

South Lakeland District Council & Eden District Council

Tenancy Strategy Update 2020

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1 Summary Incorporating Councils' Recommendations

- 1.1 Section 150 of the Localism Act 2011 requires Local Authorities to prepare and publish a Tenancy Strategy setting out the matters to which Registered Providers (RPs) of social housing for its district are to have regard in formulating policies relating to:
 - a) the kinds of tenancies they grant,
 - b) the circumstances in which they will grant a tenancy of a particular kind,
 - c) where they grant tenancies for a term certain, the lengths of the terms, and
 - d) the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.
- 1.2 South Lakeland District Council and Eden District Council published the current Tenancy Strategy in 2013. Local Authorities need to consult with RPs on any modifications to the Tenancy Strategy.
- 1.3 South Lakeland District Council and Eden District Council have been working in partnership to produce an update to the Tenancy Strategy. Both Districts share similarities in terms of rurality, demographics and affordability. Therefore, the Tenancy Strategy covers both South Lakeland and Eden districts. A shared Tenancy Strategy gives Registered Providers a consistent approach that will be helpful in preparing their own tenancy policies.
- 1.4 In developing the Tenancy Strategy both Councils fully considered the housing needs and situation of the Districts in relation to the impact of the Government's housing reforms. This informed the Councils' recommendations to best meet the needs of the Districts bearing in mind the acute housing need that exists, affordability issues and rurality.
- 1.5 The Councils work in close partnership with Registered Providers and in implementing the recommendations the Councils will proactively work with Providers to ensure that needs are met.

2 Review and Update

- 2.1 Section 150 of the Localism Act 2011 provides for Local Authorities to review their Tenancy Strategy from time to time. In carrying out a review of our Tenancy Strategy published in 2013 we have taken into account relevant changes in legislation, government thinking and related strategies. Our review process is contained in Appendix 2 to this document.
- 2.2 Although there is one minor update to our recommendations (highlighted in red below) there are no substantive changes to our Tenancy Strategy and as such recommendations to our Registered Provider (RPs) partners remain largely unchanged from the Tenancy Strategy published in 2013.
- 2.3 Provided that Registered Providers follow the recommendations summarised below, the expected outcomes will be that tenancies will be maintained and provided at a rent that

can be afforded thereby minimising the risk of homelessness and instability within our communities. Better use will be made of existing stock by encouraging under occupiers to downsize to accommodation that is better suited to their needs where this is possible. These outcomes will then help to achieve the key priorities from South Lakeland District Council's Housing Strategy, namely:-

- 2.4 Sustainable communities: to ensure that the Tenancy Strategy supports stability within communities. There is a risk that using flexible tenancies may have an adverse effect by moving households on which can then cause wider implications for schools, shops and businesses.
- 2.5 Making best use of stock: there is a need to address under occupation and overcrowding, make better use of adapted properties and enable Registered Providers to make best use of their stock.
- 2.6 Assist vulnerable households and reduce the risk of homelessness: to ensure that Tenancy Policies introduced by Registered Providers do not have an adverse effect on vulnerable households nor increase homelessness. This links with other strategies, i.e. the Homelessness Strategy, Cumbria Housing Strategy and the wider agenda around health and wellbeing.
- 2.7 The Tenancy Strategy and this Update set out the Councils' position in relation to:-
 - Fixed term/flexible tenancy introduced by the Localism Act 2011
 - Regulation of social housing providers
 - Allocating affordable and social rented homes
 - The conversion of social rents to the new higher affordable rents
 - New build affordable rented homes
 - Making best use of the social rented stock and safeguarding vulnerable people
 - Under occupancy and overcrowding
 - Tenancy fraud
 - Succession and assignment

3 The Councils' recommendations

3.1 Flexible/Fixed Term Tenancies

- That on review in the majority of cases these tenancies should be renewed in order to maintain stable communities, except for those circumstances in Appendix 1
- When allocating fixed-term tenancies RPs should be clear on the circumstances whereby the tenancy is to be renewed or terminated with the incoming tenant(s).
- RPs should take part in the initiative to set up an early warning system under the Homelessness Strategy for all tenancies that may not be renewed or where the household is struggling to maintain the tenancy due to rent arrears and/or anti-social behaviour. Such a system will ensure that Housing Options Teams can apply early interventions such as floating support, debt advice etc to prevent homelessness.

- RPs will need to consider the review process and have a system in place to carry out a review of a flexible tenancy as required by the Localism Act.
- Older people living in extra care and sheltered housing and people living in supported housing should not be granted a flexible tenancy. People living in supported housing are most likely to be on a licence.
- RPs should consider not granting flexible tenancies to households with school age children, unless the tenancy can be automatically renewed so that there is stability in the schooling.
- In order to maintain stable communities in rural areas we would not expect flexible tenancies to be used outside of the Key Service Centres of Kendal, Ulverston, Grange over Sands, Kirkby Lonsdale, Sedbergh, Windermere, Ambleside, Alston, Appleby, Kirkby Stephen and Penrith) except in a minority of cases where this may be appropriate.
RPs should discuss options around shared ownership and discounted sale properties with households when undertaking a review of the tenancy. This would assist households who are able to benefit from these options as well as releasing a rented property for those households in need of it.
- Flexible/fixed term tenancies should be for no less than five years

3.2 Tenancy Policies

- RPs should review their Tenancy Policy should Government Regulations stipulate that they can charge the full rent if a household earns in excess of the prescribed amount (this is yet to be determined).

