

Housing Services Tenancy Strategy

February 2019

Teignbridge District Council



Contents

Chapter		Page	Link
1	Background	3	
2	Aims of the strategy	3	
3	Specific aims of the strategy	4	
3.1	Charge rents under the local housing allowance rate	4	
3.2	Publish clear and accessible policies on tenancy management	5	
3.3	Create clear and transparent advertisements on Devon Home Choice	5	
3.4	Charge no more than 2 weeks rent in advance	6	
3.5	Co-operate with the Council to make the best use of stock	7	
3.6	Bid for social grant where available	7	
3.7	Assist the local authority to maintain tenancies and prevent homelessness	8	
3.8	Limit the conversion of social rents to affordable	8	
3.9	Promote mobility within the sector	9	
3.10	Take precautions to tackle tenancy fraud	9	
4	Contact details	12	

Amended text following consultation

1 Background

Social housing is more than providing a roof over people's heads. It extends to healthy, balanced communities and vibrant neighbourhoods. It helps to create thriving, mixed communities and meets a need alongside home ownership, shared ownership and private rented accommodation. By providing decent, affordable, stable homes for thousands of local households, it also benefits our society by tackling poverty, contributing to health and wellbeing, reducing pressure on other public services and stimulating the wider economy.

Additionally, many social housing providers now see their responsibility as creating and shaping 'places' and are diversifying their activities beyond providing housing. This may include community development, providing support services, offering training and helping people into work.

Of course, core business for social housing providers is still about developing and maintaining property, as well as managing tenancies and estates well, minimising arrears and dealing with anti-social behaviour effectively. Good quality housing management is central to providing homes and communities where people want to live. How it's done can vary widely depending on the provider's accommodation and services, the local context, what tenants want and, increasingly, what social housing providers can afford.

This document fulfils the requirements of the Localism Act (2011) for local authorities to have a tenancy strategy, setting out the matters to which social landlords in the area must have regard when setting their policies. It gives local authorities powers to ensure that social housing in their areas is meeting local need and local priorities, as identified in the council's plans and strategies.

This strategy also refers to the Government's regulatory tenancy standards, which contain specific expectations and the outcomes that providers are expected to achieve, for example, to provide 'tenancies that are compatible with the purpose of the accommodation, the needs of individual household, the sustainability of the community and the efficient use of their housing stock'.

[\(Regulatory Standards\)](#)

2 Aims of the strategy

Our strategy proposes developing local housing framework, which would set ranges for rents in relation to local incomes, whilst also enabling social housing providers to develop and maintain property, as well as manage homes through the tenancies they offer.

In summary, the overarching aims of this strategy are to:

- 2.1 Comply with the legislation
- 2.2 Encourage a wide range of housing options
- 2.3 Promote affordability
- 2.4 Make the best use of the available social housing stock
- 2.5 Ensure that vulnerable households are able to access appropriate accommodation
- 2.6 Promote mobility within social housing and other housing tenures
- 2.7 Promote clarity

3 Specific objectives of the strategy

More specifically registered providers are encouraged to:		Link
3.1	Charge rents under the local housing allowance rate	
3.2	Publish clear and accessible policies on tenancy management	
3.3	Create clear and transparent advertisements on Devon Home Choice	
3.4	Charge no more than 2 weeks rent in advance	
3.5	Co-operate with the Council to make the best use of stock	
3.6	Bid for social grant where available	
3.7	Assist the local authority to maintain tenancies and prevent homelessness	
3.8	Limit the conversion of social rents to affordable	
3.9	Promote mobility within the sector	
3.10	Take precautions to tackle tenancy fraud	

3.1 Charge rents under the local housing allowance rate

The Council defines 'affordable rent' as:

'a rent which does not exceed 80% of the Open Market Rent (inclusive of any service charges) for the relevant property type and in any event should not exceed the published Local Housing Allowance for the relevant property type and in the relevant property market area allowing for any modifications to a level of allowance as published from time to time by the Government SAVE THAT the rent charged under all lettings may be increased annually by a proportion equivalent to an increase by the Consumer Price Index plus 1%, or any relevant increase determined from time to time by Homes England'.

The Council expects registered providers to take the level of service charge payable on the property into account when looking at affordability. Rent and basic service charges, excluding water/waste, pull-chords/alarms etc., should be included in the rent setting, which should fall below the Local Housing Allowance rate. Extra Care accommodation is exempt from this requirement.

It is expected that registered providers will endeavour to keep increases for Universal Credit eligible service charges within the CPI + 1% Guideline Limit.

[\(2.4 Rent Standard guidance\)](#)

A tenancy where a registered provider is the landlord is excluded from mainstream Local Housing Allowance rules. But landlords should consider the local market context when setting rents, including the relevant Local Housing Allowance for the Broad Rental Market Area in which the property is located.

