

**ROTHERHAM METROPOLITAN  
BOROUGH COUNCIL'S  
STRATEGIC TENANCY POLICY,  
2013 - 2018**

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## **1 INTRODUCTION**

Rotherham Metropolitan Borough Council is committed to improving access to suitable accommodation. We try to make the best use of our existing housing stock and ensure that our most vulnerable tenants live in suitable accommodation. Our Strategic Tenancy Policy sets out how we will continue to achieve these outcomes.

There are significant changes taking place in social housing policy and this document underpins the basis for the changes we will implement regarding the management of our own stock and gives guidance to our registered provider partners who are active in the borough.

This Tenancy Strategy has been drawn up in consultation with our registered provider partners, stakeholder organisations, elected members, tenants and residents and community groups.

## **2 BACKGROUND**

The Coalition Government has introduced a series of changes to the way in which affordable housing is provided in England. In the Localism Act, 2011, Government set out measures which allow registered providers (including local authorities and registered social landlords) increased flexibility in the way they allocate and provide tenancies.

This document sets out Rotherham Metropolitan Borough Council's position in relation to its own housing tenancies, and guidance to which registered provider partners should have 'due regard', in relation to;

- The types of tenancies granted across the Borough
- The length of fixed term tenancies, when used
- Circumstances under which a further fixed term tenancy will be issued
- Circumstances under which a permanent secure tenancy will be issued
- The impact fixed term tenancies will have on mutual exchange
- Succession rights

The Tenancy Strategy is principally concerned with tenure reform, however, reforms in allocations and homelessness have also been considered when producing this document.

The vast majority of tenancies issued by social landlords are either assured tenancies, issued by registered social landlords, or secure tenancies, issued by local authorities. As long as the tenancy conditions are met, these two types of tenancy provide long term security of tenure to social housing tenants. Nonetheless, tenants' household circumstances change over time and the immediate need which informed the original allocation of a property may not be relevant in the future.

It is difficult to predict the cumulative impact of the numerous changes to social housing so this tenancy strategy has been written in a way to ensure that it is flexible enough to meet the challenges ahead whilst continuing to support sustainable communities.

### **3 STRATEGIC CONTEXT**

#### **3.1 National**

The Government has introduced several, significant changes to social housing regulation as a means of addressing perceived failings in the housing system. Such perceived failings include;

- Scarce social housing not being used as effectively as it could be
- The difficulty which low income households have in accessing social housing
- The continuing increase in providing the cost of housing benefit
- Lack of flexibility compared to the private rented sector in terms of mobility

Reforms introduced to address these concerns include;

- Introducing the option for local authorities to discharge their homelessness duty by the offer of a private rented tenancy
- Giving local authority landlords more options to apply locally determined criteria to their housing registers (agree criteria locally to give access the housing register)
- Broadening the range of tenancies through the option for social housing landlords to issue fixed term tenancies (often referred to as flexible tenancies), and
- Changing tenancy succession rights

#### **3.2 Local**

Rotherham's Strategic Tenancy Policy has been developed within the context of the Borough Council's overarching strategic objectives for housing, as set out in;

- Rotherham's Community Strategy, 2012 - 2015:
  - Priority two: ensuring the best start for children and families
  - Priority three: supporting those that are vulnerable within our society
- And Rotherham's Housing Strategy:
  - Commitment one: We will increase the supply of affordable housing in Rotherham
  - Commitment two: We will ensure our Council housing meets the needs of the people of Rotherham

This Strategic Tenancy Policy is to be considered alongside RMBC's Homeless Strategy and Allocations Policy.

#### 4 HOUSING IN ROTHERHAM

The Council owns and manages a housing stock of 20,989 of which 40% are 3 bed roomed houses.

	<b>Bungalows</b>	<b>Bedsits</b>	<b>Flats</b>	<b>Houses</b>	<b>Maisonettes</b>
<b>Total</b>	4728	75	5039	10880	229
<b>%</b>	22.52%	0.36%	24.00%	51.83%	1.09%

There are currently 25,570 people on the Housing Register in Rotherham compared to 19,747 in 2003. The register includes people already in council housing wishing to move as well as new applicants. The waiting list has been subject to data cleansing over the years however the number on the waiting list exceeds the level of stock the Council owns.

Applicants to the Housing Register are assigned one of four categories depending on their housing need. The majority of people are categorised as being in 'general need' meaning they have no housing priority.

Table: waiting list by band;

<b>Band</b>	<b>General</b>	<b>General Plus</b>	<b>Priority</b>	<b>Priority Plus</b>
<b>% of waiting list</b>	82%	8%	9%	1%

All available council properties are advertised via Keychoices and attract an average 70 bids each; the most sought after properties, and most frequently advertised, are 3 bed houses which attract an average of 82 bids per property.

The 2011 Census data shows that 4,823 households (4.5%) in Rotherham are overcrowded.

#### 5 THE USE OF FIXED TERM/FLEXIBLE TENANCIES

Supporting sustainable neighbourhoods is a key priority for Rotherham. It is believed that large scale use of fixed term tenancies would promote transience and undermine neighbourhood sustainability. For this reason, the widespread use of fixed term tenancies would not be welcome in Rotherham, either for council properties or for properties owned by Rotherham's registered provider partners.

RMBC understands there may be a small number of specific instances when a fixed term tenancy could be an appropriate tool with which to manage housing more effectively and alleviate some of the pressure on the stock of Rotherham's social housing. Should a registered provider decide to issue fixed term tenancies, it is anticipated that RMBC is notified of the reasoning, length of term and number of properties to which the decision relates.

