



INDIVIDUAL CABINET MEMBER AND OFFICER DELEGATED DECISIONS

WEDNESDAY, 12 FEBRUARY 2025

Please find enclosed Decision Notice in connection with the following:

**ICMD18 REFRESH OF LANCASTER CITY COUNCIL'S TENANCY STRATEGY AND
TENANCY POLICY (Pages 2 - 40)**

Please note that this is subject to call-in.

Queries regarding these documents

Please contact Liz Bateson, Democratic Support - email ebateson@lancaster.gov.uk.

Democratic Support,
Town Hall,
Dalton Square,
Lancaster,
LA1 1PJ

Published on WEDNESDAY, 12 FEBRUARY 2025



Promoting City, Coast & Countryside

**EXECUTIVE DECISIONS TAKEN BY CABINET PORTFOLIO HOLDER OR DELEGATED OFFICER
NOTICE OF DECISION**

TITLE OF DECISION:			
REFRESH OF LANCASTER CITY COUNCIL'S TENANCY STRATEGY AND TENANCY POLICY			
NAME OF DECISION TAKER:		COUNCILLOR CAROLINE JACKSON	
POSITION AND RESPONSIBILITY HELD:		CABINET MEMBER FOR HOUSING	
CONTACT OFFICER:		KATHY BEATON	
TELEPHONE:		01524 582724	
E-MAIL:		kbeaton@lancaster.gov.uk	
Details of Decision:			
<p>That the Cabinet Member notes and approves the refreshed Tenancy Strategy for Lancaster district and the updated Tenancy Policy which sets out the types of tenancy Lancaster City Council will grant in the provision of social housing.</p>			
Reasons for the decision:			
<p>To ensure that the Tenancy Strategy and Tenancy Policy reflect legislative and regulatory requirements and take account of the existing practices across the Registered Provider sector and for the Local Authority as a provider of social housing.</p>			
IS THE DECISION URGENT			
No			
<p>I confirm that I have taken account of the options proposed by officers, the various implications set out in the report and the comments of the Monitoring and Section 151 Officers and am authorising the decision as set out above.</p>			
SIGNATURE OF DECISION TAKER:		Cllr Caroline Jackson	
THIS SECTION TO BE COMPLETED BY DEMOCRATIC SERVICES			
		REF NO.	ICMD18
DATE DECISION TAKEN:	11.2.25	DATE RECEIVED BY DEMOCRATIC SERVICES:	11.2.25
DATE DECISION PUBLISHED:	12.2.25	IMPLEMENTATION DATE (publication day + 5 working days):	19.2.25

INDIVIDUAL CABINET MEMBER DECISION

Refresh of Lancaster City Council's Tenancy Strategy and Tenancy Policy

Report of Chief Officer – Housing and Property

PURPOSE OF REPORT				
The report seeks to present the updated (1) Lancaster District Tenancy Strategy and (2) Tenancy Policy for formal review and endorsement by the Cabinet Member.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input checked="" type="checkbox"/>	Referral from Cabinet Member
Date of notice of forthcoming key decision				
This report is public				

RECOMMENDATIONS

(1) That the Cabinet Member notes and approves:

- (1) Lancaster District Tenancy Strategy 2024 (published in draft 1st February 2024); and
- (2) Tenancy Policy (Revised August 2024).

1.0 Introduction

- 1.1 The Localism Act 2011 introduced a series of social welfare reforms to give social housing providers more freedom to grant a greater range of tenancies, introduced affordable rents, provided more flexibility for councils to decide who can apply for rehousing and in discharging its homelessness duties.
- 1.2 A new requirement was also introduced: that every Local Authority should prepare and publish a Tenancy Strategy. The Council's first Tenancy Strategy was approved by Cabinet at its meeting on 22nd January 2013.
- The Tenancy Strategy sets out the matters to which the registered providers of social housing (and in this context the local authority as a stock retaining council) for its district are to have regard, when formulating policies in relation to the type of tenancies they will grant;
 - The circumstances in which they will grant tenancies of a particular type;
 - Where tenancies are granted for a fixed term, the length of those terms;

- The circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

1.3 Having an up-to-date Tenancy Policy, outlining an authority's approach to tenancy management, is a requirement of the current Tenancy Standard.

2.0 Review of the Tenancy Strategy

2.1 The review of the existing Tenancy Strategy acknowledges that demand for social and affordable housing has continued to increase; and that the impact of the Covid 19 pandemic triggered a reduction in turnover of existing social housing stock, coupled with a reduced number of new build affordable housing completions. This has highlighted the vital importance of social and affordable housing. Increasing homeless presentations locally and nationally, and the financial costs of providing interim accommodation for homeless households, are also having a profound negative effect on local authority budgets.

