MANSFIELD DISTRICT COUNCIL
TENANCY STRATEGY
2013
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1 Introduction:

Purpose of the strategy

1.1 Mansfield District Council’s vision for the district is to:

- Create a positive image of Mansfield which supports people, businesses and investment in the area
- Improve confidence, pride and dignity so that everyone can enjoy a good quality of life in their neighbourhood

1.2 To achieve the Council’s vision the Corporate Plan identifies five corporate priorities:

- Regeneration and employment – Revitalising our district, town centres and neighbourhoods, encouraging inward investment and creating a climate for job creation and growth
- Crime – reducing crime and disorder
- Housing – ensuring there is an adequate supply of good quality, well managed housing which is accessible and affordable to those who need it
- Protecting the environment – delivering the Local development Framework for the provision of housing, commercial and retail development which will ensure a high quality and sustainable environment
- Vulnerable people – supporting the most vulnerable people in our district to help them live independent and fulfilled lives

1.3 The Council works to ensure delivery of the housing priority, and more specifically the delivery of affordable housing, through its role as both enabler and landlord. As well as providing social housing directly, the Council also works in partnership with other registered providers (RP’s) to meet housing need within the district

1.4 Ensuring delivery of this priority however is subject to the financial and legal framework in which the Council and other RP’s operate. In the last few years Councils have seen some radical changes to this framework with the government setting out a radical programme of reform which will impact on the way social housing is resourced, allocated and managed.

1.5 In view of these changes, it has been necessary (and a legal requirement) to undertake a review in which the Council has taken into account how the new freedoms available can be utilised. As a result the Council has developed a strategic approach to the way in which it can ensure the delivery its priorities.

1.6 The purpose of this strategy therefore is to outline Mansfield District Council’s response to the changes and set out the Council’s expectations of registered providers operating within Mansfield regarding the tenancies
to be offered to housing applicants, as they make decisions about their own tenancy policies.

**Scope of the strategy**

1.7 Potentially the most significant new freedom relates to security of tenure for social housing tenants. Previously new tenants would expect to receive a lifetime tenancy (following an introductory period in some instances), the position now is that Councils and other registered providers are able to grant new tenancies on a fixed term basis.

1.8 The tenancy strategy is therefore principally concerned with tenure reform. However, reforms in related areas such as rent models, allocation policies and measures to address homelessness also impact and in some cases overlap with tenure issues. Furthermore, government guidance requires that the tenancy strategy is consistent with homelessness strategies and allocation policies. Consequently, the strategy addresses not only tenure but also homelessness, allocations and rents.

2 **National Context**

2.1 In November 2010, the Government published a paper called “Local Decisions – a fairer future for social housing.” This consultation paper covered all key aspects of social housing in England, including rents, tenure, finance and regulation. The paper stated that social housing, whilst a valuable national asset, was failing in its current format and needed ‘radical reform.’

2.2 The Government identified a number of problems with the current system:

- Social housing was not being used effectively and frequently occupied by those that did not need it while thousands wait to be housed on housing registers
- The use of temporary accommodation for homeless applicants was invariably expensive and a drain on resources
- ‘Considerable’ housing benefit bill
- High levels of unemployment in the social rented sector and lack of geographical mobility
- Falling public subsidy for new social housing supply

2.3 The government believes that the problems inherent within social housing can be tackled by reforms to a number of key areas, the principal ones being:

- Tenure
- Rents
- Housing register (waiting lists)
- Allocations
- Discharge of the homelessness duty
- Mobility schemes
- Housing benefit and other welfare benefits

2.4 The majority of these reforms are now incorporated within the Localism Act 2011, whilst those relating specifically to benefits are incorporated within the Welfare Reform Act 2012.

3. Local Context

3.1 The degree to which the new powers provided by social housing reform will be utilised will, in principle, depend on:

- The extent to which Mansfield experiences the same issues as those identified nationally – i.e. those issues which the reforms are intended to address
- The extent to which the implementation of the reforms are an appropriate means of addressing the delivery of housing in Mansfield

3.2 The following section provides an overview of the local context including factors that impact on the housing market as a whole and on demand for social housing.

Mansfield’s Economy

3.3 The most direct influence on developments in the housing market is the state of Mansfield’s local economy and employment, unemployment and worklessness are key labour market indicators which impact on the health of the housing market.