## **5.1 The types of tenancies granted by RMBC**

This Council favours the use of lifetime or 'long term' tenancies and currently administers 3 types of tenancy;

- a) 12 month introductory tenancies to new housing tenants
- b) Permanent secure tenancies to existing tenants who:
  - transfer/downsize, and
  - who have seen out the period of their introductory tenancy without incident or breach of tenancy conditions
- c) Demoted tenancies which are created when court makes a demotion order against a permanent secure tenant; demoted tenancies are used to manage antisocial behaviour and offer similar rights to an introductory tenancy

Tenants' situations change over time and households may not continue to need a Council house but choose to remain in their existing home for a variety of reasons (low rent, satisfaction with landlord, security and other related benefits, such as Right to Buy). Fixed term tenancies will help to ensure people move to a suitably sized property when they no longer require a larger council house, freeing up suitable properties to enable the Council to meet the needs of overcrowded families, in priority need.

RMBC does support the issuing of long term, fixed term tenancies to new tenants of Rotherham's larger family homes. In the long term, this will help larger, overcrowded families access council housing as;

- RMBC owns just 261 properties with 4, 5 and 6 bedrooms which equates to 1.3% of council housing stock
- Of these 261 properties 45% (117) of them house just one occupant
- At October 2012 there were 342 families on the housing register with between 4 and 9 children living in houses too small for their needs

From April 2013, this Council will issue a fixed term tenancy to new tenants of its larger, family homes (properties with 4+ bedrooms). New RMBC tenants will initially be issued with the standard, one year introductory tenancy which will automatically become the fixed term tenancy agreement, unless RMBC has taken action to extend or end the introductory tenancy.

## **5.2 The issuing of fixed term tenancies**

The fixed term tenancy offer will be made explicit in the advertisement for the property so applicants would be aware of the long, fixed term nature of the tenancy prior to bidding. It is understood that applicants will perceive this as a reasonable and fair approach as it is likely that they

themselves will have waited for a considerable period to be offered a larger home.

The length of a fixed term tenancy will be determined by the age of the youngest members of the household, with the intention of supporting families until the youngest members of the household reach the age of 21. For example, a family whose youngest household member is 5 years old will be issued with a tenancy which will expire when that young person reaches 21 years of age; therefore, a 16 year fixed term tenancy will be issued.

In the event that a household with children over the age of 21 years secure a 4+ bed roomed property, the assumption that the household size is likely to decrease over time remains, therefore the household will be issued a 3 year, fixed term tenancy. This will be reviewed in accordance with 5.3, below.

### **5.3 Granting a further tenancy**

RMBC will initially issue long term, fixed term tenancies to new tenants of our larger family homes (4+ bedrooms) with the intention of issuing a permanent secure tenancy for a smaller, property on expiration of the fixed term.

It is assumed that the household size will decrease during the term of the fixed term tenancy. Twelve months before the fixed term tenancy is due to expire, a review will be carried out to determine the household's future housing need;

- a) If younger members of the household have secured alternative accommodation, the fixed term tenancy will cease and the tenants will be offered a permanent, secure tenancy for a smaller property which better suits their household size
- b) If the household size remains unchanged tenants will be offered a further, shorter fixed term tenancy (3 years) which will be reviewed 12 months before expiration. At that point, the household will again be offered a permanent secure tenancy for a smaller property. Fixed term tenancies will continue to be issued until the property is no longer needed, as determined by RMBC and the relationship between household size and property size.

### **5.4 Mutual Exchanges**

Mutual exchanges involving a tenant, who has a fixed term tenancy agreement, operate differently from exchanges between tenants who hold permanent secure tenancy agreements.

The Localism Act, 2011, has introduced a new process for dealing with exchanges/transfers.

## **5.5 Succession Rights**

Changes to social housing successions rights made through the Localism Act, 2011, have restricted the statutory right to succeed to the tenant's spouse, civil partner or partner only. The Council has the option to extend those rights by amending the tenancy agreement.

Succession rights remain unaltered for tenants whose tenancies commenced before 1 April 2012.

## **6 APPEAL AND MONITORING**

### **6.1 Appeal**

The Government has introduced a procedure to review decisions relating to fixed term tenancies. There are only two circumstances in which a review can take place;

- a) An application can be made asking for a review of the length of tenancy offered but only if it does not comply with the Council's own tenancy policy, or
- b) An application is made for a review if, at the end of the fixed term tenancy the Council refuses to grant a further tenancy

Full details of the review process will be given to tenants when they are served with a notice granting, or ending, their fixed term tenancy.

### **6.2 Monitoring**

In reality, fixed term tenancies issued in 2013 are unlikely to expire for over a decade. However, sensitively moving households who no longer need a 4+ bed roomed property to a smaller home will offer greater opportunities to manage council housing for the benefit of overcrowded families, at that time.

The Council will closely monitor the impact of the use of fixed term tenancies. Monitoring will take into account the following areas;

- a) Impact on demand for larger family homes
- b) The impact of fixed term tenancies on households' commitment to an area
- c) RMBC's ability to offer permanent secure tenancies, when the fixed term tenancy expires
- d) Detrimental impact on groups with protected characteristics (via Equalities Impact Assessment)

Rotherham's Strategic Tenancy Policy is a live document and will be formally reviewed on or before January 2018.

## **7 EQUALITIES**

Equalities issues are captured and monitored through the Equality Analysis.

## **8 CONSULTATION**

Consultation on tenure reform was administered in conjunction with the extensive consultation programme for Rotherham's Housing Strategy which ran from June to September 2012.

Feedback from the on-line questionnaire, public consultation events and meetings with partners and stakeholders showed a strong opposition to the widespread use of fixed term tenancies across the Borough and a level of support for longer, fixed term tenancies for larger properties.