

This policy supplements the Allocations Policy Statement by outlining the principles to be adopted when letting properties on affordable rent tenancies.

1. We will grant affordable rent tenancies in most circumstances when allocating new homes developed as part of the Homes and Communities (HCA) 2011 – 2015 development programme as determined in our contract with the HCA.
2. We will convert social rented properties to affordable rent in an identified proportion of our general needs re-lets, excluding those re-let to minors, as determined by housing divisions. The housing divisions will have discretion to convert properties from affordable rent back to social rent.
3. We will only convert properties from social rent to affordable rent where there are no legal, regulatory or contractual restrictions
4. Affordable rents will be set at 80% of the gross market rent. We may vary this locally and set affordable rents at less than 80% taking into consideration the Local Authority Housing Strategy
5. We will apply Personal Charges (these are not service charges) in addition to the affordable rent where applicable¹ as detailed in a Personal Charge Agreement
6. We will offer an affordable rent starter tenancy which will convert to an affordable rent assured tenancy in line with the provisions in the Starter Tenancy Policy
7. We will offer an affordable rent assured tenancy or an affordable rent assured shorthold tenancy in line with current provisions where a starter tenancy cannot be offered (see Starter Tenancy Policy)
8. We will apply rent increases in April at a rate of the annual change in RPI plus 0.5%. The cut off date for rent increases will be the same date as social rent increases, i.e. the day before the first Monday in February. Any tenancies starting between this date and April will not incur a rent increase until April the following year.

¹ Personal charges are for services, usually received within the tenant's home that are not covered by Housing Benefit e.g. personal heating and hot water, maintenance for a stair lift etc., and will be detailed in a Personal Charge Agreement as an addendum to the Tenancy Agreement.

9. We are committed to safeguarding the security of tenure of our existing assured and secure tenants and ensuring that they remain on a social/fair rent wherever possible when transferring within the Partnership
10. We will apply the Partnership Financial Assessment Policy to all affordable rent allocations, including internal transfers.
11. We will manage affordable rent tenancies in line with our existing policies e.g. mutual exchange, succession, subletting etc.
12. Transfers will be processed in line with the Transfer Policy².

We will endeavour to maintain the security of tenure and rent model for secure and assured tenants transferring within the Partnership wherever possible; this will involve converting some affordable rent properties back to the social rent tenancy.

Secure tenants transferring within the same landlord in the Partnership will be eligible for a ring fenced affordable rent property. However, any new tenancy will be granted on an assured tenancy basis.

The type of tenancy and rent model for secure and assured tenants offer a transfer to an affordable rent property is shown in the table below:

	Ring Fenced Affordable Rent Property	Non-Ring Fenced Affordable Rent Property
Assured tenancy transferring within the Partnership	Assured tenancy Affordable rent	Assured tenancy Social rent
Secure tenancy transferring within the same landlord within the Partnership	Assured tenancy ³ Affordable rent	Secure tenancy Fair rent
Secure tenancy transferring to different landlord within the Partnership	Assured tenancy Affordable rent	Assured tenancy Social rent

² Companies currently operate their own transfer policies and criteria, with the addition of the Partnership Transfer Policy which enables tenants to transfer between Companies.

³ In accepting a ring fenced affordable rent property the most secure form of tenancy that can be offered is assured. They will lose their 'secure' status and any rights associated with that including fair rent and Right to Buy.