Tenancy policy

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All policies are the responsibility of the leadership team to own, deliver, disseminate, monitor and review.

PURPOSE

This policy defines and establishes the type of tenancy or occupancy agreements offered by Selwood Housing Group.

UNDERPINNING PRINCIPLES

The regulatory framework requires registered providers to publish clear and accessible policies that outline our approach to tenancy management, and to have due regard to the tenancy strategies published by the local authorities in which we operate. This includes the national standards that we are required to meet. This policy relates to the Tenancy Standard which requires housing providers to grant tenancies which are compatible with the:

- purpose of the accommodation
- needs of the individual household
- sustainability of the community
- efficient use of the stock

POLICY DETAIL

Neighbourhoods Responsibility

It is the responsibility of the neighbourhood services team manager to ensure that we have tenancy agreements that meet legal and regulatory requirements. They will also ensure the necessary processes are in place and they are properly managed so that the correct tenancy is used, along with ensuring the objectives of this policy are achieved.
Policy Principles

- All of our tenants will be given a written contract for the occupation of their home.
- The tenancies granted will be suitable for the purpose of the accommodation, meeting the needs of individual households, the sustainability of the community and the efficient use of our homes.
- The tenancies will be fair and provide our tenants with statutory and other appropriate rights. They will also be mindful of the circumstances and needs of the individual tenants, particularly any vulnerability.
- When issuing tenancies we will be mindful of the needs of the business, assets and our homes. We must ensure that we maximise our income, actively manage the assets that we have, (including the disposal of properties and the adaptation of homes) and make the best use of our stock and the public investment within them.
- We will be clear and transparent in our approach to offering different forms of tenure and will offer those affected by the decisions a right of appeal.
- We will comply with the regulatory requirements under the Homes and Communities Agency Homes and Tenancy Standards, and we will protect the tenure rights of existing tenants who wish to exchange homes with another tenant should their tenancy allow.

Additional Clauses

We will insert additional clauses into tenancies, in order to enable individuals to hold a tenancy of a property which we otherwise would not offer them.

Examples of this may be:

- We let specially adapted homes on the understanding of and with the insertion into the tenancy, a clause that the tenant may be required to move to alternative suitable accommodation should the adaptations no longer be needed by a member of their household.
We may also grant a tenancy agreement with the conditions included that the tenant will engage with support agencies such as drug or alcohol services, tenancy sustainment or mental health support providers.

- The recovery of former tenant arrears or charges relating to works undertaken.
- The insertion of clauses relating to training/education/life skills commitments as part of that tenancy relating to shared accommodation where it is relevant.

**Local Authority Partner Tenancy Strategies**

Wiltshire’s Tenancy Strategy principles most relevant to this policy concern affordability and flexible or fixed term tenancies.

Wiltshire Council, whilst understanding fully the current HCA development regime based on 80% open market rents (affordable rents), ask housing providers when setting rents to be mindful of affordability issues and welfare reform changes. They will support affordable rents on new developments as long as these fall within the housing benefit cap.

Wiltshire Council welcomes the additional local flexibility of fixed term tenancies as they provide an opportunity to address issues such as under occupation, improve stock turnover, and encourage the best use of limited stock. With regard to tenancies of less than five years, Wiltshire Council will support these in particular circumstances for particular needs.

Somerset County Wide Tenancy Strategy has similar themes around affordability and criteria relating to fixed term tenancies.

Bath & North East Somerset (BANES) Council Tenancy Strategy states that the policies of registered providers are expected to set a balance between the use of the Affordable Rent Tenancy and meeting local housing needs, ensure that the approach to fixed term tenancies is consistent and fair, that the implementation of flexible tenancies does not have a negative impact on homeless and vulnerable households, and manage the introduction of
Affordable Rent Tenancies to the extent that will generate and support an agreed level of future development investment for the district.

**Use of Tenure Type.**

We will use the following forms of tenure.

- Assured (non shorthold) Periodic Tenancy
- Assured Shorthold Tenancy
- Assured Shorthold in the form of a Starter Tenancy
- Licence (usually granted by our managing agents in care homes)
- Equitable Tenancy (Assured Shorthold Tenancy Agreement [Trust for Minor])
- Assured Shorthold Tenancy for a fixed term
- Lease

We will use these tenancies in the following circumstances.

- All existing or new tenants going into social rent homes
- All existing or new affordable rent homes
- For shared housing
- For intermediate rent
- For “rent to homebuy” homes
- For market rent homes
- For shared ownership schemes
- For supported housing: licence or assured shorthold tenancy with extra rights
- For all the above, 16/17 year olds will be granted equitable tenancies (Assured Shorthold Tenancy Agreement [Trust for Minor]) i.e. with or without a guarantor

We will grant tenants’ rights that are appropriate to the form and length of tenure. In particular, we will give tenants’ rights of:

- Exchange (other than Starter Tenancies, Licences, Equitable Tenancies (Assured Shorthold Tenancy Agreement [Trust for Minor]), Assured Shorthold Tenancies, and tenancies in supported housing)
• Improvement (restrictions are placed on Assured Shorthold Tenancies or Supported Housing Tenancies)
• Succession: to spouses and partners for all tenures and to other family members where a contractual right is specified in the tenancy agreement.
• Customers who transfer to another property will be issued with the type of tenancy agreement as shown in appendix 2. However, where the customer has no choice but to move to another property, they will be issued with the same type of tenancy agreement as that which they currently hold.

