<u>Part I</u> Item No:

Main author: Sue McDaid

Executive Member: Cllr Gemma

Moore Ward: All

WELWYN HATFIELD BOROUGH COUNCIL CABINET HOUSING PANEL – 11TH JUNE 2024 REPORT OF THE EXECUTIVE DIRECTOR (RESIDENT SERVICES AND CLIMATE CHANGE)

REVIEW OF THE TENANCY STRATEGY AND TENANCY POLICY

1 **Executive Summary**

- 1.1 The Tenancy Strategy 2024-2029 (Appendix A) sets out the Council's commitment, as a provider of social housing, to provision of high-quality housing, thriving neighbourhoods and sustainable communities. The Strategy also sets out our key objectives for tenants in the borough, and registered providers must have regard to this Strategy. In addition, we have set out in an appendix within the strategy, the considerations that we would like private sector landlords and agents to take account of (although they are not legally required to do so).
- 1.2 The Tenancy Policy (Appendix B) sets out the Council's approach to tenancy management and the issuing and re-issuing of council tenancies. In addition, the policy identifies how the council will support tenancy sustainment, tackle tenancy fraud, and manage discretionary succession rights.
- 1.3 We are required to consult with registered providers on the revised Tenancy Strategy and have done so by way of a survey which was emailed to multiple staff members within the 19 registered providers operating in the borough.
- 1.4 The consultation was open for a period of four weeks from 2nd February 2024.
- 1.5 Prior to the public consultation, the draft Tenancy Strategy and Policy was presented to Cabinet Housing Panel on 31 January 2024.

2 Recommendation(s)

- 2.1 To recommend to Cabinet the introduction of the Tenancy Policy and Tenancy strategy.
- 2.2 To request that Cabinet recommend approval of the Policy and Strategy to Full Council.

3 Explanation

Tenancy Strategy 2024-2029

3.1 The Tenancy Strategy sets out the Council's commitment to providing high quality housing, thriving neighbourhoods and sustainable communities. A contributory factor to achieving this is to ensure that all tenants in the borough

- hold tenancy agreements that offer them the highest levels of security possible, and that they know and understand their rights and responsibilities.
- 3.2 Provision of a Tenancy Strategy is a requirement of the Localism Act 2011, and the purpose is for the Council to set out what we, and other Registered Providers of social housing in the borough, are required to consider when developing or reviewing their Tenancy Policies. This includes:
 - The kinds of tenancies they grant
 - The circumstances in which they will grant tenancies of a particular type
 - Where they grant tenancies for a fixed term, the length of those terms
 - The circumstances in which a tenancy may or may not be reissued at the end of the fixed term, in the same property or in a different property.
- 3.3 Whilst private sector landlords and agents are not required to have regard to the Strategy, it does contain recommended good practice for private landlords and letting agents to support our commitment to quality of tenancy throughout our borough.
- 3.4 The 4 key objectives of the Tenancy Strategy are:
 - Secure life-time tenancies are our preferred approach
 - Tenants have a clear understanding of their tenancy
 - Enable tenants to keep their tenancy for as long as they need them
 - If a tenancy ends or is under threat of ending, tenants are assisted to prevent homelessness
- 3.5 The Strategy also sets out our expectations of the types and terms of tenancy that should be offered by Registered Providers.

Tenancy Policy

- 3.6 The Tenancy Policy sets out in the council's approach to tenancy management and the issuing and re-issuing of Council Tenancies. In addition, the policy identifies how the council will support tenancy sustainment, tackle tenancy fraud, and manage discretionary succession rights.
- 3.7 In particular, the policy sets out more detail regarding the following:
 - The granting of Secure Council tenancies
 - Legal Assignment and Succession and demotions
 - Mutual Exchange
 - Fixed term Tenancies
 - This policy also explains the type of tenancy we will offer to new and existing tenants of WHBC.

3.8 The Council has a preference for secure lifetime tenancies and have ceased issuing new flexible (fixed term) tenancies since November 2023. However, there are also circumstances when it is appropriate to issue non-secure tenancies and licences, and this is explained in the policy.

