

Rushcliffe Borough Council

Tenancy Strategy 2019

Background and context

The Council is not a stock owning authority, but is the strategic housing authority for the Borough of Rushcliffe. As a strategic housing authority the Council sets the framework for the delivery of housing services through its various housing strategies and delivery plans.

The Council works in partnership with providers of social housing, known as Registered Providers, to provide affordable housing for those in housing need. There are some 15 Registered Providers (RP), also known as Housing Associations, in the Borough. The largest RP is Metropolitan Thames Valley Housing (MTVH) who own close to 3,500 dwellings in the Borough. The Council's former housing stock is now owned and managed by MTVH. Platform Housing Group own 370 dwellings with the rest of the RPs owning less than 150 units each.

The vast majority of applicants who approach the Council for housing in the Borough will, if successful, be housed by one of the Borough's Registered Providers.

Section 150 of the Localism Act 2011 required all strategic housing authorities to adopt a tenancy strategy to set out the matters to which Registered Providers in their Borough must have regard when developing their own tenancy policies.

The Act further stated that each Registered Provider must adopt a tenancy policy by 1 April 2012 to comply with regulatory requirements. This policy will set out under what circumstances they will grant lifetime tenancies and under what circumstances they will grant fixed term tenancies. It should also cover the length of fixed term tenancy they will grant and provisions for reviewing a tenancy at the end of the fixed term.

Tenancy Strategy review

The Council's first Tenancy Strategy was adopted in May 2012. Prior to adoption it was discussed at Community Development Scrutiny Group on 21 November 2011, and was discussed in individual meetings with the two largest RPs in the Borough. The final draft was circulated to all RPs in the Borough for comment after which it was adopted at the Community Development Group in May 2012.

In the autumn of 2018, the Council reviewed its Tenancy Strategy in consultation with its lead RP partners and a number of other active RPs in the Borough. The outcome of this review sees the introduction of a recommended option to extend the fixed term tenancy period to ten years.

The rationale for this is that the driver behind a fixed term tenancy is to facilitate the release of properties that have become under-occupied or are no longer suitable, or where the tenant's financial circumstances has changed meaning that they can afford other accommodation. It is felt that in new tenancies for the majority of households, circumstances are unlikely to change sufficiently within a five year period. Therefore the review process based on a five year cycle could become an unnecessary administrative burden without generating significant results. Furthermore the Council's allocation policies and changes in welfare benefits are geared towards

reducing under-occupation. We therefore recommend the ten year fixed term tenancies to our RP partners, or if necessary a fixed term of not less than 5 years, at their discretion.

The details of the revised strategy are set out in the section below.

Preferred type of tenancy

Rushcliffe Borough Council encourages Registered Providers to offer one year introductory tenancies, followed by fixed term tenancies of not less than 10 years, or if necessary a fixed term of not less than 5 years at their discretion, to all new affordable housing tenants in Rushcliffe with the exception of:

1. Where the property is designated as supported housing which is designed to be let for a limited time (e.g. homeless or “move-on” accommodation). This is because a minimum of five years is too long a tenancy to be appropriate for this type of accommodation. We expect clients to move on to independent accommodation much sooner than this.
2. Where the prospective tenant who is allocated the property in accordance with the Allocations Policy falls into one of the following categories of people:
 - A person aged 55 or over;
 - A person who is vulnerable as result of mental illness, learning disabilities and/or physical disabilities;
 - A person who is vulnerable due to other special reason (i.e. chronic illness, Aids/HIV related illnesses or other reason that the Registered Provider may identify).

We encourage Registered Providers to either continue to offer lifetime tenancies to the people identified in point 2 above, or to offer a fixed term tenancy with the expectation that it will be renewed without the need for a formal assessment.

The reasoning for this is that vulnerable clients who fall into the above groups are more likely to require the long security of affordable housing without uncertainty as to the future, and because the prospect of potentially having to move in the future could be a concern that affects their ability to settle in their new home and sustain their tenancy.

The statutory minimum tenancy available for Registered Providers is two years. However the Council does not encourage Registered Providers to offer tenancies for fixed terms of less than 5 years and preferably not less than for 10 years. Given the disruption and costs involved with moving house for the tenant, and the administrative burden for the Registered Provider in respect of the review process and potential stock turnover, the Council does not believe the statutory minimum tenancy of two years is sustainable given the Borough’s profile.

The Council expects Registered Providers using the Homesearch Choice Based Lettings scheme or advertising through other means to state clearly in the advertisement for each property:

- the type of tenancy they plan to offer to a new tenant; and
- the length of the term if it is a fixed term tenancy.

Reviews

At the end of the fixed term period, we encourage Registered Providers to review the tenant's circumstances. The Council proposes that within the review process, the following factors should be considered:

- 1) Whether the tenant is now under-occupying a property
- 2) Whether the tenant is occupying a property no longer suitable for their household needs that may be suitable for other households. For example if a tenant is living in an adapted dwelling and no longer has a household member with a disability.

If the review determines that the household is now under-occupying their property, or if the property has adaptations that are not being used, we would expect the Registered Provider to work with the household over a period at least 6 months, providing advice and assistance in order to facilitate a move to a more suitable property.

This can either be another affordable rented property, or a private rented property if it appears the household could afford this. As a guideline in respect of the private rented sector, we would expect the Registered Provider to demonstrate that at least three private rented properties are available for the household to occupy within a five mile radius, which they could reasonably afford given their income and circumstances. This is only an indicative distance, and each Registered Provider will make a decision on what is appropriate.

Note that we do not believe a review of financial circumstances is necessary.

Rationale

The rationale for adopting this policy position is as follows:

Social housing is a very scarce resource in Rushcliffe, with far more demand than supply. There are just under 4,500 affordable rented properties in the Borough, of which about 32% are properties for older people. There are around 277 re-lettings in an average year – a turnover of 6% – but there are 500 active applicants on the housing register at any one time.

There is a high degree of under-occupation in the affordable housing stock, with many tenants not strictly requiring the size of property that they occupy, as well tenants occupying unsuitable property. Encouraging a review on the above grounds before the tenancy is renewed is a long-term policy. Over time, however, it will free up much-needed family accommodation, and create the expectation among new tenants that these scarce properties are only available while the family size justifies them, rather than being “homes for life”.

Although the Council has given consideration to supporting a financial means test on whether the tenancy was renewed, evidence suggests that given the financial position of people moving into social housing, the economic situation, the labour market and very high rents in the local private sector, this would have limited benefits in making more social stock available. Conversely, financial means testing would impose an administrative burden on the housing providers that had to carry it out, which would divert staffing resources from housing management, community development and other activities of mutual importance to housing providers and the Council.

Finally, there is already a correlation between pockets of relative deprivation and worklessness in Rushcliffe and levels of social housing. This situation would not be improved by requiring working households who have achieved middling incomes to move out of social housing and be replaced workless tenants who have passed the means test.

Reviewing this Strategy

We will review our Tenancy Strategy on a five year rolling basis. The next review will therefore take place in 2024. We will consult with customers, Registered Provider partners and the portfolio holder with responsibility for housing.

Further information

You can find further information about our priorities for housing and the actions we are taking to meet local housing needs at www.rushcliffe.gov.uk/housing

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