



St Albans
City & District Council

**St Albans City and District Council
Tenancy Strategy**

Revised February 2020

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1. Introduction

St Albans City and District Council is committed to ensuring that local people have access to genuinely affordable homes. The Council has a statutory duty under the Localism Act to produce a Tenancy Strategy. The Council's previous Tenancy Strategy was published in January 2014, and is now due for review and replacement.

The strategy applies to all homes owned and managed by the Council's Housing Department. Additionally, we aim to work closely with Housing Associations (Registered Providers) that own and manage properties in the District. Details of our approach to allocating homes is covered in the Housing Allocations Policy.

This strategy will:

- Outline different types of tenancies used by Council
- Outline the approach to social and affordable rents
- Outline our approach to working with local Registered Providers to make sure that all our residents have access to affordable, safe housing.

A key purpose of the Tenancy Strategy is to help Registered Providers (RPs) who are developing and managing homes in the area to gain an understanding of the local housing need and to have this in mind when setting their own policies. The Regulatory Framework for Social Housing requires RPs to publish clear and accessible policies that outline their approach to tenancy management, including interventions to sustain tenancies, prevent unnecessary evictions, and tackle tenancy fraud. RPs should refer to this Tenancy Strategy to help ensure that their policies are proportionate to housing in the area and complement the aims of the Council in meeting housing need.

2. Purpose of the Strategy

The strategy gives details of the Council's policy on the letting of all properties including those at "social rent and affordable rent" levels. It sets out the policy on the use of tenancy types that will be offered including introductory tenancies

This strategy applies to the Council's management of its housing stock and the Council expects RPs to consider the aims of this strategy when developing their own policies and plans for developing and managing affordable housing in the St Albans District Council area.

For those developing new affordable homes, the Tenancy Strategy may be referred to in Section 106 Agreements. (These are legal agreements made between local authorities and developers, they are attached to a planning permission and set out what a developer has to do to make a development

acceptable in planning terms- examples include the provision of affordable housing, financial contributions to local schools/libraries and play areas.)

The Strategy will help the Council to:

- Make best use of its housing stock and that owned and managed by partner providers.
- Prevent homelessness and to make sure housing is available to those in the greatest need. The latest Homelessness Strategy and Action Plan Update can be found here:
https://www.stalbans.gov.uk/sites/default/files/documents/publications/housing/using-publications/Homelessness%20Strategy%20Action%20Plan%202016-21%20UPDATED%20MAY%202019_tcm15-62871.pdf
- Improve choice and provide clear information for local people.
- Support the Corporate Vision in contributing to a high quality of life for all residents and the Corporate Commitment to protect the vulnerable.
- Offer tenancies which meet our aims and deal with the needs of the individual household.
- Fulfill the Council's duties under Part VII of the Housing Act 1995 as amended by the Localism Act to help people who are homeless and in priority need.

The strategy should be read alongside the Council's Housing Allocation and Homelessness Policies and Strategy.

This strategy aims to provide a clear explanation of the Council's requirements and expectations for the allocation and management of housing within its area. It does not affect or replace any existing agreements. However, it should be referred to when policies and agreements between the Council and RPs are reviewed. It will be referred to the development of new affordable housing in the area is considered. Where there is a planning policy requirement for the new development to provide affordable homes, the Council expects 100% nomination rights for all new rented homes, and no less than 75% nomination rights for the relets of these homes.

In the case of intermediate rented homes this will be determined through negotiation between the Council, the Registered Provider, and any other relevant parties.

We have consulted organisations representing current and future tenants, applicants and partner organisations providing social housing across the district.

We have also consulted the Tenant Forum and Housing Consultative Forum and wider community.

3. The context

Access to housing is a significant problem within the district and this is reflected in the level of affordability. The average house price to earnings ratio in the district is 14.6:1 based on data from the latest Annual Survey of Hours and Earnings and sales and valuations over the last 12 months (September 2018 – August 2019). This compares to the regional house price to earnings which is 10:1. The earnings data relates to a single person in full time employment, however the majority of households have more than one earner. Affordability in the district based on household disposable incomes is 12:1, compared to a regional ratio of 8.1:1.

