

TENANCY STRATEGY

2019 - 2024

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Introduction

A requirement of the Localism Act 2011 was that local authorities have a tenancy strategy in place that sets out their expectations of social housing providers operating within their district to ensure that housing is provided to meet local housing need. Social housing providers are to have regard to this tenancy strategy when adopting or reviewing their own tenancy policies and operating procedures.

The Localism Act 2011 also required local authorities to keep their tenancy strategy under review. Since the publication of Crawley Borough Council's original tenancy strategy in 2012, and subsequent review the local housing market and national economic climate have changed considerably. The original tenancy strategy has been rewritten to reflect the wider environment in which local authorities are now delivering services.

Whilst we recognise that many of our registered providers are large organisations that make policy decisions at a national level, this tenancy strategy outlines local conditions and how we wish registered providers to work with us in Crawley.

This strategy has been developed following a review of legislation and Government policy and in consultation with the registered providers who have social housing stock in the borough. The tenancy strategy was drafted alongside the council's homelessness and rough sleeping strategy 2019-2024, due to the important role registered providers have in the prevention of homelessness locally. The tenancy strategy and homelessness and rough sleeping strategy share some of the same desired outcomes, namely:

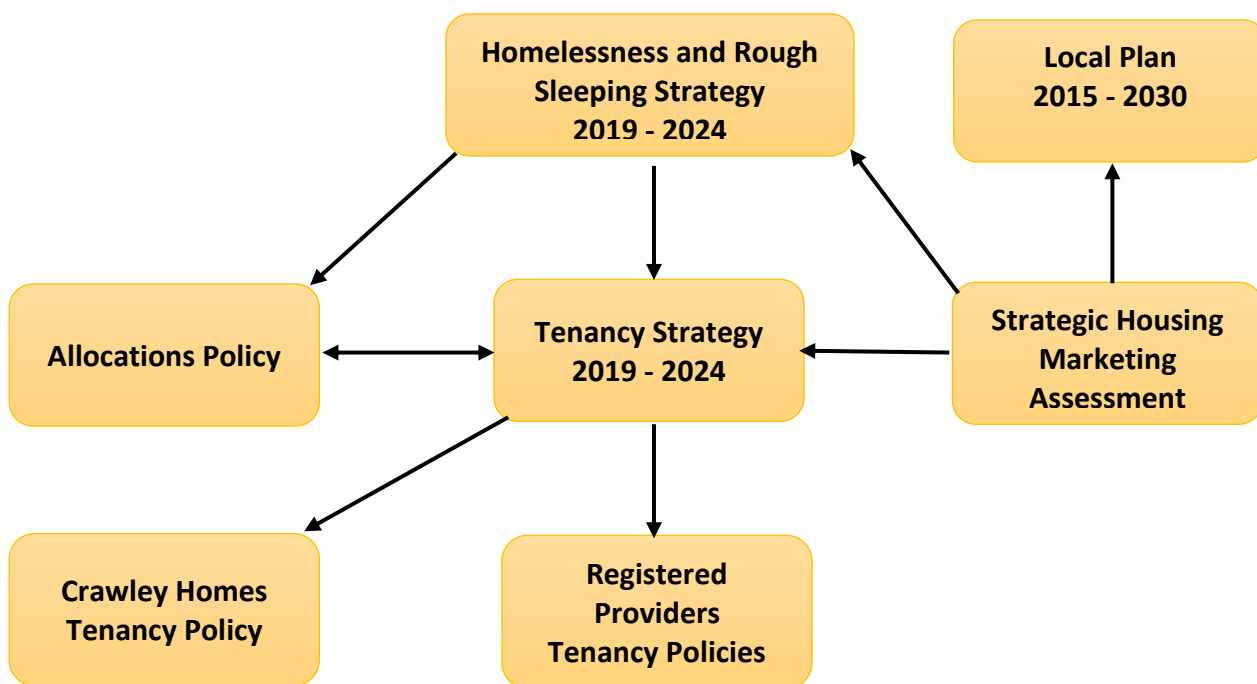
- Ensure rents remain at levels that are affordable for those eligible for social housing
- Ensure pre-tenancy assessment and offer criteria are equitable and do not hinder access to social housing
- Provide tenancy sustainment support for as long as needed (especially where people are vulnerable, living independently for the first time, or where the tenancy is starting to fail)
- Ensure tenancies are renewed in a way that supports the creation of communities, whilst making best use of housing stock
- Ensure homelessness prevention is at the core of all tenancy policies and procedures, especially those in relation to renewing and ending a tenancy.

