

Executive

Request Approval to Consult on the Revised Tenancy Strategy 2022-2032

Report of:

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Responsible Director:

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This report relates to a decision that is Key

Purpose of this report

The purpose of this report is to seek permission to consult on a revised Tenancy Strategy (2022-2032), which is a legal requirement for the council to have. The refreshed strategy focuses on a pro-active interventionist approach, and no longer advocates the use of Flexible (Fixed term) tenancies as a primary housing management tool, in line with current government policy.

This report would also like to seek permission to delegate responsibility for the approval of the subsequent Tenancy Policy for the council's own housing stock, be approved by the Director of Social Care Health and Housing and the Executive Member for Housing and Assets.

RECOMMENDATIONS

The Executive is asked to:

- 1. approve request for permission to consult on the revised Tenancy Strategy 2022-2032; and**
- 2. delegate to the Director of Social Care Health & Housing, in consultation with the Executive Member for Housing and Assets, to approve the subsequent revised Tenancy Policy.**

Overview and Scrutiny Comments/Recommendations

1. The item has not been presented to Overview and Scrutiny Committee but has been shared with the Chair of Social Care Health and Housing Overview and Scrutiny Committee for information. Once the strategy has been consulted upon, and any consultation findings consolidated into the final draft, the Tenancy Strategy will be presented to Overview and Scrutiny Committee for information and comment.

Executive Summary

2. The Council has a legal duty to provide a strategic direction for all registered social landlords in their area under the Localism Act 2011, determining how social housing in its local area is let and managed. The current Tenancy Strategy (implemented in 2013) is being refreshed and proposes to no longer advocate the use of Flexible (Fixed term) tenancies as a primary form of tenure.
3. Many of our partner providers across Central Bedfordshire have already chosen to cease the use of Flexible (Fixed term) tenancies and have deemed these as ineffective as a management tool, due to the administrative burden and lack of support through the court system. The council wishes to provide a refreshed strategy to better reflect current practice in line with legislation and policy (including the recently published Social Housing White paper titled "The Charter for Social Housing residents" November 2020).
4. This report seeks to obtain permission to consult on the new proposed Tenancy Strategy (2022-2032) which better reflects the modern and more sustainable approaches the Council wishes its partners to adopt, alongside approval of the subsequent tenancy policy to be delegated to the Director Social Care, Health and Housing in consultation with the Executive Member for Housing and Assets.

CBC Tenancy Strategy and Tenancy Policy

5. The Councils' Tenancy Strategy (and its Tenancy Policy as a stock holding landlord) were adopted in 2013. However, significant changes in the operating environment over several years and changes and pressures relating to post pandemic operating requirements means it is now appropriate to review both the strategy and tenancy policy alongside the review of the Allocation Scheme.
6. The recently published (November 2020) Social Housing White paper titled "The Charter for Social Housing residents" sets out the actions the government will take to ensure that residents in social housing are safe, are listened to, live in good quality homes, and have access to redress when things go wrong. The emphasis is very much in terms of rebalancing the relationship between tenants and landlords, drawing on the Government's engagement with social tenants following Grenfell.
7. Subsequently the new agenda has very much focused on partnership, early intervention, and empowerment for social housing tenants. This shift reflects the earlier decision in 2018 to no longer force all social landlords to offer fixed term tenancies.

This announcement has led to a number of high- profile housing associations taking the decision to revert back to offering lifetime tenancies, although the number of housing providers who introduced flexible tenancies was quite low from the beginning. The council currently has less than 1000 Fixed Term tenancies remaining.

Current position

8. The Tenancy Strategy and Tenancy Policy adopted in 2013 framed the Council's approach to offering tenancies of 5 years duration following the successful conclusion of an Introductory Tenancy. However, the experience to date shows that there is no evidence that fixed term tenancies are assisting the Housing Service to manage demand more effectively, and in fact create a considerable administrative burden and cost to the Council. Partners have generally already ceased to issue Fixed Term tenancies due to the increased administrative burden and proven ineffectiveness as a management tool. Therefore, it is anticipated that the refreshed strategy will be welcomed, and when consulted upon to be reflecting current views of partners and government policy and therefore what will now be adopted as best practise across Central Bedfordshire for social housing residents.

Objectives of the Tenancy Strategy and Tenancy Policy

9. The principles that underpin the tenancy strategy and tenancy policy remain the same as in 2013:
 - A social home for those in need, whilst they remain in social need.
 - Making best use of stock
 - A fairer system, that promotes social mobility and aspiration.
 - Helping people to move up the housing ladder

However, the operating environment and the way that the Council works has changed significantly over the last 7 years, particularly the move into a Covid 19 Pandemic recovery phase. Partner providers and the Council have all had to adapt quickly to changes in demand management, supply pressures and tenancy management issues, and throughout such have found Fixed Term tenancies to be ineffective and highly burdensome in terms of administration.

