

CABINET – 16 JANUARY 2013

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Sunderland City Council Strategic Tenancy Policy.

Author:

Report Of The Executive Director Of Health, Housing and Adult Services.

Purpose of Report:

The purpose of this report is to seek Cabinet approval for the adoption of the Council's first Strategic Tenancy Policy.

Description of Decision:

Cabinet is requested to endorse the Strategic Tenancy Policy and the policies outlined within, regards the letting of social housing across the City.

Is the decision consistent with the Budget/ Policy Framework? Yes

If not, Council approval is required to change the Budget/ Policy Framework

Suggested reason(s) for Decision:

The Council has a statutory duty to adopt a Strategic Tenancy Policy, (under provisions made within the Localism Act 2011).

The option to not adopt a Strategic Tenancy Policy was therefore never considered.

Alternative options to be considered and recommended to be rejected:

The option of not developing a Strategic Tenancy Policy was not considered as per the above. However other policy approaches within the overall policy were considered and discounted.

Allowing flexible tenancies to be adopted widely would; reduce the stability of local communities, create increased transience and instability within family homes especially those of the most vulnerable and impact upon our access to housing function with increased requests for service.

Suggesting that Affordable Rent tenancies could not be used would; prevent Registered Providers from accessing grant funding from the HCA and additional rental income which would stifle the development of new social housing.

Therefore both these options were rejected in favour of the options outlined in the table in section 4.3.

Impacts analysed:

Equality Privacy Sustainability Crime and Disorder

Is this a “Key Decision” as defined in the Constitution?

Yes

Is it included in the 28 Day Notice of Decisions?

Yes

Scrutiny Committee

SUNDERLAND CITY COUNCIL STRATEGIC TENANCY POLICY**REPORT OF THE EXECUTIVE DIRECTOR OF HEALTH, HOUSING AND ADULT SERVICES****1.0 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to seek Cabinet approval for the adoption of the Council's first Strategic Tenancy Policy.

2.0 DESCRIPTION OF DECISION

- 2.1 Cabinet is requested to endorse the Strategic Tenancy Policy and the policies outlined within regards the allocation of social housing across the City.

3.0 BACKGROUND

- 3.1 The Localism Act (2011) placed a new duty on every local authority to publish a Strategic Tenancy Policy by January 2013. It must outline an authority's broad objectives regards the allocation of social rented properties in their area and outline how it expects Registered Providers to allocate and manage such properties.
- 3.2 In addition, the Strategic Tenancy Policy will also cover proposed reforms in housing such as, whether an authority will discharge of their homelessness responsibilities via an offer of suitable accommodation within the private rented sector, and how an authority manages its own housing waiting list.

4.0 DEVELOPMENT OF THE STRATEGIC TENANCY POLICY

- 4.1 The Council has developed a Strategic Tenancy Policy which encompasses a 'balanced' approach to housing policy, which ensures that the appropriate type/s of tenancy are used by providers of social housing.
- 4.2 The Council policies outlined within ensure security of tenure, stability of local communities and that the allocation of social housing is fair for all. Fundamentally, the Council's position is that it would like to see as much social housing retained in the city and its preference would be that any new social housing that is built in the city is at a social rent. The Council, therefore, will do whatever it can to further this position, notwithstanding the fact that Registered Housing Providers are obliged to follow the Government's Affordable Rent programme.
- 4.3 The table below highlights the main policy issues which affect Registered Providers and the policy approach recommended within the Strategic Tenancy Policy.

Policy Issue	Recommended Policy	Comments
<p>Type of tenancies the Council expects Registered Providers to offer, including the use of the newly introduced flexible tenancies</p>	<p>Flexible tenancies should not be used, other than in very specific situations, and/or for certain groups to be specified by the Council. These centre upon properties adapted for disabled persons</p>	<p>This will provide stability for both tenants and registered providers</p>
<p>How Registered Providers will use the affordable rent model for existing properties</p>	<p>Registered Providers can 'convert' social rent properties to affordable rent at re-let stage if this is in line with an RP's policy and discussions and agreements previously made with the Council</p>	<p>The affordable rent product was introduced to generate increased income for registered providers. Allowing providers to use the product will generate increased capital for the development of further new affordable homes.</p>
<p>How Registered Providers will use the affordable rent model for new build properties</p>	<p>Registered Providers can use affordable rent on all new-build social housing properties</p>	
<p>How will the Council operate the housing waiting list, i.e. who qualifies to join it</p>	<p>The Council is not proposing to move away from a policy of assessing and prioritising housing allocations based on the housing needs of applicants.</p>	<p>Work will be done to determine if criteria, (which is to be determined), can be introduced to exclude certain categories of people from the housing waiting list to enable the list to be managed more effectively and therefore provide a more effective service to those in need</p>
<p>Discharge of the Council's homelessness duty with an offer of a property in the private rented sector</p>	<p>The Council already make offers of property in this sector and will continue to do so in line with the options outlined in the Localism Act 2011</p>	<p>In applying this policy the Council will take all steps necessary to ensure that only suitable private rented accommodation is used, mainly by use of accredited landlords</p> <p>Using the private rented sector to discharge our homelessness duty only after an assessment of the individual needs have concluded that private sector housing is appropriate and the tenancy is offered at least a 12-month basis</p> <p>Also, mechanisms will be put in place to monitor the effect of placing people into the private rented sector and to offer advice and support</p>

