

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

25 February 2013

**Joint Report of the Director of Health and Housing and Cabinet Member for
Housing**

Part 1- Public

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken
by the Cabinet Member)**

1 TENANCY STRATEGY

Summary

At the last meeting of the Board, Members endorsed the Council's draft Tenancy Strategy for the purposes of going out to external consultation. This Paper describes the consultation responses received and seeks Members' endorsement on the Council's draft Tenancy Strategy.

Introduction

- 1.1.1 Members will recall from previous papers to this Board the recent changes to the provision of social and affordable housing. Primarily this involves the introduction of two new aspects, affordable rent (up to 80 per cent of local market rent) and fixed term tenancies.
- 1.1.2 The Localism Act 2011 states that every local housing authority in England must prepare and publish a "Tenancy Strategy" setting out the matters to which the Registered Providers of social housing for its district are to have regard in formulating their Tenancy Policies. In summary a Tenancy Strategy is guidance to Registered Providers with stock in the borough about the use of affordable rent, fixed term tenancies, and about working in partnership to manage the impact of their introduction. Furthermore, a Tenancy Strategy has to describe the organisation's approach to tenancy management, setting out the kinds of tenancies they grant.
- 1.1.3 The Council's Tenancy Strategy must have regard to our Homelessness Strategy, Allocations Policy, and the Housing Strategy. It is important due regard is also made to the Equality Act 2010. The Government's expectation is that the Tenancy Strategy is reviewed every five years.
- 1.1.4 Members will recall that officers from Tonbridge & Malling led on work performed through the Kent Housing Group (KHG) in formulating a Kent Tenancy Strategy Framework. The draft Tonbridge & Malling Tenancy Strategy is based upon the

KHG Framework but is driven by our local ambitions and local intelligence about the local housing market, need and demand.

1.2 Consultation Process

- 1.2.1 To be robust, the draft Tenancy Strategy endorsed by Members at the last meeting of this Board had to go through a six week external consultation process prior to adoption. This allowed relevant stakeholders and partners to consider the document and to be given reasonable opportunity to comment. Upon the conclusion of the consultation the draft Tenancy Strategy was updated and a fresh equality impact assessment carried out accordingly. This paper describes the response to that consultation and subsequently the endorsement the Strategy has received.
- 1.2.2 The consultation process consisted of each partner being written to by the Council accompanied with draft copies of both the Tenancy Strategy and the related Equality Impact Assessment. The draft Strategy also formed a key part of the agenda for the Council's Housing Association Liaison Panel meetings held at the end of last year.

1.3 Consultation Responses Received

- 1.3.1 The Council received formal written responses from West Kent Housing Association (WKHA), Orbit South, and Southern Housing Group (SHG).
- 1.3.2 WKHA were extremely positive regarding the draft Strategy, stating that it clearly explains what the Council expects from all Registered Providers working within Tonbridge & Malling in relation to the introduction of flexible tenancies and the new affordable rent tenure. WKHA went on to state the draft Strategy describes the circumstances to which they, as a registered provider, must have regard when formulating new policies on these matters, and allocating through the use of Kent-wide agreements such as Kent Homechoice.
- 1.3.3 Furthermore WKHA acknowledged and supported the Council's strategic role in enabling a coherent approach amongst providers and other agencies, particularly to enable customers to understand what a given tenancy consists of in terms of rental charge and how length of long the term.
- 1.3.4 WKHA did not seek any changes or amendments to the draft Strategy, but did reference that it forms only one part of a broader policy framework with other mechanisms that enable and manage access to social rent and affordable rent homes.
- 1.3.5 Orbit South were also very supportive of the draft Strategy. They wished to highlight that the Council's aspirations overlapped with their commitments to the Homes and Communities Agency (HCA) in a number of areas. This included an agreement to seek twenty five per cent conversion rates of social rent to

affordable rent on relets, and the decision not to use fixed term tenancies to residents living in their sheltered housing or supported schemes.