In order to demonstrate its commitment to tackling homelessness (through the homelessness strategy and tenancy strategy), one of the council's ['corporate priorities 2018 – 2022'](#) is:

Delivering affordable homes for Crawley and reducing homelessness. We will:

- ***Continue to deliver as much affordable housing as possible, particularly council housing, through our own-build and enabling programmes for people with a local connection to Crawley***
- ***Drive down homelessness across the borough and support partner agencies to help those most in need.***

The diagram below shows where the Tenancy Strategy sits within the framework of housing related guiding documents.



Social responsibility

Registered providers have a statutory duty and regulatory obligation to assist local authorities in the discharge of their homelessness duties under part VII of the Housing Act 1996 (as amended). The council also expects registered providers that own or manage housing stock in Crawley to meet their social obligations as well as regulatory requirements. The homelessness and rough sleeping strategy 2019-2024 identifies that the prevention and relief of homelessness, tackling rough sleeping, meeting the needs of vulnerable people, accessing suitable and affordable accommodation and the prevention of repeat homelessness are priorities for action over the five year period of the Strategy.

It is essential that registered providers' policies, procedures and practices are designed to support tenants in order to prevent homelessness. We expect tenancy policies and procedures to include pre-tenancy advice, move-on advice and pre-eviction protocols and to provide proportionate support for tenants for as long as it is needed. We expect registered providers to proactively work in partnership with the council and other relevant agencies in seeking to prevent homelessness and resolve housing issues before reaching the point of crisis.

Best use of housing stock

The findings of the homelessness review that fed into the homelessness and rough sleeping strategy 2019 – 2024 highlight the importance of making the best use of housing stock locally, and are summarised below:

- **Private rented sector** – landlords and letting agencies remain reluctant to let to households in receipt of benefits. Universal credit is compounding this issue due to concerns about tenant arrears. Upfront costs (such as deposits, rent in advance and agency fees) can equate to over £2,500 and rents are on average £1,070pcm, 28 per cent higher than the Local Housing Allowance (equating to a shortfall of over £2,500 per annum). This leaves the sector largely inaccessible to households on low incomes or in receipt of benefits.
- **Housing market** – in Crawley the average asking price for a property increased by approximately 40 per cent between March 2014 and 2019 to approx. £280,600. On average residents can expect to pay around 11 times their annual household earnings to purchase an average priced property in Crawley, making home ownership largely unattainable to households on low incomes.
- **Supply of housing** – whilst more than 800 homes at social and intermediate tenures were developed between 2013/2014 and 2018/2019, the supply of affordable housing is unable to meet the demand. Approximately 600 social homes become available for let each year, but there are over 2,000 households on the housing register (nearly a third of which are existing social tenants seeking to transfer to an alternative property).
- **Housing stock** – there is a mismatch between the size of homes within the borough and the size of households that live here. Over half the homes in Crawley have three or more bedrooms but over half of households are comprised of one or two people. Whilst permitted development has led to the creation of more homes [predominantly studios and one or two bed flats], such accommodation is not always of adequate size or quality, thereby not meeting housing need or supporting the creation of sustainable communities.
- **Homelessness** – more than 1,200 households approach the council on an annual basis seeking advice and assistance regarding homelessness. With high rent and house prices locally, many young people are living with parents for longer or are returning to the parental home. Family relationships can become strained and lead to parental eviction. Parental eviction is one of the predominant causes of homelessness within Crawley. The end of an assured shorthold tenancy is the other predominant cause of homelessness within Crawley, in part due to the buoyancy of the private rented sector locally.
- **Rough sleeping** – there is a local and national trend in the rising number of people sleeping rough. This is not believed to be attributable to one specific issue, but a variety of complex factors, such as the impact of welfare reforms, rising housing costs, mental health issues, and substance addictions, against decreasing resources and supported housing provision.

Housing supply

Housing need manifests itself in a variety of ways, such as increased levels of overcrowding, young people living with their parents for longer or returning to the parental home, impaired labour mobility, and increased levels of homelessness. In Crawley approximately a quarter of housing stock is let at social rent levels, however it is clear that the demand for social housing (from households on the housing register and those to whom the council owes a duty under homelessness legislation) is unable to be met by the existing supply. The delivery of new build social and affordable housing is therefore a crucial step in meeting this need.

The council's adopted local plan 2015 – 2030 sets the way forward for planning the future of Crawley, and provides a clear indication of the council's approach to the development of the town, including how we have identified housing need within the borough and the work underway to meet this need. The local plan identified that by 2030 the town would need a further 10,125 new homes to support the full objectively assessed housing needs of the growing population of the town.

Due to land constraints, the housing land supply only allows for roughly half the boroughs emerging housing needs to be met within the borough boundaries. This includes properties to be let at social and intermediate rents, and properties for sale on the open market. The plan commits the council to positively consider all reasonable opportunities for maximising the effective use of land and increasing housing delivery alongside working closely with neighbouring authorities in order to meet the housing need in full across the wider housing market area. This further highlights the importance of utilising existing social and affordable housing in the most efficient and effective way to achieve the greatest outcomes.

