

# Places for People Homes Tenancy Strategy/Policy

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## **Introduction and context**

1.1 Places for People's tenancy strategy arises from the Localism Act 2011 and in response to the local authority requirement to publish a tenancy strategy to which registered providers (RP's) must have regard. In order to engage effectively with local authorities and maintain our independence as providers, this strategy informs how we will approach any local authority requirements, whilst ensuring we meet our own business goals and viability.

This strategy will outline the organisation's position on:

- (a) The kinds of tenancies we grant;
- (b) The circumstances in which we will grant a tenancy of a particular kind;
- (c) Where we grant tenancies for a certain term, the lengths of the terms; and the circumstances in which we will grant a further tenancy on the coming to an end of an existing tenancy.

1.2 Places for People's mission is **Ensuring Successful Places**. We believe that this is achieved by supporting balanced and mixed communities, occupying a range of tenure types and with diverse socio-economic backgrounds. We believe sustainability is achieved where economic activity is evident within a neighbourhood and our strategy reflects this value.

1.3 Places for People's organisational goals and objectives and business plan outline our position for the future and the direction of the business. The ones most relevant to this tenancy strategy are set out below:

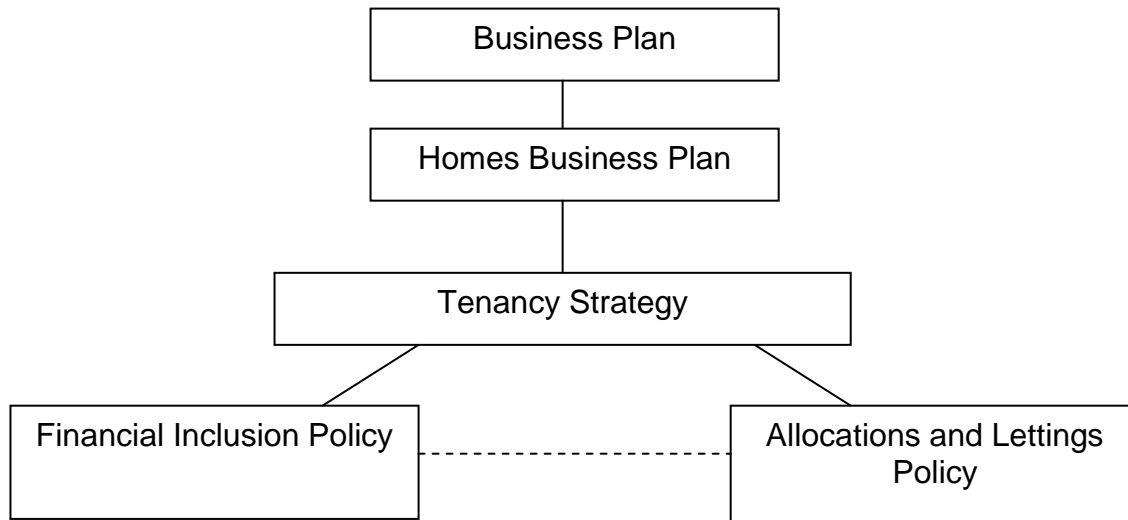
- Strategic goal: **Improve the efficiency and quality of service from current housing related services**
- Business objective: **Ensure all of our neighbourhoods – existing and new – achieve our mission of being places where people want to live**
- Business objective: **Identify new products, services and partnerships to grow our capacity and broaden our socio-economic customer base**

1.4 In summary, the broad objectives for Places for People's tenancy strategy from the business plan are:

- Contribute to balanced, sustainable and cohesive communities
- Strategic use of existing housing stock to better meet our objectives
- Measure affordability to ensure successful tenancies
- Tackle overcrowding and under occupation
- Maximise the opportunities made available to us through the HCA, institutional investors and other funding opportunities
- Comply with TSA regulatory standards existing and future revisions
- Support local authorities where possible and acceptable to meet their

statutory demands

1.5 The Tenancy Strategy sits like this in relation to these other policies



1.6 The Tenancy Strategy has been developed in consultation with the policy team, senior managers across Places for People Homes and critical friends. The Tenancy Strategy seeks to balance the regulatory requirements imposed by the TSA, our desire to ensure customers succeed in their tenancies and the necessity of ensuring business viability. Welfare reforms, the Localism Act and changes to the TSA regulatory guidance all offer us the ability to use a variety of new methods and tools to be proactive about our housing management. This strategy consolidates our approach and is designed to be available to and enable partners and stakeholders to understand our approach in a transparent way.