The circumstances in which we will grant a tenancy of less than lifetime tenancies (currently until one party brings the tenancy to an end) are as follows.

• “Rent to Home Buy” (i.e. homes developed with the objective of sale on shared ownership leases) and market rent homes as set out above.
• Supported housing (except where the support is anticipated to be long term and excluding sheltered housing)
• We will use an Assured shorthold tenancy that affords security of tenure for new tenants for a minimum of 6 months if the property that they are being considered for has been identified as awaiting disposal, either through appraisal process or as a result of its development status, and we wish to rent the property prior to disposal
• We will use an Assured Shorthold Tenancy for shared housing where relevant

Tenancy type

The list of current tenure products are identified in Appendix 1.

General Matters

This policy will be reviewed in line with changes in legislation and the issue of Local Authority strategic tenancy policies.
We will use the following key performance indicators to review our performance yearly.

- Number of tenancies issued by type.
- Number of tenancies that require starter tenancy extensions and the number who fail to passport to a full assured tenancy.
- The numbers of evictions and reasons for action.

The results of this will be fed back to our Board.

**SIGNPOST**

- Localism Act 2011
- Wiltshire Council Tenancy Strategy 2012-2016
- Somerset County Wide Tenancy Strategy

**Policy Review Date – 14 October 2018**
Appendix 1

Tenancies and Tenure Products

**Starter Tenancies**

Starter Tenancy (then Assured Periodic Tenancy). These are issued to all new tenants who do not currently hold a tenancy with us. They are Assured Shorthold Tenancies which form a “probationary 12 or 18 month period (if extended). Unless action is taken to end them an Assured Periodic tenancy will be offered at the end of the term.

**Assured Periodic or Lifetime Tenancies**

These are used when there is a clear intention to create a “home for life” and are usually on social rents.

**Affordable Rent**

Starter Tenancy (then Assured Tenancy)

80% gross market rent (including service charges).

Similar to social rent but the rent calculation formula is 80% of market rents including service charges. This is the affordable housing product for new homes built by the government to replace social rent. The extra rent has allowed the government to reduce the level of capital funding. Transfers will have different tenancy agreements for Affordable Tenancies.

**Intermediate Rent**

Assured Shorthold Tenancy.

One month’s deposit required.

80% market rent.
Homes let at a rent below market rent and targeted at people in employment seeking to save to buy a home. To be let through the Local Homebuy Agent.

**Rent to Homebuy**

Assured Shorthold Tenancy. One month’s deposit required. 80% market rent. Government scheme that allowed people who met certain criteria to rent a home at a below market rent with the right to purchase a share of the home within the first 5 years. This scheme has been closed so there are no new government funded RTHB schemes. But it still operates for anyone in one now. RTHB was a response to the property market crash / increase in deposits required to get a mortgage / rationing of mortgages in the UK. To be let through the Local Homebuy Agent.

**Mortgage Rescue**

Assured Shorthold Tenancy at 80% market rent. A government scheme funded by the HCA to help people who can no longer pay their mortgage to stay in their home and reduce the impact of homelessness in terms of the personal impact and cost. Where the household meets HCA criteria the HCA will part fund the purchase of the home by a housing association. The home is then let to the household at 80% of market rent. Referral from the Local Homebuy Agent.

**Equitable Tenancies**
(Assured Shorthold Tenancy Agreement [Trust for Minor])

Used for housing 16/17 year olds.

**Licence Agreements**

Used for our supported housing schemes.
Shared Ownership

Lease

This where a percentage of the home is sold (usually between 25 and 75%) to help people get on to the housing market ladder. Selwood Housing retains the unsold part of the house and charge a rent on this, usually between 2.5% and 3% of the unsold value. Shared ownership is known under different names; for example newbuy and first buy.
# Appendix 2

## Tenancy Types and Transfers

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<thead>
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<th>After Transfer</th>
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<tr>
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<td>AFFORD</td>
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<td>AFFSTA</td>
<td>Affordable Starter</td>
</tr>
<tr>
<td>ASSUR</td>
<td>Assured</td>
</tr>
<tr>
<td>AST (Rowan House)</td>
<td>Assured Shorthold (Rowan House)</td>
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<td>Extended Starter Tenancy</td>
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<tr>
<td>HOMEBU</td>
<td>Homebuy</td>
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<tr>
<td>INTER</td>
<td>Intermediate Rent</td>
</tr>
<tr>
<td>SASSUR</td>
<td>Converted Starter</td>
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<tr>
<td>SASSUR</td>
<td>Converted Starter pre 7/11/11</td>
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<td>START</td>
<td>Starter</td>
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## Decision-making Record

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