10. As the Government is no longer requiring local authorities to offer flexible fixed term tenancies, it is recommended that CBC no longer offer fixed term tenancies and reflect the change in approach in the Tenancy Strategy for all providers. It is proposed that the Council will now (after the successful conclusion of an initial introductory tenancy for the first 12 months) offer all tenants a lifetime secure tenancy.
11. The Council recognises that there may still be occasions where a partner provider may need to use Fixed term tenancies for very specific types of property/circumstances and therefore acknowledges this as being an option for providers within the strategy under certain circumstances.

For instance, if a family with nearly fully grown children (who may leave home in a few years) are offered a 4-bedroom property, a Fixed term tenancy may be provided to manage demand and under occupation risk. However, these occurrences have been very rare and therefore most other providers are already no longer issuing Fixed Term tenancies; it is not anticipated that there will be any concern raised by providers or customers during the consultation period.

12. It is also recommended that introductory tenancies are retained, as this sends a powerful message to tenants that they are on “probation”, and if there are any tenancy issues, then they are putting their tenancy at risk. It is also a useful tool in the Council’s approach to tenancy sustainment, as most tenants are receptive to the support offered in the early months of their tenancy. A true “preventative” tool.
13. In terms of the proposed new Tenancy Strategy for 2022- onward, it is therefore recommended that:
 - All new tenants continue to be granted an Introductory Tenancy for a minimum of 12 months.
 - All tenants transferring to a social housing property in Central Bedfordshire will be granted a tenancy with the same security as they had, as long as their existing tenancy was granted before 1 April 2012. All fixed term secure or assured tenants transferring to Central Bedfordshire Council stock will be offered a lifetime secure tenancy, which offers more security.
 - Lifetime secure and assured tenants who transfer into Central Bedfordshire Council stock by way of Mutual Exchange will keep their same security in their new home as long as their existing tenancy was granted before April 2012. All fixed term secure or assured tenants moving to Central Bedfordshire Council stock by mutual exchange will be offered a lifetime secure tenancy, which offers more security.
 - At the end of all Introductory Tenancies, a lifetime secure tenancy will be offered to all, irrespective of their age.
 - In line with the recent Domestic Abuse Act 2021, anyone fleeing domestic violence will be granted the same security of tenure in their next property as their previous one.

Proposed Way Forward

14. The Tenancy Strategy has been redrafted with a proposed clear view from the Council that it supports offering lifetime tenancies to all, irrespective of age, following the successful conclusion of an Introductory Tenancy. Although the Council still supports the objectives of the current Tenancy Strategy, it recognises that a people focussed approach is more likely to produce the right outcome, than the current bureaucratic process required by housing providers managing fixed term tenancies. There is no evidence it has delivered the expected benefits.

15. The Council still encourages housing providers to continue efforts to make best use of stock, supporting residents in terms of social mobility, and ensuring that social housing is only offered to those that need it. However, the evidence shows that the required outcomes are more easily achieved by engaging and supporting residents to make the right decisions. The Council's more interventionist approach is showing encouraging results, and it is proposed that this is built on.
16. Approval is sought to consult on the refreshed draft Strategy, with other housing providers and stakeholders for 12 weeks. Tenants will also be consulted on the proposals, building on the consultation with a small group of tenants on the proposal as part of the Budget consultation at the end of 2020. Feedback will then be considered to inform the drafting of the final Tenancy Strategy.
17. Following the consultation process and approval of the revised Tenancy Strategy, the following actions would be implemented:
 - A new Tenancy Policy would be drafted for the Housing Service.
 - All new tenants would continue to be offered an Introductory Tenancy for the first 12 months.
 - All existing Introductory tenants that are successful will then be offered a new lifetime secure tenancy.
 - All those on Fixed Term Tenancies will be transferred to a lifetime secure tenancy on a phased basis, to manage the process.
 - Any tenancies that are coming to an end over the next 12 months, will be transferred to their new lifetime tenancy on their anniversary day.
 - All tenancies – in date order- working from the oldest to the newest- will then be considered for reverting to a secure tenancy.
 - Those tenants who have not breached their fixed term tenancy in any way and have a clear rent account will be invited to surrender their tenancy and a new lifetime secure tenancy will be offered.
 - Those with a court order will not be offered a new lifetime tenancy as this will invalidate the court order. If, however, they remedy their breach- usually rent arrears- then they will be invited to also surrender their tenancy and a new lifetime tenancy will be offered.

Reasons for decision

18. Permission is sought to consult on the proposed changes to the Tenancy Strategy 2022-2032 with partner providers, tenants, and other stakeholders. The proposed changes to the Tenancy Strategy and subsequent Tenancy Policy will align with the changes being made to the Allocation Scheme and policy also concurrently and align with current demands and professional practice considering government and White Paper changes (Charter for Social Housing Residents – Social Housing White Paper 2020). The consultation is anticipated to be welcomed with partners and tenants as the change in approach provides greater tenure stability and a more tailored approach for customers.