The Corporate Plan for 2019/25 states that the shortage of social housing is one of its four key priorities and that the Council aims to increase the quantity and quality of social housing in the District.

A new Local Development Scheme (LDS) was agreed in November 2017. A Regulation 19 Consultation was undertaken for a new Local Plan (LP) September 2018. Submission took place during 2019 and adoption is anticipated during 2020. The LP will replace the adopted District Local Plan Review 1994. Whilst the Council has identified sites and planned for growth, actual delivery rates over recent years have not matched those set out in planning policy.

There are 61,296 households (C Tax September 2019) in the district and the most common housing tenure is owner occupied (72.8%). The remainder is split between private sector rented (13.46%), rented from the local authority (8.5%), other social rented (3.7%), shared ownership (0.5%) and other (1.3%). [Office of National Statistics April 2013]

The Council manages approximately 4,800 rented properties and Housing Associations manage a further 2,125 rented or shared ownership properties.

There is high demand for affordable housing in the district. In January 2020 there were 534 households on the list, waiting for suitable housing by SADC or its partner organisations. Of these 260 are home seekers (not currently a Council or Housing Association tenant in the district) and 274 are existing Council or Housing Association tenants wanting to transfer.

Table 1 - current demand for housing in the district by priority banding and property size (January 2020).

		1 bedroom	2 bedroom	3 bedroom	4 bedroom+	Total
Band A	Homeseeker	0	1	0	0	13
	Transfer	7	3	1	1	
Band B	Homeseeker	17	37	9	6	117
	Transfer	26	17	3	2	
Band C	Homeseeker	3	21	10	8	75
	Transfer	3	8	11	11	
Band D	Homeseeker	55	35	27	10	294
	Transfer	8	44	94	21	
Band E	Homeseeker	20	1	0	0	35
	Transfer	10	3	1	0	
Total		149	170	156	59	534

There were 91 Homeless acceptances in 2018/19 and so far this year there have been 70 acceptances (December 2019).

4. Ensuring equality of access to housing services

The Council is committed to ensuring equality of opportunity and access to services. In order to do this we take the following steps.

- Make sure information is available in a variety of formats and languages and is given either in person or through written information.
- Make sure that people whose first language is not English or who have problems reading, writing and understanding English are not put at a disadvantage when we provide services.
- Make sure that people who have difficulty accessing and understanding complex information have support in applying for housing and managing a tenancy
- Make sure that all staff are aware of current issues related to equality of opportunity and access to services and apply this in their work.
- Check how we provide services and who we provide them to, making sure we do not discriminate against specific groups of people.

- Adapt properties where tenants or members of their family are physically disabled.

Rented social housing owned by the Council and partner Registered Providers are let through the council's choice based lettings scheme - St Albans Home Choice.

5. Registered Providers of Social Housing

These were formally known as Registered Social Landlords or Housing Associations. They do not have to follow this strategy but Section 150 of the Localism Act requires that they must have regard to this strategy when preparing their tenancy policies. Whilst the Council recognises that Registered Providers (RPs) are not bound by this strategy, in accordance with the Regulatory Framework for Social Housing, we would expect them to give strong consideration to its content to ensure consistency in meeting social housing needs in the district.

There are currently 4 major RPs working within the district, these are Settle (formerly North Herts Homes), Catalyst (Aldwyck HA became a subsidiary in December 2019), Hightown HA and Paradigm HA. They can set their own conditions for offering tenancies, including the type of tenancy offered and what is considered when renewing or ending it.

They can also set their own rents and decide which properties will have different rent levels. There are two types of rent level; affordable rent and social rent. RPs may only set affordable rents if they have signed an agreement with the Government and use any extra money to build new housing.

Details of other RPs managing and developing property within the District, including their tenancy policies, can be obtained from the RP concerned.

