

# Black Country Tenancy Strategy

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# Black Country Tenancy Strategy 2013

Sandwell Wolverhampton Dudley Walsall

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## 1. Black Country Tenancy Strategy

### 1.1 Overview

This Black Country Tenancy Strategy has been developed in response to the Localism Act 2011. Section 150 (1) to (8) set out the issues and administration procedures to be followed by local authorities with regard to their Tenancy Strategy. Section 150 (1) of the Act states that a local authority must publish a Tenancy Strategy that sets out the matters that registered providers of social housing operating in their district must 'have regard' to when formulating policies relating to:

- the kinds of tenancies that they grant;
- the circumstances in which they will grant a tenancy of a particular kind;
- where they grant tenancies for a certain term, the lengths of the terms; and,
- the circumstances in which they will grant a further tenancy at the end of an existing tenancy.

Section 150 (3) also states that local authorities must have regard to their tenancy strategy when delivering their housing management function. A local housing authority must publish its tenancy strategy before the end of the period of 12 months beginning with the day on which this section comes into force (Section 150 (4)).

The Localism Act introduces provision for a new flexible secure tenancy for registered providers of social housing referred to as a Fixed Term Tenancy (FTT). As the term suggests, these tenancies can be issued for fixed terms and, based on a set of fixed circumstances, can either be renewed or terminated at the close of the term. The legislation also brings in the use of 'Affordable Rents' for social housing tenants that are set at up to 80% of the local private rented market level (in accordance with the Homes and Communities Agency Affordable Homes Programme 2011-15).

The purpose of this strategy is to indicate how these new freedoms will be used in a strategic way to make the best use of affordable housing stock across the Black Country local authority areas consisting of Dudley, Sandwell, Walsall and Wolverhampton. All Registered Providers operating across the Black Country area will be expected to give regard to the objectives and principles set out in this strategy.



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The overarching strategic objective of this strategy is to create a consistent and fair approach to the use of Fixed Term Tenancies and Affordable Rents across the Black Country Region in order to:

- o help local households to meet their current and future housing needs
- o encourage Registered Providers to invest in the Black Country to provide more affordable housing options
- o create sustainable communities and continue to protect the vulnerable

We welcome the use of these new powers, alongside the use of existing powers, where they can contribute to:

- o Making the best use of social housing stock
- o Addressing issues such as under occupation or overcrowding
- o Assisting tenants to improve their employability prospects and improve the economic circumstances of their household (by supporting access to training, employment, mentoring etc) which will widen the range of housing options that are available to them
- o Encouraging and maintaining thriving sustainable communities



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## 2 Administration of Fixed Term Tenancies

### 2.1 Use of Fixed Term Tenancies

Local authorities and Registered Providers already have the powers to use a wide range of tenancy types. These have been used to good effect over the years. Social housing providers, up until this point, have tended to offer longer term tenancies, however new powers are now available to offer fixed term tenancies. Registered Providers continue to have a range of tenancy options, including Secure, Assured, Assured Shorthold Starter and Demoted tenancies that have been used to good effect over the years. These should still be used as appropriate and Fixed Term Tenancies should not necessarily be the default tenancy type.

Each Black Country authority that has its own housing stock is developing its approach to using fixed term tenancies. Generally, there are no plans to introduce the wide scale use of fixed term tenancies but each authority continues to retain the right to use such tenancies where circumstances dictate that this may be the most effective way to utilise their housing stock.

The use of fixed term tenancies must be considered very carefully in order to ensure that communities are sustainable and the most vulnerable tenants or prospective tenants are provided with an appropriate type and length of tenancy to provide them with the protection and stability that they require to live successfully within their local community.

In order to achieve that we require that:

- o Any fixed term tenancy is offered for a minimum of five years plus any introductory/probationary or starter period. Tenancies of any shorter duration should only be issued in exceptional circumstances.
- o A longer minimum fixed term be considered for those vulnerable tenants that may benefit from an additional period of stability, for example occupants of some supported housing schemes or households containing children of school age
- o Tenants in sheltered housing or Extra Care Housing will not be considered for fixed term tenancies
- o All prospective tenants be advised of the consequences of entering into a fixed term tenancy arrangement prior to the signing of the tenancy agreement  
Registered Providers will be expected to have procedures in place that will provide clear information to prospective tenants covering:
  - o the type of tenancy to be issued
  - o the reasons for issuing such a tenancy
  - o the grounds upon which a tenant may appeal the prospective landlord's decision
  - o the circumstances where a fixed term tenancy will be issued, the length of the term and the criteria used for review



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## 2.2 Review and termination

We expect that fixed term tenancies will be reviewed at least six months prior to the tenancy end date.

The review process must give due regard to the need to create sustainable communities containing a range of households with mixed income levels. We have therefore not set any household income criteria within the tenancy review process. Each household should be assessed and advised on the range of housing options that are available to them and advice and assistance should be offered to higher income households so that they can consider staircasing into home ownership products if this is affordable and an expressed desire of the household.

We expect that there will be a presumption that the tenancy will be extended unless the size or needs of the household are such that the property is unsuitable to continue to be occupied. This could be because of overcrowding, under occupation or the property cannot be adapted to meet specific needs or there is evidence that a breach of tenancy has occurred that would have resulted in a court order being obtained.

