8.57	3.97	1.56	0.51	0.37	0.06	0.04	0.00	100.00
West Somerset Council	39.65	27.46	15.33	9.90	4.25	2.09	1.11	0.07	0.07	0.07	0.00	100.00
<b>Grand Total</b>	<b>39.75</b>	<b>27.65</b>	<b>15.69</b>	<b>9.56</b>	<b>4.38</b>	<b>1.96</b>	<b>0.65</b>	<b>0.24</b>	<b>0.09</b>	<b>0.02</b>	<b>0.00</b>	<b>100.00</b>

**6b Banding and Household Numbers by Local Authority as at 30.6.11**

Shown as a %age of total	Emergency		Emergency Total	Gold										Gold Total	
	1	3		1	2	3	4	5	6	7	8	9	10		13
Household Number															
Mendip District Council	0.03	0.03	0.05	3.47	1.53	0.76	0.32	0.24	0.13	0.24	0.00	0.05	0.00	0.00	6.74
Sedgemoor District Council	0.00	0.00	0.00	1.97	1.59	0.56	0.24	0.18	0.16	0.08	0.08	0.04	0.00	0.00	4.90
South Somerset District Council	0.00	0.00	0.00	3.48	2.45	1.20	0.60	0.13	0.15	0.15	0.13	0.08	0.02	0.02	8.41
Taunton Deane Borough Council	0.00	0.00	0.00	3.19	1.60	0.84	0.31	0.18	0.18	0.06	0.10	0.00	0.04	0.00	6.51
West Somerset Council	0.14	0.00	0.14	3.00	1.46	0.49	0.98	0.14	0.35	0.21	0.07	0.07	0.00	0.00	6.76
Grand Total	0.01	0.00	0.02	3.02	1.82	0.84	0.42	0.18	0.17	0.13	0.09	0.05	0.01	0.00	6.73

Shown as a %age of total	Silver									Silver Total
	1	2	3	4	5	6	7	8	9	
Household Number										
Mendip District Council	24.53	13.06	7.29	4.58	2.63	0.79	0.32	0.11	0.00	53.30
Sedgemoor District Council	18.84	12.94	7.32	3.27	2.29	1.14	0.42	0.16	0.10	46.50
South Somerset District Council	20.65	13.22	6.49	3.53	2.18	1.25	0.42	0.02	0.02	47.77
Taunton Deane Borough Council	23.72	11.02	6.58	3.23	1.77	0.66	0.35	0.23	0.04	47.58
West Somerset Council	16.66	10.73	5.51	3.28	2.37	1.11	0.63	0.00	0.00	40.28
Grand Total	21.36	12.45	6.79	3.57	2.20	1.00	0.40	0.11	0.04	47.91

Shown as a %age of total	Bronze										Bronze Total	Grand Total
	1	2	3	4	5	6	7	8	9	10		
Household Number												
Mendip District Council	13.92	11.42	6.50	5.34	1.71	0.89	0.08	0.03	0.00	0.00	39.91	100.00
Sedgemoor District Council	14.17	14.65	9.59	6.66	2.31	1.04	0.10	0.06	0.02	0.00	48.61	100.00
South Somerset District Council	15.43	12.70	7.69	5.23	1.98	0.62	0.13	0.03	0.00	0.00	43.82	100.00
Taunton Deane Borough Council	16.26	13.93	7.79	5.03	2.01	0.72	0.10	0.04	0.02	0.00	45.91	100.00
West Somerset Council	19.86	15.26	9.34	5.64	1.74	0.63	0.28	0.00	0.00	0.07	52.82	100.00
Grand Total	15.35	13.39	8.06	5.57	2.00	0.79	0.12	0.04	0.01	0.00	45.34	100.00