6. Types of Council Tenancy offered by St Albans City and District Council

As part of the Localism Act 2011 Local Authorities were given the opportunity to offer flexible tenancies. The Council introduced these but it has now been agreed that (with the exception of temporary accommodation offered to homeless people) the Council will stop offering flexible tenancies.

The Council will not offer flexible tenancies after 1st September 2020. Instead, secure tenancies will be offered to new tenants (following satisfactory completion of a 12 month Introductory Tenancy) and existing Council tenants with a flexible tenancy will be offered a secure tenancy.

The Council will continue to issue introductory tenancies to new tenants and these normally last for the first 12 months of a tenancy.

Flexible tenancies were introduced primarily to assist the Council reduce under occupation; other measures including the introduction of the Bedroom Tax and the redevelopment/refurbishment of the Council's sheltered housing stock mean that this is no longer a reason for using flexible tenancies. There are also significant additional costs and staff time required to manage flexible tenancies including carrying out reviews and maintaining records and the number of flexible tenancies ended by the Council is very small. A significant number of housing organisations are now moving away from using flexible tenancies.

During the period April 2013 – October 2019, records show that the percentage of flexible tenancies ended at the expiry of the tenancy term was under 12% (18 plus 1 eviction of 165 tenancies where the original term expired).

Types of tenancy to be offered to new tenants include:

- Secure tenancy - a lifetime tenancy enabling tenants to live in their home for the rest of their lives, unless they break the tenancy conditions.
- Introductory tenancy - for all new council tenants and lasting 12 months. After this period providing legal action for possession has not been started, a secure tenancy will be offered.
- Demoted Tenancy - is a reduced level of tenancy. It removes a number of tenancy rights and reduces tenancy security. Tenancy demotion is used when there is a breach of tenancy conditions, usually anti-social behaviour.

If there have been incidents of Anti-Social Behaviour a decision as to whether this should be taken into account will be made on the basis of probability and will be in full consultation with the Community Protection Team. Demoted tenancies may be offered when there are serious and sustained breaches of the tenancy, the tenant has been made aware of the risk to their tenancy previously and other actions have been tried and failed to resolve the problem.

Temporary Accommodation (for homeless households): the Council offers a licence to homeless households in Council owned temporary accommodation. Homeless households housed in temporary accommodation owned by Registered Providers are usually offered a shorthold assured tenancy by the Registered Provider.

7. Types of tenancy offered by Registered Providers

RPs can offer a range of tenancies:

- Starter tenancies – may be offered to new tenants. These usually last 12 months and are like a ‘trial’ period. After 12 months tenants become either an assured or fixed term tenant unless the RP has either started action to evict the tenant or extended the starter tenancy
- Assured tenancy – this normally allows tenants to live in in their home for the rest of their lives
- Fixed-term tenancy - usually lasting for at least 5 years (your landlord will decide whether it’s renewed)

Landlords must publish details of the circumstances under which the tenancy will not be renewed. Details of each landlord’s tenancy policy can be obtained via the Housing Department. Currently both Hightown and Catalyst Housing Associations are offering assured tenancies. Settle HA are currently reviewing their policy in relation to fixed term tenancies.

In the final year of the fixed term tenancy, the tenant’s circumstances will be looked at against the agreed criteria and the landlord will decide whether or not the tenancy will be renewed.

The RP has a duty to provide advice to tenants when a fixed term tenancy is ended. The Council’s Housing Options Advisors will give advice on:

- Low cost home ownership options
- Intermediate rented properties
- Private rented accommodation

They can also help tenants get advice from other organisations, for example money advice and tenancy rights from Citizen’s Advice or Shelter.

If a fixed term tenancy is to be ended by the RP then the Council’s Strategic Housing Service must be informed at least 6 months before the tenancy is due to end, at the same time as the tenant is formally notified.