In the circumstances where a tenancy may be terminated and no breach of tenancy has occurred, reasonable efforts must be made to offer suitable alternative accommodation or consideration should be given to extend the tenancy until more suitable housing can be sourced.

The review should NOT be used as an alternative to using the legal remedies and proceedings that are available for the management of tenancies if there is sufficient time and evidence to commence the appropriate legal proceedings.



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## 2.3 Review and Appeal

Reviews will take place at least six months prior to the fixed term tenancy ending. Tenants must be notified of the review outcome and the decision at least three months before the fixed term tenancy ends.

All tenants must be given information about the landlord's review process and the appeals process. All appeals must be heard by a member of the Board/senior officer, or panel of people who have not been involved in the original decision making process.

## 2.4 Existing tenants

We expect that all existing tenants who may wish to transfer to another social rented home will be offered the opportunity, where possible, to transfer whilst retaining their existing level of security of tenure, even if the transfer is from one social landlord to another.



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## **3 Administration of Affordable Rents**

### **3.1 Affordable rents**

We acknowledge that the use of Affordable Rents is essential to the delivery of new social housing, especially the homes delivered under the Homes and Communities Agency Affordable Housing Programme arrangements. However, householders within the Black Country generally have low incomes and we expect landlords to take this into account and take a responsible view when determining when and how Affordable Rents (new build and conversions) will be used.

We expect landlords to offer prospective tenants the opportunity to discuss and evaluate if a tenancy at an Affordable Rent level is a sustainable housing option for them.

### **3.2 Affordable Rent conversions**

The relevant local authority must be involved at an early stage in discussions about stock conversions and provided with details regarding the property type, location and proposed rent level prior to conversions being implemented. The participating local authorities want to ensure that all conversions are suitable and appropriate for their local areas.

Any decisions on implementation must give careful consideration to the sustainability of local communities. Fundamentally, we expect all housing providers to ensure that any Affordable Rents are genuinely affordable for local tenants. The number of conversions in each locality must be carefully managed to ensure that local housing estates continue to contain households with a mix of incomes and that the local community is sustainable.

Consideration should also be given in special circumstances to de-converting Affordable Rents in tenancies where tenants are struggling to meet rent levels on affordability grounds.





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## 4. Monitoring and Review

The Black Country authorities will review this strategy on an annual basis. Registered Providers will be required to submit half yearly data (date to be agreed) in relation to:

- o The number of tenancies issued (all types)
- o The number of fixed term tenancies issued
- o The number of fixed term tenancies reviewed and the outcome of the review
- o The number of Affordable Rents implemented (through new build and conversion)
- o The profile of tenants who have accepted Affordable Rent tenancies
- o Demographic data associated with meeting the requirements of the Public Sector Equality Duty.

The Black Country authorities will collectively produce and publish half yearly reports containing a summary and analysis of this data.



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## Further Information

A copy of this policy, or other related policies, is available for inspection, without charge to members of the public. Copies can be made available upon request (a charge may apply). This information can be obtained from:



**Dudley MBC**

[www.dudley.gov.uk](http://www.dudley.gov.uk)

Dudley Council Plus 0300 555 2345



**Sandwell MBC**

[http://www.sandwell.gov.uk/info/200053/housing\\_associations\\_and\\_co-ops](http://www.sandwell.gov.uk/info/200053/housing_associations_and_co-ops)

Housing and Partnerships Team 0121 569 5102



**Walsall Council**

**Walsall MBC**

[http://cms.walsall.gov.uk/index/housing/housing\\_strategies\\_and\\_policies.htm](http://cms.walsall.gov.uk/index/housing/housing_strategies_and_policies.htm)

01922 655413 or [HousingServices@walsall.gov.uk](mailto:HousingServices@walsall.gov.uk)

**Wolverhampton  
City Council**



**Wolverhampton CC**

[www.wolverhampton.gov.uk/housing/strategy\\_performance/default.htm](http://www.wolverhampton.gov.uk/housing/strategy_performance/default.htm)

01902 551155 or [Housing.Strategy@wolverhampton.gov.uk](mailto:Housing.Strategy@wolverhampton.gov.uk)



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## Glossary of Terms

**Affordable housing is defined as per Planning Policy Statement 3 – Housing – Communities and Local Government – June 2011**

### **Affordable housing**

Affordable housing includes social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.

### **Social rented housing is:**

Rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime. The proposals set out in the Three Year Review of Rent Restructuring (July 2004) were implemented as policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency as a condition of grant.

### **Affordable rented housing is:**

Rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent.

### **Intermediate affordable housing is:**

Housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared equity products (e.g. HomeBuy), other low cost homes for sale and intermediate rent but does not include affordable rented housing.

These definitions replace those given in previous editions of PPS3 (2006 and 2010) and related guidance such as Delivering Affordable Housing 2006 and are now covered by the National Planning Policy Framework. The definition does not exclude homes provided by private sector bodies or provided without grant funding. Where such homes meet the definition above, they may be considered, for planning purposes, as affordable housing. Whereas, those homes that do not meet the definition, for example, 'low cost market' housing, may not be considered, for planning purposes, as affordable housing.

There is further guidance on Affordable Rent in the Homes and Communities Agency Affordable Homes Rent Framework document. The terms 'affordability' and 'affordable housing' have different meanings. 'Affordability' is a measure of whether housing may be afforded by certain groups of households. 'Affordable housing' refers to particular products outside the main housing market.