

Slough Borough Council

Tenancy Strategy & Tenancy Policy

2013 – 2018

Contents

1	Introduction	
	Part I – Slough Borough Council Tenancy Strategy	
2	Objectives for this strategy	
3	Housing context in Slough – Local Authority	
4	Housing context in Slough – Private Sector	
5	Affordable Rent General Principles	
6	Welfare Reform	
7	Tenancy Types	
8	Use of different tenancy types	
9	Renewal of flexible tenancies	
	Part II – Slough Borough Council Tenancy Policy	
10	Use and renewal of Tenancies	
11	Adaptations for disabled residents	
12	Money to Move scheme	
13	Verification checks	
14	Ending a flexible tenancy	
15	Right to request a review	
16	Overcrowding and under-occupation	
17	Succession	
18	Assignment	
19	Consultation	
20	Document review	

1. Introduction

1.1. This document incorporates:

- 1.1.1. Slough Borough Council's Tenancy Strategy, which registered providers in the borough must have regard to in the setting out of their Tenancy Policy. It is issued by SBC in its role as a Local Housing Authority.
- 1.1.2. Slough Borough Council's Tenancy Policy, which will apply to council owned housing in the borough. It is issued by SBC in its role as a landlord and will be implemented on October 1st 2013.

1.2. The Tenancy Strategy sets out the council's approach to the management of tenancies which Registered Providers (formerly Registered Social Landlords, RSL's) must have regard to in setting their own Tenancy Policy. The Tenancy Policy sets out how the council will apply this to its own housing stock.

1.3. Tenancy Strategies defines:

- The types of tenancy to be offered
- The circumstances under which a particular tenancy type may be used
- Where a flexible tenancy is offered, the term for which the tenancy will be valid
- The reasons why a flexible tenancy may, or may not be renewed.

1.4. The documents co-exist with the Housing Strategy, Allocations Policy and Homelessness Strategy, and should be read in conjunction with these documents. Along with these related documents, the Tenancy Strategy continues the Golden Thread set out in the Sustainable Community Strategy, the Joint Strategic Needs Assessment and the Corporate Plan. It is produced at a time which enables adoption of reforms introduced by the Localism Act 2011.

1.5. Many of the reforms to housing can be implemented with a degree of local discretion. The Tenancy Strategy therefore sets out our strategic approach to the utilisation of these reforms and how they can best be used in Slough to meet our broader housing objectives.

1.6. In the context of tenancies, the Localism Act has introduced the option to offer "flexible tenancies". Currently only "secure tenancies" are available to local authorities. The main difference between the two kinds of tenancy is that the flexible tenancies are offered for a fixed period of time, while a secure tenancy is offered for the lifetime of the tenant. The act requires that councils wishing to use flexible tenancies have a Tenancy Strategy and Tenancy Policy in place.

1.7. Housing providers, including the council will take account of the Tenancy Strategy when developing Tenancy Policies that detail how they will use the new flexibilities afforded to landlords under the Localism Act.

Part I - Slough Borough Council Tenancy Strategy

2. Objectives

2.1. The Sustainable Communities Strategy, the document setting out where the council and partners want Slough to be by 2028, highlighted housing as one of the five priorities. It stated that:

“By 2028 Slough will possess a strong, attractive and balanced housing market which recognises the importance of housing in supporting economic growth”.

2.2. The Joint Strategic Needs Assessment also set out as one of the summarised priorities to:

“Improve the quality and availability of housing and environment for Slough residents”.

2.3. The provisions within the Localism Act pertaining to tenancies gives the council an opportunity to deliver the priorities set out above, namely to improve the availability of housing, and placing housing at the core of supporting economic growth by ensuring households have access to homes of a size and location appropriate to their current needs.

2.4. The objectives of this Tenancy Strategy are therefore to:

- Address the housing needs of Slough residents by making the best use of social housing stock, housing people in the most appropriate properties and promoting a range of housing tenures to those in housing need
- Adequately house according to their needs, and provide stability to vulnerable people
- Prevent homelessness
- Promote and reward responsible tenant behaviour, encouraging respect of properties, other residents and the neighbourhood, while taking robust action against those who break the rules
- The policy aims to be fair and transparent, simple to understand, administer and communicate.

2.5. This Strategy sets out guidance for the granting and renewal of tenancies and suggests that this should only be in those cases where tenants have demonstrated the ability to sustain the tenancy and meet the responsibilities and obligations which are attached to the possession of a tenancy. This includes, but is not limited to, the payment of rent, council tax, service charges, recharges and debts due to the council or other Registered Providers, or obligations such as payment of water rates which is an obligation as part of a tenancy. It also makes clear that tenancies will not be granted or renewed where there is anti-social behaviour, lack of respect for neighbours or for the property.

3. Housing Context in Slough - Local Authority Housing

- 3.1. Slough Borough Council has a stock of around 6,500 council properties, with a further 1,000 leasehold properties. There are just under four thousand properties owned or managed by Registered Providers, which the council can nominate to. The council allocates to the stock of properties from the Housing Register, governed by the criteria set out in the Allocation Policy. Leasehold properties are those which have been disposed of through the Right to Buy programme, but which the Local Authority retains land ownership, in the majority of cases due to the properties being located in flatted premises. The council cannot allocate to leasehold properties, and therefore the operational number of properties which can be allocated to is 10,000.
- 3.2. As of 3rd September 2012, there were 7,313 households on the housing register. A number of these households are currently occupying overcrowded properties and/or are in priority need for housing. The economic situation is resulting in increasing number of applications to the Housing Register, while the council has limited ability to deliver new council properties, to offset those lost through ongoing Right to Buy. Through partnerships with Private Registered Providers (formerly known as RSL's) the council has delivered additional properties through the Garage Strategy. This has successfully delivered over one hundred homes but has had limited impact within the context of the growing demand.
- 3.3. Under previous government legislation, properties granted to tenants have been granted on a life time basis as secure tenancies. Therefore it is common for a family sized property to have been allocated to a family in the past, where the household has subsequently decreased in size due to children leaving the family home. While no changes can retrospectively be imposed on secure tenancies already granted, changes applied to newly granted tenancies could avoid this situation in the future.
- 3.4. Housing management and benefits team figures indicate that around 750 affordable properties (including council and Registered Provider properties) are under-occupied by the housing benefit criteria. This represents roughly 7% of the entire affordable stock.
- 3.5. As demonstrated above, placing households in properties appropriate to their size would give access to over seven hundred larger properties to house those who are currently overcrowded in other council controlled properties, or on the waiting list.

4. Housing Context in Slough - Private Housing Market

- 4.1. The average residential property price in Slough is £204,381. This is lower than both the South East average of £260,030 and also lower than the national average of £226, 887 (see detailed table below). Despite this, a Slough family, wishing to buy a terraced or semi-detached home would have to find around £43,000 for the deposit and have a household income of over £49,000 per annum assuming they can get an 80% mortgage from a lender prepared to lend at 3½ times their annual income. See Fig 1 below.

Slough residential property sales figures based on period January – March 2012 (land registry)				
Type	Detached	Flat	Semi	Terraced
Price	£334,111	£137,227	£244,080	£198,563
N° sold in period	25	75	61	108
Change in last year	-1.3%	2.3%	3.2%	1.1%
Change in last quarter	-7.6%	3.4%	0.3%	0.4%

Figure 1

- 4.2. Over the past four years, nationally home ownership has peaked and the percentage of owner occupiers has started to fall. Nationally, new social housing development has all but stopped since 2008 and in 2011 was still at the lowest level for 60 years. Slough has lower rates of owner occupation than regional or national averages, reflecting its relative deprivation. We do have a significantly larger privately rented sector than national or regional averages. Nationally this sector is growing, with both professional and amateur landlords looking to expand their role. The private rented sector is soon expected to become larger than the social rented sector.
- 4.3. There is an acute need for more affordable housing locally, there are currently over 7,313 households seeking housing on the Council's Housing Register (3rd September 2012). To help meet the housing needs of as many households as we can, we need to make the best possible use of our affordable housing stock as well as increase overall stock numbers.
- 4.4. Including the council, there are thirty six different registered providers of just over 10,000 rented affordable homes in the Borough. The council is the largest landlord of social rented homes, with around 6,300 properties. Other registered providers combined have 3,981 units including general needs, supported housing and housing for older people.
- 4.5. Many registered providers work across a number of local authority areas and will need to consider a number of local authority tenancy strategies in developing their tenancy policies, they will also need to consider the implications of their tenancy policy on their overall business and development plans, including development contracts with the Homes and Communities Agency. We recognise that this may restrict their ability to comply fully with our strategy; however, we expect providers to consider this strategy when developing or updating their policies.

5. Welfare Reforms

- 5.1. At the same time as changes to tenancy types brought about by the Localism Act, there are a number of changes to the welfare system which have the potential to affect tenants and householders in Slough. These include both reductions in the total amount of benefit paid and changes to eligibility based on personal circumstances, as well as changes to housing benefit specifically for those in the social sector.

- 5.2. A cap on total benefits paid will be introduced from 1st April 2013 covering combined income from the main out of work benefits, housing benefit, child benefit and child tax credit. The cap will be £500 per week for couples and lone parents, and £350 per week for single adults. Households in receipt of certain benefits will be exempted from the cap.
- 5.3. Social sector under occupancy rules will be introduced which will reduce housing benefit paid to a household by 14% of eligible rent if under occupancy is by one bedroom and 25% reduction for under occupancy of two bedrooms or more. A new set of criteria have been established to identify which members of a household are entitled to a bedroom.
- 5.4. From January 2013 households where one member earns £50,000 or more per year will lose automatic entitlement to child benefit.
- 5.5. There will also be changes to council tax benefit, which will now be called council tax support. From April 2013 local authorities will have to set their own criteria for council tax support, and the total budget allowed under the previous system will be reduced by 10%, requiring local authorities to make savings through changes to eligibility.
- 5.6. Local Housing Allowance rates are also changing, being frozen for a year from April 2012 and in future will be re-calculated on an annual, rather than monthly basis. In addition the definition of a young individual has been changed to mean anyone under 35, and said single young individuals will only be eligible for the shared rate of LHA regardless of the accommodation they occupy.
- 5.7. Changes linked to the Universal Credit mean that a range of benefit payments will be combined into one single monthly payment (rather than weekly) and will be paid to the claimant. This will pose a significant risk to landlords who previously received housing benefit directly, and will now need to collect rent. A move to monthly payments in arrears will also represent a significant departure from what many tenants are used to.
- 5.8. In light of these changes the council has a duty to ensure that tenancies granted are financially sustainable for the tenant in the long term, and that the council does not place tenants in properties which would cause them to be out of pocket due to the welfare reforms.

6. Affordable Rent General Principles

- 6.1. Affordable rent was introduced by the government in April 2011; it is rented housing where the rent is up to 80% of the local private market rent. This is typically higher (and cannot be lower) than rents charged by social landlords. Affordable rent is rebased each time a tenancy is issued or renewed, so will fluctuate in line with local private market rents. The 80% maximum must however be inclusive of all service charges and not exceed the Local Housing Allowance (LHA) cap for housing benefit. Higher rents will increase rental incomes and allow more investment by housing associations and other registered providers to deliver additional affordable housing in a time of constrained grant budgets. Funding raised from affordable rent cannot be ring fenced for local use, although use at a

regional level is strongly encouraged by the Homes and Communities Agency (HCA).

- 6.2. The council understands the need to accept an element of affordable rented housing locally to support future affordable housing development, particularly on schemes which rely upon HCA funding, but there is also a need to balance such provision with providing the best possible outcome for tenants.
- 6.3. Social rent will still be the best type of tenure for many tenants, particularly those with low incomes. We are concerned regarding the potential impact of higher rents and benefits dependency, particularly for those who are looking to get back into work. We will continue to monitor housing need and promote the use of lower cost social rented housing where required and feasible.
- 6.4. The increased cost associated with affordable rent raises concerns about affordability, particularly in relation to tenancy sustainment and homelessness. For example, we have concerns about setting affordable rent at the maximum Local Housing Allowance which can fluctuate down as well as up. Without careful management tenants in receipt of housing benefits could potentially be threatened with homelessness because they cannot afford to remain in a provider's property which is suitable for their needs, especially considering the Universal Credit and benefit cap at £500 p/w for couples and lone parents, and £350 p/w for single adults.
- 6.5. In addition, the increased expense of affordable rent may act as a disincentive for some households, potentially reducing demand and limiting the types of households who are willing to accept such accommodation. We want to enhance the quality of life for everyone in the borough of Slough to achieve a sustainable, prosperous and vibrant community, a place where people want to live, work and visit. We have concerns about providers using affordable rent across the board without having regard to the distinct needs of local areas and neighbourhood, affordable rent may not be appropriate for all types of housing in all areas.
- 6.6. The council will object to and challenge the application of affordable rents to properties which were built with funding from Housing Corporation, Local Authority Social Housing Grant, local authority affordable housing top up funding, or where land was gifted for nominal sums.
- 6.7. For the reasons set out in section 5, when developing their tenancy policies we expect providers to have regard to the following:
 - 6.7.1. We encourage the retention and development of social rent where feasible.
 - 6.7.2. We discourage the use of affordable rent in bungalows and accommodation designated for older people. If providers do let such homes at an affordable rent we expect this to be set at no more than 70% open market value or target rent whichever ever is highest.
 - 6.7.3. We expect providers to take into consideration the need for mixed and sustainable communities.

- 6.7.4. We encourage providers to take into consideration neighbourhood management advice from the council regarding the use of affordable rent, particularly in priority neighbourhoods.
- 6.7.5. We expect providers to set affordable rents so not to unfairly disadvantage communities. This may include setting rents lower than 80% open market value where market rents are high and on some homes within specialist schemes with local occupancy criteria.
- 6.7.6. We expect providers to be pro-active in both setting and re-evaluating their affordable rent levels so tenants in receipt of housing benefits can afford to reside in a property which is suitable for their needs. For this reason we encourage providers to set total affordable rent charges at no higher than 95% of the Local Housing Allowance rate for that area and take into consideration total benefit caps.
- 6.7.7. We expect conversions from social rented properties to affordable rent properties at the point of re-let to be based on an agreed contract with the HCA and that those agreed numbers be shared with the council in order for effective monitoring to take place.
- 6.7.8. We expect providers who convert their social rented stock to affordable rent within the borough to demonstrate a commitment to develop additional affordable housing within the borough.
- 6.7.9. We will seek social rented homes on new developments where no HCA grant has been given, in line with identified needs, subject to the viability and the specific nature of the scheme.
- 6.7.10. We will not ordinarily support the conversion of social rented properties that are subject to section 106 agreements to affordable rent.
- 6.7.11. We expect providers to provide excellent advice and assistance to ensure potential tenants are able to fully understand their housing options and whether affordable rent is an appropriate type of tenancy for them. This may include taking advice from the council and other partner organisations for some specific vulnerable households.

7. Tenancy Types

- 7.1. There are several tenancy types already in use in the borough across a range of housing providers
- 7.2. **Introductory tenancies** – as determined by Housing Act 1996 S124 and also known as “probationary tenancies”, or “starter tenancies” for non-local authority Registered Providers with assured tenancies, and these tenancies are offered to new tenants that have not been continuous secure or assured registered provider tenants from before 1 April 2012. The introductory period normally lasts for a period of 12 months however can be extended by a further 6 months to a total introductory period of 18 months where there is concern about the tenancy conduct or to allow time to remedy a breach such as rent arrears. Provided there has been no breach of tenancy that would warrant eviction within the introductory period, the

Introductory Tenancy converts to a Secure/Assured Tenancy. Slough Council tenancies granted after 25th May 2014 will become Flexible fixed term secure tenancies for either 2 or 5 years after the Introductory Tenancy. Slough Borough Council will also grant secure periodic tenancies (lifetime) for certain qualifying tenants.

- 7.3. **Secure tenancies** – as defined by the Housing Act 1985 S80(1) reserved for local authority use and provide the household with a tenancy for the lifetime of the tenant
- 7.4. **Assured tenancies** – as defined by the Housing Act 1988 and often expressed as Assured Non-Shorthold. Registered Providers (excluding Local Authorities) offer assured tenancies to transferring tenants with an existing assured or secure tenancy. An assured tenancy can also be for a fixed term. Assured tenancies don't have the right Buy but rather the right to Acquire.
- 7.5. **Assured Shorthold tenancies** – as introduced by the Housing Act 1980, and amended by the Housing Act 1988 and 1996. Registered Providers have always been able to use Assured Shorthold Tenancies in certain circumstances e.g. provision of temporary accommodation, and will remain the choice of private landlords where housing applicants are discharged to the private sector. This Strategy does not seek to encroach on this.
- 7.6. **Flexible Secure tenancies** – Local housing authorities have, from 1 April 2012, been able to issue 'Flexible tenancies'. The council term for a flexible tenancy is 5 years, and 2 years for those 25 years old and under and those homeless being discharged into council stock. These will have most of the statutory rights of secure tenants - a right to exchange, a right to take in lodgers and (with the landlords consent to sub-let), right to have repairs carried out, a single succession right and the right to buy. Therefore, the main change is that tenancies will now be time-limited. Other housing providers (such as Registered Providers) will be able to issue Fixed Term Assured tenancies with a number of additional features e.g. succession rights, rights to repair and right to acquire.
- 7.7. In framing tenancy policies and determining the circumstances in which flexible tenancies should be granted or ended, providers are requested to make due consideration of the council's recommendations as set out in this document.

8. Use of Different Tenancy Types

- 8.1. The council believes that more effective matching of stock with those in most need is essential. The council also believes that flexible tenancies may not be appropriate for certain vulnerable groups. While the council's default position is the issue of Flexible Tenancies of either two year (25 and under) or five year periods for all general needs applicants, the Council considers Lifetime tenancies can be more appropriate for those from vulnerable groups. Details of those groups are set out at 8.6.
- 8.2. Council and housing association tenants whose tenancies commenced prior to 1 April 2012 and have remained social housing tenants since that date shall not be granted a tenancy with less security where they choose to move to another social rented home, whether with the same or another landlord. (This requirement does

not apply where the tenant chooses to move to accommodation let on Affordable Rent terms).

- 8.3. All new tenancies will initially be introductory tenancies for a one year term. At the stage of offer the most appropriate type of tenancy to continue after the Introductory period will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.4. Toward the end of, or at any time during the introductory period, the tenancy will be reviewed considering the tenants conduct of that tenancy. Where the behaviour or conduct is not satisfactory the Introductory tenancy can be terminated (Notice of Proceedings for Possession) or extended by way of Notice (Notice of Extension).
- 8.5. At the end of the Introductory Tenancy a decision will be made, based on the conduct of the tenant whether the tenancy will convert to the tenancy type as per the offer letter where tenancy conditions have been met, or if the tenancy will be terminated and possession sought where conditions have not been met.
- 8.6. The council recognises that fixed term tenancies will assist housing providers make the best of their stock also linking tenancy renewal to behaviours and responsibilities. At the same time, the council is keen to ensure that tenancy arrangements protect the most vulnerable; promote sustainable communities; and do not discourage people from seeking employment. The Council wishes to see the continuation of lifetime tenancies for the following:
- Those over 60 years old based on the First Tenant (in a case of succession a younger spouse would potentially succeed to the lifetime tenancy)
 - Those with lifelong support needs where council accommodation is considered necessary and appropriate
 - Those in designated supported or extra care accommodation
- 8.7. Housing providers should consider which properties they consider most suitable for fixed term/flexible tenancies taking into account the current mix of households in the area, local housing need and any other issues (for example, requirements set out in Section 106 agreements or nominations agreements).
- 8.8. All households with identified support needs will not automatically be eligible for council accommodation. Some support needs are better met by other public and private providers and some households can be suitably housed in the private rented sector while receiving floating support to their home.

- 8.9. It is essential that housing providers clearly communicate with prospective tenants the terms of the tenancy (i.e. type and length of tenancy, renewal criteria, right to review etc.) in the initial offer letter.
- 8.10. Discharge of homelessness duty into the private sector is introduced through the Localism Act, and this will predominantly be the case in Slough. Where homelessness duty is to be discharged into council stock, this will be for a period of two years or five years (as per policy criteria), including a one year introductory period. This is in line with new duty to homelessness applicants, whereby a reapplication within two years of an initial homelessness approach requires the authority to secure accommodation.
- 8.11. Where the homeless discharge to council stock fails in its introductory period due to tenancy misconduct of a serious nature this may result in a future homeless application being refused on grounds of the applicant making themselves intentionally homeless.
- 8.12. Where the homeless applicant successfully completes the introductory and 2 year initial tenancy, they will be assessed as every other tenant would be for the most appropriate type of tenancy to continue after the introductory period. This will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.13. Due to rapidly changing family circumstances in the under 25s age group, tenancies granted to this age group will be for a period of two years, following a one year probationary period. This will be subject to points at 8.6 above where the appropriate type of tenancy to continue after the introductory period must be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.14. Where a joint application is made and one of the applicants is 25 years of age or younger, the tenancy offer will be based on the first (older) applicant. Therefore potentially qualifying for a 5 year fixed term and not a 2 year.

9. Renewal of Flexible Tenancies

- 9.1. The council recognises that the introduction of flexible tenancies means a social housing tenancy is no longer for life. In addition, the council will use flexible

tenancies to manage the allocation of households to the most appropriate property size in collaboration with the allocations policy, and also as an incentive to encourage good tenant behaviour.

9.2. Circumstances where the tenancy may not be renewed include:

- 9.2.1. A change in the composition of the household which has resulted in the household under occupying the accommodation in accordance with the housing benefit standards. This will be applied with discretion, for example under-occupation to be permitted in certain temporary absences, such as a member of the household being absent to attend university or on military service, but not, for example where a member of the household is serving a prison sentence. In all cases the council must be satisfied that the household can sustain the tenancy, i.e. cover any benefit shortfall.
- 9.2.2. An adapted property is no longer suitable for the needs of the household e.g. where adaptations have been provided for a disabled person who is no longer resident in the property, the adaptations are no longer required, and there are other families or individuals needing this type of adapted accommodation.
- 9.2.3. The needs of the household or any member thereof could more suitably be met by an alternative property which has existing adaptations, and where the adaptations required at their existing property would be extensive
- 9.2.4. There is evidence of criminality and/or serious and persistent breach of the tenancy agreement by the household, including but not limited to anti-social behaviour, property neglect and rent arrears. Discretion should be used where there are mitigating factors, attempts by the tenant to rectify the issue and/or wider family circumstances.
- 9.2.5. The tenant or member of the household is in prison at the time of renewal.
- 9.2.6. The tenant or member of the household has acquired another property.
- 9.2.7. There has been a substantial improvement in the household's financial circumstances, such that the household has the ability to sustain a private sector or SBC supported tenancy. For example, Shared Ownership Schemes managed by Registered Providers which Slough Borough Council works with indicate that a household with an income of more than £20,000 can secure a 1 bed property, £26,000 for a 2 bed property and £32,000 for a 3 bed property. Where a household's income or savings have reached such a level that it can afford to buy an average property in the borough (without financial assistance), it would be reasonable for the housing provider to consider not renewing a fixed term/flexible tenancy. As a guide, a household income of £60,000 per annum or more, or savings of a similar level could be used. This reflects the maximum income a household can earn to be eligible for government-backed low-cost home ownership schemes. Other factors would need to be taken into account by the housing provider when taking a decision not to renew a tenancy based on income, including access to a deposit, mortgage availability, age, size of household and credit history. The council does not want the use of fixed term tenancies to be a barrier to households seeking employment or attempting to improve their income and lifestyle through career progression

and, therefore, would expect that this criterion would only apply infrequently.

9.2.8. In the case of large households, where sub-households may be more appropriately accommodated as separate households.

9.2.9. To allow disposal, demolition, refurbishment of existing property as part of regeneration or stock improvements / evaluation / rationalisation.

9.2.10. Possession proceedings already started

9.3. Where a flexible tenancy is not to be renewed at the existing property, in securing alternative suitable accommodation for the household, the council will take into account so far as is possible the household's area(s) of choice and whether they need to live in a particular area to give or receive care or support.

9.4. Landlords are expected to contact tenants whose tenancies are due for renewal within a reasonable time period to assess the household circumstances and discuss options available to the household. Government guidance recommends a review period of six months; however an initial contact with the household may be made before this to ensure that there is sufficient time to arrange alternative accommodation or for the household to purchase a home where this is likely to be deemed necessary.

9.5. Registered Providers must also have in place a process for the review of decisions, which they should administer within their organisation. Legislation states that a request for a review must be received from the applicant within 21 days of the notice from the landlord stating that the tenancy will come to an end.

9.6. The Council will not and does not expect other housing providers to use fixed term tenancies as a short cut to enforcement procedures for breaches of tenancy conditions but accepts there may be circumstances where enforcement proceedings are so far advanced that it would not be appropriate to renew a tenancy. It will be for Providers to judge these cases on merit mindful that they will have to justify such action should the tenant seek to exercise their right to appeal.

Part II – Slough Borough Council Tenancy Policy

10. Use and Renewal of Tenancies

- 10.1. In its exercise of functions as a landlord, Slough Borough Council will comply fully with the guidance set out in section 8 and 9 of the SBC Tenancy Strategy 2013-18, and will adopt these sections in full as its Tenancy Policy. In addition the Tenancy Policy will include the following.

11. Adaptations for Disabled Tenants

- 11.1. Tenants who require adaptations in order to live as safely and independently as possible in their homes will have an assessment to establish whether it is feasible, necessary, appropriate and practicable to adapt their current home to meet their needs.
- 11.2. Tenants who are under-occupying their homes will usually be expected to move to smaller accommodation if major adaptations are required. They will be eligible for the Tenant Incentive Scheme to assist with the move.

12. Money to Move Scheme

- 12.1. The council currently offers incentives for households who are under occupying their properties to downsize, thus making larger properties available for households who need them. In recognition of tenants who downsize the council offers a range of incentive packages, including a lump sum for each room vacated, a free removal service, fixtures, fittings and carpets, depending on which option tenants choose.
- 12.2. The *Money to Move* scheme will continue to apply to tenants in secure periodic tenancies.
- 12.3. Tenants who are granted flexible tenancies will be reassessed at the end of each flexible tenancy period. The *Money to Move* scheme will therefore only apply to those with flexible tenancies in exceptional circumstances, especially where the flexible tenancy is within two years of expiry.
- 12.4. For further information on the *Money to Move* scheme please see <http://www.slough.gov.uk/housing/money-to-move.aspx>

13. Verification Checks

- 13.1. New tenants are required to provide proof of their identity before they are allocated a tenancy. Staff will take a photograph of each tenant at the time of their sign up and keep this on their tenancy file. This may be updated periodically.

- 13.2. Housing Officers will check the identity of tenants on the granting of a flexible tenancy, and every five years for secure tenancies. The principal aim of the check is to prevent and tackle tenancy fraud. However the verification visit will also offer an opportunity to check whether there are any unreported tenancy problems.

14. Ending a Flexible Tenancy

- 14.1. Eight months before the scheduled end of a flexible tenancy, the council will review the households circumstances. Depending on the outcome of this exercise the tenancy may either be re-granted, or not. Not less than six months before the end of the period of the Flexible Tenancy a “six month notice” will be issued indicating to the tenant whether the Flexible Tenancy will be renewed, or not.
- 14.2. If at the end of the Flexible Tenancy possession is to be sought and the tenancy is to end, a written “six month notice” will be sent, stating:
- That the landlord does not propose to grant a further tenancy on the expiry of the flexible tenancy
 - Setting out the reasons for not proposing to grant another tenancy
 - Informing the tenant of their right to request a review of the proposal and the time within which a request must be received
- 14.3. At this time the landlord will give the tenant support and advice to find alternative accommodation.
- 14.4. A subsequent “two month notice” will be given stating that possession of the property is required. This “two month notice” may be given before or on the day on which the tenancy comes to an end.
- 14.5. At the expiry of a Flexible Tenancy, a statutory Weekly Periodic Tenancy arises.

15. Right to Request a Review

- 15.1. The tenant has 21 days from the issuing of the six month notice to request a review of the decision.
- 15.2. The request must be made in writing, and must include the name and address of the applicant, a description of the decision which is to be reviewed, why the applicant believes the decision does not accord with the Tenancy Strategy, and whether the applicant wishes to receive a review without a hearing, or a review by way of hearing.
- 15.2.1. **Review without a hearing.**
In this case the landlord will write to the applicant requesting written supported evidence, to be received not less than five days from the date of the request. The review will be carried out by an officer of

greater seniority than the officer who made the original decision, and must not have been involved in the original decision.

15.2.2. Review by way of hearing.

In this case the landlord will write to the applicant with a date for the oral hearing which will be held not less than five days from the date of the written notice. The review will be carried out by an officer of greater seniority than the officer who made the original decision, and must not have been involved in the original decision. At the hearing the applicant or appointed representative may make written or oral representation. The original decision maker may be present.

- 15.3. The tenant will be notified of the decision of the review in writing. If the original decision is upheld, the reasons for this will be set out in the written notice.

16. Overcrowding and Under-Occupation

- 16.1. Tenants who are overcrowded may apply for a transfer to a larger home.

Where overcrowding is due to non-dependent members of the household, these individuals or families may be expected to apply separately for a tenancy. If members of the household have no recourse to public funds, they cannot be counted in the family composition and be included in any calculation of overcrowding.

- 16.2. Tenants who are under-occupying their homes may experience difficulties in paying their rent due to welfare reform which limits Housing Benefit for tenants of working age. Any tenant under-occupying their home will have priority for a transfer to a smaller home if they wish to move, through the Allocations Policy. They will also have opportunities to exchange with families who need a larger home. The Council will assist tenants who are under-occupying to identify suitable alternative homes.

- 16.3. Households should also be aware that where a dependent is evicted through a 'parental eviction' the household will have the Flexible Tenancy terminated at the next review period if any of the criteria set out in section 9 of this Tenancy Strategy apply.

17. Succession

- 17.1. Following changes set out in the Localism Act, the rules on succession have changed for those tenancies created on or after 1 April 2012. Succession rights are set out in council Tenancy Agreements. Tenancies can only be succeeded once.

- 17.2. Those eligible to succeed to a tenancy granted before 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse or civil partner provided they were living there at the time of death

- A partner or qualifying family member who has lived at the property as their principle or only home for 12 months prior to the death of the tenant.

17.3. Those eligible to succeed to a tenancy granted on or after 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse, civil partner, or couple living as married/civil partners provided they were living there at the time of death

18. Assignment

18.1. Tenants have the right to assign their tenancy within the relevant law.

18.2. **Introductory Tenancies** can assign their tenancy under the Housing Act 1996 S134 by way of property adjustment order made by the court, or to a person who would be qualified to succeed the tenant if the tenant died immediately before the assignment. There is no right to mutual exchange

18.3. **Secure Tenancies** including **Flexible Tenancies** have the right to assign their tenancy to someone else only under the following circumstances:

- by way of Mutual Exchange,
- by way of a Property Adjustment Order by a court in connection with matrimonial proceedings, or
- to a person who would qualify to succeed the tenancy if the tenant died immediately before the assignment.

19. Consultation

19.1. A draft version of the Tenancy Strategy has been sent to all thirty-six Registered Providers in the Slough borough for comment. The feedback received was supportive of the aims and content of the strategy.

20. Document Review

20.1. As a new policy, the contents of the Tenancy Strategy will remain under review during its lifetime based upon monitoring to ensure the stated aims and objectives are being achieved.

Slough Borough Council

Tenancy Strategy & Tenancy Policy

2013 – 2018

Contents

1	Introduction	
	Part I – Slough Borough Council Tenancy Strategy	
2	Objectives for this strategy	
3	Housing context in Slough – Local Authority	
4	Housing context in Slough – Private Sector	
5	Affordable Rent General Principles	
6	Welfare Reform	
7	Tenancy Types	
8	Use of different tenancy types	
9	Renewal of flexible tenancies	
	Part II – Slough Borough Council Tenancy Policy	
10	Use and renewal of Tenancies	
11	Adaptations for disabled residents	
12	Money to Move scheme	
13	Verification checks	
14	Ending a flexible tenancy	
15	Right to request a review	
16	Overcrowding and under-occupation	
17	Succession	
18	Assignment	
19	Consultation	
20	Document review	

1. Introduction

1.1. This document incorporates:

- 1.1.1. Slough Borough Council's Tenancy Strategy, which registered providers in the borough must have regard to in the setting out of their Tenancy Policy. It is issued by SBC in its role as a Local Housing Authority.
- 1.1.2. Slough Borough Council's Tenancy Policy, which will apply to council owned housing in the borough. It is issued by SBC in its role as a landlord and will be implemented on October 1st 2013.

1.2. The Tenancy Strategy sets out the council's approach to the management of tenancies which Registered Providers (formerly Registered Social Landlords, RSL's) must have regard to in setting their own Tenancy Policy. The Tenancy Policy sets out how the council will apply this to its own housing stock.

1.3. Tenancy Strategies defines:

- The types of tenancy to be offered
- The circumstances under which a particular tenancy type may be used
- Where a flexible tenancy is offered, the term for which the tenancy will be valid
- The reasons why a flexible tenancy may, or may not be renewed.

1.4. The documents co-exist with the Housing Strategy, Allocations Policy and Homelessness Strategy, and should be read in conjunction with these documents. Along with these related documents, the Tenancy Strategy continues the Golden Thread set out in the Sustainable Community Strategy, the Joint Strategic Needs Assessment and the Corporate Plan. It is produced at a time which enables adoption of reforms introduced by the Localism Act 2011.

1.5. Many of the reforms to housing can be implemented with a degree of local discretion. The Tenancy Strategy therefore sets out our strategic approach to the utilisation of these reforms and how they can best be used in Slough to meet our broader housing objectives.

1.6. In the context of tenancies, the Localism Act has introduced the option to offer "flexible tenancies". Currently only "secure tenancies" are available to local authorities. The main difference between the two kinds of tenancy is that the flexible tenancies are offered for a fixed period of time, while a secure tenancy is offered for the lifetime of the tenant. The act requires that councils wishing to use flexible tenancies have a Tenancy Strategy and Tenancy Policy in place.

1.7. Housing providers, including the council will take account of the Tenancy Strategy when developing Tenancy Policies that detail how they will use the new flexibilities afforded to landlords under the Localism Act.

Part I - Slough Borough Council Tenancy Strategy

2. Objectives

2.1. The Sustainable Communities Strategy, the document setting out where the council and partners want Slough to be by 2028, highlighted housing as one of the five priorities. It stated that:

“By 2028 Slough will possess a strong, attractive and balanced housing market which recognises the importance of housing in supporting economic growth”.

2.2. The Joint Strategic Needs Assessment also set out as one of the summarised priorities to:

“Improve the quality and availability of housing and environment for Slough residents”.

2.3. The provisions within the Localism Act pertaining to tenancies gives the council an opportunity to deliver the priorities set out above, namely to improve the availability of housing, and placing housing at the core of supporting economic growth by ensuring households have access to homes of a size and location appropriate to their current needs.

2.4. The objectives of this Tenancy Strategy are therefore to:

- Address the housing needs of Slough residents by making the best use of social housing stock, housing people in the most appropriate properties and promoting a range of housing tenures to those in housing need
- Adequately house according to their needs, and provide stability to vulnerable people
- Prevent homelessness
- Promote and reward responsible tenant behaviour, encouraging respect of properties, other residents and the neighbourhood, while taking robust action against those who break the rules
- The policy aims to be fair and transparent, simple to understand, administer and communicate.

2.5. This Strategy sets out guidance for the granting and renewal of tenancies and suggests that this should only be in those cases where tenants have demonstrated the ability to sustain the tenancy and meet the responsibilities and obligations which are attached to the possession of a tenancy. This includes, but is not limited to, the payment of rent, council tax, service charges, recharges and debts due to the council or other Registered Providers, or obligations such as payment of water rates which is an obligation as part of a tenancy. It also makes clear that tenancies will not be granted or renewed where there is anti-social behaviour, lack of respect for neighbours or for the property.

3. Housing Context in Slough - Local Authority Housing

- 3.1. Slough Borough Council has a stock of around 6,500 council properties, with a further 1,000 leasehold properties. There are just under four thousand properties owned or managed by Registered Providers, which the council can nominate to. The council allocates to the stock of properties from the Housing Register, governed by the criteria set out in the Allocation Policy. Leasehold properties are those which have been disposed of through the Right to Buy programme, but which the Local Authority retains land ownership, in the majority of cases due to the properties being located in flatted premises. The council cannot allocate to leasehold properties, and therefore the operational number of properties which can be allocated to is 10,000.
- 3.2. As of 3rd September 2012, there were 7,313 households on the housing register. A number of these households are currently occupying overcrowded properties and/or are in priority need for housing. The economic situation is resulting in increasing number of applications to the Housing Register, while the council has limited ability to deliver new council properties, to offset those lost through ongoing Right to Buy. Through partnerships with Private Registered Providers (formerly known as RSL's) the council has delivered additional properties through the Garage Strategy. This has successfully delivered over one hundred homes but has had limited impact within the context of the growing demand.
- 3.3. Under previous government legislation, properties granted to tenants have been granted on a life time basis as secure tenancies. Therefore it is common for a family sized property to have been allocated to a family in the past, where the household has subsequently decreased in size due to children leaving the family home. While no changes can retrospectively be imposed on secure tenancies already granted, changes applied to newly granted tenancies could avoid this situation in the future.
- 3.4. Housing management and benefits team figures indicate that around 750 affordable properties (including council and Registered Provider properties) are under-occupied by the housing benefit criteria. This represents roughly 7% of the entire affordable stock.
- 3.5. As demonstrated above, placing households in properties appropriate to their size would give access to over seven hundred larger properties to house those who are currently overcrowded in other council controlled properties, or on the waiting list.

4. Housing Context in Slough - Private Housing Market

- 4.1. The average residential property price in Slough is £204,381. This is lower than both the South East average of £260,030 and also lower than the national average of £226, 887 (see detailed table below). Despite this, a Slough family, wishing to buy a terraced or semi-detached home would have to find around £43,000 for the deposit and have a household income of over £49,000 per annum assuming they can get an 80% mortgage from a lender prepared to lend at 3½ times their annual income. See Fig 1 below.

Slough residential property sales figures based on period January – March 2012 (land registry)				
Type	Detached	Flat	Semi	Terraced
Price	£334,111	£137,227	£244,080	£198,563
N° sold in period	25	75	61	108
Change in last year	-1.3%	2.3%	3.2%	1.1%
Change in last quarter	-7.6%	3.4%	0.3%	0.4%

Figure 1

- 4.2. Over the past four years, nationally home ownership has peaked and the percentage of owner occupiers has started to fall. Nationally, new social housing development has all but stopped since 2008 and in 2011 was still at the lowest level for 60 years. Slough has lower rates of owner occupation than regional or national averages, reflecting its relative deprivation. We do have a significantly larger privately rented sector than national or regional averages. Nationally this sector is growing, with both professional and amateur landlords looking to expand their role. The private rented sector is soon expected to become larger than the social rented sector.
- 4.3. There is an acute need for more affordable housing locally, there are currently over 7,313 households seeking housing on the Council's Housing Register (3rd September 2012). To help meet the housing needs of as many households as we can, we need to make the best possible use of our affordable housing stock as well as increase overall stock numbers.
- 4.4. Including the council, there are thirty six different registered providers of just over 10,000 rented affordable homes in the Borough. The council is the largest landlord of social rented homes, with around 6,300 properties. Other registered providers combined have 3,981 units including general needs, supported housing and housing for older people.
- 4.5. Many registered providers work across a number of local authority areas and will need to consider a number of local authority tenancy strategies in developing their tenancy policies, they will also need to consider the implications of their tenancy policy on their overall business and development plans, including development contracts with the Homes and Communities Agency. We recognise that this may restrict their ability to comply fully with our strategy; however, we expect providers to consider this strategy when developing or updating their policies.

5. Welfare Reforms

- 5.1. At the same time as changes to tenancy types brought about by the Localism Act, there are a number of changes to the welfare system which have the potential to affect tenants and householders in Slough. These include both reductions in the total amount of benefit paid and changes to eligibility based on personal circumstances, as well as changes to housing benefit specifically for those in the social sector.

- 5.2. A cap on total benefits paid will be introduced from 1st April 2013 covering combined income from the main out of work benefits, housing benefit, child benefit and child tax credit. The cap will be £500 per week for couples and lone parents, and £350 per week for single adults. Households in receipt of certain benefits will be exempted from the cap.
- 5.3. Social sector under occupancy rules will be introduced which will reduce housing benefit paid to a household by 14% of eligible rent if under occupancy is by one bedroom and 25% reduction for under occupancy of two bedrooms or more. A new set of criteria have been established to identify which members of a household are entitled to a bedroom.
- 5.4. From January 2013 households where one member earns £50,000 or more per year will lose automatic entitlement to child benefit.
- 5.5. There will also be changes to council tax benefit, which will now be called council tax support. From April 2013 local authorities will have to set their own criteria for council tax support, and the total budget allowed under the previous system will be reduced by 10%, requiring local authorities to make savings through changes to eligibility.
- 5.6. Local Housing Allowance rates are also changing, being frozen for a year from April 2012 and in future will be re-calculated on an annual, rather than monthly basis. In addition the definition of a young individual has been changed to mean anyone under 35, and said single young individuals will only be eligible for the shared rate of LHA regardless of the accommodation they occupy.
- 5.7. Changes linked to the Universal Credit mean that a range of benefit payments will be combined into one single monthly payment (rather than weekly) and will be paid to the claimant. This will pose a significant risk to landlords who previously received housing benefit directly, and will now need to collect rent. A move to monthly payments in arrears will also represent a significant departure from what many tenants are used to.
- 5.8. In light of these changes the council has a duty to ensure that tenancies granted are financially sustainable for the tenant in the long term, and that the council does not place tenants in properties which would cause them to be out of pocket due to the welfare reforms.

6. Affordable Rent General Principles

- 6.1. Affordable rent was introduced by the government in April 2011; it is rented housing where the rent is up to 80% of the local private market rent. This is typically higher (and cannot be lower) than rents charged by social landlords. Affordable rent is rebased each time a tenancy is issued or renewed, so will fluctuate in line with local private market rents. The 80% maximum must however be inclusive of all service charges and not exceed the Local Housing Allowance (LHA) cap for housing benefit. Higher rents will increase rental incomes and allow more investment by housing associations and other registered providers to deliver additional affordable housing in a time of constrained grant budgets. Funding raised from affordable rent cannot be ring fenced for local use, although use at a

regional level is strongly encouraged by the Homes and Communities Agency (HCA).

- 6.2. The council understands the need to accept an element of affordable rented housing locally to support future affordable housing development, particularly on schemes which rely upon HCA funding, but there is also a need to balance such provision with providing the best possible outcome for tenants.
- 6.3. Social rent will still be the best type of tenure for many tenants, particularly those with low incomes. We are concerned regarding the potential impact of higher rents and benefits dependency, particularly for those who are looking to get back into work. We will continue to monitor housing need and promote the use of lower cost social rented housing where required and feasible.
- 6.4. The increased cost associated with affordable rent raises concerns about affordability, particularly in relation to tenancy sustainment and homelessness. For example, we have concerns about setting affordable rent at the maximum Local Housing Allowance which can fluctuate down as well as up. Without careful management tenants in receipt of housing benefits could potentially be threatened with homelessness because they cannot afford to remain in a provider's property which is suitable for their needs, especially considering the Universal Credit and benefit cap at £500 p/w for couples and lone parents, and £350 p/w for single adults.
- 6.5. In addition, the increased expense of affordable rent may act as a disincentive for some households, potentially reducing demand and limiting the types of households who are willing to accept such accommodation. We want to enhance the quality of life for everyone in the borough of Slough to achieve a sustainable, prosperous and vibrant community, a place where people want to live, work and visit. We have concerns about providers using affordable rent across the board without having regard to the distinct needs of local areas and neighbourhood, affordable rent may not be appropriate for all types of housing in all areas.
- 6.6. The council will object to and challenge the application of affordable rents to properties which were built with funding from Housing Corporation, Local Authority Social Housing Grant, local authority affordable housing top up funding, or where land was gifted for nominal sums.
- 6.7. For the reasons set out in section 5, when developing their tenancy policies we expect providers to have regard to the following:
 - 6.7.1. We encourage the retention and development of social rent where feasible.
 - 6.7.2. We discourage the use of affordable rent in bungalows and accommodation designated for older people. If providers do let such homes at an affordable rent we expect this to be set at no more than 70% open market value or target rent whichever is highest.
 - 6.7.3. We expect providers to take into consideration the need for mixed and sustainable communities.

- 6.7.4. We encourage providers to take into consideration neighbourhood management advice from the council regarding the use of affordable rent, particularly in priority neighbourhoods.
- 6.7.5. We expect providers to set affordable rents so not to unfairly disadvantage communities. This may include setting rents lower than 80% open market value where market rents are high and on some homes within specialist schemes with local occupancy criteria.
- 6.7.6. We expect providers to be pro-active in both setting and re-evaluating their affordable rent levels so tenants in receipt of housing benefits can afford to reside in a property which is suitable for their needs. For this reason we encourage providers to set total affordable rent charges at no higher than 95% of the Local Housing Allowance rate for that area and take into consideration total benefit caps.
- 6.7.7. We expect conversions from social rented properties to affordable rent properties at the point of re-let to be based on an agreed contract with the HCA and that those agreed numbers be shared with the council in order for effective monitoring to take place.
- 6.7.8. We expect providers who convert their social rented stock to affordable rent within the borough to demonstrate a commitment to develop additional affordable housing within the borough.
- 6.7.9. We will seek social rented homes on new developments where no HCA grant has been given, in line with identified needs, subject to the viability and the specific nature of the scheme.
- 6.7.10. We will not ordinarily support the conversion of social rented properties that are subject to section 106 agreements to affordable rent.
- 6.7.11. We expect providers to provide excellent advice and assistance to ensure potential tenants are able to fully understand their housing options and whether affordable rent is an appropriate type of tenancy for them. This may include taking advice from the council and other partner organisations for some specific vulnerable households.

7. Tenancy Types

- 7.1. There are several tenancy types already in use in the borough across a range of housing providers
- 7.2. **Introductory tenancies** – as determined by Housing Act 1996 S124 and also known as “probationary tenancies”, or “starter tenancies” for non-local authority Registered Providers with assured tenancies, and these tenancies are offered to new tenants that have not been continuous secure or assured registered provider tenants from before 1 April 2012. The introductory period normally lasts for a period of 12 months however can be extended by a further 6 months to a total introductory period of 18 months where there is concern about the tenancy conduct or to allow time to remedy a breach such as rent arrears. Provided there has been no breach of tenancy that would warrant eviction within the introductory period, the

Introductory Tenancy converts to a Secure/Assured Tenancy. Slough Council tenancies granted after 25th May 2014 will become Flexible fixed term secure tenancies for either 2 or 5 years after the Introductory Tenancy. Slough Borough Council will also grant secure periodic tenancies (lifetime) for certain qualifying tenants.

- 7.3. **Secure tenancies** – as defined by the Housing Act 1985 S80(1) reserved for local authority use and provide the household with a tenancy for the lifetime of the tenant
- 7.4. **Assured tenancies** – as defined by the Housing Act 1988 and often expressed as Assured Non-Shorthold. Registered Providers (excluding Local Authorities) offer assured tenancies to transferring tenants with an existing assured or secure tenancy. An assured tenancy can also be for a fixed term. Assured tenancies don't have the right Buy but rather the right to Acquire.
- 7.5. **Assured Shorthold tenancies** – as introduced by the Housing Act 1980, and amended by the Housing Act 1988 and 1996. Registered Providers have always been able to use Assured Shorthold Tenancies in certain circumstances e.g. provision of temporary accommodation, and will remain the choice of private landlords where housing applicants are discharged to the private sector. This Strategy does not seek to encroach on this.
- 7.6. **Flexible Secure tenancies** – Local housing authorities have, from 1 April 2012, been able to issue 'Flexible tenancies'. The council term for a flexible tenancy is 5 years, and 2 years for those 25 years old and under and those homeless being discharged into council stock. These will have most of the statutory rights of secure tenants - a right to exchange, a right to take in lodgers and (with the landlords consent to sub-let), right to have repairs carried out, a single succession right and the right to buy. Therefore, the main change is that tenancies will now be time-limited. Other housing providers (such as Registered Providers) will be able to issue Fixed Term Assured tenancies with a number of additional features e.g. succession rights, rights to repair and right to acquire.
- 7.7. In framing tenancy policies and determining the circumstances in which flexible tenancies should be granted or ended, providers are requested to make due consideration of the council's recommendations as set out in this document.

8. Use of Different Tenancy Types

- 8.1. The council believes that more effective matching of stock with those in most need is essential. The council also believes that flexible tenancies may not be appropriate for certain vulnerable groups. While the council's default position is the issue of Flexible Tenancies of either two year (25 and under) or five year periods for all general needs applicants, the Council considers Lifetime tenancies can be more appropriate for those from vulnerable groups. Details of those groups are set out at 8.6.
- 8.2. Council and housing association tenants whose tenancies commenced prior to 1 April 2012 and have remained social housing tenants since that date shall not be granted a tenancy with less security where they choose to move to another social rented home, whether with the same or another landlord. (This requirement does

not apply where the tenant chooses to move to accommodation let on Affordable Rent terms).

- 8.3. All new tenancies will initially be introductory tenancies for a one year term. At the stage of offer the most appropriate type of tenancy to continue after the Introductory period will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.4. Toward the end of, or at any time during the introductory period, the tenancy will be reviewed considering the tenants conduct of that tenancy. Where the behaviour or conduct is not satisfactory the Introductory tenancy can be terminated (Notice of Proceedings for Possession) or extended by way of Notice (Notice of Extension).
- 8.5. At the end of the Introductory Tenancy a decision will be made, based on the conduct of the tenant whether the tenancy will convert to the tenancy type as per the offer letter where tenancy conditions have been met, or if the tenancy will be terminated and possession sought where conditions have not been met.
- 8.6. The council recognises that fixed term tenancies will assist housing providers make the best of their stock also linking tenancy renewal to behaviours and responsibilities. At the same time, the council is keen to ensure that tenancy arrangements protect the most vulnerable; promote sustainable communities; and do not discourage people from seeking employment. The Council wishes to see the continuation of lifetime tenancies for the following:
- Those over 60 years old based on the First Tenant (in a case of succession a younger spouse would potentially succeed to the lifetime tenancy)
 - Those with lifelong support needs where council accommodation is considered necessary and appropriate
 - Those in designated supported or extra care accommodation
- 8.7. Housing providers should consider which properties they consider most suitable for fixed term/flexible tenancies taking into account the current mix of households in the area, local housing need and any other issues (for example, requirements set out in Section 106 agreements or nominations agreements).
- 8.8. All households with identified support needs will not automatically be eligible for council accommodation. Some support needs are better met by other public and private providers and some households can be suitably housed in the private rented sector while receiving floating support to their home.

- 8.9. It is essential that housing providers clearly communicate with prospective tenants the terms of the tenancy (i.e. type and length of tenancy, renewal criteria, right to review etc.) in the initial offer letter.
- 8.10. Discharge of homelessness duty into the private sector is introduced through the Localism Act, and this will predominantly be the case in Slough. Where homelessness duty is to be discharged into council stock, this will be for a period of two years or five years (as per policy criteria), including a one year introductory period. This is in line with new duty to homelessness applicants, whereby a reapplication within two years of an initial homelessness approach requires the authority to secure accommodation.
- 8.11. Where the homeless discharge to council stock fails in its introductory period due to tenancy misconduct of a serious nature this may result in a future homeless application being refused on grounds of the applicant making themselves intentionally homeless.
- 8.12. Where the homeless applicant successfully completes the introductory and 2 year initial tenancy, they will be assessed as every other tenant would be for the most appropriate type of tenancy to continue after the introductory period. This will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.13. Due to rapidly changing family circumstances in the under 25s age group, tenancies granted to this age group will be for a period of two years, following a one year probationary period. This will be subject to points at 8.6 above where the appropriate type of tenancy to continue after the introductory period must be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.14. Where a joint application is made and one of the applicants is 25 years of age or younger, the tenancy offer will be based on the first (older) applicant. Therefore potentially qualifying for a 5 year fixed term and not a 2 year.

9. Renewal of Flexible Tenancies

- 9.1. The council recognises that the introduction of flexible tenancies means a social housing tenancy is no longer for life. In addition, the council will use flexible

tenancies to manage the allocation of households to the most appropriate property size in collaboration with the allocations policy, and also as an incentive to encourage good tenant behaviour.

9.2. Circumstances where the tenancy may not be renewed include:

- 9.2.1. A change in the composition of the household which has resulted in the household under occupying the accommodation in accordance with the housing benefit standards. This will be applied with discretion, for example under-occupation to be permitted in certain temporary absences, such as a member of the household being absent to attend university or on military service, but not, for example where a member of the household is serving a prison sentence. In all cases the council must be satisfied that the household can sustain the tenancy, i.e. cover any benefit shortfall.
- 9.2.2. An adapted property is no longer suitable for the needs of the household e.g. where adaptations have been provided for a disabled person who is no longer resident in the property, the adaptations are no longer required, and there are other families or individuals needing this type of adapted accommodation.
- 9.2.3. The needs of the household or any member thereof could more suitably be met by an alternative property which has existing adaptations, and where the adaptations required at their existing property would be extensive
- 9.2.4. There is evidence of criminality and/or serious and persistent breach of the tenancy agreement by the household, including but not limited to anti-social behaviour, property neglect and rent arrears. Discretion should be used where there are mitigating factors, attempts by the tenant to rectify the issue and/or wider family circumstances.
- 9.2.5. The tenant or member of the household is in prison at the time of renewal.
- 9.2.6. The tenant or member of the household has acquired another property.
- 9.2.7. There has been a substantial improvement in the household's financial circumstances, such that the household has the ability to sustain a private sector or SBC supported tenancy. For example, Shared Ownership Schemes managed by Registered Providers which Slough Borough Council works with indicate that a household with an income of more than £20,000 can secure a 1 bed property, £26,000 for a 2 bed property and £32,000 for a 3 bed property. Where a household's income or savings have reached such a level that it can afford to buy an average property in the borough (without financial assistance), it would be reasonable for the housing provider to consider not renewing a fixed term/flexible tenancy. As a guide, a household income of £60,000 per annum or more, or savings of a similar level could be used. This reflects the maximum income a household can earn to be eligible for government-backed low-cost home ownership schemes. Other factors would need to be taken into account by the housing provider when taking a decision not to renew a tenancy based on income, including access to a deposit, mortgage availability, age, size of household and credit history. The council does not want the use of fixed term tenancies to be a barrier to households seeking employment or attempting to improve their income and lifestyle through career progression

and, therefore, would expect that this criterion would only apply infrequently.

9.2.8. In the case of large households, where sub-households may be more appropriately accommodated as separate households.

9.2.9. To allow disposal, demolition, refurbishment of existing property as part of regeneration or stock improvements / evaluation / rationalisation.

9.2.10. Possession proceedings already started

9.3. Where a flexible tenancy is not to be renewed at the existing property, in securing alternative suitable accommodation for the household, the council will take into account so far as is possible the household's area(s) of choice and whether they need to live in a particular area to give or receive care or support.

9.4. Landlords are expected to contact tenants whose tenancies are due for renewal within a reasonable time period to assess the household circumstances and discuss options available to the household. Government guidance recommends a review period of six months; however an initial contact with the household may be made before this to ensure that there is sufficient time to arrange alternative accommodation or for the household to purchase a home where this is likely to be deemed necessary.

9.5. Registered Providers must also have in place a process for the review of decisions, which they should administer within their organisation. Legislation states that a request for a review must be received from the applicant within 21 days of the notice from the landlord stating that the tenancy will come to an end.

9.6. The Council will not and does not expect other housing providers to use fixed term tenancies as a short cut to enforcement procedures for breaches of tenancy conditions but accepts there may be circumstances where enforcement proceedings are so far advanced that it would not be appropriate to renew a tenancy. It will be for Providers to judge these cases on merit mindful that they will have to justify such action should the tenant seek to exercise their right to appeal.

Part II – Slough Borough Council Tenancy Policy

10. Use and Renewal of Tenancies

- 10.1. In its exercise of functions as a landlord, Slough Borough Council will comply fully with the guidance set out in section 8 and 9 of the SBC Tenancy Strategy 2013-18, and will adopt these sections in full as its Tenancy Policy. In addition the Tenancy Policy will include the following.

11. Adaptations for Disabled Tenants

- 11.1. Tenants who require adaptations in order to live as safely and independently as possible in their homes will have an assessment to establish whether it is feasible, necessary, appropriate and practicable to adapt their current home to meet their needs.
- 11.2. Tenants who are under-occupying their homes will usually be expected to move to smaller accommodation if major adaptations are required. They will be eligible for the Tenant Incentive Scheme to assist with the move.

12. Money to Move Scheme

- 12.1. The council currently offers incentives for households who are under occupying their properties to downsize, thus making larger properties available for households who need them. In recognition of tenants who downsize the council offers a range of incentive packages, including a lump sum for each room vacated, a free removal service, fixtures, fittings and carpets, depending on which option tenants choose.
- 12.2. The *Money to Move* scheme will continue to apply to tenants in secure periodic tenancies.
- 12.3. Tenants who are granted flexible tenancies will be reassessed at the end of each flexible tenancy period. The *Money to Move* scheme will therefore only apply to those with flexible tenancies in exceptional circumstances, especially where the flexible tenancy is within two years of expiry.
- 12.4. For further information on the *Money to Move* scheme please see <http://www.slough.gov.uk/housing/money-to-move.aspx>

13. Verification Checks

- 13.1. New tenants are required to provide proof of their identity before they are allocated a tenancy. Staff will take a photograph of each tenant at the time of their sign up and keep this on their tenancy file. This may be updated periodically.

- 13.2. Housing Officers will check the identity of tenants on the granting of a flexible tenancy, and every five years for secure tenancies. The principal aim of the check is to prevent and tackle tenancy fraud. However the verification visit will also offer an opportunity to check whether there are any unreported tenancy problems.

14. Ending a Flexible Tenancy

- 14.1. Eight months before the scheduled end of a flexible tenancy, the council will review the households circumstances. Depending on the outcome of this exercise the tenancy may either be re-granted, or not. Not less than six months before the end of the period of the Flexible Tenancy a “six month notice” will be issued indicating to the tenant whether the Flexible Tenancy will be renewed, or not.
- 14.2. If at the end of the Flexible Tenancy possession is to be sought and the tenancy is to end, a written “six month notice” will be sent, stating:
- That the landlord does not propose to grant a further tenancy on the expiry of the flexible tenancy
 - Setting out the reasons for not proposing to grant another tenancy
 - Informing the tenant of their right to request a review of the proposal and the time within which a request must be received
- 14.3. At this time the landlord will give the tenant support and advice to find alternative accommodation.
- 14.4. A subsequent “two month notice” will be given stating that possession of the property is required. This “two month notice” may be given before or on the day on which the tenancy comes to an end.
- 14.5. At the expiry of a Flexible Tenancy, a statutory Weekly Periodic Tenancy arises.

