

# REPORT FOR DECISION

<b>Agenda Item</b>	
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<b>DECISION OF:</b>	<b>The Cabinet</b>
<b>DATE:</b>	<b>10 October 2012</b>
<b>SUBJECT:</b>	<b>Development of Strategic Tenancy Policy for the Borough</b>
<b>REPORT FROM:</b>	<b>Cllr Gill Campbell, Cabinet Member for Neighbourhoods and Regeneration</b>
<b>CONTACT OFFICER:</b>	<b>Marcus Connor – Head of Performance &amp; Housing Strategy</b>
<b>TYPE OF DECISION:</b>	<b>CABINET (NON-KEY DECISION)</b>
<b>FREEDOM OF INFORMATION/STATUS:</b>	This report is within the public domain
<b>SUMMARY:</b>	<p>Under the Localism Act 2011, all local authorities in England are required to produce and publish a Strategic Tenancy Policy for their area, by 13<sup>th</sup> January 2013.</p> <p>The draft policy has been produced following initial consultation with councillors, housing providers and other stakeholders. Cabinet approval is sought to consult on this policy in October/November 2012.</p> <p>The draft policy has been produced to give a framework for registered providers in the borough, dealing with issues such as length of tenancy, type of tenancy offered and circumstances influencing these decisions. These issues will be subject to further discussion during the consultation period.</p>
<b>OPTIONS &amp; RECOMMENDED OPTION</b>	<ol style="list-style-type: none"> <li>1. Consult on the draft Strategic Tenancy Policy. This is the preferred option and will work towards compliance with the Localism Act 2011.</li> <li>2. Do nothing. The Council would fail in its statutory duty to produce and publish a Strategic Tenancy Policy by 13<sup>th</sup> January 2013 and so this option is not recommended.</li> </ol> <p>Proceeding to consultation at this stage does not commit the Council to this policy. The Council may amend any part of the policy in light of consultation.</p>

<b>IMPLICATIONS:</b>	<p>Final approval of a policy will allow the Council to comply with it's duties under the Localism Act 2011.</p> <p>The key areas outlined in the policy will provide a framework to registered providers operating in the borough, lead to consistency of service delivery and maximise the use of limited housing resources.</p>
<b>Corporate Aims/Policy Framework:</b>	Do the proposals accord with the Policy Framework?      Yes
<b>Statement by the S151 Officer: Financial Implications and Risk Considerations:</b>	There are no immediate financial implications arising from this Policy, however it is essential that full appraisals are undertaken in respect of any proposed remodelling of rents (currently none are proposed).
<b>Statement by Executive Director of Resources:</b>	<p>There are no other direct resource implications arising from the proposal to consult on the Policy.</p> <p>It is important that the Policy is sensitive to current and potential changes in housing benefit legislation as part of the Council's response to the Government's welfare reform agenda.</p>
<b>Equality/Diversity implications:</b>	The equality analysis shows the proposed policy to impact positively on older people.
<b>Considered by Monitoring Officer:</b>	Yes. The legal implications are set out in this report and in the policy, which has also been considered by an external legal advisor. JH
<b>Wards Affected:</b>	All Wards
<b>Scrutiny Interest:</b>	Overview and scrutiny

**TRACKING/PROCESS**

**DIRECTOR: Executive Director of Adult Care Services**

Chief Executive/ Strategic Leadership Team	Executive Member/Chair	Ward Members	Partners
Scrutiny Committee	Committee	Council	

## **1.0 BACKGROUND**

- 1.1 The Localism Act 2011 placed a statutory requirement on all local authorities in England to produce and publish a Strategic Tenancy Policy by 13<sup>th</sup> January 2013.
- 1.2 This is a new policy and has been developed to this draft stage through engagement and consultation with stakeholders.
- 1.3 Subject to comments by Cabinet, the report seeks approval to undertake formal consultation on the new policy with a view to a final decision being submitted to Cabinet in December 2012, thereby allowing the Council to comply with its statutory duties.

## **2.0 AIMS OF THE POLICY**

- 2.1 To comply with statutory responsibilities under the Localism Act 2011.
- 2.2 To provide registered providers with a framework for provision of housing services in a number of key areas:
  - Length of tenancy
  - Tenancies for older people
  - Adapted properties
  - Overcrowding and under occupation
  - Use of the private sector to address homelessness
  - Affordable rent conversions
  - Increasing rents for higher income households