3.4 According to the Office for National Statistics (ONS) for 2009, 64.3% of Mansfield’s total population were estimated to be of working age.

<table>
<thead>
<tr>
<th>Table 1: Population aged 16-64</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>(numbers)</td>
</tr>
<tr>
<td>All people aged 16-64</td>
</tr>
<tr>
<td>Males aged 16-64</td>
</tr>
<tr>
<td>Females aged 16-64</td>
</tr>
</tbody>
</table>

Source: ONS mid-year population estimates
Notes: % is a proportion of total population
3.5 As of March 2011, Mansfield’s unemployment rate (the proportion of those who are of working age and economically active but unemployed) was 9.5%. compared to 6% between 2007 and 2009.

![Graph showing unemployment rates over time in Mansfield, East Midlands, and Great Britain.](image)

Source: ONS annual population survey

**Earnings**

3.6 Mansfield continues to show a lower level of earnings than for the East Midlands and Great Britain as a whole; In 2010, the gross average weekly earnings in Mansfield was £424.7 compared to £470.3 for the East Midlands and £501.8 for Great Britain overall.

<table>
<thead>
<tr>
<th></th>
<th>Mansfield (pounds)</th>
<th>East Midlands (pounds)</th>
<th>Great Britain (pounds)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross weekly pay</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time workers</td>
<td>424.7</td>
<td>470.3</td>
<td>501.8</td>
</tr>
<tr>
<td>Male full-time workers</td>
<td>460.6</td>
<td>513.2</td>
<td>541.9</td>
</tr>
<tr>
<td>Female full-time workers</td>
<td>364.3</td>
<td>399.1</td>
<td>440.0</td>
</tr>
</tbody>
</table>

Source: ONS annual survey of hours and earnings - resident analysis
Housing Supply

3.7 In 2011, there were 47062 dwellings in Mansfield.

![Total No. Dwellings Graph]

Source: ONS Neighbourhood statistics 2009 – HSSA 2010

3.8 Mansfield’s housing stock by tenure is broken down as follows:

<table>
<thead>
<tr>
<th>Tenure Type</th>
<th>Mansfield</th>
<th>East Midlands</th>
<th>England &amp; Wales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owns outright</td>
<td>31.9</td>
<td>30.8</td>
<td>29.5</td>
</tr>
<tr>
<td>Owns with a mortgage or loan</td>
<td>37.7</td>
<td>40.8</td>
<td>38.5</td>
</tr>
<tr>
<td>Shared ownership</td>
<td>0.4</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Local Authority</td>
<td>16.5</td>
<td>13.9</td>
<td>13.2</td>
</tr>
<tr>
<td>Housing Association</td>
<td>4.4</td>
<td>3.7</td>
<td>6.0</td>
</tr>
<tr>
<td>Private Landlord</td>
<td>6.3</td>
<td>7.3</td>
<td>8.7</td>
</tr>
<tr>
<td>Other</td>
<td>4.4</td>
<td>3.0</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Source: ONS Neighbourhood Statistics 2006

3.9 Mansfield has a higher proportion of Local Authority owned properties per total stock compared to the East Midlands and England and Wales as a whole with fewer households in Mansfield renting from private landlords. Of the total housing stock in Mansfield:

- 27.1% are detached properties
- 43% are semi detached houses
- 21% are terraced properties and
- 8.5% are flats / maisonettes

Mansfield District Council housing stock

3.10 In the last five years Mansfield District Council (MDC) has seen its total stock reduce from 6890 in 2007 to 6661 as of March 2012, a reduction of 3%. This reduction is mainly due to right to buy sales, demolition and disposals.
3.11 The table below shows the average rent levels for MDC’s housing stock broken down by bedroom size.

### Table 2: Average Social Rent by Property Size

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Average Weekly Rent (£)</th>
<th>Average Rent PCM (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>52.83</td>
<td>211.32</td>
</tr>
<tr>
<td>1</td>
<td>63.60</td>
<td>254.40</td>
</tr>
<tr>
<td>2</td>
<td>71.58</td>
<td>286.32</td>
</tr>
<tr>
<td>3</td>
<td>77.52</td>
<td>310.08</td>
</tr>
<tr>
<td>4</td>
<td>82.71</td>
<td>330.84</td>
</tr>
<tr>
<td>5</td>
<td>90.24</td>
<td>360.96</td>
</tr>
</tbody>
</table>

Source: MDC Housing Management System  
Note: average weekly rent is worked out over a 48 week period

3.12 68.94% of MDC’s tenants rely on housing benefit either in full or in part. Of those that are receiving benefit 1384 (31%) are classed as under-occupying their home. Of those 981 (55.87%) are working age households which will be affected by the proposed housing benefit restrictions adding further pressure to ensure properties are not under-occupied.

