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Subject: Tenancy Strategy 2020

Report to: ELT

16 September 2020

Housing and Neighbourhoods Committee

1 October 2020

Report by: Christine Spooner, Housing Strategy, Policy and Performance Officer
Nicola Turner, Housing Director

SUBJECT MATTER/RECOMMENDATIONS

A new Tenancy Strategy has been developed following review of the Council's Tenancy Strategy 2013. The Tenancy Strategy sets out the matters to which Registered Providers of Social Housing should have regard when formulating their own Tenancy Policies. The Strategy will be going out to Consultation for 6 weeks once approved, and minor changes may be made once feedback from Registered Providers has been considered.

RECOMMENDATIONS

That the Housing and Neighbourhoods Committee:

- i) Approves the Tenancy Strategy subject to consultation with Registered Providers and stakeholders**
- ii) Delegates authority to the Housing Director to make any minor changes to the Strategy following consultation, with the caveat that any major changes would be presented to a future Housing and Neighbourhoods Committee.**

1. Introduction

- 1.1. Councils are required by the Localism Act 2011 to have a Tenancy Strategy which sets out the matters which Registered Providers delivering affordable rented homes within their area should have regard when developing their own Tenancy Policies. The Act also requires Councils to keep their Tenancy Strategy under review and update it as appropriate.**
- 1.2. The Tenancy Strategy has been updated following review because of changes to the Council's Tenancy Policy and Housing Allocations Scheme in 2019.**

- 1.3. There are 7598 affordable rented homes within the Great Yarmouth borough. 5766 are owned by the Council with a further 1832 owned by a range of private Registered Providers¹.
- 1.4. The Council needs to consider the views of Registered Providers delivering affordable housing within the borough in the development of the Tenancy Strategy. Registered Providers will be invited to submit feedback during a 4-week consultation period.
- 1.5. Following consultation with the Registered Providers, this Tenancy Strategy may be subject to minor amendments.

2. The new Tenancy Strategy

- 2.1 The new Tenancy Strategy sets out with clarity what Registered Providers need to have regard to when developing their own Tenancy Policies in relation to:
 - Type of Tenancy offered
 - The circumstances in which different types of tenancy will be offered
 - Length of Tenancy
 - The circumstances in which a further tenancy will be issued when a Fixed Term Tenancy is coming to an end.
- 2.2 The Tenancy Strategy also provides guidance to Registered Providers on:
 - Use of Affordable Rents (including conversion of homes from social rent to an Affordable Rent
 - Succession
 - Mutual Exchanges.

3. Financial Implications

None

4. Risk Implications

None

5. Conclusions

A new updated Tenancy Strategy has been produced which sets out the matters which Registered Providers of Social Housing delivering affordable housing for rent within the Council area should have regard to when developing their own Tenancy Policies.

6. Background Papers

Tenancy Strategy 2013

Tenancy Strategy 2020

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

¹ Based on Regulator for Social Housing (RSH) data at 31/03/19 plus adjustments based on the latest data available on disposals/new builds

Area for consideration	Comment
Monitoring Officer Consultation:	Via ELT
Section 151 Officer Consultation:	Via ELT
Existing Council Policies:	Not applicable
Financial Implications (including VAT and tax):	None
Legal Implications (including human rights):	The Localism Act 2011 requires the Council to have a Tenancy Strategy and keep it under review
Risk Implications:	None
Equality Issues/EQIA assessment:	An EQIA has been undertaken to assess the impact of the use of fixed term tenancies.
Crime & Disorder:	None
Every Child Matters:	The needs of children have been considered in respect of the length of fixed term tenancies and the review process.



Tenancy Strategy

DRAFT

Author	Christine Spooner
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1 Introduction

Great Yarmouth Borough Council's (GYBC) first Tenancy Strategy (published 2013) set out the Council's priorities relating to new options for rented tenancies introduced by the Localism Act 2011.

The Localism Act 2011 places a statutory duty on local authorities to review and update their Tenancy Strategy. A review of the first Tenancy Strategy has been completed which included consultation with Registered Providers who own homes across the borough. As a result, a number of changes to the previous Tenancy Strategy have been identified which have been reflected in this new revised Tenancy Strategy 2020-2025.

Housing associations or Registered Providers of Social Housing (RPs) should have regard to this Tenancy Strategy when developing, adopting or reviewing their own Tenancy Policies. Each Registered Provider's Tenancy Policy lays out the criteria for the tenancies they plan to offer and the process for reviewing and offering tenancies.

