

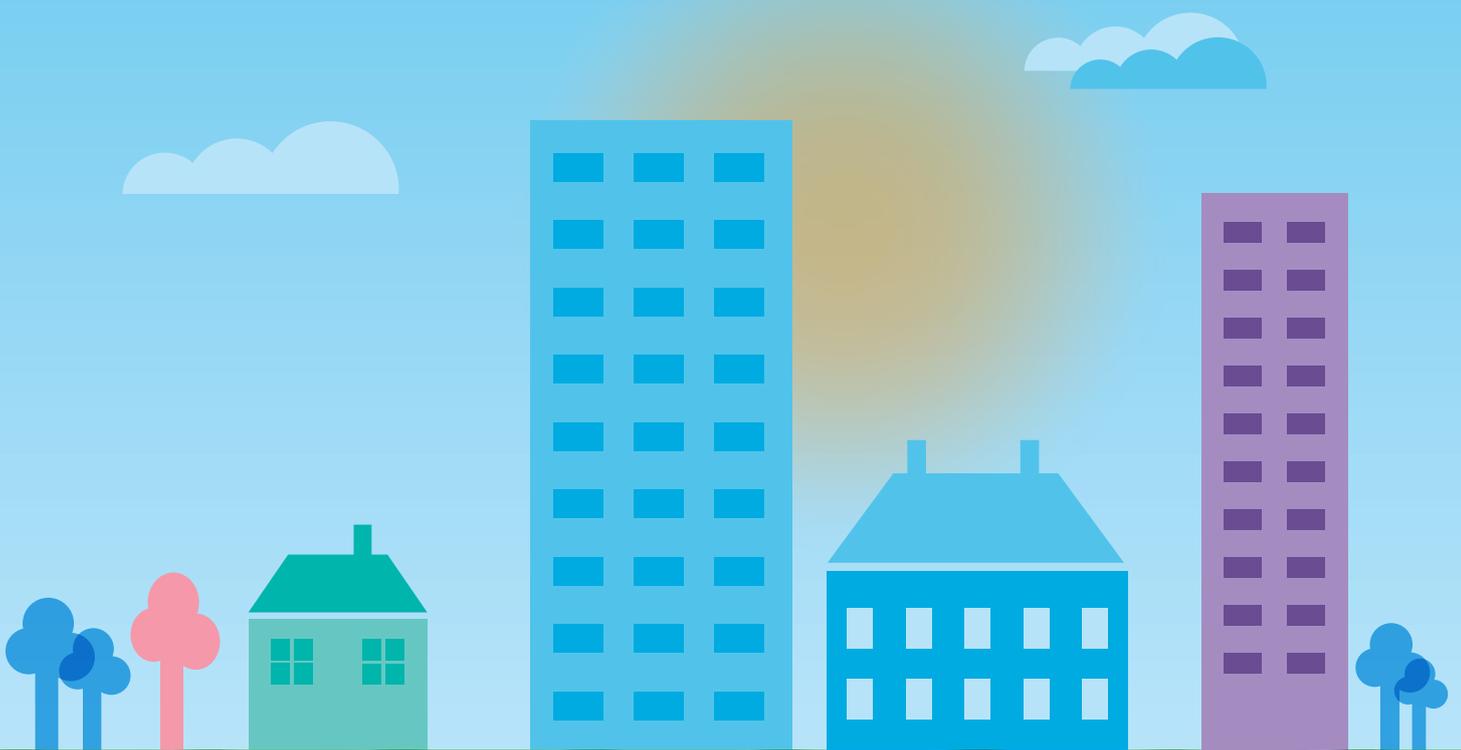
Spare to Share

A guide to letting and supporting shared tenancies in social housing

Ella Wesolowicz and Rebecca Derham

Updated March 2017

England



Crisis

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About Crisis

Crisis is the national charity for homeless people. We are dedicated to ending homelessness by delivering life-changing services and campaigning for change.

Our innovative education, employment, housing and well-being services address individual needs and help homeless people to transform their lives.

We are determined campaigners, working to prevent people from becoming homeless and advocating solutions informed by research and our direct experience.

Crisis head office
 66 Commercial Street
 London E1 6LT
 Tel: 0300 636 1967

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Who this toolkit is for

This toolkit is a guide for local authorities, their Arm's-Length Management Organisations (ALMOs), and housing associations. We have specified which information is relevant to local authorities and which is useful to housing associations.

The toolkit may also help Help-to-Rent projects working closely with Registered Providers (RPs), and supported accommodation providers working with young people.

Our general sharer's toolkit, *A Shared Approach*, looks at facilitating sharing in private rented sector accommodation. It is referenced in this document, and can be consulted for further information at: www.crisis.org.uk/pages/sharers-toolkit-.html

Many local authorities and housing associations commission and offer shared housing for single people, but typically within a supported housing environment. Projects we have worked with, as part of our national best practice work, have helped us understand and learn about what makes a shared housing scheme successful. Social landlords and their membership bodies have also helped us understand the challenges and opportunities of shared housing for social landlords.

Through this toolkit we take social landlords through a step-by-step process of setting up and delivering a shared housing provision. While we appreciate that not every service can meet every single one of the requirements set out here, these are the aspects of an excellent service that any shared housing scheme should be striving for. We want to ensure there are more shared housing opportunities and solutions for single people, particularly those under 35.

A particular thanks to the following organisations for their input into the toolkit and for sharing their expertise with us.

- Derventio Housing Trust
- South Yorkshire Housing Association
- St Vincent's Housing Association
- Walsall Housing Group
- Solihull Community Housing
- St Basil's
- Yarlington Housing Group
- Nomad Opening Doors
- Newydd Housing Association
- MyBnk, The Money House
- New Horizon Youth Centre
- Arch (North Staffs)
- Plymouth Access to Housing (PATH)
- Chartered Institute of Housing
- National Housing Federation
- National Federation of ALMOS
- Community Housing Cymru
- Cambridge Centre for Planning & Housing Research
- University of Manchester

1. Introduction

This toolkit was first published in November 2015 to support social landlords in increasing the supply of shared housing. This new edition includes learning gathered from the Private Rented Sector (PRS) and social landlords on the viability of shared social housing as a housing solution for single people.

We welcome the opportunity to work with providers to inform our work on sharing in the social sector and to promote best practice nationally. If you would like more information, please get in touch at: private.renting@crisis.org.uk

There is now a push for social landlords to deliver shared housing as a result of the Spending Review and Autumn Statement 2015.

To curb spending on Housing Benefit, HM Treasury announced in this Statement that Local Housing Allowance (LHA) rules would be applied to social housing tenants claiming assistance for their housing costs.¹ General needs social housing tenants signing a new tenancy after April 2016 will see the amount they can claim for housing costs restricted to LHA in April 2019. The cap will apply to under 35-year-olds restricted to the Shared Accommodation Rate (SAR), who will most likely find one-bedroom social rented properties unaffordable by 2019.

Because of the policy announcement we have been working with social landlords and their membership bodies to gain a deeper insight into how shared social housing can be delivered. This is to ensure that social landlords can retain an offer to under 35-year-old tenants reliant on LHA. The updates to this toolkit reflect the learning gathered from landlords and membership bodies.

We know that the provision of shared housing in the social sector is an emerging area. It brings challenges and opportunities to innovate. This updated toolkit builds on learning from both the private sector and the social sector. It gives options in overcoming barriers in the delivery of shared housing by social landlords.

¹ <https://www.gov.uk/government/publications/spending-review-and-autumn-statement-2015-documents/spending-review-and-autumn-statement-2015>

Context

Even before the announcement of Local Housing Allowance (LHA) caps being applied to social housing, there was a strong case for social landlords to deliver shared housing. Finding housing of any type is becoming increasingly difficult for single homeless people.

According to the Department of Communities and Local Government (DCLG), the number of council and housing association homes in England decreased from 4.42 million in 1995 to 4.03 million in 2015.² The number on housing waiting lists continues to rise in certain areas.

In some parts of the country the issue isn't the amount of social housing available, but the type (size, location etc) available compared to what is needed. Data laid out by DCLG for 2015 shows that there were nearly 55,000 empty dwellings owned by local authorities and registered providers.³

This issue is compounded by recent welfare reforms. Since April 2013 social housing tenants with one or more bedrooms, which they are deemed to be 'under-occupying', have had deductions made to their Housing Benefit (14 per cent for one room, 25 per cent for two rooms or more).

Due to the removal of the 'spare room subsidy' (the bedroom tax), there is a lack of one-bedroom flats available. This is because tenants have, where possible, downsized to avoid the tax.

Correspondingly, in some areas there is now a surplus of empty, larger family-style social properties that tenants are reluctant to take on. This is because of the bedroom tax, or because they are unable to afford them due

² DCLG Live Tables. Table 104: Dwelling Stock by Tenure (England), <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

³ DCLG Live Tables. Table 615: vacant dwellings by local authority district: England, from 2004, <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants#history>

to the overall benefit cap, which was further reduced in autumn 2016.

And as communities have changed, so has the demand for certain types of housing. Social landlords have found that some of their properties – their housing stock – has become obsolete. This is because the properties' original functions are no longer relevant, for example use for certain key-work accommodation.

Yet simultaneously people owed a statutory duty by their local authority are facing long waiting periods in temporary accommodation.

Due to the limited supply of suitable social housing, and the challenges accessing affordable and secure housing options in the PRS, local authorities face difficulties offering settled accommodation.

As of June 2016, 73,120 households were living in temporary accommodation – at a large financial cost to local authorities.⁴

Similar difficulties affect single people wanting to move on from supported housing. Without access to appropriate social housing, move-on options are limited. This in turn prevents bed spaces becoming available for new referrals.

For many young, single people, moving into a private rented tenancy is their only housing option.

Moving into the PRS is now reported to be the most common move-on option for young people leaving homelessness providers.⁵ The numbers renting in the PRS are growing and expected to continue to grow.⁶ Yet, there are

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/555808/Statutory_Homelessness_and_Prevention_and_Relief_Statistical_Release_April_to_June_2016.pdf

⁵ <http://www.homeless.org.uk/sites/default/files/site-attachments/201512%20-20Young%20and%20Homeless%20-%20Full%20Report.pdf>

⁶ <https://www.jrf.org.uk/report/housing-options-and-solutions-young-people-2020>

particular barriers for young people trying to access the private rented sector.

While exemptions exist⁷, most under 35-year-olds are only eligible for the Shared Accommodation Rate (SAR) of LHA – the rate attributed to renting a room in a shared house.

In many areas, the SAR is wildly out of step with market rents⁸; an issue which is likely to deepen with the four-year freeze on LHA rates. Those claiming the SAR are having to pay increasing top ups to meet the shortfall between what the SAR will cover, and what landlords demand.

In some areas, there is simply not the supply of suitable shared accommodation to meet the need.

In addition to affordability and supply, young people reliant on benefits face acute challenges based on private landlords' perceptions.

The National Landlords Association (NLA) presented evidence to DCLG in 2013 showing that fewer than a quarter (22%) of landlords were willing to let to claimants of Housing Benefit.⁹

Another challenge facing young people in housing need is the removal of automatic entitlement of the housing component of Universal Credit for 18-21 year olds.¹⁰ This is due to come into force from April 2017. Although there are exemptions¹¹, it is anticipated that the policy could be seen as a blanket policy for all young people. Landlords are likely to increasingly view young people

⁷ Exemptions include : those 25 and 34 years old who have spent at least three months in a hostel where they have received resettlement support and ex-offenders who are subject to active multi-agency management under the Multi Agency Public Protection Arrangements (MAPPA) at Levels 2 or 3. Care leavers are also exempt until they are 22 years old, as well as anyone getting the severe disability premium in their benefit because they are entitled to the middle or higher rate element of the Disability Living Allowance.

⁸ http://www.crisis.org.uk/data/files/1505_Shut_Out_briefing_2015_v3.pdf

⁹ https://community.crisis.org.uk/file/home-no-less-will-do/HOME-No-Less-will-do_web.pdf

¹⁰ http://www.legislation.gov.uk/uksi/2017/252/pdfs/uksi_20170252_en.pdf

¹¹ http://www.legislation.gov.uk/uksi/2017/252/pdfs/uksi_20170252_en.pdf

as a 'risky' group to let to. Landlords associations have suggested that there will be further reluctance to let to any young people.¹²

Access issues are compounded for young people. Because of their age they will have had less experience in managing a tenancy and fewer opportunities to save for tenancy set-up costs.

Consequently, many young people are forced to stay living with family, potentially in unsuitable, unsafe or overcrowded homes, for longer than any other previous generation. Joseph Rowntree Foundation analysis (pre-dating the announcement of the LHA caps) estimated that the number of young people in their own social tenancies by 2020 will decrease by 360,000. The number staying with their parents will increase by approximately 170,000.¹³

Young people unable to stay in the family home or to find suitable housing are often forced to sofa-surf or sleep rough. A recent estimate suggested that one in five young people sofa-surfed in 2013/14. Reports also suggest that 60,000 16-24 year olds sleep rough or stay in types of temporary accommodation regarded as tantamount to homelessness per year.¹⁴

Following the announcement that LHA caps will be applied in the social sector, there is an even stronger argument to increase the social housing supply to single and particularly young single people.

Analysis from the National Housing Federation found that in England there will be an average shortfall of £22.09 per week between the SAR and one-bedroom rents for housing association tenants. This is based on 2012/13 CORE letting data.

¹² <http://www.landlords.org.uk/news-campaigns/news/closing-the-door-on-the-vulnerable-nla-slams-18-21s-benefit-restriction>

¹³ <https://www.jrf.org.uk/report/housing-options-and-solutions-young-people-2020>

¹⁴ [http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_\(V12\).pdf](http://www.crisis.org.uk/data/files/publications/Homelessness_Monitor_England_2016_FINAL_(V12).pdf)

There will also be an average shortfall of £9.53 for local authority tenants.¹⁵ Figures will vary greatly depending on locality and specifics of different housing markets. But unless social landlords take the opportunity to adapt and innovate, even social housing could become unaffordable for under 35-year-olds needing help with their housing costs.

So what will happen to under 35-year-olds if social housing becomes inaccessible? With existing barriers, the PRS is not equipped to offer a sufficient alternative for all young people in housing need. Without nominations, local authorities will experience even greater difficulty in discharging their duty to homeless under 35-year-olds.

This leads to a risk of gatekeeping and the potential that access to housing advice and options will be restricted as local authorities struggle to secure appropriate housing for people under 35. Without a genuine offer of social housing for under 35-year-olds, the trend of rising homelessness for this age group will undoubtedly be exacerbated.

Why consider sharing?

With LHA caps being applied to social housing, social landlords are looking closely at their rent setting policies and assessing whether one-bedroom rents can be made more affordable. While this approach may be desirable, it is questionable whether it will provide the necessary rental income required.

Social landlords will also be considering the affordability of their one-bedroom properties for under 35-year-old tenants in work. They will also consider investing in Employability, Training and Education (ETE) programmes to bring tenants closer to the workforce. And efforts will be made to improve the financial capability of tenants affected by the caps through targeted money management programmes.

While such programmes should be held as examples of best practice, they will not provide a catch-all solution for under 35s unable to work at a particular time. For young people needing housing, particularly those experiencing the devastating effects of homelessness, secure and affordable housing is the base for longer-term outcomes such as employment. Shared housing can provide this base, and importantly will enable social landlords to retain an offer to out-of-work under 35-year-old applicants.

As well as retaining an offer, there is a business case for social landlords to deliver shared housing. Assigning properties as shared housing can bring hard-to-let, decanted or obsolete stock back in to use, reducing voids and increasing revenue as a result.

Shared housing schemes enable social landlords to deliver local authority nomination agreements and reduce numbers on housing registers. Shared housing projects can also contribute to prevention strategies.

Homelessness is costly in terms of the personal impact it can have on a person. But it is also costly in terms of public spending. Research conducted by Crisis and the University of York estimates that homelessness in young people could cost approximately £11,733 per person where it persists for 12 months.

This research indicates that successful prevention would cost £1,558.¹⁶ The average costs are broken down as follows:

Scenario 1: Successful prevention	Cost
Preventative intervention by Housing Options Team	£826
Low intensity accommodation-based service (mean support cost, 4 weeks)	£432
Floating support (mean support cost, 6 weeks)	£300
Total cost	£1,558

Scenario 2: Homelessness persists for 12 months	Cost
Processed by Housing Options Team, refused assistance	£558
Low intensity accommodation-based service (mean support cost, 41 weeks)	£4,428
Seen by ambulance crew and taken to hospital	£233
Non-elective long stay in hospital	£2,716
Residential detoxification (6 weeks)	£3,798
Total cost	£11,733

Shared housing also gives a tenant financial and social benefits. Through more affordable rents, and shared utility costs, shared housing helps people achieve and sustain employment. It also provides companionship. These benefits contribute to social landlords' social mission of supporting healthy and engaged communities.

This toolkit explores the options for social landlords setting up and delivering shared housing schemes. It makes suggestions of how different models of shared housing can be operated within a social housing framework. Our aim is to increase the supply of shared housing, and importantly to ensure that social landlords are able provide a housing solution to under 35-year-old applicants.

Given the context, this toolkit will mainly make reference to young people and under 35-year-olds in housing need. However, we recognise that shared housing can be equally beneficial for single over 35s who choose to share due to the financial and social benefits it can bring.

¹⁵ <http://www.housing.org.uk/resource-library/browse/impact-of-applying-local-housing-allowance-rates-to-general-needs-social-te/>

¹⁶ http://www.crisis.org.uk/data/files/publications/CostsofHomelessness_Finalweb.pdf

Chapter One: Getting started

While many registered providers are familiar with delivering shared, supported housing, shared housing for general needs tenants is an emerging area of practice for social landlords. Consequently, it is helpful to consider the delivery of shared housing as a new housing product with a distinct set of management approaches.

To give your shared housing scheme the best chance of success, the set-up and delivery of the project needs to be carefully planned.

This chapter focuses on conducting market research, and the planning and evaluation processes of delivering a shared housing scheme.

Market research

Considering existing housing provision for single young people in your area is vital. You will need a good grasp of the local private market and the ways young people find and move on from supported housing.

You will also need to consider the existing culture and attitudes towards sharing. This insight will influence how you develop your model of shared housing to ensure it meets what is needed.

Conversations with other social landlords in the area are also key. They can help with the sharing of best practice, and ensure that schemes complement each other rather than compete for the same tenant group.

Assessing demand

Consider who your target tenant group will be. Will you be targeting all under 35-year-olds, or a particular group? For example, these could be care leavers, or young people found intentionally homeless.

Gathering data from housing registers and data captured by local authorities on young

people approaching housing services will help with this. Local support agencies can also give information on young people approaching their services and an insight into the needs of young people.

Because of the LHA caps, you can assume there will be a general need from under 35-year-olds for shared housing. Analysing data from current under 35-year-old tenants and applicants will give a greater understanding of the circumstances and behaviours of this tenant group. This in turn will help inform your shared housing model.

Assessing appetite

As well as assessing demand, the appetite for sharing from prospective tenants will need to be researched. Under 35-year-olds on housing registers, young people participating in life-skill programmes (for example ETE or money management programmes) and clients of local support agencies are potential targets.

Focus groups could be held with them to assess their attitudes towards sharing, and gain insight into what can make sharing a desirable housing option. You could also advertise the principle of shared housing on choice-based lettings systems and assess the response.

Once you have assessed the demand and appetite for shared housing in your area, you can begin formulating an appropriate model to meet this need. The following section will talk you through the stages of the planning and evaluation process.

Getting the right model

The model of shared housing you run will be dependent on the needs of your prospective tenants.

Stock, tenure, and allocation and management approaches (all discussed in

the following chapters) will be specific to the model. There are different options to consider depending on the aims of your project.

General needs shared housing

This will be a typical model of shared housing. Most likely ‘stranger shares’ – where previously unknown applicants are brought together to form a household.

Best practice promotes the implementation of pre-tenancy training, matching tenants intelligently and ongoing tenancy sustainment support. This model will be more appropriate for tenants with no or low to medium support needs.

Training tenancies

Training tenancies might be more suitable for applicants with higher support needs. This is a more temporary arrangement than general needs housing, with typical placements of 6-12 months.

Tenants receive intensive support and training to get them ‘tenancy ready’ while living in situ. They should then receive support to move on to more independent living. This model requires greater levels of resources and staff time. However, it has the benefits of equipping tenants with the necessary skills to manage a tenancy while resolving their housing need.

Training tenancies may be a more suitable model for younger applicants and those with limited or negative housing histories. This model of sharing could be a beneficial alternative to temporary accommodation.

Lodgings

There are alternatives to delivering shared housing schemes while still ensuring that under 35s have access to social housing. Social landlords may wish to set up and deliver a lodgings scheme, by matching applicants to existing tenants with spare bedrooms. This might be attractive to tenants affected by the bedroom tax.

For more information on lodgings please see Crisis’s toolkit on sharing in the private rented sector available at www.crisis.org.uk/data/files/Private_Rented_Sector/Sharing_Solutions/Sharers_Toolkit_web.pdf

Alternatively, instead of delivering such a scheme internally, social landlords could consider working closely with a Help-to-Rent project (see Creating links on p. 10 for more information).

Planning and evaluation

Piloting a model

To determine the best model for your area and to prove the case that a sharing project can be viable, you may wish to run a small pilot first. This is particularly wise if there is a limited sharing culture in your area, or if there are reservations expressed by boards or members.

You may need to invest in additional resources or access seed funding to get the project off the ground. For suggestions of seed funding sources and best practice relating to financial sustainability see *The Cost of Access* available at www.crisis.org.uk/pages/the-cost-of-access-sustaining-and-supporting-private-renting-projects-.html

Monitoring and evaluation tools should be used to decide the future direction of the project. Further information on monitoring and evaluation follows this chapter.

Addressing a lack of sharing culture

Despite a lack of sharing culture in some areas – in rural areas or outside of university towns – shared housing is becoming a realistic housing option for younger people. Social landlords have a role in educating young people about future housing options.

You could do this by working closely with educational institutions, organisations working with young people, and local

authority departments so that expectations are managed from an early age.

Case studies and tenant stories such as the one at the end of this chapter, are a good way of promoting shared housing as a successful housing option to prospective tenants. Involving tenants as peer mentors can also attract interest in a project. They are also well placed to reassure new applicants about any reservations they may have about shared housing.

You can find more on peer mentors in **Chapter Six: Supporting and managing shared tenancies.**

When developing your pilot, you may wish to make additional allowances, or offer incentives which might not be possible with a fully developed housing project. For example, if your shared project will operate in an area where shared housing is not a cultural norm, consider incentives to attract tenants to the project.

Research by The Cambridge Centre for Housing and Social Research showed that an en-suite bathroom, cheap rent and a good location make shared housing attractive.¹⁷ It is important to involve prospective tenant groups to inform these decisions.

Teams or external organisations referring applicants to your shared housing project should promote sharing positively. There should also be suitable training and information for staff to help them do so.

Our toolkit for training staff in hostels and other supported housing settings to help clients move to the private rented sector may be a useful starting point. This can be found at www.crisis.org.uk/pages/move-on-to-private-renting-.html

If you would like more information on this, or on any training or support we can offer your organisation in setting up a shared housing model please contact the Crisis Housing

¹⁷ http://chcymru.org.uk/uploads/events_attachments/FINAL_Report_on_viable_housing_models_for_under_35s_-_Final_2016.pdf

Team at private.renting@crisis.org.uk

Creating links

When developing and operating a shared housing scheme, it is important to link with relevant external organisations and specific departments. Such links can help you plan your project, and provide partnership opportunities. They can also promote your scheme.

Relevant contacts

- **Help-to-Rent projects**

These projects help single homeless people find accommodation, by brokering a relationship between client and landlord. Help-to-Rent projects will support their clients to overcome the barriers to finding and keeping (usually privately rented) accommodation. They may assist clients financially, by delivering pre-tenancy training, supporting them with the set-up of a tenancy, and by providing ongoing tenancy sustainment support.

Some social landlords may feel that their expertise does not lie in managing and supporting shared households. If this is the case for you, why not consider supplying properties to a Help-to-Rent project, and coming to an arrangement regarding management responsibilities?

Also, working closely with a Help-to-Rent project in your area may provide referrals to your scheme. The project could also provide pre-tenancy training or ongoing support to your tenants.

For more information about Help-to-Rent projects, please contact the Crisis Housing Team at private.renting@crisis.org.uk

To find a Help-to-Rent project in your area, search our database at www.crisis.org.uk/find-pr-scheme.php

- **Local advice and support agencies**

These organisations will give you an insight into the needs of young people

in your area. There may be opportunities for them to direct young people to your project, depending on what you offer and the application route. They may also be useful organisations to link with when consulting prospective tenants about your proposed model.

- **Planning departments**

It is important to have early discussions with your local planning department about any planning regulations you may need to consider before you start converting your stock for sharers.

For more information on conversions please see **Chapter Two: Getting the right property.**

- **Environmental health and building control**

As well as communicating with planning departments, you should discuss your shared housing scheme with your local authority's environmental health and building control teams. They will give you guidance around health and safety considerations and good practice relating to Houses of Multiple Occupation (HMOs).

- **Local authority housing and homeless departments**

Regardless of your housing offer it is essential to work with local authority departments and contribute to their housing and homelessness strategies.

Housing options departments could refer people to your project, or tenancies could be allocated to you through the local authority's housing register. If a tenancy breaks down, close relationships with these departments will help find alternative housing pathways for your tenants. This can help prevent eviction and repeated instances of homelessness.

- **Housing Benefit**

It is important to liaise with your local

Housing Benefit department. If you are planning on including service changes in your rent, then you will need to establish which charges are Housing Benefit eligible.

If you are planning a training tenancy model, then you may wish to cover some of the costs of intensive housing management through enhanced Housing Benefit. More on both service charges and intensive housing management can be found in **Chapter Three: Finances.**

Building good relationships may also allow fast-track payments to your tenants, direct payments to you as the landlord, enable issues with Housing Benefit to be resolved quickly, and encourage targeted use of Discretionary Housing Payments (DHPs).

- **Job Centre Plus (JCP) and Department for Work and Pensions (DWP)**

It will be good for your local JCP to be aware of your shared housing scheme. With the roll out of Universal Credit, JCP staff will play a more influential role in a tenant's claim for housing costs. For more information on supporting your tenants with Universal Credit, please see our guide at www.crisis.org.uk/pages/universal-credit-how-to-support-your-clients-and-adapt-your-service-a-guide-for-help-to-rent-project

Monitoring and evaluation

Monitoring and evaluation mechanisms should be in place from the project's start. Accurate record keeping, and regular reporting against performance indicators will be essential to measure the success of the project.

Feedback mechanisms should also measure tenant, and other stakeholder, satisfaction.

You will want to track hard outcomes such as tenancies created and sustained. But it is also important to track softer outcomes relating to tenants' wellbeing and their

involvement in meaningful activity. Examples include engagement with employment and training opportunities, and whether there have been improvements in health, or financial capability for tenants.

You will also want to measure the performance of the project against the proposed business plan. This will monitor the actual management costs of shared housing. It will be useful to build ways of comparing the cost of operating a shared housing scheme against the cost of managing self-contained units for under 35-year-olds.

Making comparisons about the cost of rent arrears, void periods, repairs, staff time, interventions, and so on, will help you test the viability of a shared housing scheme.

You should set regular intervals for reporting. These will help you feed back to senior management and boards on the project's success. It will also help you establish if any interventions need to be in place and change practice where necessary.

Regular reporting will be particularly important if you are running a pilot. The continuation or development of the pilot will depend on its evaluation.

When considering continuing a pilot, it will be important to counterbalance the cost of operating a shared housing scheme with the potential costs of not operating it.

Calculations should be completed regarding the potential loss of rental income if those affected by the SAR cannot afford their one-bedroom rent. The cost to the organisation, and wider community, of not having an offer of accommodation for under 35-year-old applicants should also be calculated.

The cost of operating a shared housing scheme should not be considered in isolation. It might be the case that the cost of managing such a scheme can be offset

against savings made to other budgets. Appropriate monitoring should enable you to capture this data, and may be used to make the case for funding based on a cost-savings argument.