- 1.3.6 At the point at which household's were reviewed at the end of fixed term tenancies Orbit South welcomed the opportunity to signpost to shared ownership tenures where appropriate if circumstances such as income had significantly improved. However, they had not set any internal targets as a housing association for converting affordable rent tenures into other intermediate tenures.
- 1.3.7 Orbit South were also keen to emphasise that if any households had demonstrated consistent antisocial behaviour over the course of their fixed term tenancy, they would be at risk of enforcement action or the tenancy not being re-issued.
- 1.3.8 Orbit South did not request that any changes or amendments be made to the draft Tenancy Strategy.
- 1.3.9 Southern Housing Group (SHG) responded stating that *"Our view is that this is a well thought through and practical approach to the introduction of flexible tenures and new affordable rent tenure. We consider that the principles and scope of the strategy are appropriate and that there is sufficient contextual information to enable an understanding of why the strategy is needed and the approach being taken"*.
- 1.3.10 SHG highlighted that it was not always possible for additional rent revenues raised within the borough to be reinvested back into the borough as suggested, and the HCA understood this position also within the current funding guidance.
- 1.3.11 SHG described their approach to their existing residents looking to move within the same housing association and transferring to new affordable rent tenancies. In these circumstances SHG would be very clear about the change of tenure and it would be a new application rather than a transfer. The only exception is decanting residents, who would retain their existing security.

1.4 Housing Association Liaison Panel Responses

- 1.4.1 The Council met with the majority of RP Partners at the recent Housing Association Liaison Panels, detailed in a separate paper to this Board. The Tenancy Strategy was a key agenda item for these discussions, and also the primary way of discussing the Council's expectations for Russet Homes who own and manage the majority of social and affordable housing within the borough.
- 1.4.2 The Tenancy Strategy and the process that sat behind it through the Kent Housing Group was warmly received. It was an opportunity to robustly test the Strategy's component elements through the Panel, for example exploring related matters such as ongoing welfare reform and individual forward development programmes.

1.5 Conclusion

- 1.5.1 The draft Tenancy Strategy was very positively received by partners and stakeholders, reflecting the high degree of stakeholder engagement during its creation. The consultation feedback was supportive, and elements that described individual housing associations' approach to the detail were welcomed, but none required any amendments or revisions to be made to the draft Strategy.

1.6 Legal Implications

- 1.6.1 The Localism Act 2011 states that every local housing authority in England must prepare and publish a "Tenancy Strategy" setting out the matters to which the registered providers of social housing for its district are to have regard in formulating Tenancy Policies.

1.7 Financial and Value for Money Considerations

- 1.7.1 None

1.8 Risk Assessment

- 1.8.1 Without a robust adopted Tenancy Strategy the Council will be unable to guide our Registered Provider Partners in how to interpret and implement affordable rent and fixed term tenancies, and thus threaten our ability to meet our strategic aspirations and meet the need of our residents.

1.9 Equality Impact Assessment

- 1.9.1 See 'Screening for equality impacts' table at end of report

1.10 Policy Considerations

- 1.10.1 There is statutory requirement for a Tenancy Strategy, and the recommendations contained within it will have to align with several of the Council's existing policy documents, and must have regard to our Homelessness Strategy, Allocations Policy, and the Housing Strategy. It is important due regard is also made to the Equality Act 2010.

1.11 Recommendations

- 1.11.1 **CABINET is RECOMMENDED to:**

- 1.11.2 **ENDORSE** the draft Tenancy Strategy following consultation, and accept it as the final document.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Chris Knowles

Nil

John Batty
Director of Health and Housing

Councillor Jill Anderson
Cabinet Member for Housing

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	[No]	

Screening for equality impacts:		
Question	Answer	Explanation of impacts
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	[Yes]	<p>The reason to have a Tenancy Strategy is to ensure that new housing regulations fit to the strategic requirements of the borough, whilst minimising possible negative impacts to differing groups within the community. The tenancy strategy includes steps that may have a positive impact on some people (see below).</p> <p>The Tenancy Strategy suggests several steps to ensure people receive appropriate tenancies. For example the Strategy seeks to ensure an inappropriate tenancy is not supplied to an older person, such as a fixed term 5 year tenancy to someone who is undertaking a move of property likely to be their last. In this instance the Council's Tenancy Strategy suggests that older persons are given lifetime tenancies.</p> <p>Also the Strategy requires that short term tenancies are not supplied to adapted properties, and suggests that longer fixed term tenancies are in place for those with disabilities living in an adapted home.</p> <p>The Strategy strives to mitigate negative impacts on low income households or households with children of school age through ensuring the most appropriate tenancy is chosen to fit that household's particular circumstances.</p>
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		See above.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.