**Demand for affordable housing**

3.13 The waiting list for social housing is a vital source of information for understanding the dynamics of Mansfield’s housing market and for the planning process which determines the need for social housing at a local level, including the number of new social dwellings to be constructed and their location.

3.14 Mansfield’s housing register is split into:
- Households with a housing need (reasonable preference category)
- Households with no housing need

Table 5 illustrates the overall trends in the housing register between 2007 and 2011

### Table 5: Trends in the Waiting List

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total No. on Register</strong></td>
<td>7575</td>
<td>7836</td>
<td>6871</td>
<td>8142</td>
<td>9581</td>
</tr>
<tr>
<td><strong>Total No. in housing need</strong></td>
<td>267</td>
<td>186</td>
<td>232</td>
<td>338</td>
<td>418</td>
</tr>
<tr>
<td><strong>% in housing need</strong></td>
<td>3.5%</td>
<td>2.3%</td>
<td>3.3%</td>
<td>4.1%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Source: HSSA

3.15 Following a review of the housing register in 2012, the total number on the housing register fell to 4354. However the % of those in a reasonable preference category (housing need) rose to 8%

3.16 Of the 665 lets made in 2010 / 2011, 290 (43%) were assessed as being in a reasonable preference category.
3.17 Analysis of the housing register confirms the ongoing need for new social dwellings and in 2010/11 Mansfield used the Communities and Local Government (CLG) Needs Assessment Model for assessing the quantitative requirements for affordable / social housing provision. Whilst the model identified the need for an additional 575 affordable units per annum, since 2008 the number of affordable units built in Mansfield is 230.

3.18 Demand for affordable housing is dependent on the availability and affordability of other housing tenures. The average house price in Mansfield in 2012 was £120,662, some 3% below the peak figure of £124,789 in 2007.

Table 6: Average Property Prices

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Average Purchase Price (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Flat)</td>
<td>53,300</td>
</tr>
<tr>
<td>2 (Flat)</td>
<td>75,100</td>
</tr>
<tr>
<td>2 (House)</td>
<td>84,200</td>
</tr>
<tr>
<td>3 (House)</td>
<td>115,000</td>
</tr>
<tr>
<td>4 (House)</td>
<td>182,200</td>
</tr>
</tbody>
</table>

Source: Hometrack

3.19 The following graph show trends in the level of property prices in Mansfield since 2010.

Graph 1: Property Prices over Time

Note
The chart shows the average property price over time for all types of housing in the area selected. It compares the lower quartile house price to the average price, the upper quartile price and the price at the 90th percentile over time. Small sample sizes can distort the price over time in some areas. The data for this analysis is based on data from Hometrack's Automated Valuation Model.

Source: Hometrack

Affordability
3.20 Despite low property prices within Mansfield there is still an affordability ratio of 5:5 for the average household; this is noticeably higher than the ratio for the East Midlands and the ratio for the UK. This indicates that despite low property prices in Mansfield, low household incomes make...
purchasing properties difficult.

3.21 Lower income households have a higher affordability ratio of 6:8. This figure is higher than that for the UK and the East Midlands. This indicates that the problems faced by low income households in Mansfield are worse than the problems faced nationally by these groups.

Graph 2: Affordability (Source: Hometrack)

3.22 Affordability is also an issue within the private rented sector. The following tables show the average market rents. Hometrack data shows that the weekly cost of purchasing a 2 bed property in the lower quartile price range in Mansfield is £81 compared to £103 per week needed to rent a 2 bed property in the private rented sector. Therefore given the present interest rates it is cheaper to buy a 2 bed property in the lower quartile price range than it is to rent a 2 bed property in the private rented sector.
Table 7: Market Rents

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Average Weekly Rent (£)</th>
<th>Average Rent PCM (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>80</td>
<td>347</td>
</tr>
<tr>
<td>2</td>
<td>103</td>
<td>446</td>
</tr>
<tr>
<td>3</td>
<td>121</td>
<td>524</td>
</tr>
</tbody>
</table>

Source: Hometrack 2012.