Crisis, in collaboration with York University, developed *Making it Count* – a tool for private rented access schemes to show the value for money of their service to the local community and the public purse. The indicators used to measure their value may also be useful to social landlords. The calculator and guidance is available at: www.crisis.org.uk/pages/making-it-count.html

These monitoring and evaluation tools will make it possible to adapt practice where necessary. However, it will be wise to recognise where a project is not successful and have an exit strategy in mind.



Tenant experience, SnugBug scheme

“I was first introduced to St Vincent’s Housing Association (SVHA) when I was 17. My mum had just passed away and with no other family to turn to, I found myself thinking ‘what do I do now?’. At the time I had just started college, so SVHA helped me apply for benefits and funding so I could continue and arranged for me to move in the Foyer just across from my college.

Over the two years on my course, they offered me help and assistance for any issues or questions that I had. In short, SVHA took all the worry, turmoil and uncertainty out of my life so I could focus on my future.

After graduating at college, I gained a place at university in Cardiff. Even though I was leaving, SVHA were still there to have my back, hiring a van and driving the 500-mile trip down to Wales with all of my stuff, a feat I would never have been able to accomplish on my own.

And when my student loans were delayed due to my unusual situation, SVHA were able to negotiate with my university to secure me accommodation and emergency loans to tide me over for the four months it took for my loans to be received.

I spent three years at university, and when it came time to plan my next move, I was relieved that SVHA were still eager to help me. They were there to help me apply for housing and support back in Blackburn while I looked for work. They were able to secure me a home in Manchester through their SnugBug scheme when I told them of my plans for Manchester.

It is now my third year in Manchester at the SnugBug house, and my life could not be more comfortable or content. I have a great job, a secure place to call home and a bright future, this is a far cry from where I was eight years ago, and none of it would have been possible without the help and support from St Vincent’s.”

Chapter Two: Getting the right property

There are a number of things to consider when converting housing to properties for individual households to share. First and foremost is the fact that you may be changing a property previously used for a single household into a HMO.

Recommendations on following guidance on converting stock into HMOs follow below.

Permitted development rights allow for works to be carried out without planning permission being sought. In certain local authority areas article 4 direction restrictions (under article 4 of General Permitted Development Order) may exist to curb permitted development rights.¹⁸

You will need to check whether any such restrictions are in place to prevent the conversion of family homes into HMOs.

The amount of conversion will vary depending on the original property type. However, it is not anticipated that the works will be so extensive that converting the property back to its original use would be too cumbersome. But this is something that should be considered in your exit strategy.

The cost of converting homes should be budgeted for as part of the business plan for the scheme. It could set conversion costs against the rental income from year one, or where available, use grant assistance from the local authority homelessness prevention budgets or charitable sources.

If your organisation links with a Help-to-Rent project, it is possible the project will have links with social enterprises that may be able to offer subsidised rates on renovation works. This could be arranged and facilitated by the project in exchange, for example, for a certain number of rooms identified for use for their

clients.

Under current guidance, privately rented accommodation of three or more storeys occupied by five or more people in two or more households would be classed as an HMO. This makes it subject to mandatory licencing.

Social housing is exempt from HMO licencing (see Housing Act 2004, Section 14).¹⁹ However, when converting properties for sharing, it is best practice to follow the HMO standards applicable to private rented accommodation and set down by each local authority, as well as HMO Management Regulations.²⁰

HMO management regulations key points
The landlord or managing agent must ensure the following.

- All fire escapes in the HMO are kept free from obstruction and maintained in good order and repair.
- All firefighting equipment is maintained in good working order.
- Annual gas safety certificates are completed and shared with tenants.
- All fixed electrical installations are inspected and testing regularly (no more than five years apart).
- All common parts of the HMO (including external areas such as gardens or patios) are maintained in a good decorative order, in a safe and working condition (ie handrails, stair coverings etc) and kept reasonably clear from obstruction.
- All windows and other means of ventilation are kept in good repair.

¹⁹ http://www.legislation.gov.uk/ukpga/2004/34/pdfs/ukpga_20040034_en.pdf

²⁰ http://www.legislation.gov.uk/uksi/2006/372/pdfs/uksi_20060372_en.pdf

¹⁸ http://planningguidance.communities.gov.uk/blog/guidance/when-is-permission-required/what-are-permitted-development-rights/#paragraph_034

- They have provided a waste disposal mechanism.

The **Local Authorities Coordinators of Regulatory Services**²¹ (LACoRS) guidance is a good guide to follow in terms of fire safety. The **Housing Health & Safety Rating System**²² (HHSRS) should also be considered.

Considerations for converting properties

A property's layout affects how people will live and interact within it. Remember, tenants are individual people who are coming together to share and so conversions should focus on how tenants will get along in the shared space.

Failing to recognise this could lead to increased management costs, if the space does not foster harmonious living. The following sections outline some key considerations when choosing the right properties to use for housing sharers.

Type of property

There will be a business case for allocating hard-to-let, obsolete or redundant property for your shared housing scheme. However, serious consideration should be given to why the stock is hard to let in the first place.

To ensure that your shared housing provision is a success, think carefully about the needs of your tenant group. How can the type of housing meet those needs?

For example, high-rise properties may be inappropriate if high service charges make the property too expensive, especially in light of the LHA caps. Properties in remote locations may also be unsuitable if there is no transport to work, education or leisure activities.

²¹ <http://www.rla.org.uk/docs/LACORSFSguideApril62009.PDF>
²² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/9425/150940.pdf

Because of the number of tenants in a shared house it is worth considering that there may be an increase in the amount of noise the household creates. For this reason, it may be preferable (but not essential) to use newer properties which often have better sound proofing than older properties.

New properties may also be better insulated. This can mean that tenants face lower utility bills, minimising the potential for disagreements about heating.

Certain types of properties can also meet the needs of sharers and satisfy business aims. Some accommodation, for example, redundant key-worker, ex-student or ex-sheltered accommodation which is no longer fit for purpose can be made suitable for sharers. This is especially true as such accommodation will have already been purpose-built for use as shared accommodation. Consequently, adaptation for general needs sharing may be minimal.

Location

Think about the locality when choosing property for your shared housing scheme. It should be on public transport routes in easy reach of employment and training opportunities.

If your tenants are likely to be young people, then an area near educational institutions, and somewhere young people would like to live is desirable. It will also be important to be in easy walking distance to shops and amenities.

Shared houses are not necessarily loud and problematic. Often they are as stable and calm as single occupancy households. Getting the right property, good matching of tenants and proactive management approaches will be crucial to ensure happy and tranquil households. If you have tenants who have completed pre-tenancy training and have support workers providing tenancy sustainment support, any risk of Anti-Social

Behaviour (ASB) will be further minimised.

All the same, it is worth considering the local area and neighbours. It may be advisable to avoid putting multiple shared houses close to one another. Instead, pepper-potting properties may be wise to further prevent the risk of ASB.

It is also advisable not to set up shared tenancies in houses where there are, for example, a large number of sheltered accommodation for older tenants nearby.

There may be ways of engaging the local community to reassure members against the worry of ASB. Providers have done this by notifying neighbours of the presence of a shared housing scheme in their community and provided contact numbers (including out of hours) to neighbours to use if any issues arise.

The aim of any such action should be community cohesion. It should not compromise the privacy of the shared housing tenants, or reinforce any negative perceptions which might exist within the community.

Size and layout

As a general rule, the higher the number of tenants sharing, the more variables there are for something to go awry with the household dynamic. Landlords may be tempted to maximise on their rental income by fitting in as many tenants in a shared house as possible. However, this can lead to problems within the household such as ASB, high turnover rates and increased risk of void periods.

You may find that increased management costs of larger households offset the additional rental income you could receive. We would advise against converting properties which result in more than four people sharing. It is far better to stick to a smaller number of tenancy-ready tenants and create a positive shared environment. In this situation tenants are more likely to look after the property and

stay in the tenancy for longer.

Although not recommended, if any property you are converting will be an HMO with seven or more bed spaces you will always need to seek planning permission.

This type of change of use is considered 'Sui Generis' (of a unique class) and falls outside the normal change of use regulations.²³

As previously mentioned, you should consider the needs of your tenants and how the layout of the property can affect their enjoyment of the home and living with others. It may be desirable to let out the living room or dining room as a bedroom to increase your rental income. It may even be the case that this is necessary for the finances to stack up.

If this is the case, then it is important to make the kitchen a sufficient size to ensure that tenants still have a space to socialise in. Having a space to come together as a household will be conducive to a good dynamic and prevent housemates isolating themselves in their rooms. You can read more about recommended size guidelines at the end of this section.

In addition, if reception rooms are converted to bedrooms you should ensure this doesn't reduce the number of final exits (front and back doors) of the property. For example, avoid having a bedroom that has the only direct access to the back door exit.

You will also need to consider whether the positioning of bedrooms could be isolating for any tenants. Research by the University of Manchester has shown that tenants may feel ostracised from the household if they occupy a sole bedroom on the ground floor.²⁴

Bedrooms ideally should be of a similar size to each other, and big enough for tenants to adequately store their individual possessions.

²³ <http://www.planningportal.gov.uk/permission/commonprojects/changeofuse/>

²⁴ <http://www.socialsciences.manchester.ac.uk/morgan-centre/research/research-themes/home-and-housing/under-the-same-roof/>

Tenants may feel less comfortable storing their personal items in communal areas, so bedrooms should have enough room for this.

It is also important to consider issues of sensitivity and privacy, particularly if you are housing vulnerable client groups. For example, tenants may feel uncomfortable hanging their laundry out to dry in view of others. So you could arrange for bedrooms to have enough floor space to erect a drying rack alongside the appropriate furniture.²⁵

It may also be appropriate to allow space for a small fridge in bedrooms. This is particularly wise if you are housing applicants of different faiths or cultures where sharing food storage is significant.

It is possible that there could be more electrical items in a property of individual sharers than you might typically find in a family home. Increasing the number of wall sockets in bedrooms will minimise fire risk through extensive use of extension leads.

Avoid having a bathroom accessed via a common area such as the communal living room, particularly if you are planning a mixed gender shared house. Also, ensure there are enough bathrooms in the shared house.

There should be a minimum of one bathroom for one to five tenants, and a minimum of two bathrooms if there are six to ten tenants. You may want to consider splitting the bathroom so that there are separate toilet and shower rooms, or installing additional toilets or showers if space allows. This could alleviate the potential for disagreements about a bathroom schedule.

Size guidelines

According to the Chartered Institute of Environment Health, minimum room sizes for HMOs are as follows²⁶:

²⁵ Ibid.
²⁶ http://www.cieh.org/uploadedFiles/Core/Policy/Publications_and_information_services/Policy_publications/Publications/Amenity_Standards_for_HMOs_1994.pdf

- Communal rooms (shared by 2-5 people)
Kitchen – 7.0m sq. (75 sq. ft.)
Kitchen/Diner – 11.5m sq. (125 sq. ft.)
Living or dining room – 11.0m sq. (120 sq. ft.)
- Communal rooms (shared by 6-10 people)
Kitchen – 10.0m sq. (110 sq. ft.)
Kitchen/Diner – 19.5m sq. (210 sq. ft.)
Living or dining room – 16.5m sq. (180 sq. ft.)
- Bedrooms: 6.5m sq. (70 ft.)
If the bedroom is occupied by two people, the minimum size is 11.0m sq. (110 sq. ft.)

Please note, however, that these are the *minimum* sizes and it is always advisable to aim for rooms that are bigger than this. Your local authority may have recommendations or guidelines around room size. It is worth checking with them before embarking on converting stock for sharers.

Furnishing a property

All properties should have working and tested white goods in them, ie washing machine and fridge/freezer. It is worth including in your occupancy agreements details of who (landlord/tenant) is responsible if there is any damage to appliances or repair issues.

Generally speaking, unless there is evidence of wilful damage or neglect, the maintenance or replacement of white goods will be the landlord's responsibility. This includes cases of reasonable wear and tear over time. It may be worth adding a clause to any agreements highlighting that white goods must be left in situ when a tenant vacates.

All properties must have a Gas Safety Inspection carried out annually, with a copy of the certificate given to tenants. It is a good idea to display this in the shared house near the boiler.

Kitchens, if big enough, should be furnished with a kitchen table and living rooms with sofa(s). All bedrooms should be furnished with a single bed, wardrobe, and desk where

possible.

Rooms should also have curtains or at the very least should be fitted with curtain poles. All soft furnishings (ie mattresses, sofas and curtains) must be fire safe and all electrical equipment should be PAT tested (portable appliance tested).

Ideally, shared houses should be part-furnished by your organisation. Furnished shared properties may ease the financial burdens of tenants claiming welfare benefits and help make a house a home.

Research suggests that furnishing properties can act as an incentive for tenants to consider types of accommodation they traditionally might not have considered. It can also reduce void loss and increase the sustainment rates of tenancies.²⁷ Some providers also feel that providing furniture for tenants (to be left once they move on) decreases the likelihood of them leaving unsuitable furniture behind, that will need to be collected by the council.

It may be the case it will be too costly for your organisation to furnish properties. So you will need to consider how you can help your tenants furnish the property.

One option may be to support them to apply to the local authority's welfare assistance scheme. It may be possible to submit joint applications for communal furniture. Although it will need to be decided what happens to this furniture when one or more of the tenants move on.

Another option might be to provide furniture, but recoup the costs through a service charge. The provision of furniture will be eligible for Housing Benefit or Universal Credit providing it does not become the property of the tenant. See **Chapter Three: Finances** for more information on eligible service charges.

Your organisation may already have links with a local furniture programme or operate one in-house. If this is the case, there may be opportunities to involve young people participating in furniture programmes as prospective tenants. This would allow potential tenants to have a say over the furnishing of their potential future homes, increasing the likelihood of accepting shared accommodation.

All properties should be decorated to a good standard. The decoration of properties may be another activity which could act as a tool to involve prospective tenant groups to ensure that properties are desirable. Furnishing and decoration are matters to consult prospective tenant groups about when assessing the appetite for shared housing in your area.

²⁷ <http://cmsadmin.s3.amazonaws.com/1536/fhfl-an-initial-discussion-of-how-furnished-tenancies-support-sustainable-communities.pdf>



Converting existing stock to a shared house

Property: Pre 1919 mid-terrace property with two reception rooms and kitchen to the ground floor and three bedrooms and a bathroom to the first floor.