[\(4.7 Rent Standard guidance\)](#)

Providers are reminded that the Rent Standard requires tenants to be supplied with clear information on how service charges are set, therefore providers should properly distinguish between rents and eligible and ineligible service charges.

[\(2.2 Rent Standard\)](#)

The Council does not expect providers to charge for the extra day in a leap year.

The Council is keen to see registered providers carrying out affordability assessments with households when letting properties at rents that are close to the current Local Housing Allowance, to ensure that the tenancy will be sustainable over time.

3.2 Publish clear and accessible policies on tenancy management

The Regulatory Standards make it clear that registered providers shall publish clear and accessible policies which outline their approach to tenancy management, including:

1. How their rent and any service charge are set, and how they are changed, including reference to the CPI benchmark to which annual changes to rents should be linked
2. The type of tenancies they will grant
3. The circumstances in which they will grant tenancies of a particular type
4. Where they grant tenancies for a fixed term, the length of those terms and any exceptional circumstances in which they will grant fixed-term tenancies for a term of less than five years in general needs housing following any probationary period
5. The circumstances in which they may, or may not, grant another tenancy on the expiry of the fixed term, in the same property, or in a different property
6. The way in which a tenant, or prospective tenant, may appeal against or complain about the length of fixed term tenancy offered and the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term
7. Their policy on taking into account the needs of those households who are vulnerable by reason of age, disability or illness, and households with children, including through the provision of tenancies which provide a reasonable degree of stability
8. The advice and assistance they will give to tenants on finding alternative accommodation in the event that they decide not to grant another tenancy
9. Their policy on granting discretionary succession rights, taking account of the needs of vulnerable household members
10. Their approach to managing interventions to sustain tenancies and prevent unnecessary evictions
11. Their approach to how they are tackling tenancy fraud

[\(2.2 Tenancy Standard\)](#)

3.3 Create clear and transparent advertisements on Devon Home Choice

Registered providers shall let their homes in a fair, transparent and efficient way. They shall take into account the housing needs and aspirations of tenants and potential tenants ([1.1 Tenancy Standard](#))

The Council expects that registered providers will commit to the use of Devon Home Choice as their principle method of identifying new tenants. If lettings are made without advertisement, providers should report these to the Devon Home Choice Board of Management, having first informed the local authority.

To promote transparency, advertisements should:

1. Clearly set out the rent. If the rent is not known, it should not be advertised
2. Clearly set out and detail any individual service charges, making it clear if they are eligible under Universal Credit, or if the tenant is to pay on top of any benefits. If the service charge is not known, it should not be advertised
3. Clearly set out any rent in advance; not requesting payment above this upon shortlisting
4. Include specific eligibility criteria, such as local connection, accessibility and age

5. Include a reasonable photograph of the property. Where none is available, for example, it is being developed, then the provider should explain this and use an alternative likeness, such as the architect's impression
6. Include the council tax band where possible

3.4 Charge no more than 2 weeks rent in advance

The Council would like to see households being able to transition smoothly into safe and secure homes, regardless of income. We support and encourage clients to prioritise paying rent, but we are increasingly concerned that there is a significant number of people who cannot afford upfront payments.

It's vital that homeless households, people on low incomes and people who can't access other forms of housing can find a home they can afford. Social housing provides that safety net, but one month's rent in advance is simply not affordable, particularly when you consider that social tenants are expected to pay additional costs for carpeting and curtains, unlike in the private rented sector.

We wish to support the good work registered providers do on behalf of their tenants, including the ability to offer flexibility for those who may be struggling financially. However, it is the Council's opinion that access to social housing should be fair and equitable and that rent in advance is a barrier to those with little, or no income, or no savings.

A key function of social housing is to provide accommodation that is affordable to people on low incomes. However, it would appear that decisions about the amount of rent in advance are being made upon personal, protected characteristics and income and this could be seen as discriminatory practice. Furthermore, there is no regulation around what happens at the end of a tenancy when rent in advance is charged and fully paid up by Universal Credit.

Registered providers should therefore charge no more than 2 weeks rent in advance, clearly stating the amount when advertising and not requesting payment above this upon shortlisting.

Additionally, we would like to see providers publish an online rent in advance policy. The policy should clearly set out how rent in advance will be used, how it is returned, the process should the tenancy transfer to another provider and that no damages, or court costs will be deducted from these payments.

Where delays to the housing element of Universal Credit has led to providers being unable to offer financial flexibility, the Council is keen to work in collaboration to find solutions for providers and their tenants that will work to both reduce rental arrears and sustain tenancies.

