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Tenancy Strategy
**(Bolsover District Council's Strategic
Tenancy Policy)**

January 2013

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CONTROL SHEET FOR TENANCY STRATEGY

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1. Introduction

The Localism Act 2011 places a new duty on local housing authorities to prepare and publish a tenancy strategy for their area. The strategy must set out the matters to which Registered Providers (RPs) of social housing are to have regard in formulating their own tenancy policies. These tenancy policies will explain how Registered Providers intend to implement the range of new flexibilities introduced through the recent social housing reforms.

2. Scope

Registered Providers of social housing should have due regard to the framework provided by this strategy when formulating their own tenancy policies. This is necessary to ensure that we provide the best housing options and outcomes for the residents of Bolsover.

3. Principles

Although the production of a tenancy strategy is a legal requirement placed on local housing authorities by the Localism Act, the tenancy strategy will support the delivery of several of the Council's corporate priorities:

- ensure all our services are provided in a fair and equitable manner;
- endeavour to secure adequate affordable housing; and
- develop flourishing rural communities.

This strategy is being developed through consultation with Registered Providers and partner local authorities. This has included a scoping questionnaire to all RPs, face to face consultation at the bi-annual sub-regional Registered Provider Forum, and through circulation of the strategy for comment.

4. Statement

4.1 Objective

The overall objective of this tenancy strategy is to ensure that our Registered Provider (RP) partners work with us to deliver neighbourhoods that are sustainable and provide our residents with settled and stable homes.

4.2 Local Context

According to official statistics there were 6,293 homes within the social housing stock of Bolsover, with 18 per cent of these being owned and managed by Registered Provider partners.

	Number
Total dwellings (April 2012) Source: BDC records	34,493
Local Authority social housing stock (April 2011) Source: BDC records	5339
Register Provider Social Housing stock (April 2011) Source: Department for Communities and Local Government	949

A snapshot of the housing register taken on the 15th October 2012 showed that there were 2176 applicants registered for social housing in Bolsover. During the period 2010/11 544 local authority dwellings were let. Social housing is not evenly spread across the district area, with the housing stock in some parts of the district containing a proportion of social housing which is amongst the highest levels in England.

	Number
Number of applicants on the housing register (Oct 2012) Source: BDC records	2176
Number of local authority lets (2010/11) Source: BDC records	544

Bolsover District Council's Strategic Housing Market Assessment was published in September 2007, and was reviewed in 2012 by David Couttie Associates. The assessment found there to be a substantial need for affordable homes in Bolsover. This need arises not so much as a result of the level of house prices in the district, which are generally much lower than in the region and nationally, but as a result of low income levels. However, lettings information suggests that the existing social stock is not under pressure. The vast majority of the waiting list consists of households who are not in priority need, nor within a reasonable preference category.

Average House Prices by Type, Q1 2012

	Bolsover District	East Midlands	England & Wales
Detached	£165,209	£222,618	£317,794
Semi-detached	£92,455	£133,373	£199,016
Terraced	£66,434	£114,910	£188,906
Flat / Maisonette	£0	£101,645	£222,123
Overall	£106,510	£157,891	£226,887

Source: Land Registry Property Price Report, Q1 2012

The following table shows the difference in rental costs between the different forms of tenure. The difference between social rents and

affordable and private rents increases with the size of the property, so that a three bedroom house let at a market rent is 53 per cent more than one let at a social rent, and a three bedroom affordable rent is 22 per cent more.

Monthly Rental Prices in Bolsover District

	Average LA Rent	Average RP Rent	Average Private Rent	Affordable Rent (80%)	Average LHA Rate (Apr 2012)
1-bed	£269.00	£273.00	£359.00	£288.00	£337.50
2-bed	£295.00	£329.00	£421.00	£337.00	£410.00
3-bed	£315.00	£343.00	£482.00	£386.00	£463.34

Source: SHMA & Economic Viability Study Review 2012, DCA

4.3 Social Housing Reforms and Guidance for Registered Providers

The Government has introduced a number of reforms to allocations and social housing tenure that offer new flexibilities to social landlords. The following sections provide guidance to Registered Providers with stock within Bolsover District, and set out the Council's position in relation to the reforms.