3.23 For those tenants renting in the private sector claiming benefits, there is a shortfall in the amount of rent due and Local Housing Allowance paid, leaving the shortfall to be paid by the tenants.

Table 8: Local Housing Allowance Levels

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Average Weekly Rent (£)</th>
<th>Average Rent PCM (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>73</td>
<td>323</td>
</tr>
<tr>
<td>2</td>
<td>91.15</td>
<td>394.98</td>
</tr>
<tr>
<td>3</td>
<td>103.85</td>
<td>430.01</td>
</tr>
</tbody>
</table>

Source: LHA Data 2012

Homelessness

3.24 Between March 2005 and March 2010 there has been a steady decrease in number of households interviewed and accepted as homeless and in priority need.

Trends in Homelessness

3.25 Evidence would indicate that one of the main reasons for this downward trend is due to the focus on preventative measures. Figures for 2011 / 2012 show that the total number of households presenting as homeless was 1241, however 62% were prevented from becoming homeless removing the need to offer a full homeless interview.
4. Social housing reform – The details

Fixed term tenancies (flexible tenancies)

4.1 Registered providers will be able to let their properties to new applicants on fixed term tenancies. The secretary of state has recommended that the minimum term of these tenancies should not be less than 5 years although in exceptional circumstances this can be reduced to two. Lifetime tenancies may still be offered where this is considered appropriate.

4.2 The purpose of this reform is to enable better targeting of the social housing stock to those in most need. It is expected that by giving shorter tenancies to those that are able to improve their circumstances and access other housing options, stock will be freed up and made available to households in greater need who are currently on the housing register.

Affordable rents

4.3 Subject to certain qualifying conditions, registered providers will be able to charge an ‘affordable rent’ on a proportion of new build and re-lets. Affordable rent is generally higher than current ‘social rent’ and defined as a rent of up to 80% of the open market rate.

4.4 The intention of this reform is that improved income streams from higher rents will support greater borrowing, which in turn will enable investment in new build to be maintained despite substantial cuts to Homes and Community Agency (HCA) subsidies.

Homelessness

4.5 It will be possible to discharge the duty to homeless households by the offer of suitable accommodation in the private rented sector. Previously this was only possible with the agreement of the household.

4.6 This change is intended to respond to the shortage of social housing by making greater use of the private sector. It is also expected to reduce the substantial costs that can arise from accommodating households in temporary accommodation while they wait for suitable social housing to become available.

Allocations

4.7 There will be the freedom to end the practice of running ‘open’ housing registers. That is, whereas previously almost anyone could apply for social housing, local authorities will now have the freedom to set their own eligibility criteria to join the housing register, according to local needs and priorities.

4.8 This measure, as with fixed term tenancies, is primarily intended to allow housing to be targeted at those in most need. Households able to access other tenures, such as private rented, shared ownership, or owner occupation, will be expected to pursue those options instead, rather than joining the housing register for social housing.
5. Implementation of the reforms

5.1 The following section sets out Mansfield District Council’s position on the extent to which the new reforms should be implemented locally. It provides the basis for the Council’s action within its own stock, whilst also informing other registered providers of what is considered to be the key considerations they should have regards to when developing their own tenancy policies for housing in Mansfield.

Key issues for consideration

5.2 The Council and other registered providers should consider how the reforms will help to deliver the key priorities outlined in section 1 of this document when developing their tenancy policies.

5.3 The Council and other registered providers should also take into account the local context highlighted in section 3 of the document where supply and demand and suitability (under-occupation) of the housing stock should be key considerations.

5.4 Whilst the tenancy strategy is geared more towards achieving the housing priority, registered providers should also give consideration to the delivery of the regeneration and employment priority due to the position of Mansfield’s local economy and the impact it has on the housing market.

Fixed term tenancies

5.5 Whilst it is accepted that some Registered Providers may wish to use fixed term tenancies, Mansfield District Council would like to see them exercising caution about introducing this. In the case of the Council’s own stock, it will not be introducing fixed term tenancies but will take account of the key issues for consideration above and the Regulatory Framework which requires social landlords to grant tenancies that are compatible with the:

- Needs of individual households
- Efficient use of the housing stock
- Purpose of the accommodation
- Sustainability of the community

5.6 The possibility however of introducing fixed term tenancies which in some circumstances will not be renewed is controversial and therefore needs to be considered in some depth as follows:

Targeting of properties to those most in need

5.7 The Council recognises that social housing is a scarce resource and that the provision of accommodation from new build and turnover from existing stock is insufficient to meet need.