## **3.0 ISSUES FOR CONSIDERATION**

- 3.1 The draft policy has been developed in collaboration with a range of stakeholders and has sought to capture the range of views expressed. However not all the issues are clear cut and the draft policy will be open to further discussion and amendment throughout the formal consultation period.
- 3.2 The key recommendations of the policy are:
  - Lifetime Tenancies vs. Fixed Term Tenancies – Bury will continue to offer lifetime tenancies in unadapted, general needs, social rented housing and will support and encourage registered providers in the Borough to follow this approach;
  - Housing for Older People – Older people living in properties specifically designated for older people should be given lifetime tenancies;
  - Adapted Properties – Granting tenancies for as long as the person for whom the adaptation was intended continues to live at that property;
  - Addressing under-occupation and over-crowding – The Council will provide advice and support to tenants who need to move due to under-occupation or over-crowding of their current tenancy;
  - Private Sector and Homelessness – The Council will seek to extend the range of options open to it by using properties in the private rented sector to discharge its homelessness duty – subject to the accommodation meeting minimum standards of suitability (quality) and length of tenancy;
  - Affordable Rent Conversions – The Council will work with providers in the Borough to manage conversions to Affordable Rent, to ensure sufficient

choice of affordable tenures in the Borough and to minimise negative impacts on benefits costs;

- Increasing rents for higher income households – At this stage, it is not proposed that the Council charge higher rents to higher income households, particularly as there is no evidence of how many households would be affected. However, further consideration will be given to this in the light of any statutory requirement or local evidence emerging when the Strategic tenancy Policy is reviewed.

3.3 The Strategic Tenancy Policy sits alongside a range of other documents including the Allocations Policy, Tenancy Agreement, Housing Strategy and Housing Need and Demand Assessment 2011.

#### **4.0 CONSULTATION**

4.1 Some initial consultation has been carried out to gather the opinions of providers and other key stakeholders on the range of issues to inform the draft policy. This has included:

- Housing Joint Commissioning Partnership workshop – 7<sup>th</sup> March 2012
- Housing Association Liaison Group – 14<sup>th</sup> March 2012
- Elected Members Training evening – 3<sup>rd</sup> July 2012
- 4 Stakeholder groups:
  - Elizabethan Suite – 23<sup>rd</sup> July 2012
  - Mosses Centre – 30<sup>th</sup> July 2012
  - Longfield Suite, Prestwich – 10<sup>th</sup> August 2012
  - Radcliffe Civic Suite – 13<sup>th</sup> August 2012
- A thorough examination of the policy by legal officers including Counsel's opinion.

In total, up to 100 participants have been involved in discussions to date.

4.2 Subject to Cabinet approval, the next step is to carry out much wider, formal consultation on proposals. This will include seeking views on the policy from:

- All elected members
- All housing providers operating in the borough
- Council housing tenants and applicants on the waiting list
- Voluntary and independent sector groups
- Residents of Bury

4.3 The period of consultation will be from the date of Cabinet until 30<sup>th</sup> November 2012 (6 weeks). All responses will be collated and analysed with a view to a report enclosing the finalised policy being submitted to Cabinet in December 2012.

4.4 The method of consultation will vary to maximise participation. Full details will be sent out to providers, members and interested groups to allow them to comment. In collaboration with Six Town Housing, a specific tenant event will be held – and applicants on the waiting list contacted directly to alert them to the consultation. More generally, press releases and other media outlets including the Council website will be utilised to raise awareness and generate responses from the public and potential customers. Copies of the draft policy will be available on the website and in the main Council offices.

- 4.5 Other approaches such as workshops, presentations or meetings may also be undertaken particularly if particular client groups are struggling to participate or there are recurring themes that need to be addressed.

## **5.0 EQUALITY AND DIVERSITY**

- 5.1 This policy aims to provide tenants with reassurance as to the length and security of tenure. It also recognises the need to maximise the use of limited housing resources. Therefore, support will be given to best match housing to its tenants/occupants.
- 5.2 The equality analysis will be amended during and following consultation. The current version is attached for information.

## **6.0 RISK**

- 6.1 The main risk is from not producing and publishing the policy as this would place the Council in breach of its statutory duties under the Localism Act 2011.
- 6.2 There are also a number of risks associated with the recommendations of the policy. Any actions that result in tenants being required to move from their current tenancy will undoubtedly be unpopular. In all such cases, officers will work with affected tenants to achieve a mutually acceptable solution.
- 6.3 There is also risk as a result of conversions of social rented dwellings to affordable rent dwellings, with potential significant reduction in lower social rent dwellings available for customers in the borough. It is therefore essential that the Council work with all registered providers in the borough and other Greater Manchester authorities to achieve a balanced housing profile across the region.
- 6.4 There is a final risk in terms of the proposal to possibly increase rents to higher income households. At the present time government have not issued final guidance on this proposal which may be contrary to proposals in this policy.

## **7.0 CONCLUSIONS AND RECOMMENDATIONS**

- 7.1 The Strategic Tenancy Policy has to be produced and published by 13<sup>th</sup> January 2013 to allow the authority to comply with the Localism Act 2011.
- 7.2 It is recommended that:
- (a) Cabinet agrees to formal consultation being undertaken on the draft Strategic Tenancy Policy; and
  - (b) A report summarising the consultation responses and providing a final draft of the Strategic Tenancy Policy be submitted to Cabinet in December 2012.
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**List of Background Papers:-**

None

**Contact Details:-**

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