We expect that when a fixed term tenancy ends, the tenant will not be entitled to housing by the Council as homeless and the landlord will prevent this by helping with a transfer to alternative accommodation where appropriate. Any concerns by the tenant or the landlord can be referred to the Housing Department when the tenant is informed of their position.

8. How do fixed term tenancies affect mutual exchanges?

If a tenant with a lifetime tenancy (Council or RP) that commenced before April 1st 2013 wishes to exchange with a fixed term tenant (Council or RP) each will surrender their tenancy and be granted a new tenancy in their property. The lifetime tenant will be granted another lifetime tenancy, the fixed term tenant will either be granted a new fixed term tenancy or a lifetime tenancy, depending on the policy of the landlord. The Council will grant lifetime tenancy in these circumstances. Exchanges between two life time tenants or two fixed term tenants will involve each tenant assigning their tenancy to the other tenant.

A tenant moving into a property which has been adapted for disabilities will need to demonstrate they need those adaptations. This should be confirmed by an Occupational Therapy Assessment.

9. Succession and assignment policy for Council tenants

Succession occurs when an existing tenant dies and a member of their household takes over their tenancy. There is only one right of succession on a tenancy. Where a person obtains a tenancy through succession, there is no further right for that tenancy to be passed on if the successor tenant dies or wishes to move out.

In cases of a joint tenancy, when one of the joint tenants dies and the tenancy is put into the name of the remaining tenant, this is counted as a succession. The surviving joint tenant may not assign or step aside to allow another family member to succeed.

A tenant has the right to assign their tenancy to a potential successor, but this can only happen once. Where there is a spouse or partner, the tenancy can only be assigned to them. In the case of joint tenants, the tenancy can only be assigned to the other joint tenant.

The Localism Act has changed rights to succession for council tenants. For tenancies starting after 1st April 2012 the only statutory right of succession is for a spouse, civil partner or a person living with the tenant as if they are a spouse or civil partner. The Act grants a power to social landlords to allow further successions. The Council has decided to allow family members (as defined in Section 13 of the Housing Act 1985) to succeed where there is no statutory successor provided that family member would not be under-occupying or otherwise excluded from the Council's housing register. The Council will not be using its discretion to award further successions.

If the tenancy commenced after 1st April 2012 but the tenant's original Council or RP tenancy commenced before 1st April 2012 and has been continuous then the above provisions will not apply.

Where a family member is in occupation of a property following the death of the tenant and there has already been a succession to that tenancy, that person would need to apply for housing in their own right and their application would be considered in accordance with the Council's allocation policy.

If a family member has a right to 'succeed' to a lifetime tenancy but the property is too large for their household, the Council will offer alternative housing that matches their housing need. In these cases the Council will offer the 'successor' a lifetime tenancy. It should be noted that Ground 16 of the Housing Act 1985 has been amended by Section 162 of the Localism Act 2011. This gives the Council 12 months from the date at which they were advised of the tenant's death to find suitable alternative accommodation for a non spouse successor or take possession action.

If a family member is entitled to the assignment of the tenancy as a potential successor they will be asked to move to a smaller property, if the property they are occupying would exceed their housing requirements had the original tenant died or moved out.

If the successor or assignee is 'succeeding' to a flexible tenancy then they will be granted a lifetime tenancy. If the property is assessed as too large for their needs (in accordance with the allocation policy) then the successor/assignee will be obliged to move to smaller accommodation and granted a lifetime tenancy there.

Where there has previously been a succession and the successor dies or gives up the tenancy, any remaining occupants will need to apply to the Council for housing. Their application for housing will be considered in accordance with the Council's housing allocations policy. In some circumstances they will be allowed to remain at the property for up to 3 months while their application is assessed. The decision as to whether someone will be allowed to remain at the property pending their application will be made by the Housing Review Panel.

The Council encourages Housing Associations to adopt a similar approach to ensure the most effective use of social housing.

10. The Choice Based Lettings Scheme

Housing will continue to be advertised for letting using the current system and adverts will show the type of tenancy being offered.