Previous use: The property had been used for family accommodation.

New use: The property has since been converted to an HMO comprising four separate bedrooms with a shared communal living room, kitchen and bathroom.

Tenure: Each tenant will occupy the property on a licence.

Procurement process

- Before purchasing the property, the landlord approached Derventio Housing Trust (DHT) to enquire whether they would be interesting in leasing the property.
- The property was potentially suitable for lease in terms of its type and location and a site visit was arranged.
- A survey was carried out on the property and a schedule of works was prepared by DHT and sent to the landlord with a sample lease and rent offer.
- This was agreed and the landlord began works to the property; these were completed within a month.
- When everything was completed to DHT's satisfaction, arrangements were made with the landlord to sign the lease agreement for a three-year term.
- Once the property is formally handed over to DHT, the maintenance team were instructed to get the rooms set up with furniture, ready for our first tenants.

Conversion works

The actual conversion was relatively straightforward with a living room converted to a bedroom.

Fire safety

The property needed the fire safety provisions improving to mitigate the extra risk of multiple occupancy. These included: upgrading existing fire detectors, installing new fire detectors to new bedroom, cellar and communal landing and providing a quick-release fire blanket to the kitchen.

Electrical safety

It was also necessary to complete an Electrical Installation Condition Report (EICR). The existing limited provision of electrical sockets encouraged the use of multiple adapters and extension leads and risk from trailing cables and overloaded circuits.

The new provision of additional switched socket outlets is now to the following minimum standard.

- **Kitchen** – 6 socket points (3 x double sockets)
- **Living rooms** – 4 socket points (2 x double sockets)
- **Bedrooms** – 4 socket points (2 x double sockets)
- **Hall/landings** – 1 socket point (1 x single socket)

Sockets should be conveniently located in accordance with the layout of rooms to reduce the need for extension leads.

There were additional remedial works to the property in general. These included clearing the rear garden, clearing gutters, making stairs to the cellar safe, and ensuring extractor fans were present and working in both the kitchen and bathroom.

The landlord was also asked to ensure white goods were provided and in good working order and that a gas safety check was carried out with the certificate provided and displayed in the property.

The property was painted in light neutral shades and floor coverings were cleaned and/or replaced.

Costings

The landlord has kindly provided some costs for the project, to show how the lease arrangement has worked for him.

Purchase price: £81K

Legal fees and refurbishment: (Electrical/fire safety upgrade, bathroom, redecoration and carpets etc.). £9K

Total spend: £90K

New market value £95 – 100K

Rental income £8.1K pa

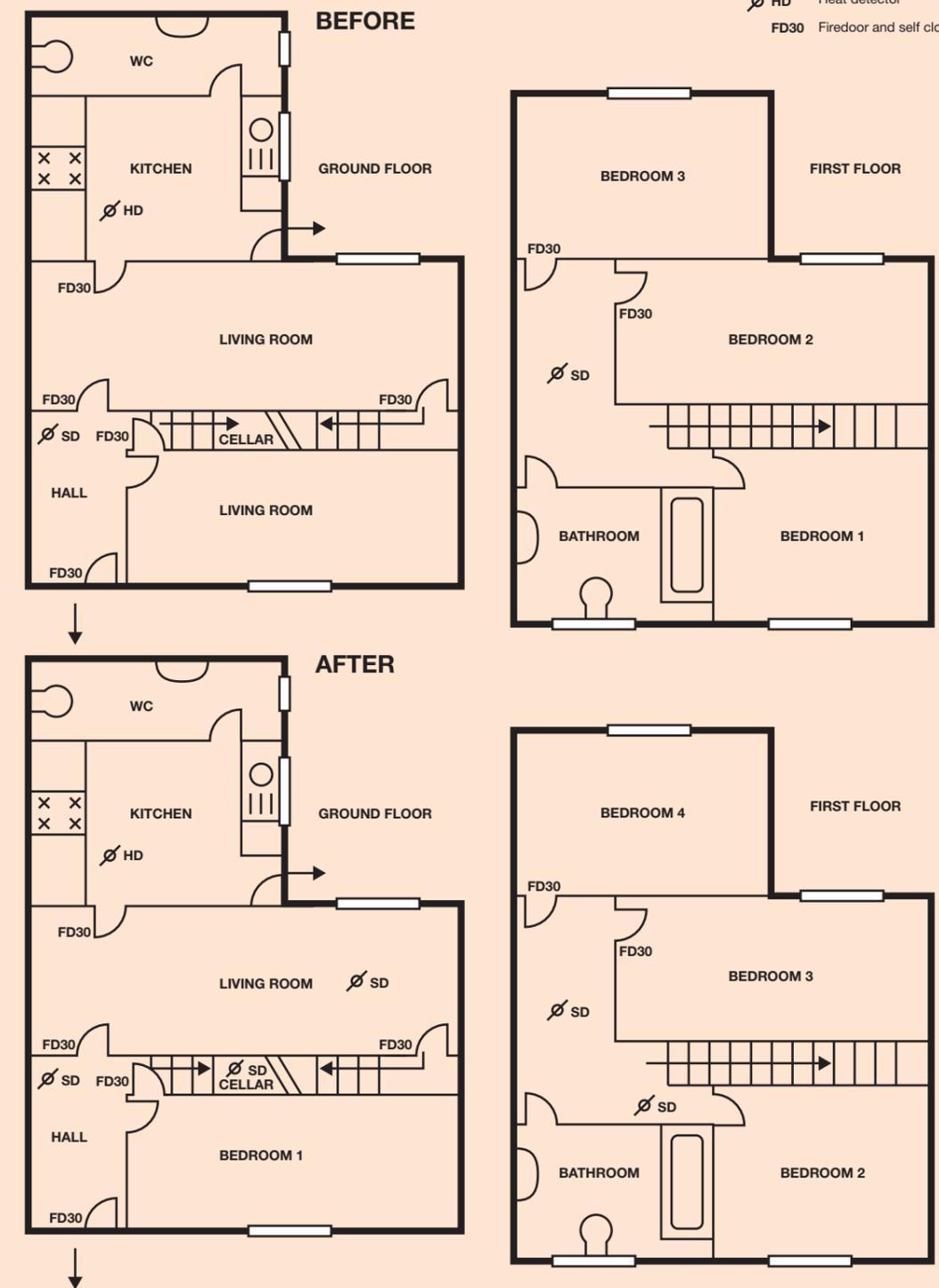
Yield vs cash investment = 9%

Yield vs market value = 8.31%

Annex 2 Floor plans

KEY

- ∅ SD Smoke detector
- ∅ HD Heat detector
- FD30 Firedoor and self close



Chapter Three: Finances

Since the announcement that LHA rules will be applied to the social sector, social landlords will need to ensure affordable housing options for under 35-year-olds. When offering a shared housing product, landlords will need to balance the cost of management and the financial viability of a model, with what tenants can afford.

Landlords need to consider the affordability of not just the rent, but any service charges and the actual cost of living at properties assigned for a shared housing scheme. These costs should be clear to give tenants a genuine picture of how much it will cost to live in your shared housing scheme.

This section outlines some of the financial issues that you will need to consider to achieve an affordable product for tenants, particularly in relation to rent-setting, charging for services and arrangements of utilities.

Rent setting

Social landlords will need to abide by the relevant regulation set out in government guidance depending on whether you are a stock holding local authority or registered provider.²⁸

If you are using property assigned for social rent for your shared housing scheme you will need to charge a social rent set by a formula. This will be based on the value of the property, average local incomes and the size of the property.²⁹

If you are a property developing landlord, with a housing supply delivery agreement with the Homes and Community Agency (HCA), Greater London Authority (GLA) or

²⁸ Local authorities will need to follow Guidance on Rents for Social Housing, found here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/313355/14-05-07_Guidance_on_Rents_for_Social_Housing_Final_.pdf. Registered providers will need to follow the Rent Standard Guidance, found here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/419271/Rent_Standard_Guidance_2015.pdf.

²⁹ Ibid.

Secretary of State, you will be able to charge an affordable rent of up to 80 per cent of market rents.³⁰

When considering properties to assign to your shared housing scheme and setting rent levels, you should check existing grant covenants, section 106 obligations, or loan covenants. Such agreements could have an impact on the conversion of the stock into shared housing, or on the level of rent you are able to charge.

Between 2016 and 2019 rents will be subject to a one per cent decrease each year for four years. In addition, to reduce welfare spending, working-age benefits will be frozen for four years from 2016. This includes LHA. Rates published in 2016 will remain static until at least 2019. The one per cent rent decrease and the freeze on LHA will need to be considered when setting rents.

It may be possible, when converting property for use as shared accommodation, to split the existing social or affordable rent for the whole property by the number of occupied rooms. This amount could then be charged as rent to individual tenants.

However, you may find that charging each tenant the SAR per unit of accommodation (ie room) stacks up more favourably, increasing your rental yield. This in turn can contribute to the costs of managing a shared property.

You will probably have applicants reliant on welfare benefits to help with their housing costs. It is vital that you ensure rents are affordable on LHA.

Even if applicants are working, younger tenants are more likely to have insecure jobs. They may have periods where they need to rely on Housing Benefit/Universal Credit.

³⁰ Ibid.

Consequently, you will need to familiarise yourself with the local rates, to ensure the rent for each room will be affordable for tenants affected by the SAR. You can search for LHA rates here: <https://lha-direct.voa.gov.uk/search.aspx>

Having an affordable product available to under 35s is key in developing a model of shared housing. Rent levels should be considered in relation to specific properties and the cost of living attributed to these properties. If the total rent plus any service charges relating to the property are higher than the SAR, the tenant will face the shortfall.

This total should also be considered in line with tenants' utility and Council Tax costs to offer a genuinely affordable housing option. There is more information on service charges, utilities and Council Tax at the end of this chapter.

You may consider a model where affordable rents over the SAR are charged to some working tenants. However, it is important to consider how tenants will manage if they lose their jobs.

Charging affordable rents to working tenants may allow you to cross-subsidise other properties let at the SAR, if this would otherwise be unviable.

For more information, see the section on **Help with housing costs** later in this chapter.

A suite of available housing options incorporating flexible approaches to rent setting will provide move-on opportunities for tenants to progress along a housing 'career'. Such options will prevent tenants feeling stuck in shared accommodation especially if it is not their first choice. The options can also provide incentivised pathways for gaining employment and maximising income.

Exempt and specified

accommodation

Specific management approaches are necessary when operating a shared housing scheme.

Even if tenants have low to no individual support needs, more intensive housing management functions may be needed to support the shared household dynamic and nuances associated with shared housing. This may particularly be the case if housing vulnerable or homeless applicants, for example, through a training tenancies model.

You may find that management costs increase alongside the provision of additional housing management. You may also want to consider the options of funding these management functions outside of your core rental income.

Exempt accommodation

Accommodation owned or leased by a social landlord where support is provided by or on behalf of that landlord, and which requires more than 'normal' property management functions, can be classed as 'exempt'. This means that the accommodation is exempt from LHA rules, and allows for the additional, or intensive, housing management to be met by enhanced Housing Benefit.³¹

Specified accommodation

If you are a social landlord providing accommodation incurring additional management costs due to intensive housing management, but support is not provided by you, or on your behalf, the accommodation may be categorised as 'specified'.

The cost of intensive housing management may be covered through enhanced Housing Benefit, providing the local authority does not deem the costs unreasonably high.³²

If your model of shared housing falls in to **one of the above categories, contact your**

³¹ http://www.supportsolutions.co.uk/briefing/issue_12/exempt_specified_accom.html

³² http://www.supportsolutions.co.uk/briefing/issue_12/exempt_specified_accom.html

local Housing Benefit department to check whether the costs of intensive housing management can be covered.

However, these increased costs should not stop tenants moving in to work if they have to cover the rent through earned income. It is also worth noting that the bedroom tax does not apply in exempt accommodation, but does in specified.

The landscape of supported housing is changing. There have been many questions about the impact that LHA caps being

applied to the social sector will have on the supported housing sector.

The government announced plans in September 2016 to postpone the application of LHA caps in supported housing until 2019. This was alongside their announcement that a new funding model of supported housing will be provided.

The cost of support above LHA will be funded through a new ring-fenced stream devolved to local authorities. Much of the detail of this proposal remains to be seen. However, the government has stated that the SAR will not apply in supported accommodation.³³ It is unclear whether there will be a new definition of supported accommodation to qualify for this new model of funding. But it is possible that models currently defined as exempt or specified will qualify, and also be exempt the SAR.



SYHA South Yorkshire
Housing Association

Nomad Opening Doors is a charity working with young homeless people in Sheffield. Many of its clients are helped into shared private rented accommodation. But Nomad Opening Doors also offers training flats for those with no previous experience of managing their own tenancies, or with more chaotic housing histories.

The training flats are supplied by South Yorkshire Housing Association (SYHA) and Nomad Opening Doors operates as a managing agent. SYHA provides landlord services and Nomad Opening Doors provides intensive support. Clients are on licence agreements and stay around six months on average.

The properties are classed as exempt accommodation, so occupants are eligible for enhanced Housing Benefit which covers the intensive housing management required. Nomad Opening Doors pays SYHA a guaranteed rent. This is a percentage of the core rent, and revenue funding from Brelms Trust, Lloyds Bank Foundation and The Big Lottery pays for the support and overheads meaning that this model stacks up financially for the scheme.

³³ <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-09-15/HCWS154/>

Help with housing costs

In a shared house all tenants will be eligible to claim Housing Benefit or Universal Credit in their own name and for their own room. This is true even if the tenants are on a joint tenancy – they will claim Housing Benefit for their proportion of the rent.

Universal Credit is being rolled out around the country. By default, claimants will receive one monthly payment direct into their bank account, including payment of the housing addition.

You will need to consider how you can support your tenants with their claims, and how you can ensure your rental income stream is protected.

Alternative Payment Arrangements (APAs) are available for claimants who are struggling with a monthly direct payment. Landlords are also able to request an APA where tenants are in rent arrears of eight weeks or more, or where tenants have repeatedly missed rent payments.