**6c Adverts By Landlord and bedroom number (Numbers) 2010-11**

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	Studio	Total
Falcon Rural Housing Association	3	8	2					13
Flourish Homes	167	142	49	4			2	364
Guinness Hermitage	3	1						4
Hastoe HA	2	64	46					112
Homes in Sedgemoor	207	106	94	20	2		53	482
Jephson HA	5	26	13	3				47
Kennet Housing Society	5	1	2					8
Kilmersdon Rural Housing Association	3	2	1					6
Knightstone HA	54	70	41	7			11	183
Magna (West Somerset)	59	128	27	4	1		1	220
Magna HA Ltd	7	27	10	2				46
Places For People	6	11						17
Raglan HA Ltd	64	213	67	7				351
Redland HA		1	1	1				3
Sanctuary HA	29	131	5				2	167
Selwood Housing		1						1
SHAL	12	24	21	2				59
Signpost HA	31	19	9					59
Somer Community Housing Trust	1	1	1					3
Southwestern Housing Society		11	4					15
Sovereign HA	7	22	18	2				49
Taunton Deane Borough Council	173	163	54	3	1			394
The Alexander Every`s Almshouses Charitable Trust		1						1
Western Challenge HA	6	6	4					16
William Sutton Homes		2						2
Wyvern Rural Housing Association		1						1
Yarlington Housing Group	525	502	331	6		9	12	1385
<b>Grand Total</b>	<b>1369</b>	<b>1684</b>	<b>800</b>	<b>61</b>	<b>4</b>	<b>9</b>	<b>81</b>	<b>4008</b>

**6d Adverts By Landlord and bedroom number (Percentage) 2010-11**

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	Studio	Total
Falcon Rural Housing Association	0.07	0.20	0.05	0.00	0.00	0.00	0.00	<b>0.32</b>
Flourish Homes	4.17	3.54	1.22	0.10	0.00	0.00	0.05	<b>9.08</b>
Guinness Hermitage	0.07	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.10</b>
Hastoe HA	0.05	1.60	1.15	0.00	0.00	0.00	0.00	<b>2.79</b>
Homes in Sedgemoor	5.16	2.64	2.35	0.50	0.05	0.00	1.32	<b>12.03</b>
Jephson HA	0.12	0.65	0.32	0.07	0.00	0.00	0.00	<b>1.17</b>
Kennet Housing Society	0.12	0.02	0.05	0.00	0.00	0.00	0.00	<b>0.20</b>
Kilmersdon Rural Housing Association	0.07	0.05	0.02	0.00	0.00	0.00	0.00	<b>0.15</b>
Knightstone HA	1.35	1.75	1.02	0.17	0.00	0.00	0.27	<b>4.57</b>
Magna (West Somerset)	1.47	3.19	0.67	0.10	0.02	0.00	0.02	<b>5.49</b>
Magna HA Ltd	0.17	0.67	0.25	0.05	0.00	0.00	0.00	<b>1.15</b>
Places For People	0.15	0.27	0.00	0.00	0.00	0.00	0.00	<b>0.42</b>
Raglan HA Ltd	1.60	5.31	1.67	0.17	0.00	0.00	0.00	<b>8.76</b>
Redland HA	0.00	0.02	0.02	0.02	0.00	0.00	0.00	<b>0.07</b>
Sanctuary HA	0.72	3.27	0.12	0.00	0.00	0.00	0.05	<b>4.17</b>
Selwood Housing	0.00	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.02</b>
SHAL	0.30	0.60	0.52	0.05	0.00	0.00	0.00	<b>1.47</b>
Signpost HA	0.77	0.47	0.22	0.00	0.00	0.00	0.00	<b>1.47</b>
Somer Community Housing Trust	0.02	0.02	0.02	0.00	0.00	0.00	0.00	<b>0.07</b>
Southwestern Housing Society	0.00	0.27	0.10	0.00	0.00	0.00	0.00	<b>0.37</b>
Sovereign HA	0.17	0.55	0.45	0.05	0.00	0.00	0.00	<b>1.22</b>
Taunton Deane Borough Council	4.32	4.07	1.35	0.07	0.02	0.00	0.00	<b>9.83</b>
The Alexander Every's Almshouses Charitable Trust	0.00	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.02</b>
Western Challenge HA	0.15	0.15	0.10	0.00	0.00	0.00	0.00	<b>0.40</b>
William Sutton Homes	0.00	0.05	0.00	0.00	0.00	0.00	0.00	<b>0.05</b>
Wyvern Rural Housing Association	0.00	0.02	0.00	0.00	0.00	0.00	0.00	<b>0.02</b>
Yarlington Housing Group	13.10	12.52	8.26	0.15	0.00	0.22	0.30	<b>34.56</b>
<b>Grand Total</b>	<b>34.16</b>	<b>42.02</b>	<b>19.96</b>	<b>1.52</b>	<b>0.10</b>	<b>0.22</b>	<b>2.02</b>	<b>100.00</b>