5.8 The extent of unmet need is highlighted in section 3 (3.13 – 3.17) and given the Council’s previous approach to allocating tenancies based on
choice rather than need, properties are now being occupied by households which may be able to access other tenures.

5.9 Whilst a recent review of the allocations policy now ensures that properties are only allocated to those who are less likely to be able to access other tenures, we have a mis-match between supply and demand. Many of those who are in need of social housing are unable to access it while at the same time many households currently occupy social housing that do not have the same need for it.

Efficient use of housing stock – unsuitability due to under occupation

5.10 Recent analysis undertaken as part of the need to measure the extent of the impact of welfare reform within the district, show that potentially there are over 600 households under occupying their property. (23%) These figures only provide a partial picture with the extent of under occupation in properties where the household does not claim housing benefit being an unknown quantity.

Efficient use of housing stock – unsuitability due to adaptations made to a property

5.11 There is also an issue with the recycling of adapted properties. That is, when a disabled person moves from an adapted property, with the rest of the household remaining in residence, the adaptations may be left unused.

5.12 Since 2008 adaptations costing £1000 or more have been made to over 307 Council properties at a cost of £1.22m and other Registered Providers may have stock that has also received Council investment to adapt their properties. In order to ensure stock is used efficiently and for those that have a need for it, it is essential to review the number of properties that have been adapted and the suitability of that property for the current household.

5.13 The property may be left with redundant adaptations at the same time as new adaptations are installed in other properties. This is clearly not the most efficient use of the limited funds available for providing adapted properties to disabled households.

5.14 The inefficient use of housing stock arising from the suitability of the property, whether through under occupation or through the presence of unused adaptations, may in future be minimized by the use of fixed term tenancies by Registered Providers. The principle is that once unsuitability arises, the tenancy would not be renewed on expiry.

5.15 In these circumstances the Council considers that the household would be offered alternative suitable accommodation within the Council or other Registered Providers stock.

5.16 In considering the impact of fixed term tenancies on tackling unsuitability,
it is important to bear in mind that they will only be applied to new tenancies, not existing ones. Their introduction will therefore not have an immediate impact on the current situation, but should see under occupation decline over a period of time in future years.

**Risk Management**

5.17 Whilst there are potential benefits to be gained from the use of fixed term tenancies, the Council recognises that there are a number of significant risks to their implementation and the following table identifies those risks which the Councils expects Registered Providers to mitigate against in the manner describe below.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Plans to mitigate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social Mix</strong> – If financial circumstances are used as a factor for not renewing a fixed term tenancy, the tenant may be asked to move on. This is likely to result in residualisation within the Council’s housing estates where properties will be occupied predominantly by benefit dependent households</td>
<td>Income alone, as a ground for ending a fixed term tenancy will not be a policy that the Council will support thus ensuring the continuation of mixed income estates. The Council will also continue to prioritise the allocation of certain properties to higher income / working households where it seeks to achieve a more balanced social mix in certain areas through local letting policies</td>
</tr>
<tr>
<td><strong>Community stability</strong> – the stability of the community could be put at risk through a higher turnover of tenancies due to fixed term tenancies not being renewed</td>
<td>The impact of this should be minimal given the low numbers as existing tenants are unaffected and the Councils expectation that the majority of new tenants on fixed term tenancies will have their tenancy renewed</td>
</tr>
<tr>
<td><strong>Disincentive to self improvement</strong> – If tenants believe that remaining in need of support may result in the renewal of a tenancy, while accessing employment and improving their financial situation may result in their tenancy being terminated, this may discourage aspiration</td>
<td>Again as stated above, income alone should not be used as a ground for ending a fixed term tenancy. Furthermore reassurance will need to be given to the tenant that their tenancy is not dependent on their need for support and that their tenancy will normally be renewed.</td>
</tr>
<tr>
<td><strong>Disincentive to invest and maintain homes</strong> – there is the likelihood that tenants on a fixed term tenancy will be less likely to invest their time and money in maintaining their home</td>
<td>Again the Council would expect the default position of registered providers to be to renew the tenancy at the end of the fixed term. Keeping the property in good condition is usually a condition of the tenancy agreement and therefore tenants should be encouraged to maintain their property irrespective of the type of tenancy granted</td>
</tr>
<tr>
<td><strong>Size of social housing stock</strong> – with the changes in the amount of</td>
<td>The Government has relaxed the use of right to buy receipts whereby local</td>
</tr>
</tbody>
</table>
discounts given to Council tenant buying their property, there is the possibility that the threat of termination of their fixed term tenancy may provide an additional incentive for the tenant to exercise their right to buy, resulting in a reduction in the size of the remaining stock.