For more information, please see our guide



Spring Housing is a housing provider of around 420 units of accommodation spreading across the West Midlands. It houses previously homeless people. Spring is committed to creating sustainable tenancies. They do this by providing holistic support, and providing the opportunity to gain and maintain employment, to their tenants.

Their housing stock is a mixture of assets and properties leased from private landlords and made up of self-contained units, HMOs and family properties. Many of the properties are exempt from the rent standard, most of the rents they charge are above LHA, covering the cost of support and intensive housing management which can be covered by enhanced Housing Benefit. Spring recognises that rent levels charged (often at £150-200 a week) in the supported housing sector often act as a barrier to tenants obtaining and sustaining employment. To offer an affordable housing product to working tenants, Spring initiated their rent relief fund.

housing element of Universal Credit following a loss of employment and do not find new

employment in the first 6 months during which they will still be eligible for housing costs.³⁴

³⁴ http://www.legislation.gov.uk/uksi/2017/252/pdfs/ukxi_20170252_en.pdf

Tenants can apply to the rent relief fund for a discount on their rent of up to 50 per cent for 2-4 months where they are in employment. Spring will continue to work with the tenant during this time. They support them to sustain their employment, increase their income and security of employment, manage any Housing Benefit top-ups, and support the tenants to move to more affordable long-term accommodation. Where possible Spring will arrange moves into their own stock available at LHA.

To apply for the rent relief fund, Tenancy Sustainment Leads (TSLs) and tenants assess how much rent a tenant is able to afford based on their circumstances. Take into consideration saving for a move-on deposit. This application is then viewed by Spring's Performance and Inclusion Lead who will make a decision on the proposal. TSLs and tenants are able to apply for an extension to the 2-4 period in some circumstances.

The rent relief fund is financed by Spring over-performing on their management functions. Spring budget for 5% voids and 2% bad debt, yet performing at 3.9 % on voids and 1.7% bad debt, creates an underspend which they use to resource their rent relief fund. In 2016, 45 existing tenants were able to access the rent relief fund when moving into work. And Spring was able to house a further 76 applicants who would not otherwise have been able to afford the accommodation if it had not been for the rent relief fund. Since November 2014 Spring has spent more than £140,500 on the rent relief scheme. They have also recently set up a scheme in Edgbaston, Birmingham for workers who are at risk of homelessness.

Service charges and bills

When assessing which properties to allocate to your shared housing scheme, you will need to consider the service charges in relation to occupancy of specific properties. The cost of service charges for tenants should inform whether certain properties will be suitable, depending on their affordability.

Some service charges will be eligible for Housing Benefit or Universal Credit, meaning that a tenant can claim for the cost of them. However, service charges will not be exempt from the LHA cap. Landlords should keep service charges to a minimum, and be discerning about suitable properties to ensure properties remain affordable for tenants needing housing cost help.

Eligible service charges

A service charge is eligible for Housing Benefit or Universal Credit providing:

- the tenant has to pay it as a condition of occupying their home
- it is not listed in the regulations as ineligible or excluded
- it is not excessive in relation to the service provided.³⁵

In relation to shared housing for social tenants the following service charges may be eligible:

- fuel charges for communal areas (but these must be clearly separated from the fuel charges for individual rooms)
- charges for communal cleaning if provided
- charges for lifts, entry phones, gardens and children's play areas

³⁵ CIH and Shelter (2016/2017) 'Help with Housing Costs: Volume 2. Guide to Housing Benefit' CIH and Shelter (2016/2017) 'Help with Housing Costs: Volume 1. Guide to Universal Credit & Council Tax Rebates'

- charges for a concierge/ warden service that relates to the security of the dwelling.³⁶

Day-to-day living expenses, such as those listed below, will be ineligible for HB and UC:

- charges for meals
- personal laundry service
- personal alarm system
- personal support and care
- water charges
- most fuel charges (unless for communal areas).³⁷

Utilities

The payment of utility bills is an issue that can commonly cause friction within a shared household. It is wise to consider the different methods that payment can be arranged. Some of the options are outlined below, and some of the pros and cons for each.

³⁶ Ibid.
³⁷ Ibid.

Utility bills are in landlord's name, paid by landlord and recouped from tenants through service charge	
Pros	<ul style="list-style-type: none"> • Simplifies payment for tenants. • Avoids joint liability for bills. • Landlords are able to 'shop smart' getting the best deal on utilities.
Cons	<ul style="list-style-type: none"> • Doesn't encourage tenant independence. • Risk to landlord of service charge arrears and loss of income.
Best practice	<ul style="list-style-type: none"> • Landlords should provide tenants with a breakdown of bills to be transparent with the cost, and educate tenants on their use. Service charges should be adjusted depending on use and should act as an incentive for tenants to be more energy efficient.

Tenants are responsible for setting up and paying their own utilities as a household	
Pros	<ul style="list-style-type: none"> • Fosters independence and tenancy management skills. • Landlord avoids financial risk.
Cons	<ul style="list-style-type: none"> • May cause conflict within the household. • Some tenants may suffer the burden of others not paying. • Names on the bill will need to be changed with replacement of tenants.
Best practice	<ul style="list-style-type: none"> • Tenants should receive pre-tenancy training on managing bills as a shared household, and ongoing tenancy support. It may be appropriate to install a lead tenant to take lead responsibility for organising bill payments. See Chapter Six: Managing and supporting shared tenancies.

Pre-payment meters	
Pros	<ul style="list-style-type: none"> • Tenants pay for what they use. • Landlords avoid financial risk.
Cons	<ul style="list-style-type: none"> • May cause conflict within the household. • More expensive per unit of energy than metred bills. • Only an option for gas and electric.
Best practice	<ul style="list-style-type: none"> • Pre-payments meters are likely to only be manageable for smaller numbers of sharers. Tenants should be supported to make equal contributions to topping up meters, through pre-tenancy training or ongoing tenancy support.

Council Tax

Who has the liability for Council Tax will depend on the occupancy status of your tenants. Joint tenants will be liable for Council Tax, and also able to claim Council Tax Reduction, even for their proportion of the bill, if they are on low income. As a landlord, you will retain the liability for Council Tax if you issue licence agreements or individual tenancies. More information follows in **Chapter Four: Occupancy agreements**.

You may look at recouping the cost of Council Tax from tenants through a service charge. This is another factor to consider when assessing the affordability of your shared housing scheme, especially for tenants restricted by the LHA caps. If your plan is to recoup the cost of Council Tax, careful consideration should be given to the existing service charges and rent relevant to a property, as these costs may already exceed the SAR.

For more information on Council Tax liability and supporting tenants see our factsheet **Council Tax in shared housing – who's responsible?** available at www.crisis.org.uk/data/files/Private_Rented_Sector/Council_Tax_Factsheet_24.02.2016.pdf

Chapter Four: Occupancy agreements

Forthcoming changes to social housing regulations will affect letting practices and add limitations to the potential security of tenure social landlords will be able to offer.

The following information is offered as a guide to the various types of occupancy agreements currently in use. You can find more information on the new fixed-term tenancy regime for local authorities at the end of this chapter.

Shared housing is often a transient housing option. Where possible, tenure should allow for flexibility. Shared accommodation can then be an affordable stepping stone for tenants leading to more long-term independent accommodation.

Housing associations have more freedom to use more flexible tenancy agreements, but it is also possible for local authorities to find a solution which works for both the authority and the tenants. The important thing is to be flexible, and to ensure that you, or any support agency you are working with, are regularly in touch with tenants. This will help you to pre-empt and promptly resolve any potential difficulties tenants may be having, and so avoid lengthy and costly eviction processes.

Types of tenure

The type of agreement possible to issue will depend on several factors. These include whether your housing stock is local authority-owned or if you are a housing association.

It is important to ensure your tenancy policies are updated to account for shared housing provision. If issuing probationary tenancies (introductory or starter), it is wise to have robust tenancy review procedures, ensuring reviews are completed in a timely manner.

Failure to conduct reviews correctly will default probationary tenancies to their most secure form come the end of the probationary period. This is unlikely to allow for the flexibility desired for shared housing.

The following table outlines different types of tenancy you may wish to consider and the implications of these different tenures. It is worth noting however, that as this is an emerging area of practice, there is some ambiguity regarding the use of certain occupancy agreements. This is especially true regarding the use of secure tenancies in shared accommodation, due to the definition of 'separate dwelling'. We would strongly recommend you seek legal advice when deciding which occupancy agreements to use.

KEY

LA Local Authority

HA Housing Association

³⁸ <http://www.legislation.gov.uk/ukpga/1985/68/schedule/1>

Agreement	Description	LA/HA	Joint / Individual	Length	Possession
Excluded licence	Occupiers have few rights. Where occupier shares part of the property with their landlord, or resident of exempt or specified supported housing. Suitable where support services are given to residents, access to residents' rooms are necessary, or where it may be necessary for residents to move rooms.	Both	Individual	Periodic	Excluded from court proceedings. Reasonable notice should be given by both parties. Reasonable notice normally equates to period rent is paid for. Immediate notice may be reasonable in extreme cases.
Protected licence	As above, but more security built in to the agreement.	Both	Individual	Periodic	Notice to Quit must be issued with 28 days' notice, if the occupier does not leave a court order must be obtained. Mandatory possession given by court.
Introductory (secure)	Type of secure tenancy, issued for a probationary period with less security. LA must have adopted the introductory tenancy regime giving introductory tenancies to all new tenants. If possession isn't sought within introductory period, tenancy will become secure or flexible.	LA	Joint	12 months, maximum of 18 months	28 days' notice given to tenant, providing reasons that possession is being sought. Tenant has the right to request a review. Court order must be gained, mandatory possession ordered by court if landlord has followed correct procedure.
Flexible (secure)	Fixed-term secure tenancy, offered from outset or after introductory period. LA must publish tenancy policy stating circumstances when flexible tenancies will be issued. Tenant must have received written notice that flexible tenancy will be issued.	LA	Joint	Usually five years, no less than two. At the end of fixed term, either another flexible tenancy, or a secure tenancy can be issued, or decision can be made not to renew.	If possession is sought during fixed term, secure grounds for possession must be given along with appropriate notice, and court order gained. If the decision not to renew applies, six months' notice must be given with two months' notice seeking possession. Reasons for not renewing the tenancy must be given.
Non-secure contractual tenancies	Where a secure tenancy (introductory or secure) cannot be issued, ³⁸ the Housing Act 1985 allows for local authorities to issue Non-Secure Contractual Tenancies	LA	Individual	At the landlord's discretion, can be periodic or can be fixed term.	Notice to Quit must be issued with 28 days' notice, following this an application for possession in the county court must be applied for, but no requirement to prove any grounds for possession. Additional security for tenants can be written into the tenancies.
Assured Shorthold (AST)	Allows for same rights as assured tenants during fixed term, but less security given during periodic tenancy.	HA	Both	HAs bound by regulatory guidance should offer fixed terms of five years, or in exceptional cases two. Tenancy policies should be published outlining circumstances where fixed terms less than five years are granted.	If possession sought is fixed term, assured grounds for possession must be given along with appropriate notice, and court order gained. Outside of the fixed term (periodic), notice seeking possession should be issued, giving two months' notice, and court order obtained. No grounds needed.
Starter (Assured Shorthold)	Type of AST issued for a probationary period. The tenancy will be reviewed during the trial period. At the end of the trial period the tenancy either becomes assured, or a fixed term AST is issued.	HA	Both	Usually 12 months, but can be extended to 18 months	Possession proceedings as with periodic AST. No grounds needed.

Joint vs individual agreements

On the whole we strongly advocate the use of individual agreements, especially where sharers are otherwise strangers. However, it is important to consider all facts before deciding which type of agreement to issue. Important details to consider are outlined below.

Joint agreements

Joint tenants will be jointly and severally liable for the conditions of the tenancy agreement, including their rent liability. All tenants will have their name on the same tenancy agreement, and will have no exclusive use of any part of the property. Rights and responsibilities will be attributed to them as one single household.

Being jointly liable for rent will mean that if one tenant fails to pay their proportion, arrears can be chased through all or one of the other tenants. Rent collection methods should help you to identify which of the tenants is defaulting on their rent. Interventions can then be made with the relevant tenant. You will need an IT system that can identify this.

During void periods, the remaining tenants will continue to be liable for the full rent. It is important for you to have a pipeline of prospective tenants ready to fill voids quickly and prevent extended periods where remaining tenants are responsible for increased rent. This should be balanced with matching techniques and existing tenants having a say about who they live with.

When one person moves out, you should consider whether their proportion of rent can be covered from other sources. You could perhaps make an arrangement with your local Housing Benefit department to cover the costs through DHP, or by making provision within your budget for a contingency fund.

If one joint tenant decides they want to move on, they can give notice on behalf of all of the

tenants, bringing the agreement to an end for the whole household. You may wish to let the remaining housemates stay in situ, until another tenancy can be issued with a new tenant joining the household.

Again, it is important to communicate with the household, and ensure a steady stream of applicants to minimise any void time. Existing tenants might know someone themselves who would be appropriate to move in. See **Chapter Five: Allocations** for more information.

It may be that when one tenant moves out, the whole joint tenancy does not need to come to an end. The leaving tenant could instead assign their tenancy to a new tenant. This requires management from the landlord, and it is wise for a landlord to build clauses relating to assignment into their tenancy agreements. It would be necessary for both the leaving tenant and replacement tenant to sign a deed of assignment.

Tenants on a joint secure tenancy cannot assign their tenancy to a new tenant. The only way to vary a joint secure tenancy is to terminate it and grant a new one. This could be very inconvenient administratively, and could create additional housing management problems.

It is worth noting that if you issue probationary tenancies (introductory or starter) then the trial period will come to an end for all joint tenants when one has completed the trial period. If a new tenant, through assignment, takes on a tenancy still in its probationary period, their trial period will only last as long as the remainder of the original tenant's.

If, after exhausting all tenancy rescue options, it is necessary to begin possession proceedings, these proceedings will apply to the whole household where a joint tenancy applies. It is not possible to bring possession proceedings against one member of a joint

tenancy. The tenancy will need to end for all members.

If issues start to arise with one tenant in a household, every effort should be given to encourage them to surrender the tenancy. They should be supported to access alternative accommodation.

