

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

4 OCTOBER 2012

REPORT OF CORPORATE MANAGEMENT TEAM

CABINET DECISION

Housing & Community Safety – Lead Cabinet Member - Councillor S Nelson

TEES VALLEY TENANCY STRATEGY

1. Summary

The Localism Act 2011 requires all local authorities in England to prepare and publish a Tenancy Strategy. Following a period of consultation with all Registered Providers of housing across the sub region, Cabinet are asked to approve the authority's first Tenancy Strategy.

2. Recommendations

1. Members are asked to support the introduction of our first Tenancy Strategy on a Tees Valley wide basis.
2. Cabinet approve the draft Tees Valley Tenancy Strategy and its supporting Appendix (copies of which are attached to this report).
3. Should the Tenancy Strategy require any minor revisions before its formal implementation (as sign-off is required by each of the 5 Tees Valley LAs), that delegated authority to agree any revisions be given to the Corporate Director of Development and Neighbourhood Services in consultation with the Cabinet Member for Housing and Community Safety.

3. Reasons for recommendations/decisions (s)

To comply with the requirements of the Localism Act 2011 all English local authorities are required to prepare and publish a Tenancy Strategy (within one year of the Order coming into force on the 15th January 2012).

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a

member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code).

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SUMMARY

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RECOMMENDATIONS

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DETAIL

Background

1. 'Laying the Foundations: A Strategy for England' was published in 2011 and is the collation Government's national housing strategy. This national strategy provided the basis for a range of housing reforms including:
 - The introduction of Affordable Rents;
 - The introduction of fixed-term (flexible) tenancies instead of a tenancy for life;
 - Changes to statutory guidance on allocations;
 - Reforms to homeless legislation; and
 - The introduction of a national homewap scheme.
2. The Localism Act (which gained Royal Assent in November 2011) made significant changes to the law relating to the management and allocation of social housing, in essence the Act implements the Government's policy reforms of social housing (as outlined above). The Act also requires all local housing authorities in England (regardless of whether they are stock holding) to prepare and publish a **Tenancy Strategy**.
3. The main purpose of a Tenancy Strategy is to set out **high level objectives** about how tenancies will be used and managed across a defined area. In turn, all stock holding local authorities and Registered Providers (RPs) operating within this defined area are required to give 'due regard' to these broad objectives when formulating their own tenancy policies.

A Tees Valley approach

4. The Tees Valley LA's initially came together in the summer of 2011 to initiate the drafting of the Tenancy Strategy. At this very early stage we recognised that whilst there are 35 providers of accommodation across the Tees Valley (providing circa 58,000 units of accommodation), the majority of RPs operate across local authority boundaries. Therefore the development of a sub-regional document would potentially be a more practical approach. In addition, sub regional working on this Strategy would build upon other successful housing partnerships operating across the Tees Valley (which our RP partners are familiar with) including for example our shared allocation policy and Compass (the Tees Valley choice based lettings scheme).
5. To inform the development of our Tenancy Strategy, an initial consultation event was held with RPs in July 2011 and at this event views were sought on the development of a 'sub regional' document, there was overwhelming support for this approach.

The remit of our Tenancy Strategy

6. In accordance with the Localism Act, our Tenancy Strategy:
 - a. Sets out when/why fixed-term* (flexible tenancies) may be used and for what purpose (including the length of tenancy and the circumstances in which a tenancy will be renewed and terminated).

*(In accordance with the revisions to the Directions to the Social Housing Regulator issued by the Housing Minister on 28.7.11, RPs will be required to offer fixed term tenancies for at least 5 years, unless there are exceptional circumstances).
 - b. The means by which the Strategy will be reviewed.

In addition to the above, we have also taken this opportunity to detail our expectations in relation to:

- c. The need for appropriate and consistent housing advice and assistance on the ending of a fixed-term.
- d. Rent conversions from social to the new affordable rent model.
- e. Stock disposals and
- f. Local lettings plan.

