

REPORT TO CABINET

REPORT OF: HEAD OF HOUSING & NEIGHBOURHOODS

REPORT NO: H&N0312

DATE: 7th JANUARY 2013

TITLE:	Tenancy Strategy	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Key Decision	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Councillor Terl Bryant Portfolio Holder – Good Housing	
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INITIAL IMPACT ANALYSIS: Equality and Diversity	Carried out and Referred to in paragraph (7) below	Full impact assessment Required: No
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	Localism Act 2011 http://www.legislation.gov.uk/ukpga/2011/20/contents	

1. RECOMMENDATIONS

It is recommended that Cabinet approve the Tenancy Strategy for adoption as drafted and attached to this report at Appendix 1

2. PURPOSE OF THE REPORT

The purpose of this report is to assist the Cabinet in approving a Tenancy Strategy for South Kesteven, consistent with the requirements of the Localism Act.

3. DETAILS OF REPORT

The requirement for a local Tenancy Strategy is set out in the Localism Act 2011. Local authorities must publish a strategy setting out the matters to which the registered providers of social housing for its district are to have regard in formulating policies relating to:

- the kinds of tenancies they will grant.
- the circumstances in which they will grant a tenancy of a particular kind
- where they grant tenancies for a term certain, the lengths of the terms, and
- the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.”

This strategy fits within a wider housing policy framework, which aims to improve access to quality housing across the district.

The types of tenancies offered by Registered Providers and how these are managed will contribute to making the best use of a limited housing resource and meeting housing needs. They will also play a role in helping residents to contribute to the creation of neighbourhoods and cohesive communities and achieve personal prosperity and a good quality of life.

The District Council, in its role as landlord, will need to have regard to the tenancy strategy when developing its' own tenancy policies.

Consultation

The principal issues covered by this strategy were considered by stakeholders at a housing consultation event on 5 December 2012, at which there was representation from a wide range of agencies with an interest in housing. The group were asked to consider whether they thought the use of flexible tenure to be appropriate, whether any groups should be guaranteed tenancies for life, and what factors should be taken into account when reviewing flexible tenancies. Details of the feedback provided by the group on issues relating to the tenancy strategy are attached at Appendix 2.

Broadly the group agreed that the use of flexible tenancies could have benefits, allowing landlords to make best use of stock strategically. Although, it is recognised the strategy may release only a small number of homes to re-let each year.

The group all agreed that housing needs should be given priority when reviewing tenancies, and that landlords should use some discretion in exceptional cases, such as households with special needs. The group strongly felt that a household who had gained employment, training or improved their financial wellbeing are a bonus for their local area, and should not be discouraged from progressing with the possible threat of losing their tenancy. However, a fair way of determining at what point a household can afford alternative housing would satisfy their concerns.

The group had a clear view that the housing and support needs of the household were significant in considering the type of tenancy they get. The group did not want to see lesser security for younger people simply by virtue of their age.

Recommendations from Communities PDG

Communities PDG have considered the matters of whether to support the use of flexible tenancies in the district, and also the factors landlords should take into account when reviewing flexible tenancies, should they make use of them. The group made the following recommendations:

- That the Council should recognise that Registered Providers operating in the district may wish to make use of flexible tenancies, and
- That, where landlords choose to make use of flexible tenancies, the Strategy should recommend that they take the following factors into account:
 - Housing needs and vulnerability
 - Income and assets
 - Tenancy conduct

Comments of Registered Providers

It is a requirement of the Localism Act that the draft strategy is circulated for comment to all Registered Providers operating in the District. The draft strategy has been distributed and comments invited by not later than Friday 4th January. Any comments received will be made available to the Cabinet prior to a decision being taken on 7th January. This arrangement reflects the urgency of the approval process and has the approval of the Head of Legal & Democratic Services.

Comments of tenants and prospective tenants

The initial responses to a postal survey of a sample of tenants and prospective tenants are summarised in Appendix 2 to this report. The Cabinet will be provided with an updated summary, prior to the decision being taken, to ensure that the information available reflects any responses received after production of the Cabinet report but prior to Cabinet taking a decision.

4. OTHER OPTIONS CONSIDERED

No other options have been considered. There is a legal requirement to publish a tenancy strategy and the strategy recommended to Cabinet has been produced following consultation with a wide variety of stakeholders.

5. RESOURCE IMPLICATIONS

There are no resource implications arising directly from the approval of the strategy. Any resource implications arising from the forthcoming related Tenancy Policy and Allocations Policy will be addressed separately.

6. RISK AND MITIGATION

Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
Failure to publish a Tenancy Strategy by 15 th January 2013 would be in breach of the requirements of the Localism Act.	Agree and publish a Tenancy Strategy by not later than 15 th January 2013.
Failure to have an appropriate strategy could compromise the influence and control of the Council in meeting the housing needs of the District.	The strategy consultation process has informed the development of a strategy designed to ensure careful consideration of flexible tenure and effective use where implemented.

7. ISSUES ARISING FROM IMPACT ANALYSIS

No specific issues arising

8. CRIME AND DISORDER IMPLICATIONS

There are no direct implications for SKDC in approving this strategy.

9. COMMENTS OF FINANCIAL SERVICES

Given that flexible tenure, if it were to be introduced, would not result in tenancies being reviewed for a period of perhaps five years and that flexible tenure would not affect rent levels or have any meaningful impact on void rent losses, any financial impact arising from the introduction of flexible tenure is likely to be extremely marginal and would, in any event, be deferred until flexible tenancies are introduced and become subject to review.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

The Localism Act has introduced the requirement for the local housing authority to prepare and publish a tenancy strategy before the 15th January 2013. The provisions of the Act are that the strategy must summarise its policies relating to tenancies or explain where they can be found. Copies of everything published in accordance with these provisions must be made available for inspection without charge. Copies can be provided at a reasonable charge.

Before adoption, a copy of the draft strategy must be sent to every registered provider of social housing in the district for comment.

Flexible tenancies have been introduced by the Act. They are defined as secure tenancies granted for a term certain of not less than 2 years for which notice has been given to the tenant stating that the tenancy is flexible.

11. COMMENTS OF OTHER RELEVANT SERVICES

None provided

12. APPENDICES:

1. Draft Tenancy Strategy
2. Summary of feedback from consultation
3. Equality Analysis