

Appendix 2

TORBAY COUNCIL DRAFT LOCAL TENANCY STRATEGY

1. Background

This tenancy strategy fulfils the requirements of the Localism Act (2011) for local authorities to have a tenancy strategy, setting out the matters to which social landlords in the area must have regard when setting their own policies. The Localism Act gives local authorities new powers to ensure that social housing in their areas is meeting need and priorities as identified by the Council. In particular it is important to us that local housing is available for local people. A key aim for the Council is to ensure that more of the social housing in the district is let to those with a strong local connection.

Torbay Council is part of the Devon sub-region and supports the Devon-wide framework for tenancy strategies. The Framework enables local authorities to adopt different approaches where these support local priorities.

The Devon-wide framework was the subject of wide consultation between local authorities, Registered Providers and other interested parties. This draft strategy will also be subject to consultation with Registered Providers working in Torbay and with other interested parties during the autumn 2012. Initial consultation with partners commenced at our Homelessness forum event held end of March 2012

2. Context

2.1 Corporate Priorities

The Localism Act (2011) requires local authorities when preparing their strategies to take into account the council's key corporate priorities including homelessness strategies. This strategy also takes into account the Council's key corporate priorities. These include:

The **Torbay Community Plan 2011+**. A Healthy, Prosperous and Happy Bay identified in the Torbay Community Plan 2011+. The Community Plan has identified improving the economy, responding to the downturn and improving quality of life for the least well off as key challenges.

2.2. Torbay Local Development plan – A Landscape for Success:

The Plan for Torbay to 2031

This Plan has five headline aspirations:

- *A better connected, accessible Torbay*
- *Economic recovery and success;*

- *Protect and enhance a superb environment;*
- *Make of the most of opportunities as a result of climate change;*
- *More sustainable communities and better places.*

2.3. Homelessness Priorities

Preventing homelessness and promoting the independence of vulnerable people.

This will be achieved through the following actions:

1. Provide and commission services to prevent homelessness.
2. Help people obtain information and access support services early to prevent homelessness.
4. Ensure that safeguarding of adults and children is an integral part of service delivery, including where they are housed in the private rented sector.
5. Expand on the joint commissioning of services and improve their cost effectiveness by involving people in shaping their services in partnership with user led organisations.
6. Assist those affected by the recession, welfare reforms and unemployment (the wider needs of homelessness).
7. Drive forward improvement to local service delivery that meets changing local need.
8. Ensure housing supply and type plays a key role in recovery and re-ablement supporting people to become, or remain, independent in their own homes.
9. Work in partnership with health and social care commissioners and providers to plan for increased provision of support, care and treatment in community settings and a managed reduction in residential care.
10. Consider the impact of changes in health and social care leading to an increase in care, support and treatment in the community and a planned reduction in the use of residential care.
11. Ensure that 5% of all new affordable homes are fully adapted for wheelchair use.

2.4. Aims of the strategy

Together, these aspirations and priorities set the key overall aims for our tenancy strategy, as set out below.

- Encouraging sufficient range of housing options to support households at different stages in their lives, and with different levels of income, whilst supporting local people to access social and affordable housing where they live;
- Making best use of the available social housing stock, including reducing overcrowding, tackling under-occupation, and making best use of adapted housing for those with a disability;
- Ensuring that vulnerable households are able to access appropriate accommodation and where needed, ensure that accommodation is available for life;
- Maximising choice for applicants, within the available resources, and promoting mobility within social housing and between social housing and other housing tenures.

3. Affordability

The Council has adopted the definition of affordable housing as set out in draft National Planning Policy Framework

‘Social Rent, Affordable Rent and Intermediate housing provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices.’

The Council recognises that developing associations will be charging affordable rents on new developments and on a proportion of relets. The Council supports the Devon-wide Framework which suggests that the “baseline” maximum rent charged for affordable housing should be no greater than the relevant Local Housing Allowance. The Council would also like to see Registered Providers carrying out an affordability assessment when letting properties at rents which are close to the current Local Housing Allowance, to ensure that the tenancy will be sustainable over time.

4. Disposals

The Council recognises that as part of good asset management, Registered Providers will want, from time to time, to dispose of stock. The Council supports the Devon-wide Framework which encourages Registered Providers who are disposing of stock to consider disposing to other Registered Providers, rather than out of sector. The Council expects Registered Providers to consult with the local authority when considering disposing of stock, so that the Council can assess the impact of the disposal on its ability to meet housing need in the district.

The Council will not support the disposal of the following types of housing without a very strong case being made:

- Larger homes, which are defined as:
 - Three bedroom houses with potential for use as 4 bedroom homes. For example they may have a dining room and living room or they may have three double bedrooms,
 - Larger homes capable of accommodating 6 people or more.
- Properties that may be suitable for 'downsizing' initiatives. See paragraph below on Downsizing and under occupation.
- Properties which have had extensive adaptations (see below for definition)
- Supported or specialist housing.

5. Conversions to Affordable Rent

Torbay Council recognises that the number of conversions has already been determined in agreements between Registered Providers and the Homes and Communities Agency. However, Registered Providers do have some flexibility when considering which specific properties to convert.

Registered Providers should have regard to the following when considering which properties will be re-let at an 'Affordable Rent':

- The pattern of re-lets by location, property size and type.
- The need to ensure that under-occupiers wishing to downsize are not put off by having to pay a higher rent or being given reduced tenancy rights.
- The need to ensure a reasonable supply of family-sized accommodation at social rents.
- The need to ensure that a reasonable supply of properties can be let to those working in the area with low incomes.
- The shortage of wheelchair accessible accommodation.

The Council expects to be consulted over criteria for conversion or the overall approach being taken by the Registered Provider, rather than being consulted over each individual conversion.

The Council understands that the Homes and Communities Agency has indicated that it may be willing to allow Registered Providers to let properties suitable for down-sizers at social rents, even where they are new properties built under the National Affordable Housing Programme. The Council strongly encourages Registered Providers to consider this option where a property has been built to be attractive to those down-sizing and where the rent differential would be off-putting. The Council understands that one or more additional relets would then need to be let at affordable rents in order to deliver the overall rental income required.

Registered providers are reminded that they can offer properties let at social rent on flexible tenancies where this supports the aims of this tenancy strategy e.g. offering a larger property on a "fixed term tenancy" in order to minimise future under-occupation. Similarly they may offer an assured tenancy on a property let at affordable rents.

6. Type of tenancy to be granted

The Council expects landlords to offer tenancies in line with the new tenancy standards i.e.

“tenancies which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community and the efficient use of their housing stock”

The Council acknowledges that landlords will continue to offer a range of tenancy types for different circumstances. However, the Council encourages landlords to offer flexible tenancies where this will help to make best use of the stock. In particular, the Council expects landlords to offer flexible tenancies on larger properties (3 bedroom and above) to ensure that in future, if a household is under-occupying the property, they can be supported to move on and the property offered to a family needing that larger accommodation. Similarly, the Council expects landlords to offer flexible tenancies on properties which have been significantly adapted for use by someone with a disability, so that if in future the person who needs those adaptations is no longer living there, the remaining family can be moved to alternative accommodation and the property offered to someone who needs those adaptations.

In addition, when deciding on which tenancy type to offer, landlords should consider:

- The age and frailty of the prospective tenant.
- The vulnerability of the prospective tenant and their household.

The Localism Act offers limited protection for existing tenants who are transferring to new properties let at affordable rents. The Council would like to see Registered Providers offering a tenancy which is as close as possible to the existing tenancy of a transferring tenant, where this does not conflict with the statements above. In particular, tenants who are down-sizing should be offered a tenancy (and ideally a rent level) which incentivizes the move.

