

Crawley Borough Council

Tenancy Policy

1. Context

- 1.1 The need for a Tenancy Policy arises out of a range of social housing reforms set out in the Localism Act 2011. These reforms include the introduction of:
- Fixed term tenancies to allow housing providers greater flexibility in making best use of their stock
 - Affordable Rent Tenure (the term affordable means up to 80% of the local market rent) to maximise rental income and in turn increase supply.
- 1.2 This policy sets out how Crawley Borough Council will use the range of options available in the Localism Act to assist in meeting its strategic aims as outlined in its Tenancy Strategy.
- 1.3 The requirement to produce a Tenancy Policy is not through statute but through the Regulatory Framework for Social Housing produced by the Homes and Communities Agency. The Tenancy Standard states:

Registered providers shall issue tenancies which are compatible with the purpose of the accommodation, the needs of the individual households, the sustainability of the community and the efficient use of their housing stock.

- 1.4 In addition, the standard also states;

Registered providers shall publish clear and accessible policies which outline their approach to tenancy management, including interventions to sustain tenancies and prevent unnecessary evictions and tackling tenancy fraud.

- 1.5 The Tenancy Policy was adopted in March 2013. The Council decided that in the majority of cases Introductory Tenancies entered into on or after 1 April 2013 would automatically become a Fixed Term Flexible Tenancy at the end of the introductory period. Secure Lifetime Tenancies would only be offered in the situations outlined in section 5 of this policy

2. The Tenancy Policy

- 2.1 This policy aims to support sustainability in our local communities through the use of Secure Lifetime Tenancies where appropriate; Fixed Term Flexible Tenancies where appropriate; and through proactive tenancy management. It also makes possible new income streams through utilisation of the affordable rent tenure for new build properties at up to 80% of local market rents.

3. Rents

- 3.1 The Council will continue to charge **Social Rent** on all existing properties.
- 3.2 **Affordable Rent** will be charged where developments are grant funded or land is provided through the Homes and Communities Agency (HCA). For these new developments rents will be **Affordable Rents** up to 80% of market rent. In most cases 80% of market rent will be charged however larger properties may need to be at a lower rate to enable them to stay below the local housing allowance.
- 3.3 Other new build developments (those without either HCA grant or land) will be charged at **Affordable Rent** or at **Social Rent**, depending upon the finances for each scheme. Where planning conditions dictate social rent will be charged.
- 3.4 The following table illustrates which level will be charged.

	Existing stock		New Build	
	Existing tenants who transfer	New tenancies	New build With HCA grant	New build Without HCA grant
Social Rent	√	√		√
Up to 80% Affordable Rent Tenure			√	√

4. Introductory Tenancies

4.1 Introductory Tenancies will be offered to all new tenants except for tenancies granted under sections 5.1, 6.5, and 10.5 of this Policy. An Introductory Tenancy lasts for one year but can be extended for a further six months. During this time the tenant has fewer rights than exist with a Secure Lifetime Tenancy or Fixed Term Flexible Tenancy. For example:

- The level of security is less if there are any breaches of tenancy conditions
- The Right to Buy is not available (but the time as an introductory tenant does count towards the discount).
- There is no right to a mutual exchange
- They cannot take in lodgers

4.2 The Council has used Introductory Tenancies for some time and believes that they help in our aim to provide safe, clean and attractive neighbourhoods by encouraging people to adhere to their tenancy conditions. They enable quicker and firmer action to deal with nuisance and anti-social behaviour and non-payment of rent.

4.3 If the tenancy conditions have been breached then we will consider taking action to end the tenancy or extend the Introductory Tenancy for a further six months. If during the extended period, the tenant has still failed to keep to the terms of their Introductory Tenancy we will consider taking action to end the tenancy. The tenant has the right to request a review of this decision.

5. Secure “Lifetime” Tenancies

5.1 Secure periodic (or lifetime) tenancies will be offered to people in the following situations:

- Existing secure lifetime tenants
- Existing assured tenants with a Housing Association
- Existing secure lifetime tenants who transfer within our stock

5.2 All new tenants moving into housing specifically for older people (sheltered housing) will be offered a secure periodic tenancy on completion of an Introductory Tenancy.

