

Tenancy Policy relating to properties managed by Shropshire Towns and Rural Housing

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1. Summary

- 1.1 Shropshire Towns and Rural Housing (ST&RH) is an Arm's Length Management Organisation, commonly referred to as an ALMO, set up in April 2013 to manage the Council's housing stock in Bridgnorth and Oswestry and to manage the Council's Housing Revenue Account (HRA).
- 1.2 The Localism Act (2011) included a number of measures which are relevant to housing including enabling Local Authorities and other social landlords to be able to grant flexible tenancies in some circumstances.
- 1.3 The Act requires that Local Authorities develop and publish a Tenancy Strategy which provides guidance to Registered Providers (RPs) in developing their own Tenancy Policies in relation to:
 - what kind of tenancies to offer;
 - the circumstances in which the landlord will grant a tenancy of a particular kind;
 - where a tenancy is set for a term, the length of term and the circumstances where the landlord will grant a further tenancy on the ending of the existing tenancy.Shropshire Council's Tenancy Strategy became effective from 1st April 2013.
- 1.4 The Act also requires that a Tenancy Policy is produced relating to housing stock managed by the Council's Arms Length Management Organisation which takes account of the Council's Tenancy Strategy.
- 1.5 The Tenancy Policy sets out the circumstances in which specific tenancy types will be offered to tenants and how flexible tenancies will be reviewed. It also identifies the circumstances under which they will not be renewed.

2. Recommendations

- 2.1 That the Portfolio Holder for Planning, Housing and Commissioning (Central) notes and approves the content of the Tenancy Policy.

Reason(s) for decision:

To ensure that ST&RH complies with national legislation, statutory guidance and good practice relating to the publication of a Tenancy Policy and reflects Shropshire Council's Tenancy Strategy.

This policy will enable ST&RH to comply with the regulatory code and to manage tenancies which recognise the fact that tenants' circumstances can change and they may no longer need the property that they were originally allocated.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 This policy has been written to fully comply with the relevant current legislation and reflects the requirements of the Shropshire Council Tenancy Strategy.
- 3.2 Consultation has been undertaken with the Tenants Working Group and Landlord Services Shadow Board during January 2013 at the outset of the development of the Policy as well as with the Housing Options and Planning Policy teams.

Consultation included consideration of a number of options relating to flexible tenancies including:

- Having a mix/quota of flexible tenancies
- Having a range of flexible tenancies with varying lengths (some at 2 years, 5 years and 10 years)
- Different length for different circumstances (i.e. age, family composition, risk of failed tenancy)

As a result of consultation and to keep a consistent approach, the policy offers all eligible new tenants 5 year flexible tenancies.

- 3.3 An Equalities Impact Needs Assessment (EINA) has been carried out for the Policy.
- 3.4 Shropshire Council's Housing Governance Board considered and endorsed the policy at a Board meeting on 24th September 2014.

4. Financial Implications

- 4.1 Any costs incurred through changes in the way in which tenancies are managed is anticipated to be marginal and will be funded within the existing ST&RH management fee.

5. Background

- 5.1 Flexible tenancies were introduced as part of the Localism Act in 2011 and the Department for Communities and Local Government commented that it would "give councils the flexibility to use their social housing stock to the maximum effect and reduce waiting lists".
- 5.2 The Localism Act allows providers to vary the length of tenancy from 2 years upwards, in addition to any starter tenancy period and the Government expects providers to offer tenancies for a minimum 5 year period, unless in exceptional circumstances.

- 5.3 The Tenancy Policy meets the requirements of the Localism Act (2011) and the requirements of the regulator to have a tenancy policy. The policy has been developed with due regard to Shropshire Council's Tenancy Strategy.
- 5.4 This policy sets out the circumstances when different tenancy types will be offered and how flexible tenancies will be reviewed. It also identifies the circumstances under which they will not be renewed.
- 5.5 The policy has been introduced with the following principles:
- Making best use of the available social housing stock
 - Reducing overcrowding
 - Tackling under-occupation
 - Making the best use of adapted housing
 - Supporting the development of sustainable communities
 - Increasing tenant mobility
- 5.6 The policy proposes that all new tenants are offered an introductory tenancy lasting for 12 months which, upon successful completion, will be followed by a 5 year flexible tenancy.

There are groups of people who will still be issued with a secure tenancy following the introductory period being successfully completed:

- tenants aged 55 or over, who are living in appropriate accommodation (i.e. not under occupying)
 - those who are living in specialist supported accommodation (i.e. sheltered, supported or extra care homes)
 - those with an unrecoverable illness, disability, severe learning disability or severe and enduring mental health problems, which means that their circumstances are unlikely to change during the length of the tenancy.
- 5.7 Tenants transferring from other registered providers will also be offered a secure tenancy.
- 5.8 Flexible tenancies will be reviewed at least 8 months prior to the tenancy ending, and will be renewed unless:
- the tenancy conditions have been breached
 - the property is not suitable/under-occupied
 - the tenant is earning more than £63,000* (figure taken from the Shropshire Affordable Housing Allocation Policy and Scheme)
- 5.9 It should be noted that section 5.5 of the policy relating to the appeals process is currently under review and is subject to amendment. Any change would require an amendment to the Council's constitution.

6. Additional Information

- 6.1 None

7. Conclusions

- 7.1 This report presents for formal approval the Tenancy Policy for ST&RH tenancies. The Tenancy Policy sets out the circumstances in which specific tenancy types will be offered to tenants and how flexible tenancies will be reviewed. It also identifies the circumstances under which they will not be renewed.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):

Shropshire Council Tenancy Strategy. Available at: <http://www.shropshire.gov.uk/housing-services/shropshire-tenancy-strategy/>

Key Decision: Yes

Included within Forward Plan: Yes

If a Key Decision and not included in the Forward Plan have the General Exception or Special Urgency Procedures been complied with: Yes / No

Name and Portfolio of Executive Member responsible for this area of responsibility:

Cllr Mal. Price
Portfolio Holder for Planning, Housing and Commissioning (Central)

Local Member:

Appendices:

Tenancy Policy relating to properties managed by Shropshire Towns and Rural Housing

Declaration of Interest

- I have no interest to declare in respect of this report

Signed Date

NAME:

PORTFOLIO HOLDER FOR:

- I have to declare an interest in respect of this report

Signed Date

NAME:

PORTFOLIO HOLDER FOR:

(Note: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter.)

For the reasons set out in the report, I agree the recommendation(s) in the report entitled

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Signed

Portfolio Holder for

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and pro-forma is returned to Democratic Services for processing.

Additional comment :

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Note: If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, Head of Legal and Democratic Services, Chief Executive and the Head of Finance, Governance and Assurance (S151 Officer) and, if there are staffing implications the Head of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Portfolio Holder: Your decision will now be published and communicated to all Members of Council. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication.