

# Maidstone Borough Council Tenancy Strategy 2012-2015

## 1. Purpose of Document

The purpose of the tenancy strategy is to set out expected standards for registered providers of social housing that are working within Maidstone Borough. The document will set out matters for registered providers to have regard to in formulating their policies on areas such as flexible tenure and affordable rent.

Whilst the tenancy strategy will be a document that sits alongside the Homelessness Strategy and the Allocations Scheme, it is important to note that most registered providers work in multiple local authority areas and will need to have regard to many tenancy strategies. With this in mind, we are working towards a Kent wide strategy which will work in conjunction with this document.

As most providers will be required to have regard to many tenancy strategies, it is our view that a local authority tenancy strategy should be a succinct document that sets out minimum standards to be adhered to whilst ensuring registered providers still see Maidstone Borough as an attractive and profitable place to build new properties.

## 2. Legislative Framework

The Localism Act places a new duty on local authorities to publish a tenancy strategy. All registered providers of social housing must then have regard to this strategy in the development and implementation of their own.

Local Authorities are mandated to have this in place within a year of s150 of the Localism Act coming into force. Registered providers of social housing are implementing their own tenancy strategies and are taking these to their boards so that they are in place for the 2012/13 financial year.

Clause 150 of the Localism Act states:

A local housing authority in England must prepare and publish a strategy (“a tenancy strategy”) setting out the matters to which the registered providers of social housing in its district are to have regard in formulating policies relating to:

- a) The kinds of tenancies they grant,
- b) The circumstances in which they will grant a tenancy of a particular kind,
- c) Where they grant tenancies for a certain term, the lengths of the terms, and
- d) The circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy

### **3. Tenancy Type and Length**

All tenancies in Maidstone will be Assured Shorthold Tenancies and this strategy will apply only to general needs housing. Maidstone Borough Council expects lifetime tenancies will be granted unless the Registered Provider can demonstrate that fixed term tenancies can make best use of the housing stock.

There will be a variety of fixed term tenancy lengths offered within Maidstone Borough; however these will fall into 2 broad categories

a) 2 year exceptional

These will be offered to tenants who have exceptional circumstances and may need assistance in maintaining a tenancy. This would be used rarely and only under exceptional circumstances. Please refer to section 8 for more detail of this.

b) 5 year standard

This will be the minimum length of a standard tenancy. Registered Providers are able to offer standard tenancies of longer than this, in accordance with their own tenancy policies, but 5 years will be the minimum length required.

Whilst we expect our registered providers to offer the above types of tenancies within the Borough and to adapt their standard tenancy length to fit a tenant's circumstance, there should be a standard tenancy length that each Registered Provider has in accordance with their own tenancy policy. Each Registered Provider will supply a copy of their tenancy policy, as well as their equality impact assessment, to Maidstone Borough Council prior to adoption or amendment.

### **4. Circumstances in which Specific Tenancies will be Granted**

a) 'Exceptional tenant'

Where a tenant is deemed as an exceptional case - see section 8 for a definition - they will be granted an exceptional 2 year tenancy. Upon successful completion of this tenancy, the next tenancy will be granted as a standard tenancy. If the tenancy is unsuccessful discussions must be undertaken with the housing advice service to ensure that homelessness does not occur.

b) 'Vulnerable Tenant'

Where a tenant is deemed as vulnerable – see section 8 for a definition – it is expected that they will be offered a tenancy that provides stability in accordance with their needs. The exact length of this will need to be tailored toward the individual needs of each individual vulnerable tenant.

Registered Providers will need to ensure that the circumstances in which tenancies that are non-standard are granted in accordance with their own tenancy policies.

## 5. Renewal or Termination of a Tenancy

This section does not apply to Registered Providers of Social Housing who are retaining lifetime tenancies.

This section only applies when a tenancy is being renewed or terminated at the end of the tenancy period. It does not apply to tenants ending their tenancy of their own accord, or in situations in which tenants are being evicted before the end of their tenancy by a possession order, such as rent arrears or anti-social behaviour.