6. Fixed Term or Flexible Tenancies

- 6.1 The majority of all offers of new tenancies made on or after 1 April 2013, will be on the basis of an Introductory Tenancy (as set out above in section 4) which, at the end of the introductory period, will become a Fixed Term Flexible Tenancy.
- 6.2 The fixed term of flexible tenancies will be for a **period of 5 years** other than specific circumstances outlined in Section 10.5 below where the Council will offer a **fixed term non-renewable tenancy of two years**.
- 6.3 Flexible tenancies will be reviewed in the last 12 months of the 5 year fixed term. Tenants will be required to submit financial, health and family composition information that will enable us to make the decision to either offer a new tenancy, or not to offer a new tenancy but offer advice and assistance on alternative accommodation options. At least six months notice of an intention not to offer a new tenancy shall be given.
- 6.4 At the end of a Fixed Term Flexible Tenancy where the tenant has reached 70 years of age, an offer of a Secure Lifetime Tenancy will usually be made unless there are also instances of anti-social behaviour, or other tenancy breaches.
- 6.5 *In most instances at the end of a 5 year fixed term flexible tenancy a new tenancy will be offered. Where a new tenancy is offered it will be a new 5 year fixed term flexible tenancy. If the new tenancy is signed before the expiry of the existing tenancy, the term of the new tenancy will be five years plus the equivalent of the remainder of the existing tenancy. Consideration of offering a 5 year fixed term flexible tenancy of a more suitable alternative property will be considered in the following circumstances:*
- Under-occupancy by two or more bedrooms
 - Over occupancy
 - Property no longer matches the tenant's needs such as the property contains adaptations but the person requiring them no longer lives there
 - Where the Council intends to dispose of or refurbish the property
- 6.6 Where the Council is unable to source an alternative property a new 5 year fixed term flexible tenancy will be offered in the existing property.
- 6.7 In the following circumstances a new tenancy may not be offered and the tenant would be provided with advice and assistance to find alternative accommodation:
- Where it is deemed that the tenant has conducted their tenancy in an unacceptable way or where there are circumstances that have led to the issuing of legal action against the tenant during the tenancy (for example rent arrears or anti-social behaviour).
 - Where the tenant's financial circumstances have significantly improved (see financial assessment below).

6.8 The following table illustrates where we may choose to end a fixed term flexible tenancy:

Ending a Fixed term flexible tenancy			
Situation	Reason	Where possible offer alternative accommodation through the council's Housing Allocations Scheme	Find their own private accommodation
Under- occupancy by two or more bedrooms	To make the best use of existing stock	√	
Over occupancy	To prevent problems with housing conditions	√	
Property no longer matches the tenants needs	Where the property would best suit someone else with higher needs (adapted properties for example)	√	
Where tenants financial circumstances have significantly improved	To target those most in need (where a tenant's income has increased to allow them to buy privately)		√
To dispose of or refurbish a property	To make the best use of existing stock	√	
Where it is deemed that the tenant has conducted their tenancy in an unacceptable way or where there are circumstances that have led to the issuing of legal action against the tenant during the tenancy.	<ul style="list-style-type: none"> • To support local communities tackle anti-social behaviour • minimise sub-letting • maximise rental income 		√

7. Right of Review of Decisions relating to Fixed Term Flexible Tenancies

7.1 There is a statutory right to request a review of the following 2 types of decisions:

- A person has the right to request a review of the Council's decision to offer a fixed term flexible tenancy (or the decision to serve a notice stating that on coming to an end of an introductory tenancy it will become a flexible tenancy of a certain length), if they believe the length of the tenancy offered is not consistent with this Policy.
- A tenant has a right to request a review of the Council's decision not to offer a new tenancy on the expiry of their Fixed Term Flexible Tenancy.

7.2 A person who wishes to request a review must do so before the end of the period of 21 days beginning with the day on which the notice of the decision is served.

7.3 The administrative arrangements for requesting and conducting a review will be set out in the offer/decision letter. The Flexible Tenancies (Review Procedures) Regulations 2012 set out the procedure to be followed and include a right for the tenant(s) / potential tenant(s) to request an oral hearing.

8. Complaint Process

8.1 Any complaints relating to any other decisions relating to flexible or other tenancies (aside as set out above in Section 7) will be dealt with under the Council's complaints process.

9. Financial Assessment

9.1 The financial assessment will be on the basis of the tenant and their partner (but not including the income or savings of other family members) having sufficient financial resources to purchase their own property, including shared ownership, or to exercise their Right to Buy the property that they are living in.

9.2 The Council will consider that a person has sufficient financial resources if they have:

- Sufficient capital (savings or other income) to buy residential accommodation suitable for them and the people who would ordinarily be expected to reside with them; or
- Sufficient income (employment or other income) to raise a mortgage to buy residential accommodation suitable for them and the people who would ordinarily be expected to reside with them; or
- A combination of both.

9.3 Ability to raise a mortgage will be assessed on individual circumstances.

9.4 Tenants with an income or savings that enable them to buy a property at the end of their Fixed Term Tenancy will need to find alternative accommodation as a new tenancy will not be offered.