1.1 Key features of Great Yarmouth Borough

- The borough includes the towns of Great Yarmouth, Gorleston-on-Sea and a rural hinterland consisting of 21 parishes stretching from Winterton-on-Sea in the north to Hopton-on-Sea in the south.
- Great Yarmouth became a Universal Credit Full-Service area in 2016.
- Housing affordability is a real issue for many people. Whilst average house prices and private sector rents are amongst the lowest in East Anglia the average annual earnings of residents are also amongst the lowest. The house purchase and private rental markets are frequently unaffordable for local people.
- There is a higher need for affordable housing than can be met from existing supply, with some types of property – particularly larger homes and homes adapted for or suitable for adaption for wheelchair users which have a restricted supply. The households who require these types of homes are more likely to be unable to meet their needs in the market.

At 1 April 2020, there were 7598¹ affordable homes for rent of which:

- 5766 are owned by Great Yarmouth Borough Council
- 1832 are owned by other Registered Providers

Further information on the supply of affordable homes can be found at Appendix 1.

¹ Excludes leasehold properties as well as shared ownership or shared equity homes

2 Legislation

Through the introduction of the Localism Act 2011 the government offered social housing providers the option to use Fixed Term flexible tenancies. The minimum legal requirement for Fixed Term tenancies is for two years in exceptional circumstances with five years or more being the usual practice. All Fixed Term tenancies are renewable subject to eligibility criteria.

The Localism Act 2011 placed a duty on local authorities to produce, publish and review a Tenancy Strategy setting out the matters to which Registered Providers are to have regard when setting their own policies relating to:

- The kinds of tenancies they grant
- The circumstances in which they will grant a particular kind of tenancy
- The length of any Fixed Term tenancies
- The circumstances in which they will grant a further tenancy when the Fixed Term tenancy is coming to an end.

GYBC developed its first Tenancy Strategy in 2013, determining local priorities and encouraging Registered Providers to have regard for those priorities when setting their own Tenancy Policies. The Tenancy Strategy does not cover Shared Ownership or Shared Equity properties.

In producing this Tenancy Strategy due regard has been given to the Equalities Act 2010.

3 Supporting Documents

As required by the Localism Act 2011, GYBC has given due regard to the following supporting documents in the preparation of this Tenancy Strategy:

- GYBC Preventing Homelessness and Rough Sleeper Strategy 2018-23
- GYBC Housing Strategy 2018-23
- GYBC Rough Sleeping Strategy and Action Plan 2020
- GYBC Allocation Scheme 2018 (in use when this Tenancy Strategy was produced)
- GYBC Allocation Scheme 2019 (to be implemented during the life of this document)
- GYBC Tenancy Policy 2019

Registered Providers should demonstrate how their Tenancy Policy specifically meets the Borough's corporate and housing priorities.

4 Consultation

GYBC's Tenancy Strategy 2013 was produced in consultation with local stakeholders and partner organisations.

This document has been subject to review with local partners and stakeholders, including all Registered Providers who own affordable homes to rent across the borough.

5 Key changes since 2013

There have been a number of changes which have been taken into account when reviewing the previous Tenancy Strategy and in the production of this strategy.

5.1 Universal Credit

Great Yarmouth became a Universal Credit Full-Service area in May 2016, one of the first areas in the country. The number of people claiming Universal Credit has also increased during 2020 reflecting the impact of the Coronavirus (Covid-19) pandemic.

5.2 Allocation Scheme

The GYBC Allocation Scheme was updated in 2018. A new Housing Allocations Scheme was approved in December 2019. The new Housing Allocations Scheme and introduction of an online application form is to be implemented in 2020.

5.3 Tenancy Policy 2019

Great Yarmouth Borough Council is a stock owning Council and is therefore required, as a Registered Provider to have a Tenancy Policy. In 2019, the Council reviewed its Tenancy Policy to provide clarity in relation to the different kinds of tenancies which it offers and introduce the use of Fixed Term secure tenancies in some limited circumstances to make the best use of the Council's housing stock. Fixed Term tenancies will only be offered in the following very limited circumstances for:

- properties with 4 or more bedrooms
- properties which have been built to be wheelchair accessible or which have been specifically adapted to meet the needs of a wheelchair user

The Tenancy Policy identifies to protect families that the period of a Fixed Term secure tenancy for a property with four or more bedrooms shall be not less than five years and shall be for the time needed for the youngest child in the household at the time the property is let to turn sixteen. For wheelchair accessible properties a five-year Fixed Term secure tenancy will be offered.

