

## TENANCY STRATEGY



### MONITORING INFORMATION

POLICY/PROCEDURE/STRATEGY: TENANCY STRATEGY

DATE APPROVED: NOVEMBER 2021

EXPIRY DATE: EXPIRY DATE: NOVEMBER 2024

extended to July 2025 to take account of the Renters' Rights Bill

OWNER: HEAD OF COMMUNITIES & ESTATES

APPROVAL ROUTE: BOARD

# Tenancy Strategy

## 1.0 Introduction:

Teign Housing developed its first Tenancy Strategy in 2012 further to the Localism Act (2011) which changed the landscape in terms of security of tenure. The Act gave Registered Providers the freedom and flexibility to introduce fixed term tenancies and manage their housing stock more effectively. The Act also saw the introduction of Affordable Rents which are calculated at 80% of the market rent to help Registered Providers' fulfil their own development ambitions in a more sustainable way that is less dependent on grant funding. As a result of these key legislative changes Teign Housing introduced the use of fixed term tenancies and affordable rents following Board approval in September 2011.

The Regulator of Social Housing requires Registered Providers' to develop a Tenancy Strategy and have due regard to Tenancy Strategies developed by their partner local authorities. Teign Housing does, therefore, continue to consult with our partner Local Authorities, namely, Exeter CC, South Hams DC and Teignbridge District Council.

This strategy includes the types of tenancies offered (including the use of fixed terms), and our approach to sustaining and managing tenancies.

During 2020 Teign worked in conjunction with its legal consultants, Capsticks, to review all of its tenancy agreements by way of ensuring that they were all still fit for purpose. Capsticks concluded that they are still relevant, and no fundamental changes were necessary.

Further to this, an in-depth review was undertaken on Fixed Term Tenancies (FTTs) to determine whether these served a valid purpose in the current climate.

In March 2021, Teign Housing took the decision to stop issuing Fixed Term Tenancies to new tenants - this took effect from 1 April 2021. Essentially this will mean that once the existing FTTs expire the tenant will be issued with an assured tenancy.

## 2.0 Scope of the Strategy:

### 2.1 Tenancy Types

Currently, Teign Housing offers a range of tenancy agreements, with the types being categorised as either assured tenancies or fixed term tenancies. Assured (non-shorthold) tenancies have no review period or end date and assuming that all of the conditions of the tenancy are met the tenant can effectively enjoy the property as their “home for life.”

Contrastingly, fixed term tenancies have an end date and are subject to a review process. Effective management of fixed term tenancies should ensure that, generally, people are in homes that are suitable to their needs, for example, by way of property size or disabled adaptations.

**Table 1. Explanation of tenancy types and when different tenancy types are offered**

Tenancy Type	Description	Who is offered one?
Assured (non-shorthold) Tenancy	A tenancy that provides security of tenure to tenants, with no end date or review period. Ultimately, as long as a tenant abides by the terms of their agreement, they can enjoy the property as long as they wish to.	Existing social housing tenants who have an assured tenancy. Tenants moving to designated age restricted properties are granted Assured Tenancies (with a starter period as necessary).
Starter Tenancy	A 12-month period where a tenant is subject to the terms of an assured shorthold tenancy agreement. During the starter period a tenant has reduced security of tenure and is subject to a review to ensure the tenancy has been conducted satisfactorily before it is converted.	A Starter Tenancy can precede either an assured tenancy or a fixed term tenancy. Starter Tenancies are offered to tenants that are new to social housing
Fixed Term Tenancy – Social Rent	5-year fixed term tenancies (that may be preceded by a starter period) that are let on a social rent basis. The tenancies are reviewed in the last 12 months of the tenancy with appropriate housing advice provided as necessary.	Tenant's new to social housing. <i>(Existing Social Housing tenants have their security of tenure protected.)</i> NB: from 1 April 2021 these will no longer be issued.

Fixed Term Tenancy – Affordable Rent	5-year fixed term tenancies (that may be preceded by a starter period) that are let at 80% of the market rent. The tenancies are reviewed in the last 12 months of the tenancy with appropriate housing advice provided as necessary. During the review period a market rent valuation is undertaken to ensure that the rent remains at 80% of the market rent (with due regard to Local Housing Allowance). The majority of new build rented stock is allocated on Affordable Rent Fixed Term Tenancy basis.	Existing social housing tenants are not afforded protected security of tenure when moving to affordable rent properties. This is because the affordable rent model is based on there being a renewal process at which point the rent amount is recalculated, maintaining the rental value at 80% of the market rent.  <b><i>We did cease issuing these between 1 April 2021 and 15<sup>th</sup> November, however, this decision was reversed at the November 2021 meeting</i></b>
Assured Shorthold Tenancy	An Assured Shorthold Tenancy is a tenancy that last for a minimum of six months, although it has no end date the tenancy provides limited security of tenure. This tenure type is principally used in the private rented sector	Assured Shorthold Tenancies will be offered when we decide to allocate a property at the full market rent, or if a property has been identified as part of disposal scheme or similar. Any properties let on this basis will be allocated outside of Devon Home Choice and existing social housing tenants will not regain any security of tenure.

