

REPORT TO: Executive Board
DATE: 17 November 2016
REPORTING OFFICER: Director of Adult Social Services
PORTFOLIO Physical Environment
SUBJECT: Tenancy Strategy 2016 - 2019
WARDS Borough-wide

1.0 PURPOSE OF REPORT

1.1 To inform Executive Board of the Liverpool City Region Tenancy Strategy, which will assist towards our goal, working in partnership with neighbouring authorities throughout the region, to create a social housing market, which meets the needs of our communities.

1.2 It is a statutory requirement for local authorities to publish a Tenancy Strategy. Most authorities considered refreshing their existing strategy, however, as many Registered Providers have housing stock across the City Region, and all local City Region authorities were in the same position of needing to review their own strategies, it was agreed that a joint approach to develop a single strategy for the City Region would be more effective.

2.0 RECOMMENDATION: That

1) the report be noted; and

2) the Liverpool City Region Tenancy Strategy 2016-2019 be approved, subject to the unanimous agreement of each Liverpool City Region Local Authority, through their corresponding approval processes.

3.0 SUPPORTING INFORMATION

3.1 Background information

3.2 Halton Borough Council is required to have a Tenancy Strategy under the Localism Act 2011, whereby the first strategy was approved in 2013. There is a need to regularly review the strategy and as all Liverpool City Region authorities were ready to review their strategies at the same time, it was agreed to produce a single Sub Region Tenancy Strategy.

Registered providers of social housing are required to have regard to the local authority tenancy strategies when producing their tenancy policies. As many registered providers have housing stock in more than one local authority, it is sensible to reduce the number of strategies they need to refer to.

- 3.3 The strategy has been informed and developed through consultation with all Liverpool City Region local authorities, the Sub Regional Property Pool Plus Steering group and all registered providers with stock in the Liverpool City Region. In addition an open public consultation took place in July 2016.

The Localism Act 2011 gave new flexibilities and powers to Registered Providers of social housing, including the option to use flexible tenancies. Registered providers were given the ability to offer different kinds of tenancies to respond to the particular needs of their communities, to ensure that social housing is focussed on providing homes for those in genuine need. The Localism Act placed a duty on all local authorities to publish a Tenancy Strategy setting out how they would like registered providers to make use of those flexibilities to respond to local needs.

- 3.4 Local authorities within the Liverpool City Region individually published their Tenancy Strategies during 2012/2013 with all being due for review during 2016. Due to the similarities between existing strategies the City Region authorities agreed to collaborate and produce one joint Tenancy Strategy, particularly as there are currently over 100 registered providers managing in excess of 150,000 properties within the City Region, many of which operate across local authority boundaries. The adoption of the joint Tenancy Strategy will be beneficial as it will provide a consistent approach to help support registered providers in preparing their tenancy policies.

Registered providers are expected to have due regard to the principles set out in local authorities Tenancy Strategies when formulating policies that govern how they will implement and utilise fixed term tenancies. It is important that they are able to follow a consistent set of principles, which one City Region Tenancy Strategy will provide.

Consultation

- 3.5 The consultation process was focussed on a survey in May 2014 with registered providers operating within the City Region. Analysis identified that, of those who responded to the survey, four providers had issued a total of 63 fixed term tenancies since 2012. The reasons for their use included;

- Mortgage Rescue Scheme
- Empty Homes initiative

- Maximising income for new developments
- Supporting tenancy sustainment
- Ensuring efficient use of adapted properties for disabled people.
- Preventing under occupation of large family homes
- Certain property types were identified to be in short supply
- Certain properties were in high demand areas.

Details of fixed term tenancies issued were;

Authority	Percentage
Sefton	62%
Wirral	24%
Liverpool	13%
Halton	2%

Fixed term tenancies were not used in Knowsley or St Helens. During this period 70,000 new tenancies have been issued across the City Region, therefore, 63 fixed term tenancies as a proportion is below 0.1% of total. This is in line with the national trends, where the use of fixed term tenancies remains low.

Clearly the use of fixed term tenancies can have some benefits, which may be attractive to some local authorities, particularly in the South of England where demand is higher. For example, they can assist in helping to release larger properties when a family no longer needs that accommodation size. At present, this type of issue is not evident in the City Region to the same extent; however, this may change overtime, though at present there are only three registered providers who have confirmed that they would definitely use such tenancies in the future.

