

PORTFOLIO HOLDER DECISIONS



Please refer to Guidance Notes overleaf

Forward Plan Ref. No.	2017 284 September - Keyring		Date of decision: 27 September 2017
Name of Portfolio Holder	Cllr. Nigel Woollcombe-Adams		
Name of Officer	Jai Vick		
Details of Decision	To allocate a grant of £5,000 to KeyRing Lettings to support their transition to a new business model and offer a product called "Find a tenant for free". In turn, this will improve access to the private rented sector for people that are homeless or at risk of homelessness and reduce homelessness costs to Mendip District Council.		
Details of consultation carried out: Tick			
	Chief Executive/ Deputy Chief Executive	Name: Tracy Aarons	Date: 19/09/2017
	Legal	Name: Alex Kershaw-Moore	Date: 19/09/2017
	Finance	Name: Duncan Moss	Date: 19/09/2017
	Group Manager	Name: Jai Vick	Date: 19/09/2017
	Portfolio Holder	Name: Cllr. Nigel Woollcombe-Adams	Date: 12/09/2017
	Ward Member (mark NA if necessary)	Name: N/A	Date: N/A
Reasons for Decision	<p>KeyRing Lettings is a social enterprise, set up in 2013 by Mendip District Council as an independent lettings agency. It operates much like a traditional high street lettings agency, however it is strategically aligned to help households on low incomes to access the private rented sector and hence reduce homelessness figures within the district.</p> <p>The Homelessness Reduction Act is set to be introduced in April 2018. The legislation places new duties on Councils to prevent homelessness and there is a renewed emphasis on the using the private rented sector to achieve this.</p> <p>KeyRing Lettings have put forward a proposal to change its business model substantially, in order to better support the functions of the Housing Options Team so they can help achieve and meet the new requirements of the Homelessness Reduction Bill. In particular they will offer a "find a tenant for free" service which should encourage landlords to rent to tenants on low incomes. The "find a tenant for free" service will be aimed at landlords that do not currently use a letting agent.</p>		

	<p>KeyRing Lettings have identified a series of steps that they will take to ensure they are more resilient to future environmental changes and in good shape to support the strategic aims of reducing homelessness in Mendip in the years to come. KeyRing have identified that they are better able to serve the needs of landlords and tenants without a “high street” presence. This will allow the KeyRing staff member to work flexibly across the district rather being tied to a high street shop location.</p> <p>The board of directors at Keyring Lettings have put forward the attached report to specify how they propose to operate moving forward. The grant funding of £5000 will allow KeyRing to make the required transition to the new business model, offer the new landlord product and will be subject to a contractual agreement.</p> <p>The cost of 2 families becoming homeless and using Bed and Breakfast for emergency accommodation will cost the same amount as the proposed grant (£5000) and it is envisaged that KeyRing will deliver significantly more savings than that to justify this grant in the longer term.</p>
<p>Any alternative options considered and rejected</p>	<p>Do nothing:</p> <p>The alternative to providing a grant for KeyRing Lettings is to not provide the grant funding. If this option is chosen, KeyRing would not be in a position to change its business model so substantially and therefore the Council would not benefit from all of the proposed changes. With the Homeless Reduction Act introduction scheduled for April 2018, and a greater reliance on the private rented sector planned, doing nothing will not help Mendip District Councils strategic aims in the longer term.</p> <p>Award a smaller grant:</p> <p>The option of providing a smaller grant would not allow Keyring to offer a “find a tenant for free” service.</p>
<p>Financial and personnel implications</p>	<p>£5,000 one off grant funding from the Flexible Homelessness Support Grant. This is a grant given to councils by Central Government to fund innovative ways to prevent homelessness.</p> <p>Keyring Staff member already seconded from Mendip District Council.</p>
<p>Any relevant personal Interest under the Code of Conduct</p>	<p>N/A</p>

PORTFOLIO HOLDER DECISIONS



Reports and Background papers relevant to the decision	Link to progress of Homelessness Reduction Act: http://services.parliament.uk/bills/2016-17/homelessnessreduction.html KeyRing Business update and Proposal (separate PDF)
Date e-mailed to Members incl Scrutiny Board Chair	Thursday, 28 September 2017
Date of Publication of Notice	Thursday, 28 September 2017
Date Decision comes into force (*see below)	Friday, 6 October 2017
* Please Note: The decision detailed above will come into force, and may be implemented, 5 clear working days after Publication unless subject to call-in by the Scrutiny Board.	
Signature of Portfolio Holder

Please complete and return to Democratic Services