At the time of publishing the strategy, a consultation was underway to produce a new Local Plan that will guide development in the borough from 2020 to 2035. The draft Crawley local plan review seeks to revise the current adopted Crawley 2030 local plan in order to update it in accordance with national policies and local changes. This will ensure Crawley maintains an up-to-date local plan to support and direct the growth of the borough.

Supported housing

West Sussex County Council established a Task and Finish Group to explore options for the commissioning of supported housing services going forward. Drawing on their findings, a set of 'Design Principals' was established that guide the design, development, commissioning and delivery of future services:

- Build on strengths
- Whole systems approach
- Design develop and deliver together
- Focused efficient and valued
- Outcome based.

When reviewing and commissioning supported housing services in the borough, registered providers are to have regard to the cross county 'statement of intent' and 'design principles', established to ensure a consistent approach to service provision across West Sussex.

Setting rents and affordability

The level at which social rents are set is a crucial factor in determining how affordable social housing will be for those in housing need. Social rents should not be set at more than the Local Housing Allowance for Crawley and should be affordable for households in receipt of benefits. Where social homes are re-let or converted to another rental type, any rent increase shall be applied in accordance with current guidance.

Affordable rents should be no more than 80 per cent of market rents and be available and affordable to households who are on low incomes and those in receipt of benefits. Affordable rents should remain subject to local authority nominations and accessible to those eligible for social housing.

Starting a tenancy

The council encourages registered providers to make the best use of existing social housing stock to meet housing need and recognises that certain tenancy types are more likely to facilitate this. Where flexible tenancies are granted the fixed term should comply with current statutory guidance. The council want to see the supply of affordable homes maximised and those who are in the highest levels of need (including those who are homeless) enabled to be housed as quickly as possible. This is increasingly important in an era of substantial demand for affordable housing.

For households with particular housing needs, for example, those accessing sheltered accommodation and people over the age of 70, the council supports the granting of periodic, secure or assured (lifetime) tenancies. However, even in the case of a periodic, secure or assured tenancy, the council recommends that providers implement an introductory (typically 12 month) tenancy at the start. This encourages new tenants to meet their responsibilities.

The council are keen to ensure that accessing social housing is equitable for all and that:

- Households are not denied access to social housing by having to reject an offer of accommodation due to upfront payments such as rent in advance or deposits. Registered providers should offer flexible payment options relating to the upfront payments where appropriate
- Where an individual or household requires assistance to enable them to succeed in their tenancy, efforts are made to identify this at an early stage and provide appropriate support
- Potential refusal of a nomination is discussed with the local authority in order that any issues or concerns are addressed (where possible) to enable the nomination to proceed
- Registered providers carrying out their own affordability assessments are advised to take a reasonable and flexible approach to determining affordability, and discuss any issues with the local authority in order that they are addressed (where possible) to enable the nomination to proceed

In 2018 and 2019 a small number of registered providers took the decision to only issue secure [lifetime] tenancies. Whilst the council supports this approach, it is acknowledged that it may not be viable for all registered providers of social housing, or appropriate for all tenants.

Domestic abuse

The Secure Tenancies (Victims of Domestic Abuse) Act 2018 requires local authorities and registered providers of social housing when re-housing an existing secure tenant who needs to move or has recently moved from their social home to escape domestic abuse, to grant such tenant a secure tenancy in their new home (provided specified criteria are met). This provision of the Act was not in force at the time of drafting the Strategy. Providers are expected to comply with it once it becomes enacted. Once enacted, this provision will ensure that people who are wishing to flee domestic abuse will not fear losing their security of tenure and will be able to continue to provide their families with stability and security in their new home.

Tenancy sustainment

To ensure those who are vulnerable or who need additional support to sustain their tenancy can access assistance when needed, the council encourages all housing providers to provide tenancy sustainment services. Investment in such services can give long term benefits to both the tenant and housing provider. The tenant is supported and can feel more confident and empowered to take control of and improve their circumstances. In turn, this can lead the tenant to better manage their accommodation, sustain rent payments, and reduce the risk of becoming homeless through loss of tenancy. Therefore the housing provider is more assured of a regular rental income and their property being looked after.