15. Right to Request a Review

- 15.1. The tenant has 21 days from the issuing of the six month notice to request a review of the decision.
- 15.2. The request must be made in writing, and must include the name and address of the applicant, a description of the decision which is to be reviewed, why the applicant believes the decision does not accord with the Tenancy Strategy, and whether the applicant wishes to receive a review without a hearing, or a review by way of hearing.
- 15.2.1. **Review without a hearing.**
In this case the landlord will write to the applicant requesting written supported evidence, to be received not less than five days from the date of the request. The review will be carried out by an officer of

greater seniority than the officer who made the original decision, and must not have been involved in the original decision.

15.2.2. Review by way of hearing.

In this case the landlord will write to the applicant with a date for the oral hearing which will be held not less than five days from the date of the written notice. The review will be carried out by an officer of greater seniority than the officer who made the original decision, and must not have been involved in the original decision. At the hearing the applicant or appointed representative may make written or oral representation. The original decision maker may be present.

- 15.3. The tenant will be notified of the decision of the review in writing. If the original decision is upheld, the reasons for this will be set out in the written notice.

16. Overcrowding and Under-Occupation

- 16.1. Tenants who are overcrowded may apply for a transfer to a larger home.

Where overcrowding is due to non-dependent members of the household, these individuals or families may be expected to apply separately for a tenancy. If members of the household have no recourse to public funds, they cannot be counted in the family composition and be included in any calculation of overcrowding.

- 16.2. Tenants who are under-occupying their homes may experience difficulties in paying their rent due to welfare reform which limits Housing Benefit for tenants of working age. Any tenant under-occupying their home will have priority for a transfer to a smaller home if they wish to move, through the Allocations Policy. They will also have opportunities to exchange with families who need a larger home. The Council will assist tenants who are under-occupying to identify suitable alternative homes.

- 16.3. Households should also be aware that where a dependent is evicted through a 'parental eviction' the household will have the Flexible Tenancy terminated at the next review period if any of the criteria set out in section 9 of this Tenancy Strategy apply.

17. Succession

- 17.1. Following changes set out in the Localism Act, the rules on succession have changed for those tenancies created on or after 1 April 2012. Succession rights are set out in council Tenancy Agreements. Tenancies can only be succeeded once.

- 17.2. Those eligible to succeed to a tenancy granted before 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse or civil partner provided they were living there at the time of death

- A partner or qualifying family member who has lived at the property as their principle or only home for 12 months prior to the death of the tenant.

17.3. Those eligible to succeed to a tenancy granted on or after 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse, civil partner, or couple living as married/civil partners provided they were living there at the time of death

18. Assignment

18.1. Tenants have the right to assign their tenancy within the relevant law.

18.2. **Introductory Tenancies** can assign their tenancy under the Housing Act 1996 S134 by way of property adjustment order made by the court, or to a person who would be qualified to succeed the tenant if the tenant died immediately before the assignment. There is no right to mutual exchange

18.3. **Secure Tenancies** including **Flexible Tenancies** have the right to assign their tenancy to someone else only under the following circumstances:

- by way of Mutual Exchange,
- by way of a Property Adjustment Order by a court in connection with matrimonial proceedings, or
- to a person who would qualify to succeed the tenancy if the tenant died immediately before the assignment.

19. Consultation

19.1. A draft version of the Tenancy Strategy has been sent to all thirty-six Registered Providers in the Slough borough for comment. The feedback received was supportive of the aims and content of the strategy.

20. Document Review

20.1. As a new policy, the contents of the Tenancy Strategy will remain under review during its lifetime based upon monitoring to ensure the stated aims and objectives are being achieved.

Slough Borough Council

Tenancy Strategy & Tenancy Policy

2013 – 2018

Contents

1	Introduction	
	Part I – Slough Borough Council Tenancy Strategy	
2	Objectives for this strategy	
3	Housing context in Slough – Local Authority	
4	Housing context in Slough – Private Sector	
5	Affordable Rent General Principles	
6	Welfare Reform	
7	Tenancy Types	
8	Use of different tenancy types	
9	Renewal of flexible tenancies	
	Part II – Slough Borough Council Tenancy Policy	
10	Use and renewal of Tenancies	
11	Adaptations for disabled residents	
12	Money to Move scheme	
13	Verification checks	
14	Ending a flexible tenancy	
15	Right to request a review	
16	Overcrowding and under-occupation	
17	Succession	
18	Assignment	
19	Consultation	
20	Document review	

1. Introduction

1.1. This document incorporates:

- 1.1.1. Slough Borough Council's Tenancy Strategy, which registered providers in the borough must have regard to in the setting out of their Tenancy Policy. It is issued by SBC in its role as a Local Housing Authority.
- 1.1.2. Slough Borough Council's Tenancy Policy, which will apply to council owned housing in the borough. It is issued by SBC in its role as a landlord and will be implemented on October 1st 2013.

1.2. The Tenancy Strategy sets out the council's approach to the management of tenancies which Registered Providers (formerly Registered Social Landlords, RSL's) must have regard to in setting their own Tenancy Policy. The Tenancy Policy sets out how the council will apply this to its own housing stock.

1.3. Tenancy Strategies defines:

- The types of tenancy to be offered
- The circumstances under which a particular tenancy type may be used
- Where a flexible tenancy is offered, the term for which the tenancy will be valid
- The reasons why a flexible tenancy may, or may not be renewed.

1.4. The documents co-exist with the Housing Strategy, Allocations Policy and Homelessness Strategy, and should be read in conjunction with these documents. Along with these related documents, the Tenancy Strategy continues the Golden Thread set out in the Sustainable Community Strategy, the Joint Strategic Needs Assessment and the Corporate Plan. It is produced at a time which enables adoption of reforms introduced by the Localism Act 2011.

1.5. Many of the reforms to housing can be implemented with a degree of local discretion. The Tenancy Strategy therefore sets out our strategic approach to the utilisation of these reforms and how they can best be used in Slough to meet our broader housing objectives.

1.6. In the context of tenancies, the Localism Act has introduced the option to offer "flexible tenancies". Currently only "secure tenancies" are available to local authorities. The main difference between the two kinds of tenancy is that the flexible tenancies are offered for a fixed period of time, while a secure tenancy is offered for the lifetime of the tenant. The act requires that councils wishing to use flexible tenancies have a Tenancy Strategy and Tenancy Policy in place.

1.7. Housing providers, including the council will take account of the Tenancy Strategy when developing Tenancy Policies that detail how they will use the new flexibilities afforded to landlords under the Localism Act.

Part I - Slough Borough Council Tenancy Strategy

2. Objectives

2.1. The Sustainable Communities Strategy, the document setting out where the council and partners want Slough to be by 2028, highlighted housing as one of the five priorities. It stated that:

“By 2028 Slough will possess a strong, attractive and balanced housing market which recognises the importance of housing in supporting economic growth”.

2.2. The Joint Strategic Needs Assessment also set out as one of the summarised priorities to:

“Improve the quality and availability of housing and environment for Slough residents”.

2.3. The provisions within the Localism Act pertaining to tenancies gives the council an opportunity to deliver the priorities set out above, namely to improve the availability of housing, and placing housing at the core of supporting economic growth by ensuring households have access to homes of a size and location appropriate to their current needs.

2.4. The objectives of this Tenancy Strategy are therefore to:

- Address the housing needs of Slough residents by making the best use of social housing stock, housing people in the most appropriate properties and promoting a range of housing tenures to those in housing need
- Adequately house according to their needs, and provide stability to vulnerable people
- Prevent homelessness
- Promote and reward responsible tenant behaviour, encouraging respect of properties, other residents and the neighbourhood, while taking robust action against those who break the rules
- The policy aims to be fair and transparent, simple to understand, administer and communicate.

2.5. This Strategy sets out guidance for the granting and renewal of tenancies and suggests that this should only be in those cases where tenants have demonstrated the ability to sustain the tenancy and meet the responsibilities and obligations which are attached to the possession of a tenancy. This includes, but is not limited to, the payment of rent, council tax, service charges, recharges and debts due to the council or other Registered Providers, or obligations such as payment of water rates which is an obligation as part of a tenancy. It also makes clear that tenancies will not be granted or renewed where there is anti-social behaviour, lack of respect for neighbours or for the property.

3. Housing Context in Slough - Local Authority Housing

- 3.1. Slough Borough Council has a stock of around 6,500 council properties, with a further 1,000 leasehold properties. There are just under four thousand properties owned or managed by Registered Providers, which the council can nominate to. The council allocates to the stock of properties from the Housing Register, governed by the criteria set out in the Allocation Policy. Leasehold properties are those which have been disposed of through the Right to Buy programme, but which the Local Authority retains land ownership, in the majority of cases due to the properties being located in flatted premises. The council cannot allocate to leasehold properties, and therefore the operational number of properties which can be allocated to is 10,000.
- 3.2. As of 3rd September 2012, there were 7,313 households on the housing register. A number of these households are currently occupying overcrowded properties and/or are in priority need for housing. The economic situation is resulting in increasing number of applications to the Housing Register, while the council has limited ability to deliver new council properties, to offset those lost through ongoing Right to Buy. Through partnerships with Private Registered Providers (formerly known as RSL's) the council has delivered additional properties through the Garage Strategy. This has successfully delivered over one hundred homes but has had limited impact within the context of the growing demand.
- 3.3. Under previous government legislation, properties granted to tenants have been granted on a life time basis as secure tenancies. Therefore it is common for a family sized property to have been allocated to a family in the past, where the household has subsequently decreased in size due to children leaving the family home. While no changes can retrospectively be imposed on secure tenancies already granted, changes applied to newly granted tenancies could avoid this situation in the future.
- 3.4. Housing management and benefits team figures indicate that around 750 affordable properties (including council and Registered Provider properties) are under-occupied by the housing benefit criteria. This represents roughly 7% of the entire affordable stock.
- 3.5. As demonstrated above, placing households in properties appropriate to their size would give access to over seven hundred larger properties to house those who are currently overcrowded in other council controlled properties, or on the waiting list.

4. Housing Context in Slough - Private Housing Market

- 4.1. The average residential property price in Slough is £204,381. This is lower than both the South East average of £260,030 and also lower than the national average of £226, 887 (see detailed table below). Despite this, a Slough family, wishing to buy a terraced or semi-detached home would have to find around £43,000 for the deposit and have a household income of over £49,000 per annum assuming they can get an 80% mortgage from a lender prepared to lend at 3½ times their annual income. See Fig 1 below.

Slough residential property sales figures based on period January – March 2012 (land registry)				
Type	Detached	Flat	Semi	Terraced
Price	£334,111	£137,227	£244,080	£198,563
N° sold in period	25	75	61	108
Change in last year	-1.3%	2.3%	3.2%	1.1%
Change in last quarter	-7.6%	3.4%	0.3%	0.4%

Figure 1

- 4.2. Over the past four years, nationally home ownership has peaked and the percentage of owner occupiers has started to fall. Nationally, new social housing development has all but stopped since 2008 and in 2011 was still at the lowest level for 60 years. Slough has lower rates of owner occupation than regional or national averages, reflecting its relative deprivation. We do have a significantly larger privately rented sector than national or regional averages. Nationally this sector is growing, with both professional and amateur landlords looking to expand their role. The private rented sector is soon expected to become larger than the social rented sector.
- 4.3. There is an acute need for more affordable housing locally, there are currently over 7,313 households seeking housing on the Council's Housing Register (3rd September 2012). To help meet the housing needs of as many households as we can, we need to make the best possible use of our affordable housing stock as well as increase overall stock numbers.
- 4.4. Including the council, there are thirty six different registered providers of just over 10,000 rented affordable homes in the Borough. The council is the largest landlord of social rented homes, with around 6,300 properties. Other registered providers combined have 3,981 units including general needs, supported housing and housing for older people.
- 4.5. Many registered providers work across a number of local authority areas and will need to consider a number of local authority tenancy strategies in developing their tenancy policies, they will also need to consider the implications of their tenancy policy on their overall business and development plans, including development contracts with the Homes and Communities Agency. We recognise that this may restrict their ability to comply fully with our strategy; however, we expect providers to consider this strategy when developing or updating their policies.

5. Welfare Reforms

- 5.1. At the same time as changes to tenancy types brought about by the Localism Act, there are a number of changes to the welfare system which have the potential to affect tenants and householders in Slough. These include both reductions in the total amount of benefit paid and changes to eligibility based on personal circumstances, as well as changes to housing benefit specifically for those in the social sector.

- 5.2. A cap on total benefits paid will be introduced from 1st April 2013 covering combined income from the main out of work benefits, housing benefit, child benefit and child tax credit. The cap will be £500 per week for couples and lone parents, and £350 per week for single adults. Households in receipt of certain benefits will be exempted from the cap.
- 5.3. Social sector under occupancy rules will be introduced which will reduce housing benefit paid to a household by 14% of eligible rent if under occupancy is by one bedroom and 25% reduction for under occupancy of two bedrooms or more. A new set of criteria have been established to identify which members of a household are entitled to a bedroom.
- 5.4. From January 2013 households where one member earns £50,000 or more per year will lose automatic entitlement to child benefit.
- 5.5. There will also be changes to council tax benefit, which will now be called council tax support. From April 2013 local authorities will have to set their own criteria for council tax support, and the total budget allowed under the previous system will be reduced by 10%, requiring local authorities to make savings through changes to eligibility.
- 5.6. Local Housing Allowance rates are also changing, being frozen for a year from April 2012 and in future will be re-calculated on an annual, rather than monthly basis. In addition the definition of a young individual has been changed to mean anyone under 35, and said single young individuals will only be eligible for the shared rate of LHA regardless of the accommodation they occupy.
- 5.7. Changes linked to the Universal Credit mean that a range of benefit payments will be combined into one single monthly payment (rather than weekly) and will be paid to the claimant. This will pose a significant risk to landlords who previously received housing benefit directly, and will now need to collect rent. A move to monthly payments in arrears will also represent a significant departure from what many tenants are used to.
- 5.8. In light of these changes the council has a duty to ensure that tenancies granted are financially sustainable for the tenant in the long term, and that the council does not place tenants in properties which would cause them to be out of pocket due to the welfare reforms.

6. Affordable Rent General Principles

- 6.1. Affordable rent was introduced by the government in April 2011; it is rented housing where the rent is up to 80% of the local private market rent. This is typically higher (and cannot be lower) than rents charged by social landlords. Affordable rent is rebased each time a tenancy is issued or renewed, so will fluctuate in line with local private market rents. The 80% maximum must however be inclusive of all service charges and not exceed the Local Housing Allowance (LHA) cap for housing benefit. Higher rents will increase rental incomes and allow more investment by housing associations and other registered providers to deliver additional affordable housing in a time of constrained grant budgets. Funding raised from affordable rent cannot be ring fenced for local use, although use at a

regional level is strongly encouraged by the Homes and Communities Agency (HCA).

- 6.2. The council understands the need to accept an element of affordable rented housing locally to support future affordable housing development, particularly on schemes which rely upon HCA funding, but there is also a need to balance such provision with providing the best possible outcome for tenants.
- 6.3. Social rent will still be the best type of tenure for many tenants, particularly those with low incomes. We are concerned regarding the potential impact of higher rents and benefits dependency, particularly for those who are looking to get back into work. We will continue to monitor housing need and promote the use of lower cost social rented housing where required and feasible.
- 6.4. The increased cost associated with affordable rent raises concerns about affordability, particularly in relation to tenancy sustainment and homelessness. For example, we have concerns about setting affordable rent at the maximum Local Housing Allowance which can fluctuate down as well as up. Without careful management tenants in receipt of housing benefits could potentially be threatened with homelessness because they cannot afford to remain in a provider's property which is suitable for their needs, especially considering the Universal Credit and benefit cap at £500 p/w for couples and lone parents, and £350 p/w for single adults.
- 6.5. In addition, the increased expense of affordable rent may act as a disincentive for some households, potentially reducing demand and limiting the types of households who are willing to accept such accommodation. We want to enhance the quality of life for everyone in the borough of Slough to achieve a sustainable, prosperous and vibrant community, a place where people want to live, work and visit. We have concerns about providers using affordable rent across the board without having regard to the distinct needs of local areas and neighbourhood, affordable rent may not be appropriate for all types of housing in all areas.
- 6.6. The council will object to and challenge the application of affordable rents to properties which were built with funding from Housing Corporation, Local Authority Social Housing Grant, local authority affordable housing top up funding, or where land was gifted for nominal sums.
- 6.7. For the reasons set out in section 5, when developing their tenancy policies we expect providers to have regard to the following:
 - 6.7.1. We encourage the retention and development of social rent where feasible.
 - 6.7.2. We discourage the use of affordable rent in bungalows and accommodation designated for older people. If providers do let such homes at an affordable rent we expect this to be set at no more than 70% open market value or target rent whichever is highest.
 - 6.7.3. We expect providers to take into consideration the need for mixed and sustainable communities.

- 6.7.4. We encourage providers to take into consideration neighbourhood management advice from the council regarding the use of affordable rent, particularly in priority neighbourhoods.
- 6.7.5. We expect providers to set affordable rents so not to unfairly disadvantage communities. This may include setting rents lower than 80% open market value where market rents are high and on some homes within specialist schemes with local occupancy criteria.
- 6.7.6. We expect providers to be pro-active in both setting and re-evaluating their affordable rent levels so tenants in receipt of housing benefits can afford to reside in a property which is suitable for their needs. For this reason we encourage providers to set total affordable rent charges at no higher than 95% of the Local Housing Allowance rate for that area and take into consideration total benefit caps.
- 6.7.7. We expect conversions from social rented properties to affordable rent properties at the point of re-let to be based on an agreed contract with the HCA and that those agreed numbers be shared with the council in order for effective monitoring to take place.
- 6.7.8. We expect providers who convert their social rented stock to affordable rent within the borough to demonstrate a commitment to develop additional affordable housing within the borough.
- 6.7.9. We will seek social rented homes on new developments where no HCA grant has been given, in line with identified needs, subject to the viability and the specific nature of the scheme.
- 6.7.10. We will not ordinarily support the conversion of social rented properties that are subject to section 106 agreements to affordable rent.
- 6.7.11. We expect providers to provide excellent advice and assistance to ensure potential tenants are able to fully understand their housing options and whether affordable rent is an appropriate type of tenancy for them. This may include taking advice from the council and other partner organisations for some specific vulnerable households.

7. Tenancy Types

- 7.1. There are several tenancy types already in use in the borough across a range of housing providers
- 7.2. **Introductory tenancies** – as determined by Housing Act 1996 S124 and also known as “probationary tenancies”, or “starter tenancies” for non-local authority Registered Providers with assured tenancies, and these tenancies are offered to new tenants that have not been continuous secure or assured registered provider tenants from before 1 April 2012. The introductory period normally lasts for a period of 12 months however can be extended by a further 6 months to a total introductory period of 18 months where there is concern about the tenancy conduct or to allow time to remedy a breach such as rent arrears. Provided there has been no breach of tenancy that would warrant eviction within the introductory period, the

Introductory Tenancy converts to a Secure/Assured Tenancy. Slough Council tenancies granted after 25th May 2014 will become Flexible fixed term secure tenancies for either 2 or 5 years after the Introductory Tenancy. Slough Borough Council will also grant secure periodic tenancies (lifetime) for certain qualifying tenants.