All housing applicants will be told when a tenancy is offered what type of tenancy is being offered.

Currently the household income level for acceptance on the Housing register is as follows:

One bedroom property	£36,295
Two bedroom property	£48,173
Three bedroom property	£56,152
Four bedroom property	£69,608

The income levels will be reviewed annually. Applicants with savings over £16,000 will not qualify to register for housing except in exceptional circumstances.

11. Social and Affordable Rents

The government introduced “affordable rent” to help increase the money available to build more homes

“Affordable rent “ can be set at up to 80% of current market rent levels in the district and is the main type rent set for new affordable housing. This rent level is higher than the social rent levels in both Council and RP properties but will be below private sector rents. Any extra income generated by using “Affordable rent” should be used by the landlord to build more affordable homes.

“Affordable rents” can only be charged on new build properties and on a proportion of re-let properties. Other properties will still be let at “social rent levels”.

The Council remains committed to letting properties at social rent levels.

The Council notes the government’s permission to allow councils to introduce “affordable rent” levels for new homes built by the council. If the only way a development can go ahead (be financially viable) was to have an affordable rent level, rent levels will be set in line with or less than Local Housing Allowance levels and the Council will also consider the impact of the benefit cap when setting the rent level. The Council will seek to obtain grant wherever possible to maintain social rent levels on new developments.

12. Considerations by landlords utilising Affordable Rents

The Council asks registered providers to take the following into consideration when setting Affordable Rents.

- I. Affordable rents should be set at a level which does not exceed a Universal Credit cap. This is to avoid households having to subsidise their rent from their basic living allowance. The Council does not want the rent level including service charges to exceed the Local Housing Allowance level and be unaffordable for tenants who are dependent upon benefits.

- II. When assessing expressions of interest for redevelopment on Council owned land by registered providers or where the Council's support is requested we will give preference to schemes where any proposed development offers properties at social rent. If "Affordable Rents" are to be used we would prefer these not to exceed 60% of open market rental values and/or the Local Housing Allowance. The impact of the Benefit Cap considered. Registered Providers and private developers will be made aware of this and requested to take this into account when redeveloping in the district.
- III. If the property is let with extensive disability adaptations (i.e. costing in excess of £3,000) and is suitable for a disabled person it should not be let at an "Affordable Rent" and should be prioritised for an applicant who requires those adaptations.
- IV. It is up to the landlord to ensure it complies with any legal requirements arising from its agreement with the Homes England on "Affordable Rents".
- V. Where "Affordable Rents" are used within the district, the funds raised should be prioritised for the development of new housing within the district which meet the Council's strategic housing needs. Currently the Council's aspirations are to deliver predominantly 3 bedroom family homes to meet the local needs and demographics within the district.

Registered Providers may wish to convert some homes from social tenancies to Affordable Rent tenancies when the properties become available for re-letting. This can help supplement revenue to meet the cost of new development but also means an increase in housing costs which could be a problem for those families on very low incomes, especially if they need larger homes. RPs should avoid converting larger social rented homes to Affordable Rent and also the smallest of homes (bedsits and studio apartments for single people), because of the greater impact this would have on these households.

During 2018 - 2019 following RPs – Aldwyck (Catalyst), Hightown and Settle did not carry out any rent conversions to affordable rents when reletting properties previously let on a social rent in the district.

RPs should have due regard to the Council's evidence and understanding of affordability issues if they wish to convert properties from social rents to affordable rents and we expect RPs to have an open dialogue with us if they wish to do this.

13. Letting of Affordable Rent properties

We expect that "Affordable Rent" properties will be let in accordance with the landlord's tenancy policy and when they are advertised through the Choice

Based Letting scheme, they will clearly indicate the level of rent and service charges.

RPs may have their own affordability criteria and undertake an affordability check on applicants prior to offering a tenancy. If the RP identifies that the applicant's income is not sufficient for them to be able to afford the property they are being considered for, applicants will not be offered the tenancy.

Consultation