We know that by investing in tenants, registered providers are also investing in the wider community in order to create environments in which their tenants will thrive and in doing so, maximise the likelihood of successful tenancies. In particular, the council supports and encourages the following forms of tenancy sustainment:

- Financial inclusion (supporting tenants with budgeting, managing debt, maximizing income, claiming benefits they are entitled to)
- Wellbeing (working with tenants on issues such as mental health and anti-social behaviour)
- Tailored support, for example for people living independently for the first time
- Signposting tenants towards organisations that can help them gain skills that would assist them in seeking employment, education or training (such as computer skills)
- Access to funds for groups/organisations working in and supporting the wider community

When reviewing and commissioning tenancy sustainment services in the Borough, registered providers are advised to have regard to the cross county 'statement of intent' and 'design principles', established to ensure a consistent approach to service provision across West Sussex.

Tenancy management

Effective management of tenancy agreement conditions, including tackling anti-social behaviour and tenancy fraud, will increase the likelihood of tenants acting appropriately and in accordance with their responsibilities. The council encourages registered providers who own or manage stock within the town to operate effective tenancy management services.

Offering a new tenancy upon the expiry of a Flexible or Assured Short Term Tenancy

The Council expects that tenancy reviews at the end of a fixed term tenancy will be carried out in accordance with legislation and that where a new tenancy is not offered, registered providers should provide advice and assistance as needed to enable tenants to find suitable alternative accommodation, liaising with the Council where appropriate.

It is expected that a tenancy will be renewed following a review unless there has been a significant change in circumstances or a breach of tenancy has occurred. The Council recognises that creating increased turnover in housing stock to best meet housing need must be balanced against the benefits of helping tenants achieve and maintain stability, avoiding costly moves and helping providers keep void costs down. Examples of instances where the Council considers a new tenancy might not be offered include:

- **Where there is significant under-occupation** - Where a tenant is significantly under occupying a property, the registered provider should give notice to the tenant and Council of their intention to end the tenancy so that they may be assessed to join the housing register. Where appropriate the tenant will be awarded a high banding (subject to their conduct during the tenancy) so that they can access a property of a more suitable size. A tenant wishing to downsize should, if they wish and can afford to do so, be allowed to continue to have a spare bedroom in their new home. This balances the need to make best use of housing stock and help ensure tenants can afford their rent, whilst granting some flexibility.
- **Where there are issues regarding the suitability of property** - Where a property would better suit the needs of another household, for example properties that have been substantially adapted to meet the needs of a disabled person who no longer lives there, we will look to prioritise and support a move to more suitable accommodation.
- **Where the tenant's financial circumstances have significantly improved** – This could include the tenant being able to afford market or shared ownership housing if it is available and appropriate to do so. However it is recommended that the offer of a new tenancy should not be solely linked to household income as it may create a disincentive to work.
- **Where the tenant has not conducted their tenancy in an acceptable way or where circumstances have led to the issuing of legal action against the tenant**

Whilst it is regarded as appropriate for providers to determine their own tests and judge the suitability of a property for the existing tenant at the end of a fixed term tenancy, it is expected that they will set out these tests in their Tenancy Policies and that where a new tenancy might not be offered, providers will take into account the personal circumstances of those being asked to move. Registered providers must be mindful of the need to be consistent and equitable in how reviews are undertaken, ensuring that their Tenancy Policies are properly applied.

Right to review

All registered providers and social housing providers need to ensure a robust review/appeal process that is legally compliant is in place for tenants where the landlord is terminating the tenancy, and that tenants are advised of their right to independent legal advice as needed.

Commitment to refer

Since 1 October 2018, as part of the Homelessness Reduction Act 2017, named public bodies have been bound by the 'duty to refer'. This is an obligation to refer a person [with their consent] to a local authority if they are homeless or threatened with homelessness. Registered providers are not bound by this duty, but after a number expressed an interest in supporting the implementation of the act, the commitment to refer was created.

The commitment to refer is a voluntary commitment that a registered provider will refer an individual or household to a local housing authority if they are homeless or threatened with homelessness, thereby supporting the aims of the Homelessness Reduction Act 2017. The council expects all registered providers to sign up to the Commitment to Refer, in order to maximize the opportunity to tackle and prevent homelessness in Crawley.

Consultation

This tenancy strategy was developed in consultation with registered providers who have social housing stock in Crawley. A further consultation exercise took place upon completion of the draft strategy, and feedback from both consultations was factored into the final version of the strategy.

Monitoring and review

Annual monitoring of the tenancy strategy will be carried out in tandem with the homelessness and rough sleeping strategy 2019 – 2024 to ensure a co-ordinated approach to meeting housing need in Crawley. Monitoring will focus on the collation of quantitative and qualitative data and will feed into future reviews of the strategy. A briefing paper will go to the Cabinet member for Housing on an annual basis detailing the results of the monitoring and any further actions proposed.

Ongoing monitoring will inform future changes to the strategy and enable our services to remain appropriate and relevant to the changing environment in which they are being delivered.