- 7.3. **Secure tenancies** – as defined by the Housing Act 1985 S80(1) reserved for local authority use and provide the household with a tenancy for the lifetime of the tenant
- 7.4. **Assured tenancies** – as defined by the Housing Act 1988 and often expressed as Assured Non-Shorthold. Registered Providers (excluding Local Authorities) offer assured tenancies to transferring tenants with an existing assured or secure tenancy. An assured tenancy can also be for a fixed term. Assured tenancies don't have the right Buy but rather the right to Acquire.
- 7.5. **Assured Shorthold tenancies** – as introduced by the Housing Act 1980, and amended by the Housing Act 1988 and 1996. Registered Providers have always been able to use Assured Shorthold Tenancies in certain circumstances e.g. provision of temporary accommodation, and will remain the choice of private landlords where housing applicants are discharged to the private sector. This Strategy does not seek to encroach on this.
- 7.6. **Flexible Secure tenancies** – Local housing authorities have, from 1 April 2012, been able to issue 'Flexible tenancies'. The council term for a flexible tenancy is 5 years, and 2 years for those 25 years old and under and those homeless being discharged into council stock. These will have most of the statutory rights of secure tenants - a right to exchange, a right to take in lodgers and (with the landlords consent to sub-let), right to have repairs carried out, a single succession right and the right to buy. Therefore, the main change is that tenancies will now be time-limited. Other housing providers (such as Registered Providers) will be able to issue Fixed Term Assured tenancies with a number of additional features e.g. succession rights, rights to repair and right to acquire.
- 7.7. In framing tenancy policies and determining the circumstances in which flexible tenancies should be granted or ended, providers are requested to make due consideration of the council's recommendations as set out in this document.

8. Use of Different Tenancy Types

- 8.1. The council believes that more effective matching of stock with those in most need is essential. The council also believes that flexible tenancies may not be appropriate for certain vulnerable groups. While the council's default position is the issue of Flexible Tenancies of either two year (25 and under) or five year periods for all general needs applicants, the Council considers Lifetime tenancies can be more appropriate for those from vulnerable groups. Details of those groups are set out at 8.6.
- 8.2. Council and housing association tenants whose tenancies commenced prior to 1 April 2012 and have remained social housing tenants since that date shall not be granted a tenancy with less security where they choose to move to another social rented home, whether with the same or another landlord. (This requirement does

not apply where the tenant chooses to move to accommodation let on Affordable Rent terms).

- 8.3. All new tenancies will initially be introductory tenancies for a one year term. At the stage of offer the most appropriate type of tenancy to continue after the Introductory period will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.4. Toward the end of, or at any time during the introductory period, the tenancy will be reviewed considering the tenants conduct of that tenancy. Where the behaviour or conduct is not satisfactory the Introductory tenancy can be terminated (Notice of Proceedings for Possession) or extended by way of Notice (Notice of Extension).
- 8.5. At the end of the Introductory Tenancy a decision will be made, based on the conduct of the tenant whether the tenancy will convert to the tenancy type as per the offer letter where tenancy conditions have been met, or if the tenancy will be terminated and possession sought where conditions have not been met.
- 8.6. The council recognises that fixed term tenancies will assist housing providers make the best of their stock also linking tenancy renewal to behaviours and responsibilities. At the same time, the council is keen to ensure that tenancy arrangements protect the most vulnerable; promote sustainable communities; and do not discourage people from seeking employment. The Council wishes to see the continuation of lifetime tenancies for the following:
- Those over 60 years old based on the First Tenant (in a case of succession a younger spouse would potentially succeed to the lifetime tenancy)
 - Those with lifelong support needs where council accommodation is considered necessary and appropriate
 - Those in designated supported or extra care accommodation
- 8.7. Housing providers should consider which properties they consider most suitable for fixed term/flexible tenancies taking into account the current mix of households in the area, local housing need and any other issues (for example, requirements set out in Section 106 agreements or nominations agreements).
- 8.8. All households with identified support needs will not automatically be eligible for council accommodation. Some support needs are better met by other public and private providers and some households can be suitably housed in the private rented sector while receiving floating support to their home.

- 8.9. It is essential that housing providers clearly communicate with prospective tenants the terms of the tenancy (i.e. type and length of tenancy, renewal criteria, right to review etc.) in the initial offer letter.
- 8.10. Discharge of homelessness duty into the private sector is introduced through the Localism Act, and this will predominantly be the case in Slough. Where homelessness duty is to be discharged into council stock, this will be for a period of two years or five years (as per policy criteria), including a one year introductory period. This is in line with new duty to homelessness applicants, whereby a reapplication within two years of an initial homelessness approach requires the authority to secure accommodation.
- 8.11. Where the homeless discharge to council stock fails in its introductory period due to tenancy misconduct of a serious nature this may result in a future homeless application being refused on grounds of the applicant making themselves intentionally homeless.
- 8.12. Where the homeless applicant successfully completes the introductory and 2 year initial tenancy, they will be assessed as every other tenant would be for the most appropriate type of tenancy to continue after the introductory period. This will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.13. Due to rapidly changing family circumstances in the under 25s age group, tenancies granted to this age group will be for a period of two years, following a one year probationary period. This will be subject to points at 8.6 above where the appropriate type of tenancy to continue after the introductory period must be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.14. Where a joint application is made and one of the applicants is 25 years of age or younger, the tenancy offer will be based on the first (older) applicant. Therefore potentially qualifying for a 5 year fixed term and not a 2 year.

9. Renewal of Flexible Tenancies

- 9.1. The council recognises that the introduction of flexible tenancies means a social housing tenancy is no longer for life. In addition, the council will use flexible

tenancies to manage the allocation of households to the most appropriate property size in collaboration with the allocations policy, and also as an incentive to encourage good tenant behaviour.

9.2. Circumstances where the tenancy may not be renewed include:

- 9.2.1. A change in the composition of the household which has resulted in the household under occupying the accommodation in accordance with the housing benefit standards. This will be applied with discretion, for example under-occupation to be permitted in certain temporary absences, such as a member of the household being absent to attend university or on military service, but not, for example where a member of the household is serving a prison sentence. In all cases the council must be satisfied that the household can sustain the tenancy, i.e. cover any benefit shortfall.
- 9.2.2. An adapted property is no longer suitable for the needs of the household e.g. where adaptations have been provided for a disabled person who is no longer resident in the property, the adaptations are no longer required, and there are other families or individuals needing this type of adapted accommodation.
- 9.2.3. The needs of the household or any member thereof could more suitably be met by an alternative property which has existing adaptations, and where the adaptations required at their existing property would be extensive
- 9.2.4. There is evidence of criminality and/or serious and persistent breach of the tenancy agreement by the household, including but not limited to anti-social behaviour, property neglect and rent arrears. Discretion should be used where there are mitigating factors, attempts by the tenant to rectify the issue and/or wider family circumstances.
- 9.2.5. The tenant or member of the household is in prison at the time of renewal.
- 9.2.6. The tenant or member of the household has acquired another property.
- 9.2.7. There has been a substantial improvement in the household's financial circumstances, such that the household has the ability to sustain a private sector or SBC supported tenancy. For example, Shared Ownership Schemes managed by Registered Providers which Slough Borough Council works with indicate that a household with an income of more than £20,000 can secure a 1 bed property, £26,000 for a 2 bed property and £32,000 for a 3 bed property. Where a household's income or savings have reached such a level that it can afford to buy an average property in the borough (without financial assistance), it would be reasonable for the housing provider to consider not renewing a fixed term/flexible tenancy. As a guide, a household income of £60,000 per annum or more, or savings of a similar level could be used. This reflects the maximum income a household can earn to be eligible for government-backed low-cost home ownership schemes. Other factors would need to be taken into account by the housing provider when taking a decision not to renew a tenancy based on income, including access to a deposit, mortgage availability, age, size of household and credit history. The council does not want the use of fixed term tenancies to be a barrier to households seeking employment or attempting to improve their income and lifestyle through career progression

and, therefore, would expect that this criterion would only apply infrequently.

9.2.8. In the case of large households, where sub-households may be more appropriately accommodated as separate households.

9.2.9. To allow disposal, demolition, refurbishment of existing property as part of regeneration or stock improvements / evaluation / rationalisation.

9.2.10. Possession proceedings already started

9.3. Where a flexible tenancy is not to be renewed at the existing property, in securing alternative suitable accommodation for the household, the council will take into account so far as is possible the household's area(s) of choice and whether they need to live in a particular area to give or receive care or support.

9.4. Landlords are expected to contact tenants whose tenancies are due for renewal within a reasonable time period to assess the household circumstances and discuss options available to the household. Government guidance recommends a review period of six months; however an initial contact with the household may be made before this to ensure that there is sufficient time to arrange alternative accommodation or for the household to purchase a home where this is likely to be deemed necessary.

9.5. Registered Providers must also have in place a process for the review of decisions, which they should administer within their organisation. Legislation states that a request for a review must be received from the applicant within 21 days of the notice from the landlord stating that the tenancy will come to an end.

9.6. The Council will not and does not expect other housing providers to use fixed term tenancies as a short cut to enforcement procedures for breaches of tenancy conditions but accepts there may be circumstances where enforcement proceedings are so far advanced that it would not be appropriate to renew a tenancy. It will be for Providers to judge these cases on merit mindful that they will have to justify such action should the tenant seek to exercise their right to appeal.

Part II – Slough Borough Council Tenancy Policy

10. Use and Renewal of Tenancies

- 10.1. In its exercise of functions as a landlord, Slough Borough Council will comply fully with the guidance set out in section 8 and 9 of the SBC Tenancy Strategy 2013-18, and will adopt these sections in full as its Tenancy Policy. In addition the Tenancy Policy will include the following.

11. Adaptations for Disabled Tenants

- 11.1. Tenants who require adaptations in order to live as safely and independently as possible in their homes will have an assessment to establish whether it is feasible, necessary, appropriate and practicable to adapt their current home to meet their needs.
- 11.2. Tenants who are under-occupying their homes will usually be expected to move to smaller accommodation if major adaptations are required. They will be eligible for the Tenant Incentive Scheme to assist with the move.

12. Money to Move Scheme

- 12.1. The council currently offers incentives for households who are under occupying their properties to downsize, thus making larger properties available for households who need them. In recognition of tenants who downsize the council offers a range of incentive packages, including a lump sum for each room vacated, a free removal service, fixtures, fittings and carpets, depending on which option tenants choose.
- 12.2. The *Money to Move* scheme will continue to apply to tenants in secure periodic tenancies.
- 12.3. Tenants who are granted flexible tenancies will be reassessed at the end of each flexible tenancy period. The *Money to Move* scheme will therefore only apply to those with flexible tenancies in exceptional circumstances, especially where the flexible tenancy is within two years of expiry.
- 12.4. For further information on the *Money to Move* scheme please see <http://www.slough.gov.uk/housing/money-to-move.aspx>

13. Verification Checks

- 13.1. New tenants are required to provide proof of their identity before they are allocated a tenancy. Staff will take a photograph of each tenant at the time of their sign up and keep this on their tenancy file. This may be updated periodically.

- 13.2. Housing Officers will check the identity of tenants on the granting of a flexible tenancy, and every five years for secure tenancies. The principal aim of the check is to prevent and tackle tenancy fraud. However the verification visit will also offer an opportunity to check whether there are any unreported tenancy problems.

14. Ending a Flexible Tenancy

- 14.1. Eight months before the scheduled end of a flexible tenancy, the council will review the households circumstances. Depending on the outcome of this exercise the tenancy may either be re-granted, or not. Not less than six months before the end of the period of the Flexible Tenancy a “six month notice” will be issued indicating to the tenant whether the Flexible Tenancy will be renewed, or not.
- 14.2. If at the end of the Flexible Tenancy possession is to be sought and the tenancy is to end, a written “six month notice” will be sent, stating:
- That the landlord does not propose to grant a further tenancy on the expiry of the flexible tenancy
 - Setting out the reasons for not proposing to grant another tenancy
 - Informing the tenant of their right to request a review of the proposal and the time within which a request must be received
- 14.3. At this time the landlord will give the tenant support and advice to find alternative accommodation.
- 14.4. A subsequent “two month notice” will be given stating that possession of the property is required. This “two month notice” may be given before or on the day on which the tenancy comes to an end.
- 14.5. At the expiry of a Flexible Tenancy, a statutory Weekly Periodic Tenancy arises.

15. Right to Request a Review

- 15.1. The tenant has 21 days from the issuing of the six month notice to request a review of the decision.
- 15.2. The request must be made in writing, and must include the name and address of the applicant, a description of the decision which is to be reviewed, why the applicant believes the decision does not accord with the Tenancy Strategy, and whether the applicant wishes to receive a review without a hearing, or a review by way of hearing.
- 15.2.1. **Review without a hearing.**
In this case the landlord will write to the applicant requesting written supported evidence, to be received not less than five days from the date of the request. The review will be carried out by an officer of

greater seniority than the officer who made the original decision, and must not have been involved in the original decision.

15.2.2. Review by way of hearing.

In this case the landlord will write to the applicant with a date for the oral hearing which will be held not less than five days from the date of the written notice. The review will be carried out by an officer of greater seniority than the officer who made the original decision, and must not have been involved in the original decision. At the hearing the applicant or appointed representative may make written or oral representation. The original decision maker may be present.

- 15.3. The tenant will be notified of the decision of the review in writing. If the original decision is upheld, the reasons for this will be set out in the written notice.

16. Overcrowding and Under-Occupation

- 16.1. Tenants who are overcrowded may apply for a transfer to a larger home.

Where overcrowding is due to non-dependent members of the household, these individuals or families may be expected to apply separately for a tenancy. If members of the household have no recourse to public funds, they cannot be counted in the family composition and be included in any calculation of overcrowding.

- 16.2. Tenants who are under-occupying their homes may experience difficulties in paying their rent due to welfare reform which limits Housing Benefit for tenants of working age. Any tenant under-occupying their home will have priority for a transfer to a smaller home if they wish to move, through the Allocations Policy. They will also have opportunities to exchange with families who need a larger home. The Council will assist tenants who are under-occupying to identify suitable alternative homes.

- 16.3. Households should also be aware that where a dependent is evicted through a 'parental eviction' the household will have the Flexible Tenancy terminated at the next review period if any of the criteria set out in section 9 of this Tenancy Strategy apply.

17. Succession

- 17.1. Following changes set out in the Localism Act, the rules on succession have changed for those tenancies created on or after 1 April 2012. Succession rights are set out in council Tenancy Agreements. Tenancies can only be succeeded once.

- 17.2. Those eligible to succeed to a tenancy granted before 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse or civil partner provided they were living there at the time of death

- A partner or qualifying family member who has lived at the property as their principle or only home for 12 months prior to the death of the tenant.

17.3. Those eligible to succeed to a tenancy granted on or after 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse, civil partner, or couple living as married/civil partners provided they were living there at the time of death

18. Assignment

18.1. Tenants have the right to assign their tenancy within the relevant law.

18.2. **Introductory Tenancies** can assign their tenancy under the Housing Act 1996 S134 by way of property adjustment order made by the court, or to a person who would be qualified to succeed the tenant if the tenant died immediately before the assignment. There is no right to mutual exchange

18.3. **Secure Tenancies** including **Flexible Tenancies** have the right to assign their tenancy to someone else only under the following circumstances:

- by way of Mutual Exchange,
- by way of a Property Adjustment Order by a court in connection with matrimonial proceedings, or
- to a person who would qualify to succeed the tenancy if the tenant died immediately before the assignment.

19. Consultation

19.1. A draft version of the Tenancy Strategy has been sent to all thirty-six Registered Providers in the Slough borough for comment. The feedback received was supportive of the aims and content of the strategy.

20. Document Review

20.1. As a new policy, the contents of the Tenancy Strategy will remain under review during its lifetime based upon monitoring to ensure the stated aims and objectives are being achieved.

Slough Borough Council

Tenancy Strategy & Tenancy Policy

2013 – 2018

Contents

1	Introduction	
	Part I – Slough Borough Council Tenancy Strategy	
2	Objectives for this strategy	
3	Housing context in Slough – Local Authority	
4	Housing context in Slough – Private Sector	
5	Affordable Rent General Principles	
6	Welfare Reform	
7	Tenancy Types	
8	Use of different tenancy types	
9	Renewal of flexible tenancies	
	Part II – Slough Borough Council Tenancy Policy	
10	Use and renewal of Tenancies	
11	Adaptations for disabled residents	
12	Money to Move scheme	
13	Verification checks	
14	Ending a flexible tenancy	
15	Right to request a review	
16	Overcrowding and under-occupation	
17	Succession	
18	Assignment	
19	Consultation	
20	Document review	

1. Introduction

1.1. This document incorporates:

- 1.1.1. Slough Borough Council's Tenancy Strategy, which registered providers in the borough must have regard to in the setting out of their Tenancy Policy. It is issued by SBC in its role as a Local Housing Authority.
- 1.1.2. Slough Borough Council's Tenancy Policy, which will apply to council owned housing in the borough. It is issued by SBC in its role as a landlord and will be implemented on October 1st 2013.

1.2. The Tenancy Strategy sets out the council's approach to the management of tenancies which Registered Providers (formerly Registered Social Landlords, RSL's) must have regard to in setting their own Tenancy Policy. The Tenancy Policy sets out how the council will apply this to its own housing stock.

1.3. Tenancy Strategies defines:

- The types of tenancy to be offered
- The circumstances under which a particular tenancy type may be used
- Where a flexible tenancy is offered, the term for which the tenancy will be valid
- The reasons why a flexible tenancy may, or may not be renewed.

1.4. The documents co-exist with the Housing Strategy, Allocations Policy and Homelessness Strategy, and should be read in conjunction with these documents. Along with these related documents, the Tenancy Strategy continues the Golden Thread set out in the Sustainable Community Strategy, the Joint Strategic Needs Assessment and the Corporate Plan. It is produced at a time which enables adoption of reforms introduced by the Localism Act 2011.

1.5. Many of the reforms to housing can be implemented with a degree of local discretion. The Tenancy Strategy therefore sets out our strategic approach to the utilisation of these reforms and how they can best be used in Slough to meet our broader housing objectives.

1.6. In the context of tenancies, the Localism Act has introduced the option to offer "flexible tenancies". Currently only "secure tenancies" are available to local authorities. The main difference between the two kinds of tenancy is that the flexible tenancies are offered for a fixed period of time, while a secure tenancy is offered for the lifetime of the tenant. The act requires that councils wishing to use flexible tenancies have a Tenancy Strategy and Tenancy Policy in place.

1.7. Housing providers, including the council will take account of the Tenancy Strategy when developing Tenancy Policies that detail how they will use the new flexibilities afforded to landlords under the Localism Act.

Part I - Slough Borough Council Tenancy Strategy

2. Objectives

2.1. The Sustainable Communities Strategy, the document setting out where the council and partners want Slough to be by 2028, highlighted housing as one of the five priorities. It stated that:

“By 2028 Slough will possess a strong, attractive and balanced housing market which recognises the importance of housing in supporting economic growth”.

2.2. The Joint Strategic Needs Assessment also set out as one of the summarised priorities to:

“Improve the quality and availability of housing and environment for Slough residents”.

2.3. The provisions within the Localism Act pertaining to tenancies gives the council an opportunity to deliver the priorities set out above, namely to improve the availability of housing, and placing housing at the core of supporting economic growth by ensuring households have access to homes of a size and location appropriate to their current needs.

2.4. The objectives of this Tenancy Strategy are therefore to:

- Address the housing needs of Slough residents by making the best use of social housing stock, housing people in the most appropriate properties and promoting a range of housing tenures to those in housing need
- Adequately house according to their needs, and provide stability to vulnerable people
- Prevent homelessness
- Promote and reward responsible tenant behaviour, encouraging respect of properties, other residents and the neighbourhood, while taking robust action against those who break the rules
- The policy aims to be fair and transparent, simple to understand, administer and communicate.