**6e Adverts By Local Authority and bedroom number (Numbers) 2010-11**

	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>	<b>5 Bedroom</b>	<b>6 Bedroom</b>	<b>Studio</b>	<b>Total</b>
Mendip District Council	207	203	73	3			2	<b>491</b>
Sedgemoor District Council	260	416	165	28	2		53	<b>924</b>
South Somerset District Council	596	688	426	13		9	14	<b>1746</b>
Taunton Deane Borough Council	254	304	108	13	1		11	<b>691</b>
West Somerset Council	52	73	28	4	1		1	<b>159</b>
<b>Grand Total</b>	<b>1369</b>	<b>1684</b>	<b>800</b>	<b>61</b>	<b>4</b>	<b>9</b>	<b>81</b>	<b>4008</b>

**6f Adverts By Local Authority and bedroom number (Percentage) 2010-11**

	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>	<b>5 Bedroom</b>	<b>6 Bedroom</b>	<b>Studio</b>	<b>Total</b>
Mendip District Council	5.16	5.06	1.82	0.07	0.00	0.00	0.05	<b>12.25</b>
Sedgemoor District Council	6.49	10.38	4.12	0.70	0.05	0.00	1.32	<b>23.05</b>
South Somerset District Council	14.87	17.17	10.63	0.32	0.00	0.22	0.35	<b>43.56</b>
Taunton Deane Borough Council	6.34	7.58	2.69	0.32	0.02	0.00	0.27	<b>17.24</b>
West Somerset Council	1.30	1.82	0.70	0.10	0.02	0.00	0.02	<b>3.97</b>
<b>Grand Total</b>	<b>34.16</b>	<b>42.02</b>	<b>19.96</b>	<b>1.52</b>	<b>0.10</b>	<b>0.22</b>	<b>2.02</b>	<b>100.00</b>

### Appendix 3 – Tenancy Strategy Action Plan

Action	To complete by	Resource	Output
LA's to carry out feasibility study for use of Housing Options Wizard	October 2012	AH – via Op Group, HMG and Monitoring Board	This will provide a clear specification of the work required to implement the housing options wizard including costs and inputs from all partners.
Develop a comprehensive end of tenancy appraisal mechanism and principles. Waiting for Regulations, some social landlords have already developed a Framework; Tenants need to know offer, will be in Tenancy Policy. General Principles/Framework Interaction between Social Landlords and Housing Options Teams	Dec 2012	LAs to draft in consultation with landlords – use information from this document	End of tenancy checklist for social landlords Clear guidance/principles on what should and shouldn't be taken into account at end of tenancy review The circumstances that social landlords should have regard to in terms of vulnerabilities when undertaking tenancy reviews
Development of mechanism for provision of standard housing options advice at the end of the tenancy.	Dec 2012	HMG	The implementation of the Housing Options wizard
LA's to create standard procedures for housing advice teams	Dec 2012	As above	Consistency of approach when dealing with applicants/tenants affected by tenure/rent type changes.