

Southwark intermediate rent policy – March 2021

This document sets out who is eligible to join the intermediate rent housing list in Southwark and eligible to register interest in intermediate rent properties as they become available. This document also contains the council's priorities to inform who the intermediate rent housing should be allocated to.

Intermediate rent housing is housing at rents above social rents but below 80% of market rent. In Southwark these will be mainly let at the London Living Rent levels which are set by the Mayor of London and significantly lower than market rent. This is to allow the household to help save up a deposit towards buying a shared ownership or private property.

The landlord could be:

- A private landlord, for intermediate rent properties developed as part of private rent new developments.
- A housing association
- The council. Currently this only applies to a small number of properties at Churchyard Row, Elephant and Castle. These are currently restricted for keyworkers. The council may choose to build more intermediate rent properties as part of the councils' new build programme.

What is the intermediate rent housing list?

The intermediate rent housing list is a portal to help advertise intermediate rent properties as they become available and to provide a quick way for residents to express an interest in a property to the landlord without having to complete lengthy separate applications each time.

Households will be able to join the intermediate rent housing list to receive information about properties as they become available, and to register interest in properties as they become available. The portal will ask for household details to help the landlord decide who to choose to let the property to, in line with this policy.

Landlords will be expected to make the allocation in line with the priority bands set out in this policy, unless other restrictions apply. This will need to be agreed with the council and made clear for any advertised property.

Until the intermediate housing list is operational, landlords should advertise any opportunities themselves and let any intermediate rent properties in line with the eligibility and priority system included in this policy.

In the case of properties where the landlord is a registered provider (mostly housing associations) people will also have the option of registering interest directly with the landlord, but the landlord will still need to take account of all applications and priority banding.

Who is eligible to join the intermediate rent housing list and register interest in intermediate rent properties?

Applicants must be aged 18 or over and have lived in Southwark for the last 3 years or:

- be a key worker working in Southwark (or in a neighbouring hospital which routinely provides services for a significant number of Southwark residents)
- be a Southwark resident who is fleeing domestic abuse

The whole household (which can be formed of two or more unrelated households or sharers) must have a maximum combined income of £60,000; and minimum combined income of £26,000. These thresholds will be reviewed annually.

Members of the household must not:

- be an existing homeowner, unless the current property is unsuitable (overcrowded/disabled access/unaffordable) and the household is unable to buy in the private market.
- have been guilty of unacceptable behaviour serious enough to make them unsuitable to be an intermediate rent tenant

In the unlikely event that property is not let within three months of advertising, the eligibility criteria would revert to the broader eligibility criteria as set by the Mayor of London.

Who will be prioritised for lets?

Demand is likely to significantly exceed supply, given the lower rents compared to market rents.

Landlords should give priority to expressions of interest from the following groups:

- Southwark keyworkers (see definition below)
- Victims of domestic violence/abuse/harassment
- Carers
- People fostering or adopting who need more rooms
- Armed Forces personnel
- Private rented sector tenants who are being displaced through council regeneration schemes

Where multiple expressions of interest are received with the same priority, landlords are recommended to use the date of the register of interest to help determine who the property should go to.

Who are defined as Southwark key workers?

The definition of Southwark key workers has been produced based on evidence of recruitment and retention issues in Southwark.

The initial definition will include the following:

- Nurses, doctors, and other clinical staff employed by NHS
- Firefighters
- Teachers/teaching assistants (from non-fee charging schools)
- Social workers, educational psychologists and therapists delivering services for the Council
- Police officers/Police Community Support officers (PCSO)

The keyworker priority is restricted to key workers working in Southwark and to hospital staff in neighbouring boroughs where the hospital routinely provides services for a significant number of Southwark residents.

There is no requirement to have a long term contract in place, however the keyworker would be required to meet the keyworker criteria at the point of application and at the point of any tenancy sign-up.

The definition is subject to ongoing review to respond to newly emerging evidence of recruitment and retention issues.

Can sharers apply?

Households formed of two or more keyworkers will be allowed to make a joint expression of interest and share a property. This will enable lower income keyworkers to join together to meet the minimum income threshold. If one resident moves then this will end the tenancy. The landlord however can review the case and if agreed, grant a tenancy to the remaining tenant if they can afford the rent, or choose to allow the resident to identify a new keyworker to share with, who would then be named on a joint tenancy.

What happens after a household has joined the list?

Those joining the list will be asked to provide details about their household, their income and questions such as whether they are a key worker. They will also be able to adjust notification settings to restrict this to particular areas or rent levels.

How will those on the list know what properties are available?

Households on the list will be notified by email of any properties that become available in line with their contact preferences indicated. The intermediate rent housing list portal will also include details of available properties, and expected properties in the pipeline. There will be a clear deadline for expressing an interest in any property. The information will include links to the landlord's webpages for more information and ideally a virtual viewing option.

For registered providers (mainly housing associations) residents will also be able to apply directly to the landlord. The set of dates for registering interest will be required to be the same to ensure a fair allocation.

Any intermediate rent properties built with funding from the Mayor of London will also be advertised on the Homes for Londoners Portal. This will primarily direct expressions of interest via the Southwark Intermediate Rent housing list but also include details of how to express an interest directly with the registered provider.

How to register an interest for properties

The easiest way to register an interest in renting a property as it becomes available will be through the council's online portal. People will be asked to reconfirm their details, to confirm they want to register their interest in the property and to confirm that they are happy for their data to be shared with the landlord. For registered providers (mainly housing associations), there will be the option to register an interest directly with the landlord but this will still require providing the same information to assess priority banding.

Are there any restrictions on what properties households can apply for?

People will only be able to express an interest in properties which have the number of bedrooms they require, unless the household is two or more keyworkers looking to share a tenancy together. There will also be discretion where they may be medical circumstances where an additional room is required.

What happens after the expression of interest?

The portal will immediately pass on the expression of interest to the landlord. The landlord will be expected to use this information to determine who to allocate the property to. This will be closely monitored by the council but it will be ultimately up to the landlord to make the allocation, in line with the priorities in this intermediate rent housing policy.

The landlord will contact the successful applicant and up to two other high priority reserve households, they will carry out the required validation checks and then offer the chance to view the property. The landlord will coordinate the viewings and complete the signup process, and inform the council of the outcome.

The household doing the viewing can choose not to take the property, but they need to be aware that such properties are likely to be in short supply so it could be some time until another opportunity arises.

What happens after tenancy sign up?

At this point the relationship will be directly between the new tenant and the landlord (private landlord, housing association or council). Tenants will be expected to start saving towards a deposit. Towards the end of the fixed term, the landlord will discuss the options with the tenants including extending the tenancy if there are no significant changes in circumstances, suggesting shared ownership opportunities and/or other purchase options, or ending the tenancy if there has been a significant change in household circumstances such as increased income.

Who will provide any advice?

The council's housing solutions team will provide advice on joining the intermediate rent housing list and registering an interest in properties generally. The landlord will provide advice on their particular schemes as required. The council's housing solutions team will also be able to offer advice to households on their housing options towards the end of the fixed term tenancy if required, following initial discussions with the landlord.