**Increased costs** – it is argued that costs are likely to increase due to the administration, rent loss and voids costs are likely to increase due to increased turnover and legal costs incurred in appeals and possession proceedings may rise where decisions are made not to renew the tenancy.

The impact of this should be minimal given the low numbers as existing tenants are unaffected and the Council's expectation that the majority of new tenants on fixed term tenancies will have their tenancy renewed unless the registered provider is able to demonstrate why it should not be.

| 5.18 | Where a means test threshold is used to determine whether to grant a renewal, Registered Providers should have regards to and be consistent with the Council’s Homelessness Strategy and Allocations Policy. |
| 5.19 | The Council believes that a flexible financial threshold should be implemented in making a decision regarding the renewal of the fixed term tenancy. This will allow for different housing options to be considered, based on the individual households circumstances, and the availability and accessibility of different housing options such as shared ownership, rent to buy, affordable rent properties, first buy etc. |
| 5.20 | The Council considers that where fixed term tenancies are used these should be for a minimum term of five years in order to provide stability and security. However, a longer tenancy term (for example 10 years) for households with school age children may be appropriate which the Council would encourage. |
| 5.21 | The Council considers the use of fixed term tenancies to be inappropriate for certain vulnerable groups. These are older people with support or care needs, those with learning difficulties and those with mental health issues. The Council therefore recommends that households falling into these groups are given lifetime tenancies. |
| 5.22 | Where the conduct of the tenant is used as a factor for not renewing a fixed term tenancy, it is important that it is not used as an alternative to the usual tools available to address breaches of tenancy. The Council therefore would only support the decision not to renew a fixed term tenancy due to a tenant’s conduct where formal possession action is already underway or being considered and where it is reasonable. |

**Reviews against tenancy decisions**

| 5.23 | Where other Register Providers in the district use fixed term tenancies then the Council would expect that, when carrying out tenancy reviews, that these will proceed on the basis of a presumption that a new fixed |
term tenancy for a term at least equivalent to the current or previous fixed term should be granted.

5.24 The Regulatory Framework requires that landlord Tenancy policies set out the way in which a tenant or prospective tenants may appeal against or complain about the type of tenancy offered or the length of the fixed term, and against a decision not to grant another tenancy on the expiry of the fixed term.

5.25 In order to ensure consistency, Registered Providers tenancy policies should be consistent with the statutory provisions for review and inform their tenants of their rights to get independent advice and support to help them with the review process.

**Advice and Assistance**

5.26 The Regulatory Framework requires that, where Registered Providers choose to let homes on a fixed term tenancy and where tenants are refused a renewal of the tenancy, landlords need to ensure that they offer reasonable advice and assistance in finding alternative accommodation.

5.27 The Council recognises the importance of the need for adequate advice and assistance because of the possibility that some tenants who do not have their fixed term tenancy renewed could find themselves homeless. The Council will therefore expect Registered Providers to have regard to the availability and affordability of alternative accommodation when providing advice and assistance.

5.28 It is also important that Registered Providers ensure that tenants are assisted in finding accommodation that is suitable to the needs of the household and should have regard to the test of suitability contained in the Statutory Code of Guidance on Homelessness.

**Affordable Rents**

5.29 The 2010 spending review introduced Affordable Rent for Registered Providers, changing the way in which new social housing is funded through the Homes and Communities Agency (HCA). Levels of grant have been reduced to around 10% of the cost of development, with the remainder funded by Registered Providers mainly through borrowing.

5.30 To cover the cost, new homes provided by Registered providers will be let at higher rents which can be up to 80% of local market rents. Registered Providers are also able to convert a proportion of re-lets of existing homes to the Affordable Rent model.