Maidstone Borough Council will expect that at the end of a tenancy there will be a positive presumption in favour of renewing a tenancy for a further standard length. The only exceptions to this will be:

a) Under-Occupation

In cases where there are one or more spare bedrooms in a property the non-renewal of a tenancy will be expected to make best use of housing stock within the Borough

b) Statutory Over-crowding

In cases of statutory over crowding as currently defined by part 10 of the Housing Act 1985 s.326.

c) Change in Need or Circumstance

In cases where specific accommodation has been provided to suit a specific need – such as disabled adapted properties or extra care – where the need is no longer required. Also in cases where a tenant's income level has changed dramatically to the point that they would be able to afford their own property

S164 of the Localism Act will make it incumbent on Registered Providers of Social Housing to provide housing advice on the non-renewal of a tenancy. *(The Council can provide this service, however, the implications of this to the housing advice service may mean that a fee has to be introduced payable by the Registered Provider of Social Housing).*

When a Registered Provider of Social Housing decides not to reissue a tenancy, Maidstone Borough Council should be informed at the same time as notice is served to the tenant in order to assist with homelessness prevention.

## 6. Affordable Rent

Affordable Rent will provide one of the main funding sources for future developments, and as such Maidstone Borough Council accepts the need for affordable rents as long as it does not exceed the level of the local housing allowance as determined by central government.

What is calculated as 80% of market rent will be determined by Registered Providers of Social Housing commissioning using Royal Institute of Chartered Surveyors approved methods, however, in some areas of the Borough the rental market is small and it is difficult to establish market rent with

any true reliability. In these circumstances the Council will work with Registered Providers to establish a fair rent level for the Registered Providers and tenants.

The challenge of the affordable rent model is to make best endeavours that higher rent levels do not trap those on lower incomes in a cycle of poverty and that whilst they may be able to pay the rent, that they are still able to afford fuel, food, travel, and all the other essential needs. It is incumbent on both the Council and Registered Providers of Social Housing to assist with this, especially in light of upcoming changes to welfare benefits payments.

The council will allow up to a maximum of 25% of existing stock per Registered Provider of Social Housing to be changed to the affordable rent model. Registered Providers can only do this when properties have become void.

## **7. Existing & Transferring Tenants**

It is vital for Registered Providers to ensure that any existing tenants who are transferring to another property, and are changing to either a flexible tenure or affordable rent, fully understand the changes to their terms, and the implications that these have. *(This could be an area that existing housing advice provision by the Council is used; however, a charge may be levied for this).*

Whilst it is for the Registered Provider to determine whether a tenant will keep their old terms or change to new terms, in cases of under-occupation or a tenant moving into a property which has been adapted for their specific needs the Council expects that if the tenant had a lifetime tenancy or were paying social rent that this will be maintained to encourage best use of housing stock within the Borough. Tenants will not be prevented from moving into properties on the affordable rent model as long as they do so from an informed position.

In cases where a tenant is forced to leave their property due to circumstances beyond their control, such as fleeing domestic violence, Registered Providers will need to carefully consider if it is appropriate to move such tenants to affordable rent or flexible tenures.

The Council is fully supportive of the Mutual Exchange Scheme and of increasing mobility in the social housing sector. It is an expectation that Registered Providers wishing to develop new affordable housing in Maidstone will sign up to the government's Homeswap Direct Scheme and will encourage their tenants to use the scheme if they are looking to move outside of the local area.

## **8. Definitions**

'Exceptional tenant' – an exceptional tenant will be a tenant who requires additional support to maintain a tenancy or for whom a 5 year tenancy may not be acceptable. This will include but not be limited to: applicants moving on from supported accommodation, ex-offenders or those with a history of substance or alcohol misuse.

'Vulnerable tenant' – a vulnerable tenant will be a tenant who requires stability in their tenure. This will include but not be limited to: older tenants especially those moving into sheltered accommodation and those with lifelong disabilities especially when moving into an adapted property