



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Committee

20th February 2020

Report of: Councillor Robert Reid

Cabinet Member for Housing and
Planning



Update to the current 2013 Tenancy Strategy

A review of the current strategy and amendments to the new strategy consultation version to be approved.

Report Author

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Corporate Priority:	Decision type:	Wards:
Growth	Key	All Wards

Reviewed by:	Helen Clarke, Head of Housing Services	29 January 2020
Approved by:	Harry Rai, Interim Strategic Director, Growth	7 February 2020
Signed off by:	Councillor Robert Reid, Cabinet Member for Housing and Planning	11 February 2020

Recommendation (s) to the decision maker (s)

1. **Recommends to Cabinet to approve the amendments to the Tenancy Strategy (as set out in 2.5 and 2.6 of this report).**
2. **Agree to implement the Tenancy Strategy with effect from the Cabinet meeting date.**
3. **Receive annual reports on the impact of the changes to the Strategy, in particular the number of fixed term tenancies issued and to the types of households they are issued to.**

1 The Background to the Report

1.1 The Localism Act (2011 s.150) requires all local housing authorities to produce a tenancy strategy. The role of a local authority's tenancy strategy is to help guide social landlords, who operate in their area, in making decisions about what types of tenancies to offer.

1.2 Our current Tenancy Strategy was published in 2013 and in need of review. When it was formulated, it identified the tenancies we expect to see used. It states that the Council supports the use of assured or secure and flexible tenancies appropriate to the household's need or property type. Under certain circumstances where flexible tenancies are used, it states that the Council would hope to see fixed term tenancies of five years or more used.

This approach was reviewed to ascertain if the Council would still like to continue to use fixed term tenancies in certain circumstances and to establish the minimum length of a fixed term tenancy that will be considered acceptable.

1.3 A Tenancy Strategy needs to include:

- A recommendation on the type of tenancies local social landlords should grant
- If fixed term tenancies are recommended, a proposal of the preferred length of tenancy (e.g. regulatory minimum or longer)
- The circumstances under which another tenancy will be granted at the end of an existing one

1.4 Our Tenancy Strategy aims to make the best use of stock, through the appropriate use of tenure, meet housing need and set out clear guidance to other registered providers on the types of tenancies to grant, so that all social housing across our district is used to its optimum.

1.5 The Strategy will be for a five-year period and will be monitored for compliance on the types of tenancies private registered providers of social housing across South Kesteven are issuing. Also, the number of fixed term tenancies the Council issues and the types of households these are issued to.

1.6 The Strategy going forward influences tenancies in the social housing sector, due to its links to any existing social housing stock and through nomination agreements with registered providers on any new social housing units.

2 Consultation and Feedback Received, Including Overview and Scrutiny

2.1 Local authorities are required to consult social landlords in their area before adopting a tenancy strategy. Approval to consult on the Tenancy Strategy was given at the Cabinet meeting of the 9th July 2019.

2.2 The consultation period commenced on the 31st July 2019 and ended on the 1st September 2019. All 25 of the private registered providers of social housing across South Kesteven were consulted. We received two responses from social landlords (one from Cross Keys Homes and the other from Muir Group).

2.3 Summary of the representation from Cross Keys Homes (CKH):

CKH do not issue fixed tenancies but has a mixture of tenure types including affordable tenancies (reviewed after five years) predominantly on new build properties. This would be for all properties regardless of occupation.

The criteria for fixed term tenancy renewals align to current CKH policies and procedures for affordable tenancies and we support the continuation of this.

CKH does not support the 'Pay to Stay' type of policy suggested for tenants earning over the income threshold. These tenants should be dealt with at the review stage and signposted to options such as shared ownership, private rental, etc.

2.4 Summary of the representation from Muir:

The document has been reviewed and happy with the content. Muir Group offer Assured Periodic tenancies with a one year introductory period.

2.5 Evaluation of Consultation Responses

Cross Keys Homes support the criteria we are proposing to use for fixed term tenancies but do not support a 'Pay to Stay' type of policy. 'Pay to Stay' is no longer supported nationally and has been removed from section 9 of the Tenancy Strategy.

Muir Group are in support of the Tenancy Strategy.

2.6 The other amendments made to the wording of the strategy are as follows:

- Under section 7 'Circumstances under which tenancies will or will not be renewed in the case of fixed term tenancies' on the 1st bullet point of 'will not be renewed':

'Tenants with large rent arrears (threshold amount would need to be set)' changed to 'Tenants with large rent arrears (the threshold amount to align with the amount used by our Rents Team in the serving of a notice seeking possession of the property)'.
- Under section 5 'Recommended tenancies for private registered providers to use':

'A minimum fixed term period would need to be set' so that it just reads as 'The recommendation is for a minimum of 5 years'.

3 Available Options Considered

3.1 Options considered were to either:

- (a) issue all new tenancies as fixed term
- (b) not to issue any new tenancies as fixed term
- (c) issue only some new tenancies as fixed term in certain circumstances

4 Preferred Option

4.1 The preferred option is to issue only some new tenancies as fixed term in certain circumstances. The option for all new tenancies to be fixed term is not favoured because fixed term tenancies can potentially create insecure and unstable communities due to the insecure nature of them. However, to not issue them at all would prevent us being able to use them in situations such as households who do not have dependent children.

5 Reasons for the Recommendation (s)

5.1 The Localism Act (2011 s.150) requires all local housing authorities to produce a tenancy strategy to help guide social landlords who operate in their area in making decisions about what types of tenancies to offer. Our current Tenancy Strategy was published in 2013 and is in need of review.

6 Next Steps – Communication and Implementation of the Decision

- 6.1 If approved, the final version of the Tenancy Strategy will be sent to all registered providers of social housing in the South Kesteven District area.
- 6.2 The Tenancy Strategy will be circulated to relevant officers within South Kesteven District Council.
- 6.3 The Tenancy Strategy will be placed on the Council's website.

7 Financial Implications

- 7.1 There will be no additional costs to the Council in the implementation of this Tenancy Strategy.

Financial Implications reviewed by: Alison Hall-Wright

8 Legal and Governance Implications

- 8.1 No further legal implications

Legal Implications reviewed by: Shelley Hardy

9 Equality and Safeguarding Implications

- 9.1 The Equality Impact Assessment (Appendix 2) has not identified any potential for discrimination or for negative impact and all opportunities to promote equality have been taken into consideration.

10 Risk and Mitigation

- 10.1 If the Council fully supported the use of short term fixed term tenancies for all new tenancies, there is a risk that private registered providers of social housing would widely use them. This would very likely result in unstable communities on insecure tenancies.

11 Community Safety Implications

- 11.1 Longer, secure tenancies have a positive implication on creating stable and safer communities. This is because households live in the same properties and area longer and therefore, know their neighbours and take greater pride in their property and neighbourhood.

12 How will the recommendations support South Kesteven District Council's declaration of a 'climate emergency'?

- 12.1 The recommendations will be carbon neutral.

13 Other Implications (where significant)

- 13.1 None identified

14 Background Papers

- 14.1 Cabinet report of 9th July 2019 and associated appendices.
<http://moderngov.southkesteven.gov.uk/documents/s23210/Cabinet%20Report%20for%20Tenancy%20Strategy.pdf>

15 Appendices

15.1 Appendix 1 – Tenancy Strategy

15.2 Appendix 2 – Equality Impact Assessment

Report Timeline:	Date of Publication on Forward Plan (if required)	17 February 2020
	Previously Considered by: Cabinet	9 July 2019
	Final Decision date	17 March 2020