Where possession proceedings are necessary, it is important to consider how to safeguard the other members of the joint tenancy. This could be by securing alternative accommodation for them. Or they could be allowed to return to the property on a new tenancy once possession has been granted for the original agreement. There is more information at the end of this chapter on ending tenancies.

Joint tenants will be liable for the Council Tax for their property. This means that if they are out of work or on low income, they will be able to claim Council Tax Reduction for their proportion of the bill.

Being jointly liable for Council Tax will mean that remaining joint tenants will be

responsible for the total Council Tax bill during void periods. You should think about how you can support your tenants with this. Tenants may be able to apply for discretionary assistance from the local authority's Council Tax support scheme. For more information on Council Tax in shared properties, see our factsheet **Council Tax in shared housing – who's responsible?** available at www.crisis.org.uk/data/files/Private_Rented_Sector/Council_Tax_Factsheet_24.02.2016.pdf

Joint tenancies can bring about challenges in terms of liability and bring agreements to an end. However, they may be the only option with some tenancy types. They may be favourable where the opportunity to claim Council Tax Reduction stops properties from being unaffordable.

It is important to consider how many tenants are appropriate to share a joint tenancy, especially where tenants are previously unknown to each other. It may be reasonable for two or three tenants to share joint liabilities. Numbers of sharers above this may get tricky.



Solihull Community Housing (SCH) is an ALMO delivering the housing management, homelessness and housing advice service on behalf of Solihull Metropolitan Borough Council. In recent years SCH has seen an increase in the number of single people struggling to find local suitable and affordable accommodation. Sixty five per cent of the social housing register is comprised of households seeking one bedroom properties.

Demand for one-bedroom properties outstrips supply, yet other stock in their portfolio has become harder to let. SCH assigned four properties to be used in a pilot to trial a model of shared housing. Properties are being let to two sharers on joint flexible fixed-term tenancies of two years following a 12-month introductory period.

Due to the properties being local authority owned, SCH was restricted in the tenancy agreements it has been able to issue (under the Housing Act 1985). Secure tenancies cannot be issued to individual tenants in shared housing due to the property not being classed as a separate dwelling. SCH has therefore issued joint tenancies, with safeguards to overcome some of the issues that joint tenancies might present.

SCH agreed with the local authority's Income and Awards team to make provision during the pilot. This is for DHP to cover the rent during void periods resulting from one room being vacant, where the sitting tenant has liability. This cost should be minimal due to the low rent (each tenant pays their proportion of the total social rent per property) and due to the allocations and matching techniques SCH uses.

SCH has flexibility to let outside of their allocations policy as a strategic approach to filling hard to let stock. Prospective tenants are identified and matched from supported housing cohorts, from the housing register, from Housing Options advice and assistance cases and through expressions of interest on the Choice-Based Lettings system. Prospective tenants may nominate a friend, providing that friend is also in housing need.

Subject to the positive evaluation of the pilot, the Council and SCH may look, at an appropriate time in the future, at providing for the allocation of shared housing through the Choice-Based Lettings scheme.

Individual agreements

Individual agreements can be issued for some tenancy types. They allow a tenant to have exclusive use of their own bedroom and joint use of communal areas. The tenancy agreement will be between one tenant and the landlord.

Individual tenancies, where possible, are strongly recommended to overcome some of the issues that joint tenancies present. However, there may be some hesitation from social landlords in issuing them; liability for Council Tax on a property falls to the landlord when tenants have individual licences. Because tenants do not have liability for Council Tax, they will not be eligible to claim Council Tax Reduction.

Landlords should consider whether they can cover the cost of the Council Tax bill. This may be possible where multiples of the Shared Accommodation Rate make the rental income stack up against management

costs and the cost of covering the Council Tax bill. Where this is not the case, landlords may wish to recharge the cost of Council Tax through a service charge to tenants.

Attention should be paid to what service charges apply to properties allocated for shared housing. Even if other service charges are Housing Benefit/Universal Credit eligible, a service charge for Council Tax will not be. If the total cost of service charges and rent exceed the local SAR, tenants may find the amount they have to top up over the SAR makes the properties unaffordable, increasing the likelihood of arrears.

Housing and Planning Act 2016 and the new 'fixed-term' tenancy regime

The Summer Budget 2015 stated that lifetime tenancies would be limited to make better use of social housing stock. Instead of using their discretion to issue flexible tenancies, the policy will require local authorities to offer fixed-term tenancies, ranging from two to

ten years. The fixed-term tenancy regime will apply only to secure tenancies, not to non-secure tenancies.

There will be some exceptions to this maximum length – for example, for families with children, and disabled tenants. Regulations will bring more detail on the circumstances dictating the length of fixed terms and circumstances allowing for exemptions.³⁹

Ending tenancies

Tenants move on from shared housing eventually. Shared housing can often be a stepping stone to other housing options, and will often end for positive reasons. It is important to ensure that the process of tenants leaving and being replaced is kept simple by having a pipeline of tenancy-ready applicants identified and ready to move in. This will minimise void periods. For more information, see **Chapter Five: Allocations**.

Eviction is a costly process for landlords. As a route to homelessness, eviction can also be personally devastating to individuals and a drain on public spending. Every effort should be made to rescue tenancies where possible. Incorporating best practice principles into your shared housing model, and operating proactive management approaches, will minimise tenancy failures.

There are many variables within shared housing which can upset the household dynamic, and sometimes relationships will break down. Alternative pathways to accommodation should be provided wherever possible for tenants struggling to cope within the household. This could be facilitating moves within your own properties, referrals to supported housing or help to access the private rented sector.

Where eviction is necessary, correct possession procedures need to be observed. If you are serving notice on your tenant who

³⁹ <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7173>

has nowhere else to live, you should inform any support workers the tenant may have, ideally before you serve notice.

You should also direct tenants to other organisations or departments that could assist with their situation, for example, Housing Options, Citizen's Advice Bureau and Help-to-Rent projects. You can find a Help-to-Rent project operating in your area here: www.crisis.org.uk/find-pr-scheme.php

Chapter Five: Allocations

You will need to ensure that any allocations to shared housing are considered in line with your existing allocations policies. You may need to consider reviewing your allocations policies and procedures to take account of your shared provision.

It is wise to think about how a pathway to shared accommodation can be integrated in all stages of your allocations system. An example would be working closely with your local Housing Options team. This will help them promote shared housing positively and manage an applicant's expectations at first contact.

This chapter outlines some of the options and tools you could use when allocating shared accommodation.

Allocations and models

How you allocate shared properties to your applicants will depend on your model of shared accommodation. You may consider allocating through the general housing register, through nomination agreements for housing associations, or by allowing agencies or individuals to refer into the scheme.

Training tenancies

This model of shared housing may be more suitable for applicants coming through the homelessness route. It can also present an attractive alternative to temporary accommodation.

Both local authorities and registered providers may wish to consider working with support agencies to generate referrals, or allow individuals to self-refer to the scheme. This model is particularly suited for tenants with support needs.

General needs

General needs tenants are likely to be allocated from the housing register, this could

be as a result of a homeless application or not. You may wish to consider allocating outside of your general allocations scheme. This could be if an applicant wishes to move in with a friend who needs a home, or an existing tenant might like a friend to fill a void room.

Allowing for this kind of flexibility could produce good outcomes for your shared accommodation scheme. But, it is important to establish what your eligibility criteria would be for anyone outside of the register. This is to ensure that your shared housing scheme is still meeting housing need in the area.

Allocation tools

Your allocations processes will need to be adapted to accommodate the specifics of shared housing. The following sections outline some of the key tools to use, and how to adapt your practices to facilitate applicants moving into shared housing.

Affordability assessments

Social landlords are challenged in offering an affordable housing product to those on the lowest incomes. However, they should remember that if social housing is unaffordable or inaccessible for applicants, then few other housing options will be.

We are aware of some practices where affordability assessments are being used as tools to limit access to housing for low-income groups. They are particularly applied to under 35-year-old applicants who will be affected by the LHA caps. Affordability assessments should be used to help identify any needs the applicant might have regarding managing their money, and to generate referrals to financial capability programmes and other support. They should not be used to limit access.

Social landlords have an important role to play to ensure any applicant that qualifies

for exemptions to the SAR is able to get it. Thorough investigations must be completed into the applicants' past housing history and personal circumstances.

Needs assessments

When meeting with applicants, the assessment process should assess the person's capacity to manage a tenancy generally, and how specifically they might manage in shared accommodation. The assessment should also indicate the level of pre-tenancy training needed and any support or referrals an applicant might need to help them keep the tenancy.

Risk assessment and risk management

Assessments should establish any support needs an applicant has, as well as any risk factors to consider, especially relating to shared accommodation. Thorough assessment should be undertaken to understand possible risks to the applicant or any risks from the applicant to the other housemates.

Social landlords will need to consider their liability when placing tenants together in a shared household. To safeguard tenants and their own organisation, due diligence should be given to risk assessment and management processes. Social landlords may wish to look to the supported housing sector for good practice.

When making decisions about allocations and whether risk can be appropriately managed, social landlords should consider the availability of external support to tenants and their own internal capacity to provide additional support and housing management.

However, sensitivity to how someone with risk factors might interact in a household is vital. By the nature of their nomination, applicants identified as priority need due to vulnerability, will have already been identified as reaching a high vulnerability threshold. This may mean that shared housing is an unsuitable option for them. Social landlords

should consider where the threshold lies for their shared housing scheme. Is the risk presented too high for them to be able to safely manage? Consequently, it is important to consider what alternative provision can be offered to applicants who should not be expected to share with others.

With tenancy training and the right support, many people with support needs will be able to sustain shared accommodation. However, there will be times when an applicant's support needs are too complex for general needs shared housing. A training flats model or supported accommodation would be more suitable at that current time. For some people, however, shared accommodation may never be suitable.

What are the options for people who can't share?

The exemptions that currently apply to the SAR will be transferred to social housing⁴⁰. It is also worth noting that in addition to the exemptions under Housing Benefit rules, under Universal Credit claimants qualifying for the MAPPA exemption will be covered at any age⁴¹. The current MAPPA exemption under Housing Benefit only covers those over 25. Many organisations are lobbying the Department for Work and Pensions to extend this list of exemptions to people needing of social housing. Social landlords should support applicants to establish an exemption when suitable to do so.

It is sensible to liaise with local Housing Benefit departments to allow for targeted use of Discretionary Housing Payments (DHP). Although a limited pot, and discretionary by nature, DHP could be cover the shortfall between the SAR and the cost of renting a one-bedroom property. This arrangement should be reserved for a select cohort of tenants unable to share. Such an arrangement should be formalised through ~~a service level agreement with your Housing~~

⁴⁰ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/226298/a12-2011.pdf

⁴¹ <http://www.legislation.gov.uk/ukdsi/2013/9780111531938/schedule/4>

Benefit department.

It could be possible to make one-bedroom properties available for vulnerable applicants who do not qualify for an exemption to the SAR. Having a suite of accommodation options available may assist with this. Wherever possible, housing should be let at rents affordable on LHA, but you could also consider letting some properties above LHA for working tenants.

The surplus created could cross-subsidise letting one-bedroom properties to those restricted to the SAR, but for whom sharing would not be suitable. It may be prudent to reserve properties assigned for social rent for this purpose. This will minimise the shortfall between the SAR and optimum rent.

An under 35s register

Some under 35s will not need to share because they are in work, qualify for an exemption or because alternative provision is made for them as above. For many, once the LHA caps are applied, sharing will be their only option. For this reason, it might be useful to keep a separate register for under 35-year-old applicants. Some benefits might include the following.

- Quickly identifying prospective tenants for shared housing to fill voids.
- Maintaining communication with applicants who previously turned down the option of sharing, but may reconsider after spending time waiting on the register.
- Being able to identify cohorts to attend pre-tenancy training before allocating properties.
- Being able to involve applicants on the list in matching activities so they are ready to move when properties come available.

Matching techniques

Consider carefully how you will match –

assess the suitability – of people who will live together in your property.

Unlikely matches often work well, and housemates do not have to become friends, although often they do. They do not necessarily have to share the same interests, but it is important for them to share expectations about their living arrangements. It will be important that applicants, or existing tenants, have a say about who they are going to live with. Some suggestions of matching techniques follow below.

- **Questionnaires** – you could incorporate questionnaires into your assessment process and match people up based on answers.
- **Intuition** – if your support staff or housing officers know the applicants well they may be able to match tenants based on prior knowledge of their personalities.
- **Observation** – you could observe how prospective tenants interact with each other in pre-tenancy training, or during any other programmes they might be involved with. This will give a sense of the dynamics which might work well.
- **Meet and greet events** – these give applicants the chance to meet chat and create a shortlist of people they would like to live with.

You can find example matching questionnaires at: www.crisis.org.uk/pages/sharers-toolkit-.html

Choice-Based Lettings systems

Providing shared housing in social housing properties is a relatively new practice, and it is important to use the current systems available.

Choice-Based Lettings systems could be adapted to advertise void rooms in shared houses or whole properties. Whatever format this takes, it will be vital to protect the privacy

of any existing tenants in the properties. For example, full addresses should not be given out and some detail will need to be vaguer than it otherwise would be with void self-contained properties.

There may also be the opportunity for remaining tenants to get involved with the system to help fill void rooms, by creating profiles for their desired housemates.

If you are operating a small scheme of shared housing, or trying to fill hard-to-let properties, you could include an option on your Choice-Based Lettings sites for applicants to express an interest for living in shared housing. You could use exemplar properties to advertise the scheme.

Rooms4U, Newydd



In preparation for the LHA cap and introduction of the shared accommodation rate for single households under the age of 35, a subsidiary of Homes4U, the current Common Housing Register, has been developed called Rooms4U. Rooms4U is a new partnership between social landlords and private landlords in the Vale of Glamorgan. It will be a vehicle for advertising, prioritising and letting shared accommodation to housing applicants in the Vale of Glamorgan.

Applicants must complete the following before they are made an offer of accommodation.

- Applicants must be registered with Homes4U.
- Applicants must complete the Rooms4U matching interview and needs assessment with the Rooms4U project officer.
- Applicants must complete The Vale Tenancy Ready Training workshop for shared accommodation.