5.0 CONSULTATION

- 5.1 The Council has undertaken consultation with Registered Providers on two separate occasions.
- 5.2 An initial event took place in October 2011. This was a sub-regional consultation event, organised by the Local Authorities of the sub region and many Registered Providers including, Gentoo, Home Housing and Fabrick Housing Association were in attendance.
- 5.3 This event took a general approach and covered the various options available to Registered Providers and Local Authorities. The feedback from Registered Providers confirmed that none were keen on, or likely to employ flexible tenancies. Nor were any planning on converting a large amount of existing social stock to affordable rent.
- 5.4 Other salient points were noted, such as the providers stating that they were likely to bid for, and utilise affordable housing funding from the Homes & Communities Agency for the development of new build social properties to be let on an affordable rent.
- 5.5 The event provided the Council with information regards the intentions and views of the larger Registered Providers at an early stage. This provided the Council with a starting point from which to develop the Strategic Tenancy Policy.
- 5.6 A formal period of consultation took place between 26 November 2012 and 7 December 2012, with a local consultation event taking place 28 November 2012. This was attended by several Registered Providers, including Gentoo, Home Housing and Two Castles HA.
- 5.7 The basis for the consultation was the draft Strategic Tenancy Policy which was sent to all Registered Providers, for comment. Feedback from Registered Providers is outlined within appendices.
- 5.8 Two consultation sessions were undertaken for elected members. These were held 23 October and 13 December 2012. There was good attendance from members at both events. Members were informed of the context behind the need for a Strategy Tenancy Policy and what should be included in the Policy.
- 5.9 Their views were sought on the 'policy issues' referred to in the table overleaf and there was a general consensus that this was the right approach. One issue which was raised by members during the briefings was that where the Council contributes land or finances to a development they would like to see social rented housing built. This was discussed with the Registered Providers who voiced concerns based on the fact that they have now fully engaged with the Affordable Rent programme, as a way of generating funds to help develop new build housing in the future. Also, the Registered Providers who operate nationally have made a policy decision that all new build is let on an affordable rent. This merits further consideration and discussion with Registered Providers as to the Council's determination on this matter.

6.0 REASON FOR DECISION

- 6.1 The adoption of the Strategic Tenancy Policy is required under the guidance of the Localism Act 2011.
- 6.2 However the Strategic Tenancy Policy also adds value to the Council's strategic view regards housing options and allocations. The Strategic Tenancy Policy is a valuable policy in its own right as it provides strategic guidance to all Registered Providers and service users.

7.0 ALTERNATIVE OPTIONS

- 7.1 The option of not developing a Strategic Tenancy Policy was not considered as per the above. However other policy approaches within the overall policy were considered and discounted.
- 7.2 Allowing flexible tenancies to be adopted widely would; reduce the stability of local communities, create increased transience and instability within family homes especially those of the most vulnerable and impact upon our Access to Housing function with increased requests for service.
- 7.3 Suggesting that Affordable Rent tenancies could not be used would; prevent Registered Providers from accessing grant funding from the HCA and additional rental income which would stifle the development of new social housing.
- 7.4 Therefore both these options were rejected in favour of the options outlined in the table in section 4.3.

8.0 IMPACT ANALYSIS

- 8.1 Equalities. The Strategic Tenancy Policy focuses on ensuring that the housing needs of all are met. An Equality Impact Assessment has been carried out and any relevant actions arising from it will be implemented.

9.0 OTHER RELEVANT CONSIDERATIONS

- 9.1 Financial Implications. No costs have been incurred regards the development of the Strategic Tenancy Policy and there are no costs in its implementation other than the monitoring of its effect / impact.

10.0 BACKGROUND PAPERS

- (Draft) Strategic Tenancy Policy November 2012 (For Consultation).