19. To seek permission that the Council's Executive to delegate responsibility for the approval of the subsequent Tenancy Policy for the council's own housing stock, be approved by the Director of Social Care health and Housing and the Executive Member for Housing and Assets to enable the council to expedite the operational changes within the housing service once the strategy is approved. The Tenancy policy will reflect the pre-approved changes from the ratified strategy which Executive will have already approved.

Council priorities

20. The refreshed Tenancy strategy will further support sustainable and long-term communities through the delivery of secure tenancies from the completion of the introductory tenancy period, thus creating stronger communities which is a council priority. Furthermore, with the significant reduction in administrative burden and the more tailored approach delivered for our customers with the removal of Fixed term tenancies, this will support the objective of a more efficient and responsive council.

Legal Implications

21. The Council has a legal duty to provide a strategic direction for all registered social landlords in their area under the Localism Act 2011 (sections 150-151), determining how social housing in its local area is let and managed. As the strategy refers to legal tenures for social housing tenants, the Tenancy strategy and subsequent Tenancy policy will be scrutinised by LGSS Law, who will work with services to ensure the requirements are understood and explicitly covered within the strategy and policy.
22. Before adopting or modifying a tenancy strategy local authorities must as part of the consultation process:
 - Send a copy of the draft strategy, or proposed modification, to every private registered provider of social housing for its area, and
 - Give the private registered provider a reasonable opportunity to comment on those proposals.
 - Consult such other persons as the Secretary of State may by regulations prescribe.

Financial and Risk Implications

23. There is an anticipated saving of £0.1M that will materialise by year 2 of the MTFP relating to the ending of fixed-term tenancies. This is because there is a significant administrative process to follow to manage Fixed Term tenancies, and therefore has meant scarce staffing resource has been diverted away from more pressing management tasks within the Council's own Housing service both as a landlord and where a homelessness situation has been generated from a partner provider. The rediverting of scarce staffing resource to more a positive/interventionist utilisation of that resource is anticipated to better support proactive demand management and reduce administrative burdens for the council and their partners.

24. This more positive interventionist approach will better support proactive tenancy management, stock management and tenancy/estate management intervention which will have an impact on the General Fund, through the reduction in homelessness demand. This is especially true given the high demand that exists for social housing locally and the requirement then to rehouse an applicant, having effectively created a homelessness situation if non-compliance within a Fixed term tenancy occurs. In turn, that would require local authority assessment (of the Homelessness application) and incur General Fund cost.

Equalities Implications

25. The Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. An equalities Impact Assessment has been completed and is available here <https://centralbedfordshire.box.com/s/k1a4t0fc0fe60p1ohtv1l5cpnhk1k6c1>. All considerations required within the Tenancy Strategy to mitigate equality implications identified have been incorporated within the strategy and subsequent CBC Tenancy Policy.
26. The refreshing of the Tenancy Strategy and subsequent Tenancy policy will increase stability for social housing tenants within Central Bedfordshire, and thus supports the recent Social Housing White Paper 2020 objectives which seek to reduce stigma for social housing tenants and increase their equality of access to services and right to be heard and be part of their community. This strategy will enable households to remain in their communities and enjoy security of tenure, subject to their tenancy rights and responsibilities, and thus build a stronger foundation and remain closer to their support networks.

Sustainability Implications

27. It is felt that the Tenancy Strategy with its renewed focus on sustainable communities and security of tenure, will further support residents and communities to continue to want to invest and engage in their local communities and neighbourhoods. Thus, contributing towards the adoption of sustainable behaviours of residents, as they can take pride and become part of a collective movement within their local areas.
28. The Tenancy Strategy supports the UN sustainable development goal 11 'sustainable communities' which is a co-benefit highlighted within the CBC Sustainability Plan endorsed in 2020.

Conclusion and next Steps

29. The use of Fixed Term tenancies as set out in the Tenancy Strategy 2013 is outdated and costly, and no longer in line with the initial Government view to expand their use.

Many of the partner providers have already ceased to use these, and it is proposed that the Council will recommend the preference of lifetime assured/secure tenure wherever possible and appropriate. As a stock holding landlord, the Council will no longer use Fixed Term Tenancies and anticipate administrative savings which will increase the capacity for colleagues to work in a more interventionist and person centred way with those who need it.

30. Once permission to consult on the changes within the proposed Tenancy Strategy 2022-2032 has been granted, a consultation period will ensue which will inform any final amendments to the revised strategy, before final approval is sought at Executive.
31. Once the final Tenancy strategy has been approved and ratified, the revised Tenancy Policy for the council will be drafted and if permission to approve this policy is also delegated, the Director of Social Care, Health and Housing and the Executive Member for Housing and Assets will be able to sign off the final Tenancy Policy for implementation and the Council will begin the retraction of any remaining Fixed Term tenancies as set out in the main body of the report.

Appendices

Draft CBC Tenancy Strategy 2022

Background Papers

Central Bedfordshire Council [Tenancy Strategy](#) 2013-18, approved by Executive in March 2013.

Central Bedfordshire Council [Tenancy Policy](#), approved by the Director of Social Care, Health and Housing in December 2013.

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