4 Consultation with Stakeholders

- 4.1 A report was presented to Cabinet Housing Panel on 31 January 2024 which included the recommendation to consult with key stakeholders on our Tenancy Strategy, Tenancy Policy and to support the use of secure tenancies.
- 4.2 A consultation was conducted between Friday 2nd February 2024 and Friday 1st March 2024 on the proposal to make changes to our tenancy policy and strategy, in particular the recommendation for ending the use of flexible (5-year fixed term) tenancies, which the council has already agreed separately. A short survey was undertaken asking registered providers, local private landlords who participate in our PALS scheme and our residents panel's views on whether the Council should adopt the revised Tenancy Strategy and Tenancy Policy.
- 4.3 All 19 local registered providers and all the PALS registered landlords received the survey link via email and read receipts were collected for the registered providers. The draft policy and strategy were sent out via email to the residents panel and virtual residents panel for their comments, as the survey questions were specifically for the landlords.
- 4.4 We received 2 responses from our PALS landlords. They didn't comment on the section relating to private landlords in the tenancy strategy. Consultation with these landlords was not a mandatory requirement and it is evident from the lack of response they did not feel strongly about it.
- 4.5 The statutory requirement to consult with all our local registered providers on our Tenancy Strategy was adhered to and 7 responses were received. The level of stock these landlords hold in the borough ranged from 25 to 700 properties; the respondents collectively have over 1875 properties in Welwyn Hatfield.
- 4.6 100% of them were in support of our draft Tenancy Policy and the move to ending the use of flexible fixed term tenancies.
- 4.7 100% of the registered providers already issue Assured (lifetime) tenancies, 86% use introductory tenancies and 43% currently offer flexible fixed term tenancies, of these 50% already intend to stop using them in the next 5 years.
- 4.8 Two comments were received from registered providers:
 - 1) Having read over the policies, I think it is well written and clear for stakeholders to read and understand.
 - 2) I think it's great. We haven't used fixed term tenancies for several years and are in the process of assisting any existing tenants on fixed-term tenancies to convert to assured tenancies. We do offer assured shorthold tenancies from time to time, but this is in line with immigration checks and they're only offered in the event someone has time limited in the UK.
- 4.9 All our tenants, and prospective tenants registered on our housing needs register, were consulted on the main change to our tenancy policy and strategy,

- before the council reached the decision in November 2023, which was to end the use of flexible fixed term tenancies.
- 4.10 The Draft Tenancy Strategy and Policy were shared with the Residents Panel and Virtual Residents Panel on 2nd February 2024, and they were invited to comment by 29th February. They were in support of the new documents, and we received some comments from them and made a couple of minor amendments to the documents in response to these.

Implications

5 Legal Implication(s)

- 5.1 Under section 150 of the Localism Act 2011, the Council, as a housing provider, must prepare, publish, and keep under review a Tenancy Strategy. The strategy must cover the matters that are listed in paragraph 3.2 above.
- 5.2 In addition, the Tenancy strategy must have regard to its housing allocation scheme and its homelessness strategy, which our strategy does.
- 5.3 Under section 151 of the Localism Act 2011, the Council must consult, for a reasonable period, with registered providers in the borough on the Strategy and any revisions of it.
- 5.4 The Social Housing (Regulation) Act 2023 introduced revised Economic and Consumer Standards alongside a new Statutory Code of Practice which took effect from 1 April 2024. All registered housing providers are expected to adhere to these. The standards relevant to this strategy are:
 - Tenancy standard (Tenure)
 - Tenancy standard (Tenancy sustainment and evictions)
 - Rent standard (how rents are set)
 - Transparency, Influence and Accountability standard (information about landlord services)
- 5.5 Regard has been made to these standards in the revision of the Tenancy Policy.

6 Financial Implication(s)

6.1 There are no direct financial implications. The strategy will be delivered within the existing budget and staff resources.

7 Risk Management Implications

7.1 Risks are mitigated by ensuring that the Strategy and Policy have been prepared and consulted in accordance with the legislation and the economic and consumer standards.

8 Security and Terrorism Implication(s)

8.1 None

9 Procurement Implication(s)

9.1 None

10 Climate Change Implication(s)

10.1 None

11 Human Resources Implication(s)

11.1 None

12 Health and Wellbeing Implication(s)

12.1 Secure lifetime tenancies are our preferred type of tenancy. There is evidence that secure tenancies have a positive effect on the health and wellbeing of tenants due to less anxiety about the insecure nature of fixed term tenancies.

13 Communication and Engagement Implication(s)

13.1 If the Tenancy Policy and Strategy are approved, it will be communicated to our tenants and leaseholders via our Community Edit newsletter and made publicly available on our website.

14 Link to Corporate Priorities

- 14.1 This strategy strongly contributes to one of our five our corporate priorities of 'Homes to be proud of' in WHBC's Community Plan for 2024-27: "Putting Communities at our Heart."
- 14.2 We recognise that by setting out our policy and strategy towards the offering and management of tenancies, this assists registered providers and private sector landlords and agents to appreciate and take account of our expectations and approach. The intention is to positively support security of tenure for council tenants and other tenants in the borough.

15 Equality and Diversity

15.1 An Equality Impact Assessment (EqIA) was completed and no negative impact was identified on any of the protected groups under Equalities legislation (see Appendix C).

Name of author Sue McDaid

Title Executive Director (Resident Services and Climate Change)

Date 14 May 2024

Appendices:

Appendix A – The Tenancy Strategy 2024-2029

Appendix B - The Tenancy Policy

Appendix C – The EqIA