2.5. This Strategy sets out guidance for the granting and renewal of tenancies and suggests that this should only be in those cases where tenants have demonstrated the ability to sustain the tenancy and meet the responsibilities and obligations which are attached to the possession of a tenancy. This includes, but is not limited to, the payment of rent, council tax, service charges, recharges and debts due to the council or other Registered Providers, or obligations such as payment of water rates which is an obligation as part of a tenancy. It also makes clear that tenancies will not be granted or renewed where there is anti-social behaviour, lack of respect for neighbours or for the property.

3. Housing Context in Slough - Local Authority Housing

- 3.1. Slough Borough Council has a stock of around 6,500 council properties, with a further 1,000 leasehold properties. There are just under four thousand properties owned or managed by Registered Providers, which the council can nominate to. The council allocates to the stock of properties from the Housing Register, governed by the criteria set out in the Allocation Policy. Leasehold properties are those which have been disposed of through the Right to Buy programme, but which the Local Authority retains land ownership, in the majority of cases due to the properties being located in flatted premises. The council cannot allocate to leasehold properties, and therefore the operational number of properties which can be allocated to is 10,000.
- 3.2. As of 3rd September 2012, there were 7,313 households on the housing register. A number of these households are currently occupying overcrowded properties and/or are in priority need for housing. The economic situation is resulting in increasing number of applications to the Housing Register, while the council has limited ability to deliver new council properties, to offset those lost through ongoing Right to Buy. Through partnerships with Private Registered Providers (formerly known as RSL's) the council has delivered additional properties through the Garage Strategy. This has successfully delivered over one hundred homes but has had limited impact within the context of the growing demand.
- 3.3. Under previous government legislation, properties granted to tenants have been granted on a life time basis as secure tenancies. Therefore it is common for a family sized property to have been allocated to a family in the past, where the household has subsequently decreased in size due to children leaving the family home. While no changes can retrospectively be imposed on secure tenancies already granted, changes applied to newly granted tenancies could avoid this situation in the future.
- 3.4. Housing management and benefits team figures indicate that around 750 affordable properties (including council and Registered Provider properties) are under-occupied by the housing benefit criteria. This represents roughly 7% of the entire affordable stock.
- 3.5. As demonstrated above, placing households in properties appropriate to their size would give access to over seven hundred larger properties to house those who are currently overcrowded in other council controlled properties, or on the waiting list.

4. Housing Context in Slough - Private Housing Market

- 4.1. The average residential property price in Slough is £204,381. This is lower than both the South East average of £260,030 and also lower than the national average of £226, 887 (see detailed table below). Despite this, a Slough family, wishing to buy a terraced or semi-detached home would have to find around £43,000 for the deposit and have a household income of over £49,000 per annum assuming they can get an 80% mortgage from a lender prepared to lend at 3½ times their annual income. See Fig 1 below.

Slough residential property sales figures based on period January – March 2012 (land registry)				
Type	Detached	Flat	Semi	Terraced
Price	£334,111	£137,227	£244,080	£198,563
N° sold in period	25	75	61	108
Change in last year	-1.3%	2.3%	3.2%	1.1%
Change in last quarter	-7.6%	3.4%	0.3%	0.4%

Figure 1

- 4.2. Over the past four years, nationally home ownership has peaked and the percentage of owner occupiers has started to fall. Nationally, new social housing development has all but stopped since 2008 and in 2011 was still at the lowest level for 60 years. Slough has lower rates of owner occupation than regional or national averages, reflecting its relative deprivation. We do have a significantly larger privately rented sector than national or regional averages. Nationally this sector is growing, with both professional and amateur landlords looking to expand their role. The private rented sector is soon expected to become larger than the social rented sector.
- 4.3. There is an acute need for more affordable housing locally, there are currently over 7,313 households seeking housing on the Council's Housing Register (3rd September 2012). To help meet the housing needs of as many households as we can, we need to make the best possible use of our affordable housing stock as well as increase overall stock numbers.
- 4.4. Including the council, there are thirty six different registered providers of just over 10,000 rented affordable homes in the Borough. The council is the largest landlord of social rented homes, with around 6,300 properties. Other registered providers combined have 3,981 units including general needs, supported housing and housing for older people.
- 4.5. Many registered providers work across a number of local authority areas and will need to consider a number of local authority tenancy strategies in developing their tenancy policies, they will also need to consider the implications of their tenancy policy on their overall business and development plans, including development contracts with the Homes and Communities Agency. We recognise that this may restrict their ability to comply fully with our strategy; however, we expect providers to consider this strategy when developing or updating their policies.

5. Welfare Reforms

- 5.1. At the same time as changes to tenancy types brought about by the Localism Act, there are a number of changes to the welfare system which have the potential to affect tenants and householders in Slough. These include both reductions in the total amount of benefit paid and changes to eligibility based on personal circumstances, as well as changes to housing benefit specifically for those in the social sector.

- 5.2. A cap on total benefits paid will be introduced from 1st April 2013 covering combined income from the main out of work benefits, housing benefit, child benefit and child tax credit. The cap will be £500 per week for couples and lone parents, and £350 per week for single adults. Households in receipt of certain benefits will be exempted from the cap.
- 5.3. Social sector under occupancy rules will be introduced which will reduce housing benefit paid to a household by 14% of eligible rent if under occupancy is by one bedroom and 25% reduction for under occupancy of two bedrooms or more. A new set of criteria have been established to identify which members of a household are entitled to a bedroom.
- 5.4. From January 2013 households where one member earns £50,000 or more per year will lose automatic entitlement to child benefit.
- 5.5. There will also be changes to council tax benefit, which will now be called council tax support. From April 2013 local authorities will have to set their own criteria for council tax support, and the total budget allowed under the previous system will be reduced by 10%, requiring local authorities to make savings through changes to eligibility.
- 5.6. Local Housing Allowance rates are also changing, being frozen for a year from April 2012 and in future will be re-calculated on an annual, rather than monthly basis. In addition the definition of a young individual has been changed to mean anyone under 35, and said single young individuals will only be eligible for the shared rate of LHA regardless of the accommodation they occupy.
- 5.7. Changes linked to the Universal Credit mean that a range of benefit payments will be combined into one single monthly payment (rather than weekly) and will be paid to the claimant. This will pose a significant risk to landlords who previously received housing benefit directly, and will now need to collect rent. A move to monthly payments in arrears will also represent a significant departure from what many tenants are used to.
- 5.8. In light of these changes the council has a duty to ensure that tenancies granted are financially sustainable for the tenant in the long term, and that the council does not place tenants in properties which would cause them to be out of pocket due to the welfare reforms.

6. Affordable Rent General Principles

- 6.1. Affordable rent was introduced by the government in April 2011; it is rented housing where the rent is up to 80% of the local private market rent. This is typically higher (and cannot be lower) than rents charged by social landlords. Affordable rent is rebased each time a tenancy is issued or renewed, so will fluctuate in line with local private market rents. The 80% maximum must however be inclusive of all service charges and not exceed the Local Housing Allowance (LHA) cap for housing benefit. Higher rents will increase rental incomes and allow more investment by housing associations and other registered providers to deliver additional affordable housing in a time of constrained grant budgets. Funding raised from affordable rent cannot be ring fenced for local use, although use at a

regional level is strongly encouraged by the Homes and Communities Agency (HCA).

- 6.2. The council understands the need to accept an element of affordable rented housing locally to support future affordable housing development, particularly on schemes which rely upon HCA funding, but there is also a need to balance such provision with providing the best possible outcome for tenants.
- 6.3. Social rent will still be the best type of tenure for many tenants, particularly those with low incomes. We are concerned regarding the potential impact of higher rents and benefits dependency, particularly for those who are looking to get back into work. We will continue to monitor housing need and promote the use of lower cost social rented housing where required and feasible.
- 6.4. The increased cost associated with affordable rent raises concerns about affordability, particularly in relation to tenancy sustainment and homelessness. For example, we have concerns about setting affordable rent at the maximum Local Housing Allowance which can fluctuate down as well as up. Without careful management tenants in receipt of housing benefits could potentially be threatened with homelessness because they cannot afford to remain in a provider's property which is suitable for their needs, especially considering the Universal Credit and benefit cap at £500 p/w for couples and lone parents, and £350 p/w for single adults.
- 6.5. In addition, the increased expense of affordable rent may act as a disincentive for some households, potentially reducing demand and limiting the types of households who are willing to accept such accommodation. We want to enhance the quality of life for everyone in the borough of Slough to achieve a sustainable, prosperous and vibrant community, a place where people want to live, work and visit. We have concerns about providers using affordable rent across the board without having regard to the distinct needs of local areas and neighbourhood, affordable rent may not be appropriate for all types of housing in all areas.
- 6.6. The council will object to and challenge the application of affordable rents to properties which were built with funding from Housing Corporation, Local Authority Social Housing Grant, local authority affordable housing top up funding, or where land was gifted for nominal sums.
- 6.7. For the reasons set out in section 5, when developing their tenancy policies we expect providers to have regard to the following:
 - 6.7.1. We encourage the retention and development of social rent where feasible.
 - 6.7.2. We discourage the use of affordable rent in bungalows and accommodation designated for older people. If providers do let such homes at an affordable rent we expect this to be set at no more than 70% open market value or target rent whichever is highest.
 - 6.7.3. We expect providers to take into consideration the need for mixed and sustainable communities.

- 6.7.4. We encourage providers to take into consideration neighbourhood management advice from the council regarding the use of affordable rent, particularly in priority neighbourhoods.
- 6.7.5. We expect providers to set affordable rents so not to unfairly disadvantage communities. This may include setting rents lower than 80% open market value where market rents are high and on some homes within specialist schemes with local occupancy criteria.
- 6.7.6. We expect providers to be pro-active in both setting and re-evaluating their affordable rent levels so tenants in receipt of housing benefits can afford to reside in a property which is suitable for their needs. For this reason we encourage providers to set total affordable rent charges at no higher than 95% of the Local Housing Allowance rate for that area and take into consideration total benefit caps.
- 6.7.7. We expect conversions from social rented properties to affordable rent properties at the point of re-let to be based on an agreed contract with the HCA and that those agreed numbers be shared with the council in order for effective monitoring to take place.
- 6.7.8. We expect providers who convert their social rented stock to affordable rent within the borough to demonstrate a commitment to develop additional affordable housing within the borough.
- 6.7.9. We will seek social rented homes on new developments where no HCA grant has been given, in line with identified needs, subject to the viability and the specific nature of the scheme.
- 6.7.10. We will not ordinarily support the conversion of social rented properties that are subject to section 106 agreements to affordable rent.
- 6.7.11. We expect providers to provide excellent advice and assistance to ensure potential tenants are able to fully understand their housing options and whether affordable rent is an appropriate type of tenancy for them. This may include taking advice from the council and other partner organisations for some specific vulnerable households.

7. Tenancy Types

- 7.1. There are several tenancy types already in use in the borough across a range of housing providers
- 7.2. **Introductory tenancies** – as determined by Housing Act 1996 S124 and also known as “probationary tenancies”, or “starter tenancies” for non-local authority Registered Providers with assured tenancies, and these tenancies are offered to new tenants that have not been continuous secure or assured registered provider tenants from before 1 April 2012. The introductory period normally lasts for a period of 12 months however can be extended by a further 6 months to a total introductory period of 18 months where there is concern about the tenancy conduct or to allow time to remedy a breach such as rent arrears. Provided there has been no breach of tenancy that would warrant eviction within the introductory period, the

Introductory Tenancy converts to a Secure/Assured Tenancy. Slough Council tenancies granted after 25th May 2014 will become Flexible fixed term secure tenancies for either 2 or 5 years after the Introductory Tenancy. Slough Borough Council will also grant secure periodic tenancies (lifetime) for certain qualifying tenants.

- 7.3. **Secure tenancies** – as defined by the Housing Act 1985 S80(1) reserved for local authority use and provide the household with a tenancy for the lifetime of the tenant
- 7.4. **Assured tenancies** – as defined by the Housing Act 1988 and often expressed as Assured Non-Shorthold. Registered Providers (excluding Local Authorities) offer assured tenancies to transferring tenants with an existing assured or secure tenancy. An assured tenancy can also be for a fixed term. Assured tenancies don't have the right Buy but rather the right to Acquire.
- 7.5. **Assured Shorthold tenancies** – as introduced by the Housing Act 1980, and amended by the Housing Act 1988 and 1996. Registered Providers have always been able to use Assured Shorthold Tenancies in certain circumstances e.g. provision of temporary accommodation, and will remain the choice of private landlords where housing applicants are discharged to the private sector. This Strategy does not seek to encroach on this.
- 7.6. **Flexible Secure tenancies** – Local housing authorities have, from 1 April 2012, been able to issue 'Flexible tenancies'. The council term for a flexible tenancy is 5 years, and 2 years for those 25 years old and under and those homeless being discharged into council stock. These will have most of the statutory rights of secure tenants - a right to exchange, a right to take in lodgers and (with the landlords consent to sub-let), right to have repairs carried out, a single succession right and the right to buy. Therefore, the main change is that tenancies will now be time-limited. Other housing providers (such as Registered Providers) will be able to issue Fixed Term Assured tenancies with a number of additional features e.g. succession rights, rights to repair and right to acquire.
- 7.7. In framing tenancy policies and determining the circumstances in which flexible tenancies should be granted or ended, providers are requested to make due consideration of the council's recommendations as set out in this document.

8. Use of Different Tenancy Types

- 8.1. The council believes that more effective matching of stock with those in most need is essential. The council also believes that flexible tenancies may not be appropriate for certain vulnerable groups. While the council's default position is the issue of Flexible Tenancies of either two year (25 and under) or five year periods for all general needs applicants, the Council considers Lifetime tenancies can be more appropriate for those from vulnerable groups. Details of those groups are set out at 8.6.
- 8.2. Council and housing association tenants whose tenancies commenced prior to 1 April 2012 and have remained social housing tenants since that date shall not be granted a tenancy with less security where they choose to move to another social rented home, whether with the same or another landlord. (This requirement does

not apply where the tenant chooses to move to accommodation let on Affordable Rent terms).

- 8.3. All new tenancies will initially be introductory tenancies for a one year term. At the stage of offer the most appropriate type of tenancy to continue after the Introductory period will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.4. Toward the end of, or at any time during the introductory period, the tenancy will be reviewed considering the tenants conduct of that tenancy. Where the behaviour or conduct is not satisfactory the Introductory tenancy can be terminated (Notice of Proceedings for Possession) or extended by way of Notice (Notice of Extension).
- 8.5. At the end of the Introductory Tenancy a decision will be made, based on the conduct of the tenant whether the tenancy will convert to the tenancy type as per the offer letter where tenancy conditions have been met, or if the tenancy will be terminated and possession sought where conditions have not been met.
- 8.6. The council recognises that fixed term tenancies will assist housing providers make the best of their stock also linking tenancy renewal to behaviours and responsibilities. At the same time, the council is keen to ensure that tenancy arrangements protect the most vulnerable; promote sustainable communities; and do not discourage people from seeking employment. The Council wishes to see the continuation of lifetime tenancies for the following:
- Those over 60 years old based on the First Tenant (in a case of succession a younger spouse would potentially succeed to the lifetime tenancy)
 - Those with lifelong support needs where council accommodation is considered necessary and appropriate
 - Those in designated supported or extra care accommodation
- 8.7. Housing providers should consider which properties they consider most suitable for fixed term/flexible tenancies taking into account the current mix of households in the area, local housing need and any other issues (for example, requirements set out in Section 106 agreements or nominations agreements).
- 8.8. All households with identified support needs will not automatically be eligible for council accommodation. Some support needs are better met by other public and private providers and some households can be suitably housed in the private rented sector while receiving floating support to their home.

- 8.9. It is essential that housing providers clearly communicate with prospective tenants the terms of the tenancy (i.e. type and length of tenancy, renewal criteria, right to review etc.) in the initial offer letter.
- 8.10. Discharge of homelessness duty into the private sector is introduced through the Localism Act, and this will predominantly be the case in Slough. Where homelessness duty is to be discharged into council stock, this will be for a period of two years or five years (as per policy criteria), including a one year introductory period. This is in line with new duty to homelessness applicants, whereby a reapplication within two years of an initial homelessness approach requires the authority to secure accommodation.
- 8.11. Where the homeless discharge to council stock fails in its introductory period due to tenancy misconduct of a serious nature this may result in a future homeless application being refused on grounds of the applicant making themselves intentionally homeless.
- 8.12. Where the homeless applicant successfully completes the introductory and 2 year initial tenancy, they will be assessed as every other tenant would be for the most appropriate type of tenancy to continue after the introductory period. This will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.13. Due to rapidly changing family circumstances in the under 25s age group, tenancies granted to this age group will be for a period of two years, following a one year probationary period. This will be subject to points at 8.6 above where the appropriate type of tenancy to continue after the introductory period must be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.14. Where a joint application is made and one of the applicants is 25 years of age or younger, the tenancy offer will be based on the first (older) applicant. Therefore potentially qualifying for a 5 year fixed term and not a 2 year.

9. Renewal of Flexible Tenancies

- 9.1. The council recognises that the introduction of flexible tenancies means a social housing tenancy is no longer for life. In addition, the council will use flexible

tenancies to manage the allocation of households to the most appropriate property size in collaboration with the allocations policy, and also as an incentive to encourage good tenant behaviour.

9.2. Circumstances where the tenancy may not be renewed include:

- 9.2.1. A change in the composition of the household which has resulted in the household under occupying the accommodation in accordance with the housing benefit standards. This will be applied with discretion, for example under-occupation to be permitted in certain temporary absences, such as a member of the household being absent to attend university or on military service, but not, for example where a member of the household is serving a prison sentence. In all cases the council must be satisfied that the household can sustain the tenancy, i.e. cover any benefit shortfall.
- 9.2.2. An adapted property is no longer suitable for the needs of the household e.g. where adaptations have been provided for a disabled person who is no longer resident in the property, the adaptations are no longer required, and there are other families or individuals needing this type of adapted accommodation.
- 9.2.3. The needs of the household or any member thereof could more suitably be met by an alternative property which has existing adaptations, and where the adaptations required at their existing property would be extensive
- 9.2.4. There is evidence of criminality and/or serious and persistent breach of the tenancy agreement by the household, including but not limited to anti-social behaviour, property neglect and rent arrears. Discretion should be used where there are mitigating factors, attempts by the tenant to rectify the issue and/or wider family circumstances.
- 9.2.5. The tenant or member of the household is in prison at the time of renewal.
- 9.2.6. The tenant or member of the household has acquired another property.
- 9.2.7. There has been a substantial improvement in the household's financial circumstances, such that the household has the ability to sustain a private sector or SBC supported tenancy. For example, Shared Ownership Schemes managed by Registered Providers which Slough Borough Council works with indicate that a household with an income of more than £20,000 can secure a 1 bed property, £26,000 for a 2 bed property and £32,000 for a 3 bed property. Where a household's income or savings have reached such a level that it can afford to buy an average property in the borough (without financial assistance), it would be reasonable for the housing provider to consider not renewing a fixed term/flexible tenancy. As a guide, a household income of £60,000 per annum or more, or savings of a similar level could be used. This reflects the maximum income a household can earn to be eligible for government-backed low-cost home ownership schemes. Other factors would need to be taken into account by the housing provider when taking a decision not to renew a tenancy based on income, including access to a deposit, mortgage availability, age, size of household and credit history. The council does not want the use of fixed term tenancies to be a barrier to households seeking employment or attempting to improve their income and lifestyle through career progression

and, therefore, would expect that this criterion would only apply infrequently.

9.2.8. In the case of large households, where sub-households may be more appropriately accommodated as separate households.

9.2.9. To allow disposal, demolition, refurbishment of existing property as part of regeneration or stock improvements / evaluation / rationalisation.

9.2.10. Possession proceedings already started

9.3. Where a flexible tenancy is not to be renewed at the existing property, in securing alternative suitable accommodation for the household, the council will take into account so far as is possible the household's area(s) of choice and whether they need to live in a particular area to give or receive care or support.