5.31 Whilst affordable rents are intended to provide additional funding to support new build investment, there are concerns over the implications for affordability and accessibility for housing register applicants if rents are allowed to rise excessively. The table below highlights the differences in weekly social rents, and affordable rents for the Mansfield district.
Table 8: £ / % difference in social affordable rents in Mansfield

<table>
<thead>
<tr>
<th>Number of bedrooms</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social rent</td>
<td>63</td>
<td>71</td>
<td>77</td>
</tr>
<tr>
<td>Affordable rent</td>
<td>64</td>
<td>84</td>
<td>97</td>
</tr>
<tr>
<td>Increase (£pw)</td>
<td>1</td>
<td>13</td>
<td>20</td>
</tr>
<tr>
<td>Increase (%)</td>
<td>1.5%</td>
<td>18.3%</td>
<td>25.9%</td>
</tr>
</tbody>
</table>

Note:: Figures for affordable rents are based on 80% of market rent levels provided by Hometrack

5.32 The above data is a district wide average and it should be acknowledged that there are pockets of affluence and deprivation where market rent levels may be higher or lower.

5.33 Rent increases for 1 bed properties are quite small - less than 1.5% (£1pw) Rises for larger properties are greater in absolute and percentage terms, rising to a substantial £20 pw / 25.9% for 3 bed properties. Unless supported by housing benefit, such rates will be unaffordable for many low income tenants.

5.34 Affordable rents will however qualify for Housing Benefit and the Council is able to discharge homelessness duties into these homes. Existing tenants will not be affected, even if they move to another social rented property, unless they specifically accept the offer of an Affordable rent tenancy.

5.35 Bearing in mind the investment potential (especially for 2/3 bed properties) and affordability, the Council accepts that developments funded by the Homes and Communities Agency (HCA) will be delivered at affordable rent levels.

5.36 However, whilst there is no legal or other requirement that sums generated in Mansfield will necessarily be used for reinvestment in Mansfield, the Council would seek commitments from registered providers that a reasonable level of locally based reinvestment would result.

5.37 The Council will also consider affordable rents in any future new development it undertakes where HCA funding is provided. The Council is keen to promote choice and we will consider providing intermediate housing and properties at affordable rents.
5.38 The Council will carry out a financial assessment of the tenant before moving into an affordable rent property to ensure that the rent is affordable to that particular household and will expect other Registered Providers to do the same.

5.39 The Council will also expect all registered providers to offer tenants that are likely to be affected by the welfare reforms, advice and information about the proposed changes and what it will mean for individual families, having particular regard to the introduction of Universal Credit and under occupancy changes.

**Homelessness**

5.40 Under changes introduced in the Localism Act 2011, the Council will be able to discharge their duty to homeless households with an offer of suitable accommodation in the private rented sector provided the tenancy is for a minimum of one year.

5.41 The Council already utilises the private rented sector to discharge its duty to homeless households (in agreement with the household) through their MARS scheme (Multi Agency Rented Solutions). The scheme provides good quality homes for people in Mansfield in conjunction with Private Sector Landlords.

5.42 Benefits of the scheme include:
- Financial Assistance
- High-Quality Accommodation
- A dedicated Support Service
- Landlords willing to accept Housing Benefit

5.43 Sixty four landlords are currently registered with the MARS scheme and 201 tenants have been housed through the scheme since 2007. The Council is currently working to expand the scheme.

5.44 On average, during 2011/2012, homeless households in temporary accommodation were rehoused within 22 days following a decision by the Council to accept a duty. The changes, along with changes introduced through Homefinder, Mansfield District Council’s choice based letting scheme (CBL) will hopefully help to reduce this further.

5.45 Although the number of discharges into private rented accommodation may increase as a result of the changes, such choice of tenure will not become the ‘default’ position. The determining factors as to when to use this new power will be on availability, affordability and suitability of accommodation with tenure being immaterial.

**Allocations**

5.46 The Localism Act has enabled local authorities to determine which categories of applicants should qualify to join the housing register. Previously anybody (with very few exceptions) may join the waiting list, no matter what their level of housing need. In the new legislation, Councils
are able to close the list to some categories of applicants. Central Government has retained a role in determining which groups should be given priority by preserving the current reasonable preference categories.

5.47 The Council recently entered into partnership with Ashfield District Council to develop a sub regional choice based letting (CBL) scheme (Homefinder), which replaced Mansfield’s original CBL scheme (Moveahead). The development of the scheme involved a full review of the allocations policy for the two authorities.