When a property or room becomes available applicants will be able to express an interest through Homes4U and the list of available properties will be sent to Rooms4U to shortlist applicants. Allocations will be made while considering a number of factors which include:

- length of time on the waiting list
- their housing band
- their suitability for that property
- the risks
- the preferences of the tenants currently living in the property.

Criteria used in assessing suitability:

- if the applicant is homeless or at risk of being homeless
- the applicant's willingness and ability to live in shared housing in respect of cleaning, sharing communal areas and attitudes towards protected characteristics
- the applicant's financial circumstances – most importantly their ability to pay rent
- any history of convictions for violence, drug use and sexual offences
- any current use of drugs, legal highs or alcohol
- if the applicant has high-support needs
- any children who require overnight visits
- other housing options realistically available to the applicant.

Properties will be advertised on a fortnightly basis via the Homes4U website and local newspaper. In addition, properties will be advertised on social media and property advertising sites such as Spareroom.com and Gumtree. Properties may be advertised at specific applicants so friends or relatives who are looking to share, or solely at single applicants.

All applicants will be required to complete The Vale Shared Accommodation Tenancy Ready Workshop which will take them through rights and responsibilities, managing finances, living in a shared property, setting house rules, acceptable behaviour and other tenancy management skills.

Once an allocation has been made for a room the Rooms4U project officer will continue to provide support and assistance to housing officers and landlords if they require it. They will remain in contact with tenants and staff throughout the tenancies so that any challenges that arise can be addressed with suitable solutions.

Chapter Six: Managing and supporting shared tenancies

Social landlords may have historically shied away from shared housing due to perceived challenges of managing houses of multiple occupation. The level of management for your shared housing scheme will depend on your operating model – whether you retain full management responsibilities and the support needs of your tenants. Shared housing can be a sustainable and good housing option, but is likely to require specific management approaches.

Some social landlords may avoid taking full management responsibility for shared properties by partnering another organisation. There are different management options available to social landlords wanting to increase the supply of shared housing. These include leasing properties, management arrangements with a partner organisation, and commissioning support. These approaches to management are discussed in this chapter.

This chapter outlines tried and tested best practice principles and management arrangements to help you ensure your shared housing scheme is a success.

Best practice key principles

A shared housing model which involves pre-tenancy training, good matching techniques, access to tenancy sustainment support, and clear move-on options, helps tenants do well in shared housing. It should also reduce void periods, and minimise management risks for the landlord. These matters are dealt with below. Because matching techniques were outlined in the previous chapter they are not repeated here. Please see **Chapter Five: Allocations** for more information.

Pre-tenancy training

Tenants equipped with independent living skills are more likely to be responsible

tenants, and more likely to sustain their tenancy. Tenants should be prepared for shared living before moving into one of your shared houses. Those who need pre-tenancy training can do it while waiting for properties to become available.

You could deliver pre-tenancy training in-house, or commission an external organisation to do it. Whatever option you choose, the training should always be tailored to the needs of your tenant group.

Crisis has its own pre-tenancy training course, Renting Ready. For more information on how it can be delivered please see www.crisis.org.uk/pages/pre-tenancy-training.html or email housing.trainer@crisis.org.uk

Effective pre-tenancy training should cover all aspects of living independently. This includes the rights and responsibilities of a tenant and a landlord, basic maintenance and how to look after a property, and information around budgeting and debts. For shared housing, it should also cover topics relating to living with others. Examples of topics to cover are outlined below.

- Differences between individual and joint tenancies.
- Finding housemates and getting along with them including common issues that could occur in a house share and how to overcome them, and how to deal with visitors and parties.
- How to maintain communal areas including sharing cleaning responsibilities.
- House meetings and agreeing on a 'sharer's charter'.
- How to manage bill payments.



The Money House, MyBnk

The charity MyBnk runs a course for young people (16-25-year-olds) on personal finance and financial inclusion to help them live independently. A mixture of young tenants, and young people leaving care and support, are invited to attend the five, or one-day training which takes place in a real flat in Greenwich. There are plans to offer the same in an East London borough.

Completion of the course allows those leaving care to bid for social housing and can receive a Level 1 Money Management Qualification. Modules include budgeting, benefits, debt and dealing with bills and bureaucracy (letters etc).

A guest speaker from the housing profession or the Citizens Advice Bureau comes in on the fourth day for a Q&A session. Referrals to the scheme are identified by the council's housing options team as well as from partner local authority housing options teams. 5-10 young people at a time can attend.

The Money House is funded by JPMorgan Chase Foundation, the Berkeley Foundation and Hyde Housing. This project was previously run by The Hyde Group.

Tenancy sustainment support

The amount of support tenants need will depend on your tenant group and the model of shared housing you are operating. Some tenants will need little more than initial resettlement support. Others will require more intensive provision – especially if you are operating a training tenancies model. Even if you are housing tenants with no to low support needs, things can still go wrong. It is good practice to ensure that you are able to direct tenants to agencies able to assist them with managing tenancies.

Support will certainly be needed, even for general needs tenants, during the initial resettlement period. It is likely that this support can be tapered off as tenants become established in a household. However, it will be important to remember that household dynamics are fragile. They can be disrupted when tenants move out and are replaced with

new tenants, providing a need for additional support during these periods.

You may choose to have formal support arrangements in place with an external organisation, perhaps a Help-to-Rent project, youth or homelessness organisation. See below for more detail.

Clear move-on options

Although choice should be built into allocations systems wherever possible, applicants in housing need inevitably have less choice over their accommodation than in the open market. Consequently, shared housing may not be their first choice of accommodation.

Shared housing can be a sustainable and long-term option, but for many young people it is a stepping-stone to future housing options. Research shows that shared housing

is more palatable when seen as a step along a 'housing career'.⁴²

Think about how you can build progression into your model of shared housing, and make sure that such pathways are known to applicants when they sign up. Below are some options that you could consider facilitating.

- Moves within your own stock to one-bedroom properties, or properties of fewer sharers, after periods of sustained employment.
- Awarding additional points on the housing register for tenants who have sustained shared accommodation or employment.
- Savings schemes – this could be by linking tenants with a local credit union, or through any financial arm your organisation might have.
- Match fund savings for move-on deposits.
- Support and assistance to individuals, or whole households, to move into the private rented sector.

Managing your shared properties

You may wish to manage and support your shared properties using your own resources. If so, you should ensure that you have proper capacity to do so. Providers have been successful when using a dedicated staff member to take responsibility for shared properties, or where one staff member is responsible for a whole household.

This approach can streamline your services. It will also enable that staff member, perhaps a housing officer, to facilitate house meetings to ensure the smooth running of the household and make interventions quickly where necessary.

While some social landlords may wish to manage their shared properties themselves, others may choose models of managing

⁴² http://chcymru.org.uk/uploads/events_attachments/FINAL_Report_on_viable_housing_models_for_under_35s_-_Final_2016.pdf

shared properties which rely on a partnership with another organisation.

The models discussed in this section are leasing properties, joint management arrangements, and commissioning out support.

There are a variety of organisations that social landlords could partner with to achieve these models, such as:

- statutory agencies
- youth organisations
- homelessness charities
- another registered provider
- Help-to-Rent projects
- social lettings agencies.

Leasing

You may wish to relinquish all management responsibilities and lease properties out to another provider. The leaseholder would formally take full management of the property, effectively becoming the landlord for the duration of the leasing agreement. This could be a beneficial arrangement for social landlords in that:

- rental income will be guaranteed for the period of the lease, even during void periods
- no cost for management functions will be incurred during the lease
- the property will be returned in its original condition.

Properties should be offered at favourable rates to any organisation willing to take the lease. Risk will be transferred to the leasing organisation; unless they are otherwise funded, they will need to make the finances stack up based on rental income from tenants of the property. Therefore, the leasing rent

will need to be appropriately set so that rental income from tenants will cover the cost of the lease, and the cost of management, for the lease-holding organisation.

An example leasing arrangement can be found at www.crisis.org.uk/pages/sharers-toolkit-.html

Joint management arrangements

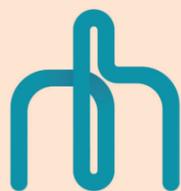
Social landlords may wish to retain some management responsibilities while assigning others to a managing agent. This model should effectively use the strengths and expertise of different parties. One partner could take on repairs and maintenance and another with specialisms in tenancy sustainment or welfare issues could take responsibility for rent collection.

arrangements in written agreements clearly detailing the responsibilities of each party. It should be made clear to tenants the role of each partner in their tenancy, and who they need to contact if there are issues. For instance, tenants should contact the social landlords repairs team for maintenance issues, yet contact the managing agent to give notice on the tenancy.

Landlords should cost out the management functions they are assigning to a managing agent. This will ensure whether it is a financially beneficial arrangement. It will also be important to employ quality control mechanisms to ensure that tenants receive the best service possible.

It is important to formalise management

New Horizon Youth Centre



New Horizon Youth Centre



New Horizon Youth Centre (NHYC) delivers a shared accommodation project for homeless 18-25-year-olds in partnership with Network Homes, one of London's largest housing associations. The project aims to improve young people's housing and employment situations.

Network Homes provides shared properties, each of which has between four and six en-suite bedrooms. The high quality homes feature newly-fitted kitchens, which double as a socialising space, so that the young people can cook and eat together. Modern kitchens feature sufficient equipment for all and also lockable cupboards to share.

In this partnership, NHYC acts as the managing agent, guaranteeing to Network Homes a reduced rent. This allows NHYC to let out the rooms to young people in need on a protected licence for a maximum of one year. The licences are issued by NHYC, who also conduct the 'right to rent' checks and sends them on to Network Homes.

The team from NHYC supports the young people with their employment and personal goals and provides weekly check-ins. These allow NHYC to get an early indication of any repairs, anti-social behaviour or other issues that may be arising, so they can be resolved promptly.

Check-ins ensure that the properties are being looked after and the residents can benefit from a quick response to repairs. Network Homes receives effective use of their stock, guaranteed rents and does not have to incur the management costs individual tenancies would impose. They take on repair, cleaning of communal spaces, plus provision of payment of utilities. This gives peace of mind to the residents, as these tasks are all taken care of.

Commissioning support

You could use local floating support agencies to deliver relevant support to your shared households. This should be considered in the light of that needed by individual tenants. The agencies should also be asked about the eligibility of whole households for support as opposed to just individuals.

You may need to consider awarding funding to floating support agencies to guarantee that provision will be made available to your tenant group. There may be other ways to formalise the commitment other than through financing. You could offer nominations or give priority to referrals from agencies providing support to tenants.



Arch is a registered charity offering accommodation, support and advice to a range of vulnerable and socially excluded people across Staffordshire and East Cheshire who are in housing need or crisis. Following the success of housing and supporting people in the PRS and Supported Housing service, Arch is now developing a shared social housing offer for a group of social landlords in Stoke-on-Trent and Newcastle-under-Lyme.

Clients have low-level support needs for independent living skills, but may need support finding flatmates and suitable properties, managing bills and utilities and developing financial independence. They may also need help accessing local facilities, for example health services, and moving on from shared accommodation.

Incentives for social landlords working with the scheme include:

- opens up **untapped market** of potential new clients
- **tenant issues managed** by Arch Service on their behalf
- provides **additional option for managing voids/hard-to-let properties**, maximising stock use/ensuring stock meets current demand
- support to meet **nomination targets** ('two for one')
- successful SRS tenancies potentially leading to **longer-term tenancies**.

Arch has found that existing relationships with social landlord partners have been fundamental in facilitating the opportunity to develop this project. Their experience and established procedures have proved attractive for social landlords that haven't previously worked with organisation. The support offer to social landlords is based on their experience in developing/delivering a PRS Access Service since 2012 and their close knowledge/understanding of the issues facing social landlords.

The support covers tenancy assessment and pre-tenancy training, matching, agreed 'Fair Deal' arrangements to cover deposits and rent in advance and tenancy agreements and inventories. The support offered to tenants and landlords is for a minimum of six months (extended where necessary) and the project manages the tenancy helping tenants set up utilities, a sharer's charter and other practical move in arrangements.

Post tenancy set-up, Arch will:

- **continue resettlement support** for first six to eight weeks of tenancy for clients moving from Supported Housing
- **give ongoing support through house meetings/support visits** at frequency tailored to client need for the first six months (extended for three months where necessary)
- **provide telephone support** as required
- **arrange mediation** between tenants or between tenants/landlord as required
- **offer budgeting/financial advice/support** to maximize income
- **link clients with partner training/volunteering/employment opportunities** to improve their options/employability
- **give additional support to avoid tenancy breakdown** due to events/transition periods eg bereavement/job loss/recurrent mental health issues.

Arch has been working closely with social landlords who understandably appreciate the long-term value in making this project work to have a long-term offer of shared accommodation within the social sector. They further appreciate the need to spend to save for sustainability purposes. For example, one local authority has committed to furnish their shared tenancies to aid their sustainability when housing clients in housing need. Furthermore, following a review of clients requiring housing, their options and support needs, the benefits of providing a pathway into shared accommodation have been recognised. This is currently also being explored by the Housing Association within this area. Another local authority has offered to look at DHP provision to avoid a remaining client on a shared tenancy acquiring debt following another client's move on.

The project continues to develop best practice within this area to ensure shared social housing becomes a feasible option. This is in readiness for demand increasing as clients start to experience the realities of the current housing market.

Management functions

Whether delivered by your own organisation, by a partner, or a combination of the two, proactive management will reduce costs and minimise the potential for failed tenancies. Getting all staff on board with your scheme is important in responding to any issues that might arise quickly.

Mechanisms should be in place to share information and enable good communication between departments. For example, if a member of the repairs team notices a dispute within the household he or she should be able to feed this back to housing officers or other relevant staff.

Repairs and maintenance

There may be the perception that more wear and tear will occur in shared properties. This is not necessarily the case, especially when comparing shared properties to family homes with children in occupancy. Tenants should receive pre-tenancy training on how to look after a property and respond to low level maintenance issues, such as replacing a light bulb or fixing a tripped fuse.

Regular inspections should be carried out in shared properties. These inspections should be structured pre-emptively for maintenance rather than just in response to repairs being reported. You should have clear policies and procedures about how tenants report repairs, and when they can expect repairs to be made. This information could be supplied to tenants in a handbook accessible to all tenants.

