

Draft: City of London Tenancy Strategy

Guidance for registered providers of social housing

1 Introduction

The Localism Act 2011 placed a new duty on local housing authorities, including the Common Council of the City of London Corporation (the City), to prepare and publish a Tenancy Strategy. The purpose of this strategy is to set out the matters to which the City and other social housing providers in the Square Mile are to have regard to in formulating their policies on tenancies, including:

- the types of tenancy they grant
- the circumstances in which they will grant a tenancy of a particular type
- the length of any fixed-term tenancy
- the circumstances in which they will grant another tenancy when a fixed-term tenancy expires, and
- the local approach to rent levels and the position with regard to the new Affordable Rent product.

2 National, regional and local context

The government has introduced a programme of wide-ranging reform to the social housing system in England. The rationale and vision for reform was set out in *Laying the Foundations: A Housing Strategy for England* and implementation is being driven through the introduction of the Affordable Rent model in the 2010 Spending Review and the tenure reforms of the Localism Act. Together these reforms mark a shift in the way social housing is developed, let and managed. However, decisions on the implementation of a number of changes has been devolved to local authorities.

The City's Corporate Strategy seeks a world class City which supports our communities through the appropriate provision of housing, and supports a safer and stronger City through supporting community cohesion. This strategy supports the delivery of that vision, and is integral to the City's strategic priorities for housing, its *Homelessness Strategy* and its allocations policy. In its development, the City has considered how it can support the housing policies and priorities of the Mayor's *London Housing Strategy* and his vision for a balanced housing offer that provides for those most in need and for the capital's workforce priced out of the market.

3 Types of tenancy offer

The Localism Act provides social landlords such as the City with the freedom to offer new tenancies for fixed shorter terms - moving away from the requirement to let general needs homes on the most secure form of tenure possible. However, the use of such tenancies is not compulsory, and the option for social landlords to offer lifetime tenancies for some or all of their properties remains.

The City recognises that lifetime tenancies play an important role in supporting the well-being of its residents by providing stability and certainty, and by creating a sense of belonging. In such circumstances residents are more willing to invest in their communities and properties.

While the need to make the most effective use of the City's housing stock remains a priority, the City believes this is better achieved by providing support, information and incentives to

tenants to facilitate transfer within the social housing stock or assist moves to other tenures where this is an informed choice.

As such, the City supports and encourages the use of secure lifetime tenancies as the predominant social housing offer to new tenants. For the City's own social housing stock, this will be offered after the successful completion of an Introductory Tenancy.

However, the City also recognises that local or scheme-based approaches to lettings may be appropriate, and that other social housing providers operating in the City may in some circumstances wish to offer a flexible tenancy for a fixed-term.

4 Circumstances in which a different tenancy type may be offered

The ability to offer fixed-term tenancies does not affect existing tenants who remain secure (City) or assured (housing association) tenants. Where secure or assured tenancies are offered to new tenants they will not automatically enjoy the same protection if they subsequently move home, depending on local policy. However, the City expects that a household will be offered a new tenancy that provides no less security than previously held where they are transferring from, or relinquishing, an existing assured or secure lifetime tenancy on the grounds of:

- decant
- under occupation
- fleeing violence, intimidation, harassment or hate crime, or
- other urgent management reasons.

In addition to this category a lifetime tenancy should normally be offered to any person aged over 60 for whom there is no prospect of under occupation, and any single person or couple who become a tenant of a wheelchair accessible property for whom the accessibility of the property will always be required and there is no future prospect of under occupation.

While the predominant use of lifetime tenancies is favoured, the City accepts that some social housing providers will use using fixed-term tenancies to meet their own strategic objectives, including investment in new supply and better use of their housing stock. The City also supports the limited use of fixed-term tenancies where they are appropriate to local or scheme-based approaches, such as those targeting low income households in employment, or those linked to a specific support programme. Where the City decides to target a fixed-term tenancies in such a manner this will be through a local lettings plan or other mechanism in line with its allocations policy.

The City considers that for certain vulnerable groups the use of a fixed-term tenancy would not be appropriate. Examples of such groups would be older people, adults with learning difficulties, adults with permanent support needs and households containing someone with long term support or care needs.

In line with regulation and guidance, the City expects that providers will set out clear policies and procedures governing the renewal or otherwise of fixed-term tenancies and the arrangements for appeals against decisions.

5 Length of any fixed-term tenancy

The City expects the minimum fixed-term tenancy to be five years in addition to any introductory or probationary tenancy period.

6 Renewal and non-renewal of fixed-term tenancy expires

The City assumes that a further term will normally be granted if there are no significant changes of circumstance, but exceptions to this may include:

- the tenant has breached the terms of their tenancy and has failed to reach or maintain an agreement to remedy this breach
- under occupation (in which case of landlords will need to have made an offer of suitable alternative accommodation at least 6 months before the end of the fixed-term), or
- there is no further need for purpose built wheelchair accessible accommodation or for accommodation to which substantial adaptations have been carried out.

As per the regulatory framework for social housing in England, responsibility for housing options and financial advice for households whose fixed-term tenancy is not being renewed lies with the landlord. Landlords should give early notification to the City of households who might also be considered to be in priority need (as described by homelessness legislation) where a tenancy will not be renewed and alternative accommodation will not be provided.

7 Affordable Rent product

In 2010 the government introduced the Affordable Rent product. This form of affordable housing allows social landlords the flexibility to charge rents of up to 80 per cent of local market levels on both new properties and a proportion of re-lets, as part of an agreement to build new homes.

The higher rents secured on Affordable Rent properties allow reduced levels of grant funding for new development, and are therefore integral to the Greater London Authority funded affordable housing programme. As such, many social housing providers are delivering Affordable Rent homes to meet the terms of this programme and maximise its outputs.

The City accepts that social housing providers in the City may choose to re-let existing homes at Affordable Rent as part of a wider development programme. Where this cross-subsidy cannot be invested in development in the City it is expected to be invested only within the City's neighbouring authorities as a priority, and not outside of the capital.

The City is not a recipient of housing development funding from the GLA and therefore under no obligation to consider converting its existing stock to Affordable Rent. The issuing of tenancies at social housing target rents will remain standard practice. Exceptions may be sought for specific developments of new housing on a scheme by scheme basis.

8 City of London Tenancy Policy

The City's has developed a tenancy policy in line with the requirements of the regulatory framework for social housing in England. The policy has been developed with regard to this strategy. [and is available at [www.....](#)]

9 Monitoring and Review

This Tenancy Strategy will be kept under review and may be modified or replaced in the light of changes to the City's housing priorities, Homelessness Strategy or allocations policy, or changes to the Mayor's London Housing Strategy