Developing our Tenancy Strategy

7. The aim of the 5 TV strategic Housing Services in developing our first Tenancy Strategy was to work practically with accommodation providers and make the best use of housing stock to address the housing pressures we collectively face. We are required (as prescribed in the Localism Act) to consult and provide a draft copy of our Tenancy Strategy to every RP in our sub region. We have actively engaged with RPs at key stages of the development of our Strategy:
 - (i) At the outset – in the summer of 2011 each RP was invited to attend an event facilitated by the Northern Housing Consortium. Early views were sought on the principles of the document and the key pressures facing social housing providers in our sub-region.
 - (ii) A 'framework' document – in November 2011 we circulated a paper which detailed our 'current thinking' and sought views/feedback.

- (iii) Circulation of the draft Strategy – during the summer of 2012 a copy of the draft Tees Valley Tenancy Strategy was circulated and views sought during a formal 6 week consultation period.

8. At each of the above stages, the feedback received from RPs has influenced the development of our Tenancy Strategy.

The introduction of fixed-term tenancies

9. As highlighted previously (para. 6) a Tenancy Strategy is required to set out when and why fixed term tenancies can be used. At this present time 'lifetime' and 'introductory/starter' tenancies are widely used across the Tees Valley and it is the collective view of the 5 strategic housing authorities that these tenancies help to provide stability within local communities. On this basis the Sub Regional Tenancy Strategy details that it is the expectation of all 5 Tees Valley LA's that **fixed-term tenancies should be the exception rather than the norm.**
10. The majority of housing providers who responded to the consultation exercises also indicated they did not have a strong preference for a radical introduction of fixed-term tenancies. That said, we understand why the Government has introduced fixed-term tenancies i.e. to allow more flexible arrangements for people entering social housing and to enable social landlords to manage their homes potentially more effectively. On this basis we recognise that in some circumstances, a fixed-term tenancy may be appropriate and that some RPs will potentially use to use them as a lettings tool, for example:
- To address under and over-occupation;
 - To increase social mobility;
 - Make best use of stock that may be in short supply;
 - For family intervention tenancies; and
 - To support prospective adopters and foster carers.
11. 'Section 4: Our Tenancy Strategy' clearly documents our expectations in relation to fixed-term tenancies, the length of term and what we expect when a fixed-term comes to an end. To ensure that appropriate and consistent housing advice/assistance is provided should a fixed-term tenancy be ended we have also consulted each housing provider on a 'Protocol' which details our expectations in terms of each RPs roles and responsibilities, each RP will be asked to sign-up to this protocol.
12. At this present time we understand that a number of RPs operating in our sub-region have taken the decision to operate fixed-term tenancies on a limited basis. Others are still considering their position.

Formally adopting this Tenancy Strategy

13. Each of the 5 Tees Valley LAs will over the coming weeks seek member approval for the Sub Regional Tenancy Strategy. We anticipate that the Strategy will become effective from November 2012 when all necessary approvals have been secured. A copy of the final document will then be shared with each social housing provider across the sub region and copies placed on the web pages of each LA.
14. To ensure that the Tenancy Strategy remains fit for purpose an annual review will be undertaken.

FINANCIAL IMPLICATIONS

15. There are no direct financial implications to this report.

LEGAL IMPLICATIONS

16. To comply with the requirements of the Localism Act all Local Authorities in England are required to prepare and publish a Tenancy Strategy.

RISK ASSESSMENT

17. The introduction of the Sub Regional Tenancy Strategy is low risk. Existing management systems are sufficient to control and reduce the majority of risks.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

18. The introduction of a Sub Regional Tenancy Strategy will support the Sustainable Community Plan Key Themes for 'Environment and Housing and Stronger Communities'.

EQUALITIES IMPACT ASSESSMENT

19. An Equality Impact Assessment has been completed in consultation with the Diversity Team, the introduction of a Tenancy Strategy has been scored as having an overall positive impact.

CONSULTATION INCLUDING WARD/COUNCILLORS

20. As detailed within the body of the report all RPs with accommodation across the sub region have been consulted at various stages in the development of this Strategy. The evolving Strategy was also tabled for discussion at the Housing and Neighbourhood Partnership Group.
21. In addition, the Cabinet Member for Housing and Community Services has also been consulted at key stages in the development of the Strategy.

Corporate Director of Development & Neighbourhood Services

Contact Officer: Julie Nixon

Telephone No. 01642 527072

E-mail Address: Julie.nixon@stockton.gov.uk

Background Papers

None

Education Related

No

Ward(s) and Ward Councillors:

All

Property