Affordable Rent

Since April 2012 local authorities and RPs have been able to let properties on an affordable rent basis. Affordable Rent was introduced as the model for financing new social homes in the Homes and Community Agency's Affordable Homes Programme 2011-2015. Affordable Rents can be set at up to 80 per cent of market rates and are included in the revised PPS3 definition of affordable housing. All new grant-funded homes should be let at an Affordable Rent, and RPs are also able to convert a proportion of their existing stock from social to affordable rent when they are re-let. The additional income generated by affordable rent is to be used for reinvestment in new affordable housing. Existing tenants who remain in their existing homes will not be affected by affordable rents unless they transfer to another property which is let at an affordable rent.

Affordability must be considered when setting affordable rents and RPs should be mindful of the low income levels within Bolsover District. For example, 80 per cent of market rent in the more expensive parts of the district, such as Bolsover, could make affordable rents too expensive for those on a low income. Evidence shows that the larger the property, the wider the gap between social and private rents, and this should also be borne in mind when setting the rent level. Reference should always be made to income levels within the District.

Conversions of social rented properties to affordable rent by RPs should be carried out with care, taking into account the above points and also the tenure mix within the area concerned.

Flexible Tenancies

Under the revised Tenancy Standard, Registered Providers have the option of offering tenancies for a fixed period of time instead of the traditional lifetime tenancies. These new fixed term tenancies are known as flexible tenancies. Registered Providers will be able to determine the length of tenancy that they offer to new tenants, however the Government has specified that the minimum period of a fixed term tenancy should be at least five years, except in exceptional circumstances. Details of a Registered Provider's position in relation to fixed term tenancies must be set out in their tenancy policy. Existing tenants will not be affected by this change, unless they move to a property let on a flexible tenancy.

The aim of this reform is to ensure that those in greatest housing need can access social housing, and that if a tenant's circumstances change and they become able to access private housing, they can move on and free up a social rented property for others.

The Council will not be using fixed term tenancies for their own housing stock due to concerns that the sustainability of communities will be adversely affected, and that tenants will not have the opportunity of a settled and secure home.

If Registered Providers decide to use fixed term tenancies they should have regard to the following points.

- Tenancies of five years should be the minimum length of a fixed term. Shorter tenancies must be restricted to exceptional circumstances only.
- Vulnerable people in need of settled or stable accommodation, where their situation is unlikely to change, should be granted life time tenancies. As a minimum this would include households containing someone over 60 years of age, or people with a long-term medical or welfare need for secure accommodation, adapted or specialist.
- In order to provide a settled and stable home it is expected that households with dependent children will be granted fixed term tenancies which are longer than the minimum 5 year period and which last at least until the youngest child leaves full time education. This includes households which contain children over the age of 16 who remain in full time education.
- Fixed term tenancies should not generally be used to control rent arrears or anti-social behaviour; the normal possession grounds should be used to tackle these issues.

Review and Renewal of Fixed Term Tenancies

Any Registered Provider introducing fixed term tenancies must have published review criteria and procedure. Registered Providers are asked to have regard to the following points.

- When carrying out a tenancy review there should be a presumption of renewal of the tenancy on terms at least equivalent to that which are currently held, unless the specified reasons for not granting another tenancy are met. RPs should show good reason for not renewing a fixed term tenancy, and these reasons should be clearly explained to the tenant.
- At least six months notice must be given to the tenant before the tenancy is due to end. The tenant should be advised of their right to request a review of the proposal and of the time within which this request needs to be made.
- During the review, consideration should be given to the availability of other suitable and affordable housing in the area.
- During the review, consideration should be given to the employment of the tenant or members of the household, especially if they are employed locally. If a member of the household is responsible for the care of a family member, this should also be borne in mind.
- Where a new tenancy is not being offered, advice and assistance should be given to the tenant at the earliest opportunity to help them to find suitable alternative accommodation. This includes the landlord assisting the tenant to explore their housing options, including home ownership, private rented housing, or a more suitable social rented home. The local authority should be notified as soon as possible if homelessness could potentially arise, but it is expected that the Registered Provider will take all steps necessary to avoid this outcome.

Bolsover District Council recognises that there are certain circumstances in which it would be unreasonable to expect a household to move. The Council therefore expects our Registered Provider partners to allow a tenancy to continue if any of the following apply, irrespective of whether this was the case when the previous tenancy was issued.