In some instances, a household will move from a lifetime tenancy to a more suitable property on a Fixed Term tenancy; for new tenants, the period of the Fixed Term starts after successful completion of an Introductory Tenancy. In cases where a Fixed Term tenancy

passes to another member of the household (for example, on the death of the tenant), after 6-12 months the new holder of the tenancy may be offered a property that is more suitable for their needs at that time.

5.4 Housing Strategy 2018-2023

A new Housing Strategy was produced in 2018, this strategy has four strategic objectives to enable it to meet current and future Housing need in the borough:

- New homes: ensuring there are enough good quality new homes
- Our homes: improving the quality and use of the council's housing stock
- Decent homes: providing a good mix of decent homes across all tenures
- Healthy homes: meeting the needs of vulnerable household.

6 Type of tenancy offered

Registered Providers may wish to offer flexible Fixed Term tenancies or assured periodic tenancies (lifetime tenancy). In making a decision as to whether to offer a lifetime tenancy or a flexible Fixed Term tenancy, the Council asks that the health, support and other needs of vulnerable tenants, including the need to protect the wellbeing of children are taken into account and that Fixed Term tenancies are offered only in limited, specified circumstances which are clearly set out in the Registered Provider's Tenancy Policy. The Tenancy Policy is supported by an Equalities Impact Assessment to ensure that no person with a protected characteristic is disproportionately impacted upon by the use of a Fixed Term tenancy unless it is reasonable and proportionate to do so to achieve a specific aim of the policy.

7 Length of tenancy

In determining the length of any Fixed Term tenancy, the Council requests that Registered Providers consider the circumstances of the tenants, particularly families with dependent children who require stability for educational reasons and/or health reasons and for those living in adapted properties who have a long term need for those adaptations.

The Council asks, therefore, that the standard length for Fixed Term tenancies offered by Registered Providers should be a minimum of five years. This provides a degree of stability to families and helps to sustain communities.

8 Tenancy Review

8.1 Tenancy Review Process

At the end of the Fixed Term period, a review of the tenancy should be carried out by the Registered Provider to identify whether there is a continued need for that property by the

tenant or a member of the household. The review will enable the Provider to take a decision to either:

- renew the Fixed Term tenancy
or
- end the Fixed Term tenancy.

The Council asks that Registered Providers start the review process no less than 6 months before the end of the Fixed Term period to allow appropriate advice and assistance to be given to the tenant.

During the review process, residents' individual circumstances should be assessed and the following considered:

- whether the tenant and their household still require the size and type of property they occupy
- whether there is an adaptation in the property that is no longer required
- whether any of the tenant's household have significant health issues or are terminally ill
- whether the tenant is a care leaver and still needs the support of social services
- the conduct of the tenancy throughout the Fixed Term tenancy, including evidence of tenancy breaches (although these must be addressed throughout the tenancy and there must be evidence of the steps that have been taken prior to the review)
- the tenant's household's current circumstances relating to employment, education and training
- the tenant's income and ability to meet their needs by purchasing an appropriate property on the open market or renting an appropriate home in the private rented sector
- the household's cultural or religious needs.

8.2 Decision not to renew a tenancy

The decision not to renew a tenancy needs to be based on clearly defined criteria to ensure tenants know what they can expect should their circumstances change. These criteria need to be proportionate and considered alongside any factors that would make the current property more suitable for the applicant than alternative options.

Registered Providers should clearly set out in their Tenancy Policy the reasons for not renewing a tenancy and this information should be available to all tenants. The Council considers the following as reasonable grounds for not renewing the tenancy on a particular property:

- the property is permanently under-occupied
- the property is no longer suitable for the tenant's needs or the member of the household it was allocated to meet

- possession proceedings have commenced or obligations have been broken, for example, anti-social behaviour or rent arrears
- disposal or refurbishment of the property is required
- the tenant's circumstances have improved such that they can now meet their housing needs in the market through purchasing or renting an appropriate home.

Tenants whose Fixed Term tenancies are not being renewed should be given a decision in writing no more than 2 months after the start of the review. The notice must contain the reasons for the decision, and how the tenant's individual circumstances relate to the Registered Providers policy. It must also notify the tenant of their right to appeal the decision within 21 days, clearly setting out how they can do this, and the duty of the Registered Provider to reach a decision within 20 days of the appeal. The Registered Provider must notify the tenant of the outcome of the appeal and the reasons for the decision on their appeal.

The Council expects that the ending of a Fixed Term tenancy without the grant of a new Fixed Term tenancy of the same or an alternative property will be rare as in most cases a new Fixed Term tenancy will be issued. Where a Registered Provider makes the decision to end a Fixed Term tenancy and not offer a new Fixed Term tenancy, the Registered Provider should inform the Housing Options Team at Great Yarmouth Borough Council of this fact along with the date of the end of the tenancy and the reasons for this decision.