### **Scope and Approach**

2.1 This strategy applies to all Places for People Homes tenancies and excludes tenancies where management lies with other business functions such as Individual Support and Business Development.

2.2 Places for People Homes offers a variety of products to existing and prospective customers:

1. Social rent tenancies
2. Affordable rent tenancies
3. Rent to Buy
4. Shared ownership
5. Intermediate market rent
6. Market Rent
7. Periodic Assured Short hold tenancies
8. Starter Tenancies
9. Licences and use and occupation agreements where bare licensee status conditions exist

### **Social rent tenancies**

These form and will continue to for the foreseeable future, the majority of tenancies offered and, excluding certain exceptions are let on a periodic assured basis.

### **Affordable Rent Tenancies**

The HCA Framework 2011-15 now requires RP's to develop at lower rates of grant and to achieve this developed the Affordable Rent (ART). Places for People offers these currently on a periodic assured basis and in line with current TSA Tenancy Standard provisions. These are let with a rent of 80% of market rent (the 80% including service charge) at the time of let.

### **Rent to Buy**

These are tenancies let on a fixed term in accordance with HCA requirements, since these are tenancies offered as a result of a downturn in the market that has restricted prospective buyers' ability to obtain a mortgage. Customers entering into these tenancies are expected to confirm their intention is to purchase, which is a condition of them entering into the tenancy, let at 80% of market rent per ART

### **Shared Ownership**

These tenancies are covered by long term leases and customers are homeowners. For all policies and procedures relating to homeownership check the strategy and policy register

### **Intermediate Market Rent**

These tenancies are let in accordance with HCA requirements and as a result of support provided to RP's when market conditions dramatically worsened for outright market sale. These are let on a periodic assured basis and customers must be registered with their respective home zone agent confirming their long term intention is to purchase a home.

### **Market Rent**

These properties are let at 100% market rates and by way of periodic assured short hold, enhancing the landlords ability to take remedial action where necessary against breach of tenancy conditions.

### **Periodic Assured Shorthold Tenancies**

Offered to customers where a periodic assured tenancy would not be advisable. This can be as a result of a number of circumstances as listed below, though not exhaustive:

- Places for People does not own the freehold to the property
- The tenancy is designed to be short term, e.g. in conjunction with floating support or homelessness prevention
- Places for People are the managing agent
- Property is subject to HCA or any other restriction financial or otherwise that does not allow for periodic assured to be offered

## **Starter Tenancies**

These tenancies are offered on a periodic assured short hold basis for one year, converting to periodic assured if the tenant has satisfied certain conditions in respect of Anti-Social Behaviour (ASB). Places for People does not offer these across the board at present, unlike other RP's and local authorities who often issue blanket starter tenancies.

## **Licences, use & occupation**

Places for People strategy is to ensure that whenever a trespasser enters a property or fails to leave a property, that they pay any relevant charges. These are not tenancies but are designed to hold trespassers accountable until such time as we are able to follow due process and regain lawful possession of our properties.

Licences may also be offered where people seeking asylum or who have no recourse to their local authority housing register are accommodated via a service level agreement with a statutory agency until such time as their status is determined

2.3 There is no presumption that fixed term tenancies will be let as ART or that rent set at ART will denote a flexible tenancy. It is important to differentiate Rent Policy from Tenancy Policy (permission to charge affordable rent is given by the Homes and Communities Agency (HCA) under specific licence via Investment Programme Contracts and is predicated upon specific tenancy types).

Places for People approach is to remain open to using the right tenancy for the right circumstances. If this should mean a wider introduction of fixed term tenancies in the future then this strategy will be reviewed and updated to reflect it. An overriding principle remains to ensure tenancy sustainability to achieve balanced and settled communities and at present we will continue to issue assured periodic tenancies as standard.

## **Collaboration with Stakeholders**

3.1 Places for People will continue to work in partnership with Local Authorities and other parts of its business. Where stock levels within LA areas is significant, Places for People will actively contribute to the developing of LA strategies and will seek to agree joint principles and ways of working

3.2 Where a Local Authority seeks to introduce a tenancy strategy that is incompatible with Places for People vision and mission, work will be undertaken to seek a solution where practical and to ensure statutory compliance. Places for People will retain the right to use and manage its stock in order to underpin business viability and adhere to its own business goals and plans