9.4. Landlords are expected to contact tenants whose tenancies are due for renewal within a reasonable time period to assess the household circumstances and discuss options available to the household. Government guidance recommends a review period of six months; however an initial contact with the household may be made before this to ensure that there is sufficient time to arrange alternative accommodation or for the household to purchase a home where this is likely to be deemed necessary.

9.5. Registered Providers must also have in place a process for the review of decisions, which they should administer within their organisation. Legislation states that a request for a review must be received from the applicant within 21 days of the notice from the landlord stating that the tenancy will come to an end.

9.6. The Council will not and does not expect other housing providers to use fixed term tenancies as a short cut to enforcement procedures for breaches of tenancy conditions but accepts there may be circumstances where enforcement proceedings are so far advanced that it would not be appropriate to renew a tenancy. It will be for Providers to judge these cases on merit mindful that they will have to justify such action should the tenant seek to exercise their right to appeal.

Part II – Slough Borough Council Tenancy Policy

10. Use and Renewal of Tenancies

- 10.1. In its exercise of functions as a landlord, Slough Borough Council will comply fully with the guidance set out in section 8 and 9 of the SBC Tenancy Strategy 2013-18, and will adopt these sections in full as its Tenancy Policy. In addition the Tenancy Policy will include the following.

11. Adaptations for Disabled Tenants

- 11.1. Tenants who require adaptations in order to live as safely and independently as possible in their homes will have an assessment to establish whether it is feasible, necessary, appropriate and practicable to adapt their current home to meet their needs.
- 11.2. Tenants who are under-occupying their homes will usually be expected to move to smaller accommodation if major adaptations are required. They will be eligible for the Tenant Incentive Scheme to assist with the move.

12. Money to Move Scheme

- 12.1. The council currently offers incentives for households who are under occupying their properties to downsize, thus making larger properties available for households who need them. In recognition of tenants who downsize the council offers a range of incentive packages, including a lump sum for each room vacated, a free removal service, fixtures, fittings and carpets, depending on which option tenants choose.
- 12.2. The *Money to Move* scheme will continue to apply to tenants in secure periodic tenancies.
- 12.3. Tenants who are granted flexible tenancies will be reassessed at the end of each flexible tenancy period. The *Money to Move* scheme will therefore only apply to those with flexible tenancies in exceptional circumstances, especially where the flexible tenancy is within two years of expiry.
- 12.4. For further information on the *Money to Move* scheme please see <http://www.slough.gov.uk/housing/money-to-move.aspx>

13. Verification Checks

- 13.1. New tenants are required to provide proof of their identity before they are allocated a tenancy. Staff will take a photograph of each tenant at the time of their sign up and keep this on their tenancy file. This may be updated periodically.

- 13.2. Housing Officers will check the identity of tenants on the granting of a flexible tenancy, and every five years for secure tenancies. The principal aim of the check is to prevent and tackle tenancy fraud. However the verification visit will also offer an opportunity to check whether there are any unreported tenancy problems.

14. Ending a Flexible Tenancy

- 14.1. Eight months before the scheduled end of a flexible tenancy, the council will review the households circumstances. Depending on the outcome of this exercise the tenancy may either be re-granted, or not. Not less than six months before the end of the period of the Flexible Tenancy a “six month notice” will be issued indicating to the tenant whether the Flexible Tenancy will be renewed, or not.
- 14.2. If at the end of the Flexible Tenancy possession is to be sought and the tenancy is to end, a written “six month notice” will be sent, stating:
- That the landlord does not propose to grant a further tenancy on the expiry of the flexible tenancy
 - Setting out the reasons for not proposing to grant another tenancy
 - Informing the tenant of their right to request a review of the proposal and the time within which a request must be received
- 14.3. At this time the landlord will give the tenant support and advice to find alternative accommodation.
- 14.4. A subsequent “two month notice” will be given stating that possession of the property is required. This “two month notice” may be given before or on the day on which the tenancy comes to an end.
- 14.5. At the expiry of a Flexible Tenancy, a statutory Weekly Periodic Tenancy arises.

15. Right to Request a Review

- 15.1. The tenant has 21 days from the issuing of the six month notice to request a review of the decision.
- 15.2. The request must be made in writing, and must include the name and address of the applicant, a description of the decision which is to be reviewed, why the applicant believes the decision does not accord with the Tenancy Strategy, and whether the applicant wishes to receive a review without a hearing, or a review by way of hearing.
- 15.2.1. **Review without a hearing.**
In this case the landlord will write to the applicant requesting written supported evidence, to be received not less than five days from the date of the request. The review will be carried out by an officer of

greater seniority than the officer who made the original decision, and must not have been involved in the original decision.

15.2.2. Review by way of hearing.

In this case the landlord will write to the applicant with a date for the oral hearing which will be held not less than five days from the date of the written notice. The review will be carried out by an officer of greater seniority than the officer who made the original decision, and must not have been involved in the original decision. At the hearing the applicant or appointed representative may make written or oral representation. The original decision maker may be present.

- 15.3. The tenant will be notified of the decision of the review in writing. If the original decision is upheld, the reasons for this will be set out in the written notice.

16. Overcrowding and Under-Occupation

- 16.1. Tenants who are overcrowded may apply for a transfer to a larger home.

Where overcrowding is due to non-dependent members of the household, these individuals or families may be expected to apply separately for a tenancy. If members of the household have no recourse to public funds, they cannot be counted in the family composition and be included in any calculation of overcrowding.

- 16.2. Tenants who are under-occupying their homes may experience difficulties in paying their rent due to welfare reform which limits Housing Benefit for tenants of working age. Any tenant under-occupying their home will have priority for a transfer to a smaller home if they wish to move, through the Allocations Policy. They will also have opportunities to exchange with families who need a larger home. The Council will assist tenants who are under-occupying to identify suitable alternative homes.

- 16.3. Households should also be aware that where a dependent is evicted through a 'parental eviction' the household will have the Flexible Tenancy terminated at the next review period if any of the criteria set out in section 9 of this Tenancy Strategy apply.

17. Succession

- 17.1. Following changes set out in the Localism Act, the rules on succession have changed for those tenancies created on or after 1 April 2012. Succession rights are set out in council Tenancy Agreements. Tenancies can only be succeeded once.

- 17.2. Those eligible to succeed to a tenancy granted before 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse or civil partner provided they were living there at the time of death

- A partner or qualifying family member who has lived at the property as their principle or only home for 12 months prior to the death of the tenant.

17.3. Those eligible to succeed to a tenancy granted on or after 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse, civil partner, or couple living as married/civil partners provided they were living there at the time of death

18. Assignment

18.1. Tenants have the right to assign their tenancy within the relevant law.

18.2. **Introductory Tenancies** can assign their tenancy under the Housing Act 1996 S134 by way of property adjustment order made by the court, or to a person who would be qualified to succeed the tenant if the tenant died immediately before the assignment. There is no right to mutual exchange

18.3. **Secure Tenancies** including **Flexible Tenancies** have the right to assign their tenancy to someone else only under the following circumstances:

- by way of Mutual Exchange,
- by way of a Property Adjustment Order by a court in connection with matrimonial proceedings, or
- to a person who would qualify to succeed the tenancy if the tenant died immediately before the assignment.

19. Consultation

19.1. A draft version of the Tenancy Strategy has been sent to all thirty-six Registered Providers in the Slough borough for comment. The feedback received was supportive of the aims and content of the strategy.

20. Document Review

20.1. As a new policy, the contents of the Tenancy Strategy will remain under review during its lifetime based upon monitoring to ensure the stated aims and objectives are being achieved.

Slough Borough Council

Tenancy Strategy & Tenancy Policy

2013 – 2018

Contents

1	Introduction	
	Part I – Slough Borough Council Tenancy Strategy	
2	Objectives for this strategy	
3	Housing context in Slough – Local Authority	
4	Housing context in Slough – Private Sector	
5	Affordable Rent General Principles	
6	Welfare Reform	
7	Tenancy Types	
8	Use of different tenancy types	
9	Renewal of flexible tenancies	
	Part II – Slough Borough Council Tenancy Policy	
10	Use and renewal of Tenancies	
11	Adaptations for disabled residents	
12	Money to Move scheme	
13	Verification checks	
14	Ending a flexible tenancy	
15	Right to request a review	
16	Overcrowding and under-occupation	
17	Succession	
18	Assignment	
19	Consultation	
20	Document review	

1. Introduction

1.1. This document incorporates:

- 1.1.1. Slough Borough Council's Tenancy Strategy, which registered providers in the borough must have regard to in the setting out of their Tenancy Policy. It is issued by SBC in its role as a Local Housing Authority.
- 1.1.2. Slough Borough Council's Tenancy Policy, which will apply to council owned housing in the borough. It is issued by SBC in its role as a landlord and will be implemented on October 1st 2013.

1.2. The Tenancy Strategy sets out the council's approach to the management of tenancies which Registered Providers (formerly Registered Social Landlords, RSL's) must have regard to in setting their own Tenancy Policy. The Tenancy Policy sets out how the council will apply this to its own housing stock.

1.3. Tenancy Strategies defines:

- The types of tenancy to be offered
- The circumstances under which a particular tenancy type may be used
- Where a flexible tenancy is offered, the term for which the tenancy will be valid
- The reasons why a flexible tenancy may, or may not be renewed.

1.4. The documents co-exist with the Housing Strategy, Allocations Policy and Homelessness Strategy, and should be read in conjunction with these documents. Along with these related documents, the Tenancy Strategy continues the Golden Thread set out in the Sustainable Community Strategy, the Joint Strategic Needs Assessment and the Corporate Plan. It is produced at a time which enables adoption of reforms introduced by the Localism Act 2011.

1.5. Many of the reforms to housing can be implemented with a degree of local discretion. The Tenancy Strategy therefore sets out our strategic approach to the utilisation of these reforms and how they can best be used in Slough to meet our broader housing objectives.

1.6. In the context of tenancies, the Localism Act has introduced the option to offer "flexible tenancies". Currently only "secure tenancies" are available to local authorities. The main difference between the two kinds of tenancy is that the flexible tenancies are offered for a fixed period of time, while a secure tenancy is offered for the lifetime of the tenant. The act requires that councils wishing to use flexible tenancies have a Tenancy Strategy and Tenancy Policy in place.

1.7. Housing providers, including the council will take account of the Tenancy Strategy when developing Tenancy Policies that detail how they will use the new flexibilities afforded to landlords under the Localism Act.

Part I - Slough Borough Council Tenancy Strategy

2. Objectives

2.1. The Sustainable Communities Strategy, the document setting out where the council and partners want Slough to be by 2028, highlighted housing as one of the five priorities. It stated that:

“By 2028 Slough will possess a strong, attractive and balanced housing market which recognises the importance of housing in supporting economic growth”.

2.2. The Joint Strategic Needs Assessment also set out as one of the summarised priorities to:

“Improve the quality and availability of housing and environment for Slough residents”.

2.3. The provisions within the Localism Act pertaining to tenancies gives the council an opportunity to deliver the priorities set out above, namely to improve the availability of housing, and placing housing at the core of supporting economic growth by ensuring households have access to homes of a size and location appropriate to their current needs.

2.4. The objectives of this Tenancy Strategy are therefore to:

- Address the housing needs of Slough residents by making the best use of social housing stock, housing people in the most appropriate properties and promoting a range of housing tenures to those in housing need
- Adequately house according to their needs, and provide stability to vulnerable people
- Prevent homelessness
- Promote and reward responsible tenant behaviour, encouraging respect of properties, other residents and the neighbourhood, while taking robust action against those who break the rules
- The policy aims to be fair and transparent, simple to understand, administer and communicate.

2.5. This Strategy sets out guidance for the granting and renewal of tenancies and suggests that this should only be in those cases where tenants have demonstrated the ability to sustain the tenancy and meet the responsibilities and obligations which are attached to the possession of a tenancy. This includes, but is not limited to, the payment of rent, council tax, service charges, recharges and debts due to the council or other Registered Providers, or obligations such as payment of water rates which is an obligation as part of a tenancy. It also makes clear that tenancies will not be granted or renewed where there is anti-social behaviour, lack of respect for neighbours or for the property.

3. Housing Context in Slough - Local Authority Housing

- 3.1. Slough Borough Council has a stock of around 6,500 council properties, with a further 1,000 leasehold properties. There are just under four thousand properties owned or managed by Registered Providers, which the council can nominate to. The council allocates to the stock of properties from the Housing Register, governed by the criteria set out in the Allocation Policy. Leasehold properties are those which have been disposed of through the Right to Buy programme, but which the Local Authority retains land ownership, in the majority of cases due to the properties being located in flatted premises. The council cannot allocate to leasehold properties, and therefore the operational number of properties which can be allocated to is 10,000.
- 3.2. As of 3rd September 2012, there were 7,313 households on the housing register. A number of these households are currently occupying overcrowded properties and/or are in priority need for housing. The economic situation is resulting in increasing number of applications to the Housing Register, while the council has limited ability to deliver new council properties, to offset those lost through ongoing Right to Buy. Through partnerships with Private Registered Providers (formerly known as RSL's) the council has delivered additional properties through the Garage Strategy. This has successfully delivered over one hundred homes but has had limited impact within the context of the growing demand.
- 3.3. Under previous government legislation, properties granted to tenants have been granted on a life time basis as secure tenancies. Therefore it is common for a family sized property to have been allocated to a family in the past, where the household has subsequently decreased in size due to children leaving the family home. While no changes can retrospectively be imposed on secure tenancies already granted, changes applied to newly granted tenancies could avoid this situation in the future.
- 3.4. Housing management and benefits team figures indicate that around 750 affordable properties (including council and Registered Provider properties) are under-occupied by the housing benefit criteria. This represents roughly 7% of the entire affordable stock.
- 3.5. As demonstrated above, placing households in properties appropriate to their size would give access to over seven hundred larger properties to house those who are currently overcrowded in other council controlled properties, or on the waiting list.

4. Housing Context in Slough - Private Housing Market

- 4.1. The average residential property price in Slough is £204,381. This is lower than both the South East average of £260,030 and also lower than the national average of £226, 887 (see detailed table below). Despite this, a Slough family, wishing to buy a terraced or semi-detached home would have to find around £43,000 for the deposit and have a household income of over £49,000 per annum assuming they can get an 80% mortgage from a lender prepared to lend at 3½ times their annual income. See Fig 1 below.

Slough residential property sales figures based on period January – March 2012 (land registry)				
Type	Detached	Flat	Semi	Terraced
Price	£334,111	£137,227	£244,080	£198,563
N° sold in period	25	75	61	108
Change in last year	-1.3%	2.3%	3.2%	1.1%
Change in last quarter	-7.6%	3.4%	0.3%	0.4%

Figure 1

- 4.2. Over the past four years, nationally home ownership has peaked and the percentage of owner occupiers has started to fall. Nationally, new social housing development has all but stopped since 2008 and in 2011 was still at the lowest level for 60 years. Slough has lower rates of owner occupation than regional or national averages, reflecting its relative deprivation. We do have a significantly larger privately rented sector than national or regional averages. Nationally this sector is growing, with both professional and amateur landlords looking to expand their role. The private rented sector is soon expected to become larger than the social rented sector.
- 4.3. There is an acute need for more affordable housing locally, there are currently over 7,313 households seeking housing on the Council's Housing Register (3rd September 2012). To help meet the housing needs of as many households as we can, we need to make the best possible use of our affordable housing stock as well as increase overall stock numbers.
- 4.4. Including the council, there are thirty six different registered providers of just over 10,000 rented affordable homes in the Borough. The council is the largest landlord of social rented homes, with around 6,300 properties. Other registered providers combined have 3,981 units including general needs, supported housing and housing for older people.
- 4.5. Many registered providers work across a number of local authority areas and will need to consider a number of local authority tenancy strategies in developing their tenancy policies, they will also need to consider the implications of their tenancy policy on their overall business and development plans, including development contracts with the Homes and Communities Agency. We recognise that this may restrict their ability to comply fully with our strategy; however, we expect providers to consider this strategy when developing or updating their policies.

5. Welfare Reforms

- 5.1. At the same time as changes to tenancy types brought about by the Localism Act, there are a number of changes to the welfare system which have the potential to affect tenants and householders in Slough. These include both reductions in the total amount of benefit paid and changes to eligibility based on personal circumstances, as well as changes to housing benefit specifically for those in the social sector.

- 5.2. A cap on total benefits paid will be introduced from 1st April 2013 covering combined income from the main out of work benefits, housing benefit, child benefit and child tax credit. The cap will be £500 per week for couples and lone parents, and £350 per week for single adults. Households in receipt of certain benefits will be exempted from the cap.
- 5.3. Social sector under occupancy rules will be introduced which will reduce housing benefit paid to a household by 14% of eligible rent if under occupancy is by one bedroom and 25% reduction for under occupancy of two bedrooms or more. A new set of criteria have been established to identify which members of a household are entitled to a bedroom.
- 5.4. From January 2013 households where one member earns £50,000 or more per year will lose automatic entitlement to child benefit.
- 5.5. There will also be changes to council tax benefit, which will now be called council tax support. From April 2013 local authorities will have to set their own criteria for council tax support, and the total budget allowed under the previous system will be reduced by 10%, requiring local authorities to make savings through changes to eligibility.
- 5.6. Local Housing Allowance rates are also changing, being frozen for a year from April 2012 and in future will be re-calculated on an annual, rather than monthly basis. In addition the definition of a young individual has been changed to mean anyone under 35, and said single young individuals will only be eligible for the shared rate of LHA regardless of the accommodation they occupy.
- 5.7. Changes linked to the Universal Credit mean that a range of benefit payments will be combined into one single monthly payment (rather than weekly) and will be paid to the claimant. This will pose a significant risk to landlords who previously received housing benefit directly, and will now need to collect rent. A move to monthly payments in arrears will also represent a significant departure from what many tenants are used to.
- 5.8. In light of these changes the council has a duty to ensure that tenancies granted are financially sustainable for the tenant in the long term, and that the council does not place tenants in properties which would cause them to be out of pocket due to the welfare reforms.

6. Affordable Rent General Principles

- 6.1. Affordable rent was introduced by the government in April 2011; it is rented housing where the rent is up to 80% of the local private market rent. This is typically higher (and cannot be lower) than rents charged by social landlords. Affordable rent is rebased each time a tenancy is issued or renewed, so will fluctuate in line with local private market rents. The 80% maximum must however be inclusive of all service charges and not exceed the Local Housing Allowance (LHA) cap for housing benefit. Higher rents will increase rental incomes and allow more investment by housing associations and other registered providers to deliver additional affordable housing in a time of constrained grant budgets. Funding raised from affordable rent cannot be ring fenced for local use, although use at a

regional level is strongly encouraged by the Homes and Communities Agency (HCA).

