

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Housing Portfolio Holder

17 October 2012

AUTHOR/S: Director of Housing

TENANCY STRATEGY

Purpose

1. To seek approval from the Housing Portfolio Holder for the adoption of the Tenancy Strategy and the launch of the Strategic Housing Information Portal (SHIP).
2. This is not a key decision.

Recommendations

3. That the Housing Portfolio Holder approves the Tenancy Strategy as set out in Appendix B and the development of the SHIP

Reasons for Recommendations

4. To comply with new legislation under the Localism Act 2011 that states local authorities have a duty to publish a Tenancy Strategy.

Background

5. The Council published an Interim (tenancy strategy) Statement in April 2011 outlining its position in relation to the new delivery model for affordable housing, Affordable Rents. The aim of the Interim Statement was to give an early indication of the Council's key principles to help guide investment decisions for new affordable housing schemes in South Cambridgeshire. The statement was well received by Registered Providers (housing associations) operating in the District.
6. The Localism Act 2011 made it a legal requirement for all local authorities to publish a full Tenancy Strategy in place by April 2013.

Considerations

7. The Tenancy Strategy is intended to ensure that Registered Providers are clear on the Council's objectives for new affordable housing in the District. It is not designed to be prescriptive but to help Registered Providers formulate their own policies based on current evidence and the local context.
8. It is proposed that the Council adopts an approach that allows flexibility to enable Registered Providers to comply with any funding agreements with the Homes and Communities Agency (HCA) and to take into account their own policies. In taking this approach it is hoped that the Council can continue its excellent partnership working with Registered Providers to maximise the opportunities for affordable housing in the District whilst still ensuring we meet the needs of the most vulnerable.

9. The key elements to the Tenancy Strategy include:
- (a) **Affordable Rents** – as part of the Council's enabling role we would wish to have early discussions around the level and mix of Affordable Rent and recommend that Affordable Rents should not be set higher than the Local Housing Allowance rates for this area.
 - (b) **Conversion to Affordable Rents** – Registered Providers are asked to take a strategic approach to conversions and consider areas where it would provide for a more balanced community, especially in areas where there are high levels of social rent.
 - (c) **Stock Disposals** – generally we would support stock rationalisation where the housing stock is offered to another Registered Provider as affordable housing or where a property has insurmountable management or maintenance problems.
 - (d) **Use of Fixed Term/Flexible Tenancies** – the Council supports the use of fixed term/flexible tenancies for the primary purpose of making best use of existing stock. As a minimum 5 year tenancies should be offered to ensure tenants have a degree of stability in their home and are able to feel part of and contribute to their community.
 - (e) **Expiry of a Fixed Term/Flexible Tenancy** – the Council is committed to ensuring that the use of fixed term/flexible tenancies and their termination does not lead to an increase in homelessness and therefore expect registered providers to generally offer tenancy renewal or alternative accommodation.

Options

10. The Council has the option of producing a traditional document in paper form that tried to encapsulate all of the different elements related to the development of affordable housing in the District. The complexity of the issues related to development and planning mean that this could have resulted in a very large and unwieldy document that would have been costly to produce, difficult to keep up to date and unlikely to be read.
11. An alternative option is to place the Tenancy Strategy within a web based tool.
12. The Strategic Housing Information Portal (SHIP) is a proposed web-based portal that aims to provide relevant up to date information at the touch of a button, with the Tenancy Strategy being the key document that sits within the evidence/information base. Appendix A contains a summary diagram of how the SHIP is expected to be structured.

Implications

13. Financial	The cost of setting up the SHIP will be very low and the subsequent cost of keeping information up to date will also be very low.
Legal	<p>The Council has a duty under the Localism Act 2011 to publish a Tenancy Strategy by April 2013. This proposal meets that obligation.</p> <p>The Council also has a legal obligation to consult with all of the housing associations on the District. The consultation section below details how this requirement has been met.</p> <p>The details of the Tenancy Strategy itself are not legally enforceable.</p>
Staffing	None
Risk Management	The main risk is in not meeting the legal obligation to have the strategy in place.
Equality and Diversity	The strategy has regard to the housing needs of the whole district.
Equality Impact Assessment completed	<p>No</p> <p>Decision is not related to a change in Council policy.</p>
Climate Change	None

Consultations

14. Initial consultation was undertaken face-to-face with some of the main providers of social housing in the District to understand better their position with regards to management of their stock and development of new affordable housing. The main themes coming out of the consultation was that Registered Providers were also concerned with regards to affordability issues and that tenants should have an element of stability to enable them to be part of community life. Many had also entered into HCA Agreements to enable them to provide additional affordable housing and were therefore required to make use of the Affordable Rent model if they were to build in the District.
15. The SHIP, containing the draft Tenancy Strategy, has been circulated to all Registered Providers operating in the District, local Members and other key partners. Very little feedback has been received, with only one parish council expressing their concern at the *“downgrading of social rent to affordable rent”* and that they *“feel that priority needs to be given to the supply of housing at social rent rather than affordable rent”*.

Consultation with Children and Young People

16. None

Effect on Strategic Aims

17. We will make sure that South Cambridgeshire continues to offer outstanding and sustainable quality of life for our residents. Access to appropriate housing is a critical factor in providing and maintaining sustainable communities.
18. The Tenancy Strategy will be reviewed on an annual basis to ensure that we continue to meet our key aims and that the impacts of the introduction of Affordable Rents and fixed term/flexible tenancies do not adversely affect particular groups within the District.

Conclusions / Summary

19. The Strategic Housing Information Portal (SHIP) provides a wealth of information and evidence that should be taken into consideration when developing individual tenancy policies. Its aim is to help steer Registered Providers in the right direction to help them to formulate their own policies based on current evidence and the local context, with the Tenancy Strategy acting as evidence based guidance.

Background Papers: the following background papers were used in the preparation of this report:

- Working towards a local tenure strategy – CIH Publication June 2011
- Local Tenancy Strategies and the new role of local housing authorities in leading tenure policy – Shelter Publication August 2012

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