In deciding whether a Fixed Term tenancy (or lifetime tenancy) should be offered of a different which better meets the needs of the tenant and their household, the Registered Provider should consider the demand for the existing property and the demand for the type and size of property which would be required should the tenant move. The Housing Options Team can provide information on housing need and affordable housing supply across the borough to support such decisions to ensure the most effective use of the overall supply of affordable housing. In some cases, to ensure the most effective use of the overall supply of affordable housing, it will be necessary to issue a new Fixed Term tenancy of the current property rather than another more suitable property as the type of property required is in higher demand than the existing property.

9 Affordable Rent

9.1 New Housing

The 2011 Localism Act introduced 'Affordable Rents' (rents which are up to 80% of the market rent for the size and type of property and which include the costs of any applicable service charges) to enable Registered Providers to raise funding to develop new social housing. The Council needs to ensure that whilst the use of Affordable Rents supports the provision of new affordable housing, the need for housing for those on low incomes is still being met. The Council will therefore monitor the number of Social Rent and Affordable Rent lets.

Registered Providers are requested to ensure that an Affordable Rent charged does not exceed the Local Housing Allowance rate for the size of the property being let. The Council requests that Registered Providers discuss the basis for rents for new homes with the Enabling Team at an early stage of a development proposal being identified in the borough and particularly where an Affordable Rent would be above Local Housing Allowance rates.

Under the Act, Registered Providers can choose to deliver all their new housing at Affordable Rent levels. However, it is requested that Registered Providers continue the provision of social rent homes on sites where viability allows.

9.2 Conversion of stock

Due to the low incomes across the borough, it is requested that, where possible, Registered Providers retain existing properties as social rent rather than converting them to Affordable Rents when they are re-let.

The Council will not, however, object to the use of an Affordable Rent where it is capped at the applicable Local Housing Allowance rate and the basis for charging an Affordable Rent has been discussed with the Enabling Team.

10 Succession

The Localism Act 2011 changed succession rights for tenancies which commenced from 1 April 2012, limiting the one statutory right of succession to spouses and civil partners. Where one part of a joint tenancy dies, the remaining joint tenant will automatically succeed to the tenancy. Whilst Registered Providers can make provision in tenancy agreements to expand the range of individuals who can succeed to a tenancy, the Council will not support significant extensions to the statutory rights of the right of succession. This approach reflects the high demand for housing across the borough and the limited supply of affordable homes to rent to meet these needs.

Registered Providers should ensure, that where individuals are left residing in home, following the death of the tenant and that individual has no right of succession, that the individuals are provided with appropriate advice and assistance and where appropriate the individual is offered appropriate alternative accommodation. The Council's Housing Options Team can provide advice and assistance to Registered Providers in these circumstances.

11 Mutual Exchanges

The Council recognises the importance of mutual exchanges in allowing tenants to move to meet housing needs and aspirations. Mutual exchanges therefore support the effective use of the affordable housing supply.

Protections exist for tenants granted assured lifetime or secure lifetime tenancies prior to 1 April 2012. Registered Providers must therefore ensure that tenants on a lifetime tenancy

are given full information on the implications of a mutual exchange with a tenant on a Fixed Term tenancy. Such advice should include implications in relation to the Right to Buy/Preserved Right to Buy and Right to Acquire as applicable.

12 Monitoring and Review

This Strategy will be subject to bi-annual monitoring, with a full review of the document and a new Tenancy Strategy in 2025.

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Appendix 1

Registered Providers of Affordable Housing for Rent in Great Yarmouth Borough Council area

REGISTERED PROVIDER NAME	UNITS OF AFFORDABLE HOUSING ¹
Anchor Hanover Group	30
Broadland Housing Association Limited	392
Clarion Housing Association Limited	76
Cotman Housing Association Limited	56
Flagship Housing Group Limited	478
Great Yarmouth Borough Council	5766
Herring House Trust	53
Housing 21	47
Notting Hill Genesis	31
Orbit Group Limited	1
Orbit South Housing Association Limited	283
Orwell Housing Association Limited	171
Places for People Homes Limited	22
Progress Housing Association Limited	18
Saffron Housing Trust Limited	90
Sage Housing	6
Suffolk Housing Society Limited	7
The Abbeyfield Society	9
Victory Housing Trust	6
YMCA Norfolk	56
TOTAL	7598

The table above includes supported housing and general needs housing.

¹ Based on RSH data at 31/03/19 plus adjustments based on the latest data available on disposals/new builds