The Localism Act also changes the right of succession for new tenancies, with opportunities for landlords to offer additional rights through the tenancy agreement. The Council asks landlords who are considering offering additional succession rights to be mindful of the arguments for flexible tenancies and to avoid creating rights which might hinder making best use of stock.

The Council expects landlords who offer introductory tenancies to continue to do so.

7. Minimum length of tenancy

The legislation states that 5 years should normally be the minimum term for a flexible tenancy. A shorter tenancy period can be given in exceptional circumstances; the Council would expect any landlord considering offering a tenancy period of less than 5 years to discuss this with the Council before making a final decision.

Where a landlord offers an introductory tenancy, it is anticipated that the flexible tenancy would be offered upon successful completion of the introductory tenancy, normally one year.

8. Mobility

The Council is keen to promote mobility within social housing, and expects landlords to actively promote schemes to facilitate mutual exchange. Landlords will need to be aware of the provisions within the legislation for affecting mutual exchange between tenants with different tenancy types and to ensure that their policies reflect these requirements.

9. Circumstances in which a tenancy might not be renewed

The Council expects that the vast majority of flexible tenancies will be renewed upon review following an appropriate sensitive assessment.

There are two different circumstances in which a flexible tenancy would not be renewed. The first is where the property is no longer suitable, in which case the landlord would be expected to facilitate an offer of alternative accommodation. The second is where the household circumstances have changed and no offer of alternative accommodation is being made.

Circumstances in which the Council expects that the tenancy is not renewed but where an alternative offer will be made are:

- Size: Tenancies should not normally be granted for properties that are significantly larger than the household requires unless set out in Local Lettings Policies. Exceptions might include examples such as where it is necessary to accommodate a full or part-time live-in carer, to enable access to dependent children where care is shared or to limit occupation because of local housing management issues. Any under-occupation should have regard to local housing market conditions; examples might include remoter rural settlements.
- Extensive Adaptations: Tenancies should not be renewed if the properties include the provision of extensive adaptations that are no longer required by anyone living in the household

Circumstances in which the Council expects the tenancy not to be renewed and no offer of alternative accommodation to be made are:

- Income: Tenancies should not be granted if the income of the household is above the income limit as set out in Devon Home Choice policy, or a local limit set by the Local Housing Authority. The Registered Provider may choose to encourage the household to remain in the property but on different terms e.g. paying full market rent, part or full owner

- Possession Proceedings: If breach of tenancy conditions is to be used as a ground for non-renewal of the tenancy it is expected that Registered Providers will have already started possession proceedings. This will help demonstrate that the Registered Providers believe that the decision not to renew is proportionate and in pursuit of a legitimate claim. We expect Registered Providers to have looked at all the options i.e. exhausted other remedies before withholding the renewal of a tenancy on these grounds.

The Council asks Registered Providers to notify the Housing Options Service where a tenancy is being brought to an end and no alternative accommodation is being offered. A protocol for the notification process is in place.

10. Tenancy management, sustainment and tackling tenancy fraud

The Council expects all Registered Providers to work proactively to manage and sustain tenancies. This should include regular contact with the tenant, regardless of tenancy type. For those on flexible tenancies this contact should be at least annually and should include a reminder of the tenancy end date and the grounds for not renewing the tenancy. The Council also expects Registered Providers to adhere to other protocols as agreed, for example the pre-eviction protocol.

The Council expects landlords to take reasonable precautions to tackle tenancy fraud, incorporating some form of check into tenancy sign-up and subsequent regular contact.

11. Equality impact assessment

Approach to be agreed. This could involve Torbay's user led groups.

12. Reviewing this policy

It is intended to review this strategy as part of the future reviews of our Allocation Policy and the Choice Based Lettings approach, in the light of information about the impact it is having and any specific areas in which difficulties have arisen. A more fundamental review will be carried out by April 2020 at the latest. This period has been suggested as it is unlikely that many flexible tenancies will have been brought to an end by then and advice and assistance offered.