5.48 Currently, the Homefinder scheme operates an ‘open waiting list’ where anybody (with a few exceptions) is able to apply for social and affordable housing. Under the revised scheme the allocations policy goes some way to address the main issues the government have asked us to consider. These are summarised below:

<table>
<thead>
<tr>
<th>Government guidance</th>
<th>Current ‘Homefinder’ Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers to tenants without reasonable preference can now be dealt with outside of an allocation policy</td>
<td>Homefinder policy does not currently deal with transferring tenants without reasonable preference outside of the allocation policy</td>
</tr>
<tr>
<td>Adoption of the ‘bedroom standard’ when determining overcrowding</td>
<td>Homefinder currently uses a different standard to define overcrowding</td>
</tr>
<tr>
<td>Taking ‘good behaviour’ into account when granting priority for housing - including employment, training or volunteering</td>
<td>These proposals are partly met. Priority is given to applicants who need to move to take up an offer of employment or apprenticeship</td>
</tr>
<tr>
<td>Granting local connection to armed forces personnel for the areas in which they serve</td>
<td>The Homefinder policy makes no distinction between armed forces personnel and other applicants when local connection is considered</td>
</tr>
<tr>
<td>‘additional preference’ for former members of the armed forces who fall within the reasonable preference categories and are in urgent housing need</td>
<td>Homefinder policy currently gives reasonable preference to former members of the armed forces who fall within the reasonable preference categories</td>
</tr>
<tr>
<td>Allowing people applying to foster to apply for a home with an extra bedroom</td>
<td>These proposals are partly met by the Homefinder policy. Eligibility for an extra bedroom would be considered by the Homefinder assessment panel on receiving confirmation that the applicant has been approved as a prospective adopter or foster carer.</td>
</tr>
</tbody>
</table>

5.49 Full details of ‘Homefinder’s’ allocation policy can be found at:
Mobility

5.50 In general the Council supports greater mobility in the social housing sector as a means of reducing levels of overcrowding and facilitating moves to access employment or for health / support reasons. As such the Council subscribes to the ‘Homeswapper’ scheme and expect all registered providers operating in the Mansfield district to have signed up to a national housing mobility scheme. (as required through directions from the social housing regulator)

5.51 We would expect that wherever possible, tenants moving through such a scheme would be able to enjoy the same security of tenure and rent model in their new property. However, we also recognise that this will not be possible in all cases, particularly where voluntary moves are made to housing which has been designated as ‘affordable rent’ as part of a contract with the HCA.

6. Monitoring and reviewing the strategy

6.1 Mansfield District Council has established a steering group to oversee the development of the tenancy strategy. The group is currently made up of officers from Strategic Housing, Housing Needs, Landlord Services and elected member representation in the form of the two portfolio holders for housing. Officers from other departments may, from time to time, be required to attend the steering group, for example officers from Legal Services and Select Commission 1.

6.2 The steering group will support the Council in its role of monitoring and reviewing the effectiveness of the strategy with monitoring of the strategy considering two main areas:

   The group will need to consider and respond to any changes to the corporate priorities and changes to Government policy.

   It will also need to consider changes to market conditions and their likely impact on the demand for service provision. It will therefore also monitor:

   - Housing need
   - Homelessness approaches, preventions and acceptances
   - Number of new homes built and in which tenures
   - Rent levels across all tenures
   - Changing trends in welfare benefits, particularly housing benefit
   - Affordability

6.3 Monitoring these activities will inform future changes to the strategy and enable our service response to remain appropriate and relevant to changing circumstances.
7. **Equality Impact Assessment**

7.1 Mansfield District Council expects all registered providers to carry out Equality Impact Assessments (EIA) for their tenancy policies. The EIA will ensure the needs of all protected characteristic groups are taken into account when a new policy is developed and implemented.

7.2 This strategy has been subject to an EIA before being formally approved.

8 **Registered providers ‘tenancy policies’**

8.1 The Localism Act 2011 requires the tenancy strategy to summarise the policies of registered providers or ‘explain where they can be found’.

8.2 A schedule detailing where the policies of all registered providers’ active in the Mansfield District’ is in the process of being developed

9. **Consultation process**

Consultation on this strategy was undertaken with all registered providers operating within the district. The consultation ran from Monday 21 May 2012 until 14 July 2012.

9.1 One registered provider responded to the consultation and their comments were duly noted.

**Enquiries:** For further information on this document please email: jmarples@mansfield.gov.uk