10. Succession

10.1 The Localism Act changed the succession rights for secure tenants whose tenancy commenced after 1 April 2012. Prior to that, there was a statutory right of succession to all introductory and secure tenancies conferred on the spouse/civil partner of the tenant who lived with the tenant at the property at the time of the tenant's death, or if there was no spouse or civil partner, to a family member who lived with the tenant for 12 months prior to the tenant's death (the legislation stipulated the definition of 'family member'). The Localism Act provided that these rights continued in respect of all secure tenancies which were granted prior to 1 April 2012.

10.2 The changes made by the Localism Act (which applies to all secure tenancies granted on or after 1 April 2012) were as follows:

- That the right of the spouse/civil partner will continue, but this will now also include co-habitees (a person who had been residing with the tenant as if married or as if in a civil partnership);
- That if there is no spouse/civil partner/co-habitee residing at the property at the time of the tenant's death, succession to a family member will be possible if the tenancy agreement expressly includes a term permitting this (this is a discretionary succession provision).

Tenancies Granted before April 2013

- 10.3 The Council's tenancy agreement for tenancies entered in to prior to April 2013 provides for the second (discretionary) succession.

Tenancies Granted from 1 April 2013

- 10.4 Tenancies granted from 1 April 2013 will only be able to be succeeded to by either the spouse, civil partner or co-habitee (a person who had been residing with the tenant as if married or as if in a civil partnership) who occupied the tenanted property as their only or principal home at the time of the tenant's death.

Family members who cannot succeed to a tenancy

- 10.5 Where, upon the death of an introductory, secure or flexible tenant, there is no person qualified to succeed to the tenancy but there is an immediate family member of the deceased tenant who resided with the tenant throughout the period of **5 years** ending with the tenant's death, the Council may offer them a flexible tenancy. Flexible tenancies granted in these circumstances will be in respect of a property which meets their needs (i.e. not necessarily the deceased tenant's property) and for a **2-year non-renewable term**. This is to give them the opportunity to plan for alternative housing and provide some short-term stability following bereavement. The provisions about reviewing flexible tenancies set out in section 6 will **not** apply to these tenancies.
- 10.6 Family members might be re-housed if they apply for housing and qualify for a discretionary direct let pursuant to section 6.7 of the Allocations Scheme.

11. Advice and Assistance

- 11.1 Where the Council decides not to offer a new tenancy at the end of a Fixed Term Flexible Tenancy advice and assistance will be provided, which will be the same as that which would be given to any resident who approached the Council concerned that they may lose their home. This will include advice on how to obtain private rented accommodation.

12. Households who are Vulnerable by Reason of Age, Disability, or Illness and Households with Children

- 12.1 An Equalities Impact Assessment has been carried out to consider the potential impact of this policy on these groups, and the findings of this EIA are summarised below.
- 12.2 This Tenancy Policy is consistent with the Council's Tenancy Strategy. The Council's approach is to provide a flexible tenancy with a minimum fixed term of 5 years (except for the 2 year fixed terms offered to family members following the death of a tenant as described above) to balance the needs for a period of stability with the ability to review the tenancy relative to any changes in circumstance. The review may potentially result in decision not to offer a new tenancy at the end of an existing Fixed Term Flexible Tenancy to allow for better use of properties to assist future and existing council tenants.
- 12.3 The Council does not envisage many Fixed Term Flexible Tenancies will end without a new tenancy being offered and where no new tenancy is offered this will be where either the tenant's circumstances have significantly improved so that they have no need for social housing; or that they have not kept to their conditions of tenancy. These matters are covered in section 6 above.
- 12.4 Where a household fits the criteria of vulnerable we will ensure that they have access to additional support to help understand their tenancy and the review process.

13. Tenancy Support

- 13.1 We offer additional support for tenants who need help maintaining their tenancy and also refer tenants to other agencies for specialist assistance. We have a Tenancy Support Worker who helps more vulnerable tenants and an Older Persons Support team.

14. Tackling fraud

- 14.1 Targeted tenancy checks will be carried out to ensure that the property continues to be occupied by the tenant it was let to. We will take immediate action to recover properties that have been sub-let or that are unoccupied. This enables us to make best use of our properties to help meet housing need.
- 14.2 The review stage of a Fixed Term Flexible Tenancy may include checks to identify fraud or inaccurate information provided. This may affect the decision to offer a new tenancy.

15. Preventing evictions

- 15.1 As far as possible the Council seeks to minimise the number of evictions that are carried out.
- **Income management** Our income management team proactively address any payment problems as quickly as possible in order to prevent debts accruing. We encourage people to contact us with any problems that they have in paying their rent. We also employ Financial Inclusion Officers and refer tenants for specialist benefits advice or debt counselling.
 - **Anti-social behaviour** Our Nuisance and Anti-Social Behaviour team proactively tackle all neighbour and anti social behaviour issues as quickly as possible, offering face to face interviews on all complaints.