It is not envisaged that the use of fixed term tenancies will change dramatically within the North West. However, the strategy outlines the options available and will be utilised accordingly to address changing economic and cultural changes. Discussions with the Registered Providers confirmed that it is not the intention to increase general use of fixed term tenancies, however, involvement with the Local Authority regarding and Syrian Refugee Programme will result in five year fixed term tenancies put in place to comply with the five year Humanitarian Protection. The Registered Providers have provisions in place to review the fixed term tenancies and if applicable convert to assured tenancies.

3.6 The proposed Liverpool City Region Tenancy Strategy was made available to stakeholders via online questionnaire in July 2016 and the responses received demonstrated strong support for the overall approach of the strategy.

City Region Strategy 2016 – 2019

The proposed Liverpool City Region Tenancy Strategy builds on the existing local authority strategies by maintaining a presumption in favour of lifetime tenancies. Social Housing is often located in some of the more deprived parts of the City Region and reducing security of tenure in these areas is likely to impact on the longer term aspiration of creating sustainable communities. The proposed strategy also recognises that there may be circumstances where the use of fixed term tenancies will provide an opportunity for registered providers to make best use of their housing stock. It sets out the criteria registered providers should consider in determining the appropriate form of tenancy for tenants and the situations where the use of fixed term tenancies will not be suitable. The proposed strategy retains the expectation that fixed term tenancies will normally be granted for a minimum of five years.

- 3.7 A detailed analysis of housing market trends across the City Region has been undertaken, with a summary provided as an appendix to the strategy. This identifies that demand for social and affordable housing continues to be high across the City Region. However, taking this into account along with the impact of the recent Government welfare and housing reforms, it does not identify any trends which would prompt a change of policy direction from that of the existing tenancy strategies.

Decision Making Process

The strategy received agreement from the Liverpool City Region and Spatial Planning Co-ordination Group in August 2016 and was recommended for approval by the Housing Spatial Planning Board in September 2016. The proposed strategy will then be recommended for endorsement and adoption by each Liverpool City Region local authority through their own decision making processes, with a view to launching the revised City Region Tenancy Strategy in December 2016.

Subject to approval the strategy will be reviewed annually and amended accordingly to reflect economical and legislative changes. An annual update report will be submitted to each of the Sub Regional Authorities.

4.0 **POLICY IMPLICATIONS**

- 4.1 The development of a Tenancy Strategy is a statutory requirement of the Localism Act 2011 and had to be published by 2013. The Act also states that a local housing authority must review and modify its Tenancy Strategy.

4.2 The proposed joint City Region Tenancy strategy will give consistent approach across Local Authority boundaries. It will also simplify the process for registered providers, who will have one set of principles to comply with when developing housing policies.

5.0 **FINANCIAL IMPLICATIONS**

5.1 There are no financial implications

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

The Strategy recommends that fixed term tenancies are renewed where the household contains pre school age children or children in full time education, unless there has been a substantial increase in the financial circumstances of the household to the extent that continued occupation of the property would present a conflict with the RPs charitable objectives to provide housing for those in necessitous circumstances

6.2 **Employment, Learning & Skills in Halton**

Research suggests that poor housing conditions can have an adverse impact on educational attainment. The Strategy has been framed so that there are no barriers to those seeking employment or career development as a result of the use of fixed term tenancies

6.3 **A Healthy Halton**

Poor housing conditions can have an adverse effect on health & homelessness, subsequently improving access to social housing stock can bring about positive health benefits and promote sustainability.

6.4 **A Safer Halton**

The Strategy aims to minimise the risks to sustainable communities and thus community safety which could potentially result from the use of fixed term tenancies.

6.5 **Halton's Urban Renewal**

The Strategy aims to protect the sustainability of Halton's communities from the use of fixed term tenancies by reserving the right of the Council to request that the RP suspend their use should an area be identified as potentially being at risk.

7.0 **RISK ANALYSIS**

7.1 The tenancy strategy needs to be clear about the issues which

registered providers should have regard to when setting their tenancy policies. This will lead to more balanced and sustainable communities and protect households that the local authority views as being vulnerable and more suited to lifetime tenancies.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 The potential impact has been reviewed with regard to equality and the impact assessment completed.

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None.