- 6.2. The council understands the need to accept an element of affordable rented housing locally to support future affordable housing development, particularly on schemes which rely upon HCA funding, but there is also a need to balance such provision with providing the best possible outcome for tenants.
- 6.3. Social rent will still be the best type of tenure for many tenants, particularly those with low incomes. We are concerned regarding the potential impact of higher rents and benefits dependency, particularly for those who are looking to get back into work. We will continue to monitor housing need and promote the use of lower cost social rented housing where required and feasible.
- 6.4. The increased cost associated with affordable rent raises concerns about affordability, particularly in relation to tenancy sustainment and homelessness. For example, we have concerns about setting affordable rent at the maximum Local Housing Allowance which can fluctuate down as well as up. Without careful management tenants in receipt of housing benefits could potentially be threatened with homelessness because they cannot afford to remain in a provider's property which is suitable for their needs, especially considering the Universal Credit and benefit cap at £500 p/w for couples and lone parents, and £350 p/w for single adults.
- 6.5. In addition, the increased expense of affordable rent may act as a disincentive for some households, potentially reducing demand and limiting the types of households who are willing to accept such accommodation. We want to enhance the quality of life for everyone in the borough of Slough to achieve a sustainable, prosperous and vibrant community, a place where people want to live, work and visit. We have concerns about providers using affordable rent across the board without having regard to the distinct needs of local areas and neighbourhood, affordable rent may not be appropriate for all types of housing in all areas.
- 6.6. The council will object to and challenge the application of affordable rents to properties which were built with funding from Housing Corporation, Local Authority Social Housing Grant, local authority affordable housing top up funding, or where land was gifted for nominal sums.
- 6.7. For the reasons set out in section 5, when developing their tenancy policies we expect providers to have regard to the following:
 - 6.7.1. We encourage the retention and development of social rent where feasible.
 - 6.7.2. We discourage the use of affordable rent in bungalows and accommodation designated for older people. If providers do let such homes at an affordable rent we expect this to be set at no more than 70% open market value or target rent which ever is highest.
 - 6.7.3. We expect providers to take into consideration the need for mixed and sustainable communities.

- 6.7.4. We encourage providers to take into consideration neighbourhood management advice from the council regarding the use of affordable rent, particularly in priority neighbourhoods.
- 6.7.5. We expect providers to set affordable rents so not to unfairly disadvantage communities. This may include setting rents lower than 80% open market value where market rents are high and on some homes within specialist schemes with local occupancy criteria.
- 6.7.6. We expect providers to be pro-active in both setting and re-evaluating their affordable rent levels so tenants in receipt of housing benefits can afford to reside in a property which is suitable for their needs. For this reason we encourage providers to set total affordable rent charges at no higher than 95% of the Local Housing Allowance rate for that area and take into consideration total benefit caps.
- 6.7.7. We expect conversions from social rented properties to affordable rent properties at the point of re-let to be based on an agreed contract with the HCA and that those agreed numbers be shared with the council in order for effective monitoring to take place.
- 6.7.8. We expect providers who convert their social rented stock to affordable rent within the borough to demonstrate a commitment to develop additional affordable housing within the borough.
- 6.7.9. We will seek social rented homes on new developments where no HCA grant has been given, in line with identified needs, subject to the viability and the specific nature of the scheme.
- 6.7.10. We will not ordinarily support the conversion of social rented properties that are subject to section 106 agreements to affordable rent.
- 6.7.11. We expect providers to provide excellent advice and assistance to ensure potential tenants are able to fully understand their housing options and whether affordable rent is an appropriate type of tenancy for them. This may include taking advice from the council and other partner organisations for some specific vulnerable households.

7. Tenancy Types

- 7.1. There are several tenancy types already in use in the borough across a range of housing providers
- 7.2. **Introductory tenancies** – as determined by Housing Act 1996 S124 and also known as “probationary tenancies”, or “starter tenancies” for non-local authority Registered Providers with assured tenancies, and these tenancies are offered to new tenants that have not been continuous secure or assured registered provider tenants from before 1 April 2012. The introductory period normally lasts for a period of 12 months however can be extended by a further 6 months to a total introductory period of 18 months where there is concern about the tenancy conduct or to allow time to remedy a breach such as rent arrears. Provided there has been no breach of tenancy that would warrant eviction within the introductory period, the

Introductory Tenancy converts to a Secure/Assured Tenancy. Slough Council tenancies granted after 25th May 2014 will become Flexible fixed term secure tenancies for either 2 or 5 years after the Introductory Tenancy. Slough Borough Council will also grant secure periodic tenancies (lifetime) for certain qualifying tenants.

- 7.3. **Secure tenancies** – as defined by the Housing Act 1985 S80(1) reserved for local authority use and provide the household with a tenancy for the lifetime of the tenant
- 7.4. **Assured tenancies** – as defined by the Housing Act 1988 and often expressed as Assured Non-Shorthold. Registered Providers (excluding Local Authorities) offer assured tenancies to transferring tenants with an existing assured or secure tenancy. An assured tenancy can also be for a fixed term. Assured tenancies don't have the right Buy but rather the right to Acquire.
- 7.5. **Assured Shorthold tenancies** – as introduced by the Housing Act 1980, and amended by the Housing Act 1988 and 1996. Registered Providers have always been able to use Assured Shorthold Tenancies in certain circumstances e.g. provision of temporary accommodation, and will remain the choice of private landlords where housing applicants are discharged to the private sector. This Strategy does not seek to encroach on this.
- 7.6. **Flexible Secure tenancies** – Local housing authorities have, from 1 April 2012, been able to issue 'Flexible tenancies'. The council term for a flexible tenancy is 5 years, and 2 years for those 25 years old and under and those homeless being discharged into council stock. These will have most of the statutory rights of secure tenants - a right to exchange, a right to take in lodgers and (with the landlords consent to sub-let), right to have repairs carried out, a single succession right and the right to buy. Therefore, the main change is that tenancies will now be time-limited. Other housing providers (such as Registered Providers) will be able to issue Fixed Term Assured tenancies with a number of additional features e.g. succession rights, rights to repair and right to acquire.
- 7.7. In framing tenancy policies and determining the circumstances in which flexible tenancies should be granted or ended, providers are requested to make due consideration of the council's recommendations as set out in this document.

8. Use of Different Tenancy Types

- 8.1. The council believes that more effective matching of stock with those in most need is essential. The council also believes that flexible tenancies may not be appropriate for certain vulnerable groups. While the council's default position is the issue of Flexible Tenancies of either two year (25 and under) or five year periods for all general needs applicants, the Council considers Lifetime tenancies can be more appropriate for those from vulnerable groups. Details of those groups are set out at 8.6.
- 8.2. Council and housing association tenants whose tenancies commenced prior to 1 April 2012 and have remained social housing tenants since that date shall not be granted a tenancy with less security where they choose to move to another social rented home, whether with the same or another landlord. (This requirement does

not apply where the tenant chooses to move to accommodation let on Affordable Rent terms).

- 8.3. All new tenancies will initially be introductory tenancies for a one year term. At the stage of offer the most appropriate type of tenancy to continue after the Introductory period will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.4. Toward the end of, or at any time during the introductory period, the tenancy will be reviewed considering the tenants conduct of that tenancy. Where the behaviour or conduct is not satisfactory the Introductory tenancy can be terminated (Notice of Proceedings for Possession) or extended by way of Notice (Notice of Extension).
- 8.5. At the end of the Introductory Tenancy a decision will be made, based on the conduct of the tenant whether the tenancy will convert to the tenancy type as per the offer letter where tenancy conditions have been met, or if the tenancy will be terminated and possession sought where conditions have not been met.
- 8.6. The council recognises that fixed term tenancies will assist housing providers make the best of their stock also linking tenancy renewal to behaviours and responsibilities. At the same time, the council is keen to ensure that tenancy arrangements protect the most vulnerable; promote sustainable communities; and do not discourage people from seeking employment. The Council wishes to see the continuation of lifetime tenancies for the following:
- Those over 60 years old based on the First Tenant (in a case of succession a younger spouse would potentially succeed to the lifetime tenancy)
 - Those with lifelong support needs where council accommodation is considered necessary and appropriate
 - Those in designated supported or extra care accommodation
- 8.7. Housing providers should consider which properties they consider most suitable for fixed term/flexible tenancies taking into account the current mix of households in the area, local housing need and any other issues (for example, requirements set out in Section 106 agreements or nominations agreements).
- 8.8. All households with identified support needs will not automatically be eligible for council accommodation. Some support needs are better met by other public and private providers and some households can be suitably housed in the private rented sector while receiving floating support to their home.

- 8.9. It is essential that housing providers clearly communicate with prospective tenants the terms of the tenancy (i.e. type and length of tenancy, renewal criteria, right to review etc.) in the initial offer letter.
- 8.10. Discharge of homelessness duty into the private sector is introduced through the Localism Act, and this will predominantly be the case in Slough. Where homelessness duty is to be discharged into council stock, this will be for a period of two years or five years (as per policy criteria), including a one year introductory period. This is in line with new duty to homelessness applicants, whereby a reapplication within two years of an initial homelessness approach requires the authority to secure accommodation.
- 8.11. Where the homeless discharge to council stock fails in its introductory period due to tenancy misconduct of a serious nature this may result in a future homeless application being refused on grounds of the applicant making themselves intentionally homeless.
- 8.12. Where the homeless applicant successfully completes the introductory and 2 year initial tenancy, they will be assessed as every other tenant would be for the most appropriate type of tenancy to continue after the introductory period. This will be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.13. Due to rapidly changing family circumstances in the under 25s age group, tenancies granted to this age group will be for a period of two years, following a one year probationary period. This will be subject to points at 8.6 above where the appropriate type of tenancy to continue after the introductory period must be determined on a case by case basis by the Allocations Manager or more senior manager as required taking into account the purpose of the accommodation, the needs of the individual household, the sustainability of the community and the efficient use of our housing stock. These decisions will be taken with the aim of achieving an appropriate balance between providing a reasonable degree of stability (particularly for those who are vulnerable by reason of age, disability or illness, and households with children) and ensuring that best use is made of our housing stock to meet residents' housing needs and aspirations, and comply with the terms of the Tenancy Policy.
- 8.14. Where a joint application is made and one of the applicants is 25 years of age or younger, the tenancy offer will be based on the first (older) applicant. Therefore potentially qualifying for a 5 year fixed term and not a 2 year.

9. Renewal of Flexible Tenancies

- 9.1. The council recognises that the introduction of flexible tenancies means a social housing tenancy is no longer for life. In addition, the council will use flexible

tenancies to manage the allocation of households to the most appropriate property size in collaboration with the allocations policy, and also as an incentive to encourage good tenant behaviour.

9.2. Circumstances where the tenancy may not be renewed include:

- 9.2.1. A change in the composition of the household which has resulted in the household under occupying the accommodation in accordance with the housing benefit standards. This will be applied with discretion, for example under-occupation to be permitted in certain temporary absences, such as a member of the household being absent to attend university or on military service, but not, for example where a member of the household is serving a prison sentence. In all cases the council must be satisfied that the household can sustain the tenancy, i.e. cover any benefit shortfall.
- 9.2.2. An adapted property is no longer suitable for the needs of the household e.g. where adaptations have been provided for a disabled person who is no longer resident in the property, the adaptations are no longer required, and there are other families or individuals needing this type of adapted accommodation.
- 9.2.3. The needs of the household or any member thereof could more suitably be met by an alternative property which has existing adaptations, and where the adaptations required at their existing property would be extensive
- 9.2.4. There is evidence of criminality and/or serious and persistent breach of the tenancy agreement by the household, including but not limited to anti-social behaviour, property neglect and rent arrears. Discretion should be used where there are mitigating factors, attempts by the tenant to rectify the issue and/or wider family circumstances.
- 9.2.5. The tenant or member of the household is in prison at the time of renewal.
- 9.2.6. The tenant or member of the household has acquired another property.
- 9.2.7. There has been a substantial improvement in the household's financial circumstances, such that the household has the ability to sustain a private sector or SBC supported tenancy. For example, Shared Ownership Schemes managed by Registered Providers which Slough Borough Council works with indicate that a household with an income of more than £20,000 can secure a 1 bed property, £26,000 for a 2 bed property and £32,000 for a 3 bed property. Where a household's income or savings have reached such a level that it can afford to buy an average property in the borough (without financial assistance), it would be reasonable for the housing provider to consider not renewing a fixed term/flexible tenancy. As a guide, a household income of £60,000 per annum or more, or savings of a similar level could be used. This reflects the maximum income a household can earn to be eligible for government-backed low-cost home ownership schemes. Other factors would need to be taken into account by the housing provider when taking a decision not to renew a tenancy based on income, including access to a deposit, mortgage availability, age, size of household and credit history. The council does not want the use of fixed term tenancies to be a barrier to households seeking employment or attempting to improve their income and lifestyle through career progression

and, therefore, would expect that this criterion would only apply infrequently.

9.2.8. In the case of large households, where sub-households may be more appropriately accommodated as separate households.

9.2.9. To allow disposal, demolition, refurbishment of existing property as part of regeneration or stock improvements / evaluation / rationalisation.

9.2.10. Possession proceedings already started

9.3. Where a flexible tenancy is not to be renewed at the existing property, in securing alternative suitable accommodation for the household, the council will take into account so far as is possible the household's area(s) of choice and whether they need to live in a particular area to give or receive care or support.

9.4. Landlords are expected to contact tenants whose tenancies are due for renewal within a reasonable time period to assess the household circumstances and discuss options available to the household. Government guidance recommends a review period of six months; however an initial contact with the household may be made before this to ensure that there is sufficient time to arrange alternative accommodation or for the household to purchase a home where this is likely to be deemed necessary.

9.5. Registered Providers must also have in place a process for the review of decisions, which they should administer within their organisation. Legislation states that a request for a review must be received from the applicant within 21 days of the notice from the landlord stating that the tenancy will come to an end.

9.6. The Council will not and does not expect other housing providers to use fixed term tenancies as a short cut to enforcement procedures for breaches of tenancy conditions but accepts there may be circumstances where enforcement proceedings are so far advanced that it would not be appropriate to renew a tenancy. It will be for Providers to judge these cases on merit mindful that they will have to justify such action should the tenant seek to exercise their right to appeal.

Part II – Slough Borough Council Tenancy Policy

10. Use and Renewal of Tenancies

- 10.1. In its exercise of functions as a landlord, Slough Borough Council will comply fully with the guidance set out in section 8 and 9 of the SBC Tenancy Strategy 2013-18, and will adopt these sections in full as its Tenancy Policy. In addition the Tenancy Policy will include the following.

11. Adaptations for Disabled Tenants

- 11.1. Tenants who require adaptations in order to live as safely and independently as possible in their homes will have an assessment to establish whether it is feasible, necessary, appropriate and practicable to adapt their current home to meet their needs.
- 11.2. Tenants who are under-occupying their homes will usually be expected to move to smaller accommodation if major adaptations are required. They will be eligible for the Tenant Incentive Scheme to assist with the move.

12. Money to Move Scheme

- 12.1. The council currently offers incentives for households who are under occupying their properties to downsize, thus making larger properties available for households who need them. In recognition of tenants who downsize the council offers a range of incentive packages, including a lump sum for each room vacated, a free removal service, fixtures, fittings and carpets, depending on which option tenants choose.
- 12.2. The *Money to Move* scheme will continue to apply to tenants in secure periodic tenancies.
- 12.3. Tenants who are granted flexible tenancies will be reassessed at the end of each flexible tenancy period. The *Money to Move* scheme will therefore only apply to those with flexible tenancies in exceptional circumstances, especially where the flexible tenancy is within two years of expiry.
- 12.4. For further information on the *Money to Move* scheme please see <http://www.slough.gov.uk/housing/money-to-move.aspx>

13. Verification Checks

- 13.1. New tenants are required to provide proof of their identity before they are allocated a tenancy. Staff will take a photograph of each tenant at the time of their sign up and keep this on their tenancy file. This may be updated periodically.

- 13.2. Housing Officers will check the identity of tenants on the granting of a flexible tenancy, and every five years for secure tenancies. The principal aim of the check is to prevent and tackle tenancy fraud. However the verification visit will also offer an opportunity to check whether there are any unreported tenancy problems.

14. Ending a Flexible Tenancy

- 14.1. Eight months before the scheduled end of a flexible tenancy, the council will review the households circumstances. Depending on the outcome of this exercise the tenancy may either be re-granted, or not. Not less than six months before the end of the period of the Flexible Tenancy a “six month notice” will be issued indicating to the tenant whether the Flexible Tenancy will be renewed, or not.
- 14.2. If at the end of the Flexible Tenancy possession is to be sought and the tenancy is to end, a written “six month notice” will be sent, stating:
- That the landlord does not propose to grant a further tenancy on the expiry of the flexible tenancy
 - Setting out the reasons for not proposing to grant another tenancy
 - Informing the tenant of their right to request a review of the proposal and the time within which a request must be received
- 14.3. At this time the landlord will give the tenant support and advice to find alternative accommodation.
- 14.4. A subsequent “two month notice” will be given stating that possession of the property is required. This “two month notice” may be given before or on the day on which the tenancy comes to an end.
- 14.5. At the expiry of a Flexible Tenancy, a statutory Weekly Periodic Tenancy arises.

15. Right to Request a Review

- 15.1. The tenant has 21 days from the issuing of the six month notice to request a review of the decision.
- 15.2. The request must be made in writing, and must include the name and address of the applicant, a description of the decision which is to be reviewed, why the applicant believes the decision does not accord with the Tenancy Strategy, and whether the applicant wishes to receive a review without a hearing, or a review by way of hearing.
- 15.2.1. **Review without a hearing.**
In this case the landlord will write to the applicant requesting written supported evidence, to be received not less than five days from the date of the request. The review will be carried out by an officer of

greater seniority than the officer who made the original decision, and must not have been involved in the original decision.

15.2.2. Review by way of hearing.

In this case the landlord will write to the applicant with a date for the oral hearing which will be held not less than five days from the date of the written notice. The review will be carried out by an officer of greater seniority than the officer who made the original decision, and must not have been involved in the original decision. At the hearing the applicant or appointed representative may make written or oral representation. The original decision maker may be present.

- 15.3. The tenant will be notified of the decision of the review in writing. If the original decision is upheld, the reasons for this will be set out in the written notice.

16. Overcrowding and Under-Occupation

- 16.1. Tenants who are overcrowded may apply for a transfer to a larger home.

Where overcrowding is due to non-dependent members of the household, these individuals or families may be expected to apply separately for a tenancy. If members of the household have no recourse to public funds, they cannot be counted in the family composition and be included in any calculation of overcrowding.

- 16.2. Tenants who are under-occupying their homes may experience difficulties in paying their rent due to welfare reform which limits Housing Benefit for tenants of working age. Any tenant under-occupying their home will have priority for a transfer to a smaller home if they wish to move, through the Allocations Policy. They will also have opportunities to exchange with families who need a larger home. The Council will assist tenants who are under-occupying to identify suitable alternative homes.

- 16.3. Households should also be aware that where a dependent is evicted through a 'parental eviction' the household will have the Flexible Tenancy terminated at the next review period if any of the criteria set out in section 9 of this Tenancy Strategy apply.

17. Succession

- 17.1. Following changes set out in the Localism Act, the rules on succession have changed for those tenancies created on or after 1 April 2012. Succession rights are set out in council Tenancy Agreements. Tenancies can only be succeeded once.

- 17.2. Those eligible to succeed to a tenancy granted before 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse or civil partner provided they were living there at the time of death

- A partner or qualifying family member who has lived at the property as their principle or only home for 12 months prior to the death of the tenant.

17.3. Those eligible to succeed to a tenancy granted on or after 1 April 2012 are:

- A surviving joint tenant
- A surviving spouse, civil partner, or couple living as married/civil partners provided they were living there at the time of death

18. Assignment

18.1. Tenants have the right to assign their tenancy within the relevant law.

18.2. **Introductory Tenancies** can assign their tenancy under the Housing Act 1996 S134 by way of property adjustment order made by the court, or to a person who would be qualified to succeed the tenant if the tenant died immediately before the assignment. There is no right to mutual exchange

18.3. **Secure Tenancies** including **Flexible Tenancies** have the right to assign their tenancy to someone else only under the following circumstances:

- by way of Mutual Exchange,
- by way of a Property Adjustment Order by a court in connection with matrimonial proceedings, or
- to a person who would qualify to succeed the tenancy if the tenant died immediately before the assignment.

19. Consultation

19.1. A draft version of the Tenancy Strategy has been sent to all thirty-six Registered Providers in the Slough borough for comment. The feedback received was supportive of the aims and content of the strategy.

20. Document Review

20.1. As a new policy, the contents of the Tenancy Strategy will remain under review during its lifetime based upon monitoring to ensure the stated aims and objectives are being achieved.