**Table 2. Tenancy breakdown by tenure type (as of 17.11.21)**

Assured (not shorthold) Tenancy	2924
Fixed Term Tenancy	634
<b>Total</b>	<b>3558</b>
Pitch (Travellers Site)	18
Licence – Use & Occupation	6
<b>Grand Total</b>	<b>3582</b>

## **2.2 Tenancy Management**

In 2017 the 'Keeping in Touch Visit' was introduced for our customers, a biennial visit conducted by the Neighbourhood Services Advisor/Independent Living Advisor. The visit is intended to satisfy a number of criteria including; providing information advice and guidance about Welfare Reform & Universal Credit, assessing financial & digital capability, confirming household occupants and composition (including any appropriate housing advice) as well as monitoring the condition of the property. The Keeping in Touch visit is a proactive approach to housing management and a tool that will enable us to undertake more effective tenancy management work throughout the life of a tenancy and ready our customers for significant changes e.g. welfare reform or for a move into more appropriately sized accommodation.

Throughout the life of a tenancy there are a number of 'touch points' where we have contact with our customers (e.g. repairs reporting, rent collection and general tenancy queries). With the implementation of Civica CX it is envisaged that these contacts will be recorded on the Customer Relationship Management module. These contacts will help us to build up a picture of our relationship with our customers and manage the quality of the contact more closely. The Keeping in Touch Visit will not replace our responsive interaction with our customers and general enquiries will be dealt with on an individual basis.

During the course of a tenancy, breaches such as Anti-Social Behaviour (ASB) will continue to be dealt with by front line staff and, if necessary, enforcement action may be taken outside of any fixed term or starter tenancy management process. The use of the Keeping in Touch visit coupled with other ad-hoc interactions will also enable us to mitigate the risk of tenancy fraud in our homes. Equally, at each contact point, any associated safeguarding concerns will be flagged and followed up in the appropriate way.

## **2.3 Starter Tenancy Management**

Alongside the implementation of fixed term tenancies, the use of starter tenancies (a 12 month probation period at the beginning of the tenancy) continues to be a tool to assist with effective tenancy management. At the end of the starter tenancy the tenancy will convert to their substantive tenancy type (e.g. Assured or Fixed Term), we may decide to extend the probationary period for up to 6 months, or we may decide to end the tenancy. The significant majority of Starter Tenancies will convert and will not require any intervention. The reasons that may lead to a Starter Tenancy being ended will be limited to very serious or persistent tenancy breaches. The legal mechanism for ending a Starter Tenancy is by serving a Section 21 Notice and possession order granted by the Court is mandatory (assuming all

procedural matters have been adhered to). Any decision to extend or end the tenancy will be discussed with the Neighbourhood Services Manager and will be subject to a right of appeal.

## **2.4 Fixed Term Tenancy Reviews**

The fixed term tenancy review process is detailed more thoroughly in the fixed term tenancy policy and procedure. In general, the fixed term tenancy review will begin 12 months before the tenancy is due to come to end and a decision to grant a new tenancy will be made 6 months before the tenancy is due to come to an end. Whilst as of 1 April 2021 we have stopped issuing these we will still conduct the review. This will serve as a useful opportunity to explain the terms of the assured tenancy that they will subsequently be issued. It will also enable us to discuss any other housing needs/assistance that is needed.

The approach will enable us to continue to develop stronger trust and rapport with our residents and provide them with a further opportunity to share any concerns.

## **2.5 Succession**

The Localism Act introduced the requirement for Registered Providers to define their approach to granting discretionary rights to tenants whose tenancy commenced post April 2012. Our approach to managing successions request is detailed in the succession policy and procedure. There are two types of succession.

- Statutory Succession - this applies when a sole tenant, who is not a successor themselves dies leaving a spouse, civil partner or common-law equivalent who was residing at the premises at the time of the tenant's death.
- Discretionary Succession – these rights will apply in accordance with our Death of a Tenant Procedure. Where a sole tenant dies and there is no one entitled to a statutory succession, the tenancy can pass to a family member providing that they satisfy a number of conditions as laid down within the same procedure and the individual tenancy agreement.

## **2.6 Tenancy Sustainability**

The development of the Head Start Service has provided frontline staff with an internal referral pathway for tenants in need of some intervention to enable them to thrive in their home. The intervention of the Head Start Advisors (of which there are three) is predicated on four domains: Financial Inclusion, Digital Inclusion, Health and Wellbeing, Positive Participation (resident involvement, jobs and skills, volunteering etc). The Head Start Advisors work closely with other front-line staff to engage in meaningful interventions with tenants that may need our assistance. Furthermore, frontline staff members are also well

connected with other statutory, non-statutory and third sector organisations that may be able to assist in Teign Housing promoting tenancy sustainability within our communities. By sustaining positive relationships with these organisations staff are able to provide a flexible and adaptable service to our customers whilst managing our own resources effectively and providing good value for money to the organisation and protecting the capacity of our own precious Head Start Service.

### **3.0 strategy Statement**

This strategy aims to; ensure Teign Housing makes best use of its stock, tenants understand the terms of their tenancy agreements and our responsibilities as their landlord as well as helping people in greatest housing need.

### **4.0 Related documents**

- Mutual Exchange Policy & Procedure
- Succession Policy and Procedure
- Fixed Term Tenancy Policy and Procedure
- Social Housing Fraud Policy
- Safeguarding Policy and Procedure