The Council recommends that:

1. There should be better access to pre-tenancy information for tenants, including budgeting and income maximisation
2. A financial assessment for potential vulnerability be introduced at the allocation stage
3. Providers should continue to improve their engagement with tenants and prioritise tenancy support, including helping tenants get online where appropriate
4. Joint working arrangements between the Council, the Department of Work and Pensions and registered providers should be maintained to ensure a holistic service is provided

3.5 Co-operate with the Council to make the best use of stock

Registered providers shall co-operate with local authorities' strategic housing function, and their duties to meet identified local housing needs. This includes assistance with local authorities' homelessness duties, and through meeting obligations in nominations agreements. ([2.1 Tenancy Standard](#))

Local letting plans

The Council expects registered providers work in partnership with the Council to develop local lettings plans to help create sustainable communities. The aim of a lettings plan would be to ensure that providers let homes in a way that:

- a) Develops balanced and mixed communities
- b) Promotes social inclusion
- c) Meets the needs of those in the greatest housing need
- d) Maximises the housing choice for applicants
- e) Minimises re-let periods
- f) Makes the best use of the stock, for example downsizing and better use of adapted homes
- g) Enables people to live and work in rural areas

Direct matches

The Council would like to work with providers to set up direct matches on adapted homes that are fully wheel-chair adapted and/or have wet rooms. This may require the Council facilitating a Multi Adapted Panel Meeting if we are extending the invite to all local providers.

Fixed-term tenancies

The Council encourages landlords to offer fixed-term tenancies where this will help to make best use of the stock, in particular on larger properties of 3, or more bedrooms and on properties that have been significantly adapted for use by someone with a disability. This will help to ensure that in future, if a household no longer requires a larger, or adapted property, they can be supported to move on and the property can be reallocated to those in greater housing need.

The Council supports registered providers offering a minimum of 3 years fixed-term tenancy where this supports the aims of the tenancy strategy.

Disposals

If a registered provider is looking to dispose of a property in the Teignbridge area, they should discuss this with the Council at the earliest opportunity.

3.6 Bid for social grant where available

The Council expects that any registered provider bidding for grant funding and/or developing in Teignbridge to become a member of the Teignbridge Affordable Housing Partnership.

Partners meet regularly, generally every four months and focus predominantly on new development, but may cover wider issues such as housing management and making best use of stock. Each partner will also meet individually with the Council at least once a year to discuss delivery pipeline and any other issues.

Benefits of becoming a member of the partnership include:

- a) Recommendation to developers for acquisition of S106 schemes
- b) Priority for the purchase of housing land where the Council is involved in its disposal
- c) Priority for any funding that the Council is awarding, for example top-up funding for new developments, new homes bonus, funding for particular projects

- d) Priority to being involved in the development of new initiatives and projects to deliver new homes and/or increase the amount of social housing available
- e) Support for appropriate funding bids to Homes England and other bodies
- f) Opportunities to influence policy, including meetings with members and officers, as appropriate
- g) Providing access to planning and enabling guidance and assistance

A copy of the Partner Agreement is available upon request.

3.7 Assist the local authority to maintain tenancies and prevent homelessness

Registered providers shall co-operate with local authorities' strategic housing function, and their duties to meet identified local housing needs. This includes assistance with local authorities' homelessness duties, and through meeting obligations in nominations agreements.

[\(2.1 Tenancy Standard\)](#)

Private Registered Providers have a duty under s.170 (Housing Act 1996) to cooperate with housing authorities – where the authority requests it - to such extent as is reasonable in the circumstances in offering accommodation to people with priority under the authority's allocation scheme. Similarly, s.213 (Housing Act 1996) provides that, where a Private Registered Provider has been requested by a housing authority to assist them in the discharge of their homelessness functions under Part 7 (Housing Act 1996), it must cooperate to the same extent

[\(Chapter 6. Allocation of accommodation\)](#)

The Council expects all registered providers to work proactively to manage and sustain tenancies. This should include regular contact with the tenant, regardless of tenancy type. **Where a fixed-term tenancy is granted, the provider should make contact with the tenant at least 12 months prior to the tenancy end date to put forward the factors that would determine whether a further tenancy is granted, or the grounds for not renewing the tenancy.**

The Council also expects registered providers to:

1. Contribute to the development and execution of local authority homelessness strategies
2. Operate flexible allocations and eligibility policies that allow individual applicants' unique set of circumstances and housing history to be considered
3. **Ensure that all reasonable measures are taken to prevent eviction and homelessness in line with the Devon Home Choice 'pre-eviction protocol'**
4. Commit to meeting the needs of vulnerable tenant groups
5. **Work in partnership to provide a range of affordable housing options that meet the needs of homeless people in their local communities and, where possible, assist the local authority to deliver projects specifically aimed at reducing homelessness and rough sleeping such as 'Housing First'**
6. Ensure that properties offered to homeless people should be ready to move into
7. Lobby, challenge and inspire others to support ending homelessness
8. Commit to referring an individual, or household to the Council if they are homeless or threatened with homelessness ([Commitment to refer](#))

3.8 Not to convert social rents to affordable rents

In the 2010 Spending Review the Coalition Government expressed a desire to build more homes for less public money and announced their intention to introduce a new 'intermediate rent'. Under this model registered providers could offer tenancies at rents of up to 80% of market rent levels within the local area. The new 'affordable rents' are more expensive than social rents throughout England and in areas of high house prices, such as Teignbridge, the difference is noticeably larger.