3.3 Regulation of Social Housing

- We are keen to ensure that RPs have consistent standards in place in relation to regulation by working collaboratively.
- Tenants should be consulted on any changes to take account of the reduced role of the Government in this regard.
- RPs to stipulate in their Tenancy Policies how the regulatory process will work in practice, including the role of tenants.
- Providers are encouraged to make use of training from organisations such as the Tenant Participatory Advisory Service who run regulation training for tenants and staff.
- RPs need to take account of and co-operate with the strategic housing role of local authorities, for example by making homes available for the homeless.

3.4 Allocating Affordable and Social Rented Properties

- The Allocation Policy (Cumbria Choice) is regularly reviewed and consideration be given in future for affordable rented properties to be allocated to households who are

not solely reliant on housing benefit and who may be working already. Checks are carried out by RPs to ensure that the rents can be afforded by the ingoing tenant(s) before an offer is made

- Consideration be given to how social rented homes are allocated under Cumbria Choice to ensure they are let to those households in greatest need of the lower rent
- Statistics are gathered showing vacancy reasons and any properties that become vacant more than once are highlighted.

3.5 Affordable Rent Conversions

- There should be a limit on the number of relets that are converted to affordable rents to maintain a supply of social rented homes. It is recommended that RPs consult the Council when considering how many conversions will take place in future bidding rounds with Homes England.
- Where conversions are being considered RPs should consult with the Council concerning the percentage of rent to be charged. This is due to the fact that there are likely to be existing planning obligations that may restrict rent set out within Section 106 agreements or covenants. Additionally, the Council will advise on local income levels in particular localities to ensure that the affordable rents are affordable.
- Larger 3 and 4 bedroom properties should remain within the Local Housing Allowance limits to ensure future affordability in light of Universal Credit
- Ingoing tenants should receive advice and guidance on affordability to ensure that they can afford the rents.
- Tenants who begin to struggle to meet rent payments should be referred to the Housing Options Team for advice and guidance to reduce and prevent homelessness.
- Ensure that a range of property types are available for both social rent and affordable rent.
- Conversions should in most cases be limited to key service centres, i.e. Kendal, Ulverston, Grange over Sands, Kirkby Lonsdale, Milnthorpe, Windermere, Ambleside and Sedbergh, where there is a greater number of relets, thus protecting the sustainability and affordability of rural localities.

3.6 New Build Affordable Rented Properties

- RPs should continue to consult the Council's Strategic Housing dept with regard to affordable rents so these can be based on local income data.
- RPs should explore other avenues of providing social rented properties without Homes England funding
- RPs should look to the Council's statements reflected in the Core Strategy relating to affordable prices for new build properties. This is based on our SHMA 2017.

3.7 Under occupancy and Overcrowding

- RPs to set up a system to map the number of under occupying households and contact tenants to discuss their needs and aspirations, for example tenancy audits
- RPs to encourage tenants to access the national home swapper scheme and other options such as working with other local RPs to publicise and enable mutual exchanges or other moves, for example a matching service to match under occupying households with overcrowded households (right size package)
- Where one or each party has arrears this should not preclude them from a mutual exchange, particularly where a household is affected by welfare reform, in order to improve under occupancy and overcrowding issues
- RPs consider allowing tenants to take in lodgers where appropriate and where this is not already offered under the terms of the Tenancy Agreement
- RPs consider incentive schemes (unless this is already offered) that offer assistance (such as organising removals/connections/informing utilities etc, handyman for putting up curtains, shelves and other small jobs in the new home, small scale decorating charges covered) and/or financial support to enable under occupiers to move
- RPs consider publicising the scheme to encourage take up, for example using flyers, tenant newsletters, web-site, holding events on housing options particularly geared around older people
- RPs could seek referrals from adult social care, Citizens' Advice Bureau etc to be made aware of tenants who are struggling to meet their bills so they can be made aware of options to downsize and reduce outgoings
- Review priority under the allocations scheme (Cumbria Choice) for under occupiers to allow greater priority to move
- In certain circumstances, RPs may wish to allow under occupancy by no more than one bedroom. For example, for a household who requires a carer to stay overnight on occasions
- RPs carry out regular audits of tenants to reveal under occupiers and households who are overcrowded
- During a review of a flexible tenancy, overcrowded tenants could be assisted to move to alternative accommodation either via a mutual exchange or through bidding through Cumbria Choice or obtaining private rented or low cost home ownership options.

3.8 Tenancy Fraud

- RPs carry out regular audits of tenants to reveal cases of tenancy fraud
- RPs encourage neighbours to report suspected incidents of fraud, for example through tenant newsletters, web-site and posters
- Information is sought from energy companies where fraud is suspected in line with regulations to oblige energy companies to release this information.

3.9 Succession and assignment

- RPs ensure tenancy agreements comply with their tenancy policies in respect of assignment and succession
- In making changes to a tenancy agreement that RPs follow the correct legal process
- Where a household does not qualify to succeed to a tenancy or have a tenancy assigned to them, it is recommended that RPs contact Housing Options Teams at the earliest possible convenience so that options can be explored to prevent homelessness.

Voluntary Right to Buy (new)

- RPs ensure that properties in designated rural areas are protected from the Voluntary Right to Buy.

4 Monitoring and Review

4.1 The Tenancy Strategy will be reviewed on a regular basis to ensure that it takes account of any changes that may occur. In particular, the Strategy will be monitored in relation to:-

- The effects of flexible tenancies where these are introduced
- Homelessness presentations
- Rent levels and prevailing incomes
- Reviewing the application of the allocations policy
- Registered Provider activity such as new build affordable rented properties and rent levels
- Registered Provider policy decisions in relation to the use of flexible tenancies

4.2 It is expected that Registered Providers will be consulted during the review.