If finances allow, you may want to think about employing cleaners for communal areas of shared properties, and handyman roles for minor ongoing maintenance jobs. This could prevent potential conflict about cleaning and ensure the upkeep for the property. Any relating service charges may be Housing Benefit/Universal Credit eligible, although will still be subject to the LHA cap.

Rent collection

Even if tenants are on joint tenancies, you could still ensure that your rent collection methods allow for tenants to pay their proportion individually rather than as one joint payment. This will help you to identify if one tenant is failing to meet their rental commitment, and arrange appropriate interventions.

It is important to ensure your organisation has IT systems in place to allow this. IT systems allowing individual rent accounts for rooms are also imperative for serving notice on individual tenants or logging individual repairs queries, or incidences of anti-social behaviour.

Money management and welfare advice should be made available to tenants who are struggling to pay their rent. Staying in touch with tenants and on top of rent accounts will help you intervene promptly when payments are missed to prevent arrears continuing to build.

Universal Credit will present a challenge for many tenants not used to budgeting monthly. It may help to be flexible with rent collection dates – bringing due dates in line with tenants' payment dates for example.

For more information, please see our guide **Universal Credit: how to support your clients and adapt your service** at www.crisis.org.uk/pages/universal-credit-how-to-support-your-clients-and-adapt-your-service-a-guide-for-help-to-rent-project

Voids

Void periods can be minimised through proactive management. This includes activities to prevent eviction, and to facilitate positive move-ons wherever possible. Tenants moving on in a planned way help you prepare for re-letting rooms.

Staying engaged with your housing register (or referral routes) will ensure that you have a pipeline of suitable applicants ready. It will also be important to work well with your

maintenance teams to ensure rooms can be turned around quickly.

Joint tenancies can present some challenges when one tenant decides to leave. You should try to be as flexible as possible to enable an easy transition between one tenant leaving and another replacing them. See **Chapter Four: Occupancy agreements for more detail.**

There will be a strong desire to fill rooms as quickly as possible. This need should not be at the expense of getting the right match between tenants. Problems are likely to arise further down the line, increasing management costs, where due attention is not given to appropriate matching of tenants.

Anti-social behaviour (ASB)

Pre-tenancy training on how to live with others and good matching will minimise the potential for conflict within a household. It may still be the case that certain people find sharing difficult, and you should think about how you can support tenants where this is the case. It may be appropriate to facilitate moves to other properties, supported housing, or self-contained properties (where possible), where relationships in a household have broken down beyond repair.

You should ensure that you have robust policies and procedures in place to deal with any ASB. It will be key to ensure that these are not simply punitive, and that support is made available to any tenant behaving anti-socially in a property or community.

Getting the right property in a good location will also be key to mitigate against the risk of ASB. For example, you may wish to pepper-pot shared properties, see **Chapter Two: Getting the right property** for more information.

Supporting shared tenancies

Certain practices will facilitate the smooth running of a household and avoid potential conflicts.

You should arrange and attend weekly house meetings for at least the first three months of a new tenancy. House meetings are an opportunity for tenants to discuss with a support worker and their flat-mates any concerns about the running of the household. Cleaning rotas, repairs needed, visitors, work and budgeting are all issues that can be reviewed and discussed during house meetings. House meetings also encourage socialising and are an occasion for all the tenants to get together.

Tenants could also be encouraged to create a 'sharer's charter' – an agreement about house rules which all housemates are bound to.

A sharer's charter should outline what housemates expect from each other. The points on the agreement will depend on the housemates' preferences, and there is no end to what they could agree on. However, important points to cover would be bills and how they are paid, cleaning, guests, noise levels and security of the property.

An example sharer's charter, cleaning rota and house meeting template can be found at www.crisis.org.uk/pages/sharers-toolkit-.html

There are other ways to support the smooth running of shared households by encouraging tenants to undertake additional responsibilities. The following models can reduce management costs for you while also empowering tenants.

Lead tenants

Lead tenants are tenants who take on additional responsibilities within the household. Such responsibilities could include arranging cleaning rotas or payment of utilities. They can also act as the lead contact for the landlord, especially for matters such as reporting repairs and facilitating maintenance visits. Lead tenants will also be able to give landlords an insight into the household dynamic, highlighting when additional support may be necessary.

Lead tenants should be compensated for their role within the household. You may wish to do this through incentives such as reduced rent or bills, by offering them the largest bedroom or by any other reward your organisation is able to make available.

It is vital to get the 'right person for the job' as lead tenant. It is a facilitative role within a household. Lead tenant models have failed where the lead tenant feels they have power over the other housemates, or where other housemates have expected too much from them.

The duties of the lead tenant should be made clear to the whole household from the outset, with support given to the lead tenant to understand and deliver their role. You could consider offering a lead tenant role for a limited amount of time, and rotate it. This gives other housemates the opportunity to increase their tenancy management skills.

Peer mentors

Tenants previously housed through your scheme can act as peer mentors by

supporting new applicants to resettle in shared accommodation. New applicants may have fears about living in shared accommodation with unknown people, and peer mentors have lived experience to support them through the process.

There will be opportunities to involve peer mentors in delivering pre-tenancy training, and any other activities where you are working with tenant or applicant groups. A peer mentor role may be particularly suitable for anyone interested in a career in housing or social care, looking to gain relevant skills and work experience. An example peer mentor job description can be found at www.crisis.org.uk/pages/sharers-toolkit-.html. You could consider whether you are able to support peer mentors to work towards qualifications while volunteering with you.

For more detailed information on supporting shared tenancies see **A Shared Approach**, the general sharer's toolkit. This can be found at www.crisis.org.uk/pages/sharers-toolkit-.html



Snugbug was an original idea as move-on from Manchester Foyer, young person's accommodation operated by St Vincent's Housing Association (SVHA). Young people trying to move on struggled to access any private rented sector accommodation for many reasons. These included lack of deposit or guarantors, rent levels that were too high and difficulty in accessing a shared housing market targeted towards undergraduates. Availability of self-contained social housing was also very limited.

In response to this SVHA set up a shared housing model called Snugbug. Manchester City Council were looking for a branded shared housing model and provided some start-up funding which was used for a website, App and some initial training costs.

Properties were provided from their own stock, leased from other RPs, and a few were

acquired in the right locations. By the end of 2015 the scheme had 58 bed spaces across 18 properties. Properties owned by SVHA are offered on a two-year individual AST following a probationary period as they are bound by the Tenancy Standard. Properties leased from other providers are not subject to the same restrictions.

Considerations for the properties were that they had to be suitable for young people, close to local amenities, transport, colleges, and in areas where housing choices were limited. Shared houses were ideally three to four bedrooms and were of a high quality and provided with white goods and communal area furnishings. Properties were classified as HMOs and as such these considerations had to be factored into property refurbishments. This included compliance works to meet fire and statutory regulations.

The initial Snugbug offer was to provide well located, nicely refurbished housing, with communal furnishings (subject to service charge). The rents were to be at average local housing allowance levels plus service charges met by Housing Benefit but also at a level that did not create a benefit trap. It was part of the offer that all residents would aim for employment and training.

Tenants completed pre-tenancy training (focussed on money management and budgeting support) and applicants were encouraged to have a credit union account.

What has worked well?

- Tenants moving in together after pre tenancy training.
- Good property market locations – where there are few other housing options.
- Foyer move on – with continuing support informally from Foyer staff.
- Older age groups of sharers.

Challenges

- Reluctance to share from tenants – there is still some expectations of accessing self-contained accommodation (this is expected to change once the rents are capped at the shared room rate).
- Rent arrears and bad debts.
- Conflict and housekeeping in communal areas.
- Compatibility of tenants.
- Tenants with complex issues needing more support than the scheme has capacity for.

Changes to the service

Although the scheme started under the management of Supported Housing, it has since moved to General Needs management. The officer who originally managed the stock under Supported Housing continues to do so under General Needs. The change

in management approach has seen a sizeable decrease in rent arrears. This had meant that management of the stock has needed fewer staff resources and less financial expenditure.

The service initially had a warden service, put in place to allay concerns over ASB out of hours, but in fact issues were rare. The warden was generally called for issues such as lost keys which can be more effectively dealt with by the normal out of hours' service. There are weekly inspections for Fire Risk Assessment in each of the properties.

Future plans

The scheme plans to grow to develop a studio model to run alongside the shared housing model. This, it is hoped, will reduce the issues caused by high void rates in shared housing. They also plan to extend the age range to 35, increase the lower age to 25, and secure funding to support some type of floating support to tenants.

Rents on Snugbug properties were initially set at a rate competitive with shared housing for undergraduates but also included the service charge to cover communal services.

Rent	59.4
Service charge	5.96
Communal heating and hot water -	2.56
Water rates	0.64
White goods replacement	3.21
Furniture replacement	1.35
Fire risk management	1.6
Landscaping/Ground Mtc	2.56
Communal electricity	3.14
Communal gas	0.32
Pest control	0.13
Portable Appliance testing	1.83
Estate management Chg	2.21
Management fee SVHA	25.51
Total	84.91

The future intention is to bring the total rent and service charge within Local Housing Allowance levels for Manchester at £67 per week. This will involve reducing services undertaken at the properties.

Checklist

If you are considering facilitating shared tenancies in your existing stock, you may find the following checklist helpful.

Set up

- Identify the local need.** Check housing register data. Place a general advert for sharers on the Choice-Based Lettings (CBL) system. Check data from the local authority regarding numbers of presentations as homeless. Have conversations with local support agencies.
- Establish existing move on options** and provision for young people by other social housing providers.
- Assess the local appetite for sharing** through conversations with other providers and by conducting focus groups with potential tenant groups.
- Establish the model of sharing** you will use (dependent on the local need), for example training flats and/or 'stranger shares'.
- Make links with external organisations** and specific departments. These should include, Help-to-Rent Projects, local advice and support agencies, local authority housing and homeless departments and Housing Benefit/DWP.
- Identify and agree your monitoring practice** – what hard and soft outcomes do you want to record?
- Establish thorough record keeping practices** and set regular intervals for reporting.
- Identify existing stock which is empty** or could be reconfigured for sharing. Take into consideration any article 4 direction restrictions, and location, room sizes and layout.
- Check costs of any conversion works** and explore grant possibilities.
- Set your rents**, taking into consideration the overall cost of living for your tenants.
- Consider and set service charges**, if applicable.
- Establish how you will manage bills** in your shared house.
- Consider how you will fund any additional support requirements** of your shared housing projects. Explore whether you may be eligible for enhanced Housing Benefit, ensuring this has no detrimental impact on your tenant's ability to move in to employment, or move on.
- Decide which occupancy agreements you will be using**, and whether these will be joint or individual ones.
- Ensure your IT systems are able to reflect the makeup of your shared provision.** Rooms, for example, will need to be individually allocated and you should have the ability to attribute rent accounts to each individual room.

Allocating shared tenancies

- Review your existing allocations** policies and consider reviewing these to accommodate sharing as a housing option.
- Ensure your allocation policy is in line** with your model of shared housing.
- Ensure you have buy-in from all staff** and departments and there is regular communication between them.
- Establish and regularly review affordability**, risk and needs assessments for potential applicants.

- Ensure staff are knowledgeable** about exemptions to the Shared Accommodation Rate, and what supporting documents are needed.
- Ensure you have a suitable alternative pathway** available for those for whom sharing is not a suitable option.
- Consider setting up a register** of under 35-year-old applicants.
- Ensure staff in your own organisation and within referral partners are promoting sharing positively** to potential applicants. Consider offering training to internal and external staff.
- Establish ways of advertising** your property – for example through a Choice-Based Lettings system.
- Establish a tenant matching policy** – using, for example questionnaires or hosting events where potential flatmates can meet.
- Stay in touch with applicants** on your register to ensure you have a pipeline of potential tenants.
- Ensure there is suitable and adequate tenancy sustainment support available**; if delivering this in-house ensure staff have capacity.
- Consider a range of models** which could help ensure smooth running of your shared houses, for example by employing lead tenants or peer mentors.
- Establish a clear and robust policy** for dealing with anti-social behaviour or any other behaviour which could lead to eviction.
- Ensure tenants have flexibility** to move on if their personal or employment circumstances change.
- Have a range of move-on options available.** For example, you could help facilitate moves within your own stock or support tenants to move into the private rented sector.
- Ensure tenants are directed to suitable organisations** that may be able to help in the case of tenancy breakdown, for example Housing Options, Citizen's Advice Bureau and Help-to-Rent projects.
- Ensure your eviction policies and procedures are appropriate** and that all relevant staff are briefed and trained on these.
- To minimise voids**, ensure you have a pool of prospective, tenancy-ready applicants waiting to access shared housing.

Managing shared tenancies

- Establish how your shared houses will be managed**, and by whom.
- Establish who will be responsible** for repairs and maintenance, rent collection, and void turnover.
- Consider commissioning support agencies** to deliver support to households and individuals.
- Set up a pre-tenancy training programme.** Will you deliver it in-house, with an external partner or commission another service to deliver it to your clients?

Evaluating your shared house project and feeding back

- Identify the true cost of running your project** and establish the potential costs of not operating a sharing scheme –

Crisis' **Making it Count** tool will be useful for this. These costs can be critical in choosing to make a case internally or externally for continued funding or support.

- If running a pilot model establish an exit strategy.** Will you continue running a pilot model/develop and increase your shared housing project or stop at the pilot? If you are not continuing your pilot what will your service look like when you end? Where possible, run a skeleton service to ensure tenants are supported to the end of their tenancies.
- Establish what will happen to your stock if your pilot doesn't continue** and identify how you will bring it back into use for individual households.
- Identify and build links with other organisations or providers** who could take on your project or provide ongoing support to your tenants if you do decide not to continue.

About Crisis

Crisis is the national charity for homeless people.
Our purpose is to end homelessness.

Crisis helps people rebuild their lives through housing, health, education and employment services. We work with thousands of homeless people across the UK and have ambitious plans to work with many more.

We are also determined campaigners, working to prevent people from becoming homeless and to change the way society and government think and act towards homeless people.

Get in touch

Crisis head office
66 Commercial Street
London E1 6LT
Tel: 0300 636 1967
Fax: 0300 636 2012

www.crisis.org.uk

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Homelessness ends here