According to Homes England, Teignbridge is a local authority in a 'high affordability pressure area'. Affordable rent can be a good option for some people on middle incomes who just need a little help. However, is unlikely to be truly affordable for those in the most housing need. Without more new social rented homes, more and more people on low incomes, or who are homeless, will be offered no option, other than a home with a rent they can't afford, forcing them to rely on Universal Credit to bridge the gap.

We appreciate that to ensure registered provider's business plans are maintained there will be times when social rents will need to be converted to affordable rents. The Council would expect partners to keep this to a minimum to enable the largest percentage of stock possible to remain at the most affordable social rents levels.

Where providers convert to affordable rents they should charge 'a rent which does not exceed 80% of the open market rent, inclusive of any service charges and should not exceed the published Local Housing Allowance for the relevant property type'.

3.9 Promote mobility within the sector

The Council is keen to promote mobility within social housing, and expects landlords to actively promote schemes to facilitate mutual exchange. Landlords will need to be aware of the provisions within the legislation for affecting mutual exchange between tenants with different tenancy types and to ensure that their policies reflect these requirements.

Registered providers shall ensure the provider of the internet based mutual exchange service to which they subscribe is a signatory to an agreement, such as Home Swap Direct, under which tenants can access matches across all (or the greatest practicable number of) internet based mutual exchange services. They should also take reasonable steps to publicise the availability of any mutual exchange service that allows:

1. a tenant to register an interest in arranging a mutual exchange through the mutual exchange service without payment of a fee
2. the tenant to enter their current property details and the tenant's requirements for the mutual exchange property they hope to obtain
3. the tenant to be provided with the property details of those properties where a match occurs

Registered providers shall clearly set out, and be able to give reasons for, the criteria they use for excluding actual and potential tenants from consideration for allocations, mobility, or mutual exchange schemes. [\(Sections 1/2, Tenancy Standard\)](#)

Additionally, providers are expected to promote other housing products, such as shared ownership, or low cost home ownership to tenants who meet the criteria. Help to Buy South West is the local one stop shop, allowing households to apply for a whole host of schemes and developments regardless of the supplier. As one of its nine Help to Buy agents, they are appointed by the Homes and Communities Agency, as the agent for South West of England.

3.10 Take precautions to tackle tenancy fraud

Investigating, taking action against and preventing fraud remains a time intensive process, but necessary to maintain the integrity and reputation of both the local authority and registered providers.

The Council expects landlords to take reasonable precautions to tackle tenancy fraud, incorporating some form of check into applications, tenancy sign-up and subsequent regular contact. This currently includes

verifying overcrowding, lacking a bedroom, or detecting sub-letting through home visiting, obtaining proof of address, or other means.

Statutory guidance on social housing allocations states that eligibility will be assessed at the time of application and again at the time of any offer of accommodation. Applicants need to be aware that eligibility at the time of application does not mean that they will necessarily be eligible at the time of any offer of accommodation, particularly if there has been a substantial gap of time between the two.

[\(3.2 Allocation of accommodation\)](#)

The Localism Act 2011 provides local authorities with the power to determine for themselves what classes of persons are, or are not, persons qualifying to be allocated social housing in their areas. Households assessed by one of the Devon local authorities as being guilty of unacceptable behaviour will not be considered as a qualifying person. Examples of unacceptable behaviour could include, but is not limited to, households who have knowingly given false or misleading information or withheld information that has been reasonably requested as part of their Devon Home Choice.

[\(2.5 Devon Home Choice allocation policy\)](#)

Any applications where there are concerns that the applicant has knowingly or recklessly made a statement which is false, or knowingly withheld information should be reported to the relevant person at the local authority managing the application.

[\(16 Devon Home Choice Procedures Manual\)](#)

In addition, the Council will require data sharing agreements with providers when processing the allocation of social housing to which the applicant is party and for undertaking its legal obligation under fraud detection where sharing data would be necessary for the Council to comply with the law.

Registered Providers are responsible for tackling tenancy fraud, such as subletting and should have a clear policy available (Prevention of Fraud Act 2013). [\(Prevention of Social Housing Fraud Act 2013\)](#)

4. Contact details

If you need this information in another format please contact us

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