- The tenant or a member of their household is suffering from a terminal illness.

- The tenant or a member of their household has a disability, verified by occupational therapy or community care assessments.
- The tenant has children attending a local school or college.
- The tenant is a foster carer and the tenancy needs to continue to enable them to fulfil this role.
- The tenant is a care leaver and is still receiving support from social care, or a form of tenancy support.
- The tenant is otherwise vulnerable (within the definition of vulnerable as used in homelessness legislation).

Discharge of the homelessness duty through the private rented sector

Where an applicant is homeless through no fault of their own, eligible for assistance and in priority need, local housing authorities have a legal duty to secure suitable accommodation for the applicant. This is known as the main homelessness duty. The Localism Act amends previous rules by allowing local authorities to discharge its homelessness duty by making an offer of accommodation in the private rented sector without the applicant's agreement; the applicant must accept this if it is an offer of suitable accommodation. Previously a household could refuse to accept a tenancy in the private rented sector and the local authority would continue to have a duty to re-house.

The government requires that local authorities ensure that properties meet minimum standards and are suitable for the applicant, as set out in the *Homelessness (Suitability of Accommodation) (England) Order 2012*. The Order covers aspects of suitability including the physical condition of the property, health and safety matters, landlord behaviour, and management. Local authorities must also ensure that the location of the property is suitable in terms of its distance from the applicant's previous home, employment, education and caring responsibilities, established links with service providers, and access to amenities. To provide stability the tenancy should be for a minimum of 12 months.

Bolsover District Council welcomes the flexibility to make better use of good quality private rented sector accommodation, and will consider this new power on a case by case basis, using only when appropriate for the applicant. The Council has a history of successfully using private rented accommodation to prevent homelessness and re-house homeless households, and through the Landlord Accreditation Scheme it has good relationships with private sector landlords within the district. We will continue to work with landlords in the private rented sector to

provide accommodation for applicants who are homeless, encouraging landlords to become accredited, ensuring properties are suitable, and rent payments are affordable.

Housing Register and Allocations

The Localism Act introduced new freedoms for local authorities to determine how they allocate social housing. Local authorities can now set their own priorities for allocations taking into account local needs and objectives, whilst continuing to give priority to those households in the reasonable preference categories.

When reviewing its allocations and lettings policy, Bolsover District Council will consider the new freedoms provided by the Act and their suitability for meeting the housing needs of the district's residents.

Succession

Changes have been made to the succession rights on new tenancies. Under the legislation only the spouse or civil partner who occupies the property as their only or principal home at the time of the tenant's death can automatically succeed to the tenancy, and the tenancy can only be passed on once. Local authorities and Registered Providers are able to include additional contractual succession rights within their tenancy terms if they wish to do so.

All successions to a fixed term tenancy will only be for the remainder of the life of that tenancy, and will be subject to a full review when the end of the tenancy is due.

4.4 Monitoring and Reviewing the Tenancy Strategy

Monitoring the Tenancy Strategy

We will consider the content of the Tenancy Strategy and the effect on tenants in the district by collecting data on:

- the number of fixed term tenancies issued, their duration and type of household;
- the number of affordable rent properties in the district, and the level of rent charged;
- homelessness offers in the private rented sector;
- housing market changes and affordability;
- rent levels across different tenures; and
- the impact of welfare reforms.

Reviewing of the Tenancy Strategy

The Tenancy Strategy will be reviewed at least every five years in line with the requirements of the Localism Act 2011. The Strategy may be reviewed more frequently than this as a result of monitoring and further consultation.

4.5 Registered Provider Tenancy Policies

The tenancy policies produced by Registered Providers will be found on their website, or on application.

Please contact Strategic Housing at Bolsover District Council for contact details of Registered Providers with stock in the district.

5. Responsibility for Implementation

Lead officer	Sarah Clow - Housing Strategy and Enabling Manager Email: sarah.clow@ne-derbyshire.gov.uk Tel: 01246 242581
Others with responsibility	Peter Campbell - Head of Housing Diane Bonsor - Housing Needs Manager Deborah Whallett - Housing Enforcement Manager Registered Provider partners