

Appendix 2: Frequently Asked Questions

Tenancy Strategy 2013

Why are we doing a Tenancy Strategy?

The Localism Act 2011 makes it a statutory duty for each local authority to produce and publish a strategic Tenancy Strategy that will guide providers of social housing in development of their Tenancy Policies.

What is in the Tenancy Strategy?

A Tenancy Strategy must set out a framework for providers of social housing (housing associations and councils) informing them of what local authority's expect them to have "regard to" when developing their respective tenancy policies in the following areas:

- The type of tenancies they will grant (fixed term or lifetime)
- The circumstances under which they may grant one type of tenancy and not the other
- The length of fixed term tenancies and when they may either be extended or terminated

The Brighton & Hove Tenancy Strategy also considers the new Affordable Rents that have been introduced by the Government to support the development of new social housing and how we can make sure they remain genuinely affordable.

What are fixed and flexible tenancies?

Under the Localism Act, Local Authorities and Registered Providers now have the freedom to decide whether to give fixed (registered provider) or flexible (local authority) term tenancies or continue to give life time tenancies to new tenants. Fixed or flexible tenancies must be for a period of at least five years (or two years in exceptional circumstances).

Our policy: we do not believe that flexible tenancies are appropriate for the Council's own social housing stock. In respect of registered providers it will be their own decision whether they want to provide fixed term tenancies. Through the strategy we are highlighting a set of principles and safeguards to ensure that tenancy decisions are fair, transparent, communicated effectively and also based on the needs of the particular household.

What are Affordable Rents?

To help fund the development of new affordable housing using less grant than previously the Government has introduced Affordable Rents where those homes developed with Government funding (and some existing homes when vacant) are let at a rent up to 80% of market rent. The extra rent enables the housing provider to borrow more money to pay for building the home.

Our policy: The decision on Affordable Rent tenancies is a matter between the developing landlord and the Homes & Communities Agency however we have asked to be involved in these discussions. We want to make sure that these rents remain truly affordable and have said that rents should be capped at the Local Housing Allowance limit.

What will the impact be on existing tenants?

It is important to state that there would be no change for existing tenants who will continue to enjoy lifetime tenancies.

Who did we consult?

Legally the strategy must be produced in consultation with registered providers (housing associations) however as the strategy has a direct impact on those applying for social housing we also promote the consultation through the Homemove website to those on the Housing Register.

The responses highlighted a division of opinions between the Professionals and Residents. Providers generally supported the policies but Residents did not support Tenure Reform but were more in agreement with our proposed Affordable Rent policies.

What are the main changes since the consultation draft version?

- **Tenancy type** – clarification on Homes & Communities Agency (HCA) guidance that Affordable Rent properties can be let on lifetime tenancies
- **Affordable Rent cap** – we now believe that Local Housing Allowance (LHA) rates will still be published under Universal Credit (UC) so we have changed the affordable rent section to state that under UC, rents must not be higher than the LHA rate. A caveat has also been included that we would review rent caps if LHA rates were no longer separately identified in UC
- **Advance Letting Fees** – we became aware that some providers were starting to charge advance rent/deposit/fees on Affordable Rent tenancies. A new policy clause has been added to state that as this is still social housing, advance charges must not happen
- **Allocations Policy** – a new policy clause added to reinforce that all lettings must be in accordance with our Choice Based Lettings Allocations Policy

Contact:

Andy Staniford

Housing Strategy Manager

t: 01273 293159