

# **Tenancy Strategy**

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

May 2018

## CONTROL SHEET FOR TENANCY STRATEGY

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## **1. Introduction**

The Localism Act 2011 placed a 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 the Council's corporate priorities:

- Supporting vulnerable and disadvantaged people
- Providing good quality council housing where people choose to live
- Enabling Housing Growth: increasing the supply, quality and range of housing to meet the needs of the growing population and support economic growth

This strategy was developed through consultation with Registered Providers and partner local authorities. This 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.

## 5. Local Context

### 5.1 Housing Stock within the district

There are 5,088 homes owned by the Council, and 1,080 rented homes owned by Registered Providers. This equates to 17.5% of the total number of households in the district.

	Number
Total dwellings (Oct 2017) Source: BDC records	35,737
Local Authority social housing stock (April 2018) Source: BDC records	5088
Register Provider Social Housing stock (April 2016) Source: Department for Communities and Local Government	1,080

A snapshot of the housing register taken on the 1<sup>st</sup> April 2017 showed that there were 1,093 applicants registered for social housing in Bolsover and during the period 2016/17 413 local authority dwellings were let.

#### Number of applicants on the Housing Register and Number of Let

	Number
Number of applicants on the housing register (April 2017)	1,093
Number of local authority lets (2016/17)	413

Source: BDC records

Social housing is not evenly spread across the district, with housing stock in some areas containing a proportion of social housing which is amongst the highest levels in England.

A snapshot of the lettings information at April 2017, suggests that the existing social housing stock is not under pressure. The vast majority of the waiting list consists of households who do not have an urgent or high priority need.

#### Housing Register Banding

Banding Priority	Number of Applicants
Band A – Urgent need for rehousing	0
Band B – High need for rehousing	51
Band C – Some need for rehousing	855
Band D – Low need for rehousing	187

Source: BDC records

A Housing Needs, Market and Affordability Study was carried out for the council by GL Hearn and jgconsulting in 2011 and has since been updated in October 2017. 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.

### Average House Prices

<b>Bolsover District</b>	<b>East Midlands</b>	<b>England</b>
£124,000	£173,450	£227,950

*Source: ONS June 2017*

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.

### Weekly Rental Prices in Bolsover District

	<b>Average LA Rent</b>	<b>Average RP Rent</b>	<b>Average Private Rent</b>	<b>Affordable Rent (80%)</b>	<b>Average LHA Rate (Apr 2018)</b>
<b>1-bed</b>	72.00	76.40	100.00	80.00	80.55
<b>2-bed</b>	78.00	88.70	107.00	86.00	97.81
<b>3-bed</b>	83.00	98.50	115.00	92.00	113.92

*Source: Hometrack Jan 2018 & Local Authority Housing Statistics 2017*

## 5.2 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.

### 5.2.1 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, since then the Government has launched the Affordable Homes Programme for 2016–21. Affordable Rents can be set at up to 80 per cent of market rates and are included in the 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.

### **5.2.2 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 of 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.

### **5.2.3 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).

#### **5.2.4 Discharge of the homelessness duty through the private rented sector**

The Localism Act 2011 allows a local authority to discharge its homelessness duty by making an offer of accommodation in the private rented sector; the Homeless Reduction Act 2017 and the Homeless Code of Guidance states that under the 'relief duty' the Local Authority is required to help people who are homeless to secure accommodation, this can be in the private sector with a minimum 6 months tenancy. However local authorities are to have regard to the suitability of accommodation in line with the Homelessness (Suitability of Accommodation) (England) Order 2012, and that the property's minimum requirements are adhered to in respect of health and safety and that the Landlord is a fit and proper person to act in that capacity.

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. 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.

### **5.2.5 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.

### **5.2.6 Succession**

Government have made changes to succession rights on new tenancies so that 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. Also alternative properties can be offered for the succession to free up family accommodation or make best use of housing stock. Local authorities and Registered Providers are able to include additional contractual succession rights within their tenancy terms if they wish to do so.

The Council has chosen to give all new tenants the same succession rights as those who were tenants prior to the introduction on the Localism Act. This means the right of succession applies to family members as well as spouses and civil partners.

## 5.3 Monitoring and Reviewing the Tenancy Strategy

### 5.3.1 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.

### 5.3.2 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.

## 5.4 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.

## 6. Responsibility for Implementation

Lead	BDC Housing Strategy
Others with responsibility	Joint Head of Housing and Community Safety BDC Housing Needs Manager BDC Housing Enforcement Manager Registered Provider partners