2.2 Established practice in the social housing sector has been for providers primarily to grant periodic tenancies (that run for an indefinite period of time) to new tenants. However, it is very common for new tenancies have an initial probationary period. In the case of a local authority this will be an 'introductory' tenancy which applies for the first 12 months of the tenancy. The broad equivalent used by private Registered Providers is to grant a 'starter' tenancy in the form of a 12 month fixed term assured shorthold tenancy. A review of the Tenancy Policies of a number of existing partner Registered Providers (RP's) indicates that this continues to be the norm in Lancaster district.

2.3 There are limited circumstances where fixed term tenancies are granted or where the council would opt to grant a Flexible Tenancy. Supported housing settings are typically the most common reason for not granting a periodic tenancy, given the short term nature of occupancy involved. Lancaster City Council grants non-secure tenancies in respect of its accommodation at Jubilee Court, Lancaster, a rough sleeper project which gained capital grant funding under the government's Rough Sleeper Accommodation Programme (RSAP) where households are placed in accommodation under a temporary homelessness duty. There are also a number of local shared supported housing services provided by Registered Providers where the occupancy agreement is a Licence.

2.4 In 2011, the government introduced affordable rents allowing social housing providers to set rents at up to 80% of the market rent in an area. Affordable rents were intended to bridge the funding gap resulting from reduced capital grant rates being assumed when the Affordable Homes Programme 2011-2015 was launched. Whilst affordable rents have become the norm in the RP sector, each RP will have its own rent-setting policy and whilst there was an initial commitment from all current RP partners to cap rents in Lancaster District at Local Housing Allowance rates, in recent years, this is not something that RP partners have been able to commit to. The sharp increase in construction and maintenance costs, coupled with increases in regulatory requirements, have resulted in Registered Providers seeking to set rents above the prevailing Local Housing Allowance rate. Whilst rents are typically

set on a scheme-by-scheme basis, this is a continuing trend across the partnership and wider sector. However, the Council expects that Registered Providers will monitor and manage the impact of this, as inevitably the number of housing applicants who do not pass affordability checks is likely to increase.

- 2.5 Whilst the current Homes England Affordable Homes Programme has recently re-introduced social rent within the grant programme, and this remains the Council's preferred rent for social housing, it is yet to be understood the extent to which the government will increase the ratio of grant funding to build costs for future new build development programmes, and whether this is at a level that would allow schemes to be financially viable. However, the Council will be actively encouraging RP partners to take advantage of the new funding flexibilities and provide new homes let on social rents at every possible opportunity.
- 2.6 In relation to allocation policies, local authorities can determine who can or cannot apply for rehousing and encourage greater mobility within the social housing sector. Lancaster City Council keeps its Allocation Policy and Choice Based Lettings system under regular review, and has developed a prioritisation system which takes account of housing need and local connection. Furthermore, the Council expects all Registered Providers to make a significant contribution to meeting local housing need and provide a minimum of 50% nomination rights to the Council for new and existing social housing and have a published Allocation Scheme for direct lettings. The council recently reviewed the suitability of Registered Providers by adopting a new Registered Provider Framework and performance on nominations was scrutinised as part of this process. For the better management of social housing stock in the district, Local Lettings Plans have been implemented for certain property types to promote sustainable neighbourhoods and achieve the right mix of tenants. Where Local Lettings Plans apply, these need to be reviewed periodically by the council and Registered Providers particularly when any changes to allocation policies applies.
- 2.7 Finally, in relation the homelessness duties being discharged through the offer of a private sector tenancy, the Council has established an Accommodation Finding Service with Calico Housing Group, a partner RP who already manage a number of short-term supported housing projects in Lancaster District for homeless households. The Accommodation Finding Service has been set up to strengthen existing links with private sector landlords, and to provide accommodation and support for homeless households that the Council have a duty to rehouse, and are either homeless or at risk of homelessness. In recent months, the service has expanded through a new Landlord Liaison officer post to provide more direct support to private sector landlords, to work through and resolve any potential tenancy issues.
- 3.0 Review of the Tenancy Policy**
- 3.1 Lancaster City Council has refreshed its existing Tenancy Policy which was last formally reviewed in 2019, and sets out its purpose, objectives and scope, the types of tenancies that Lancaster City Council utilise in the provision of social housing, its policies around tenancy sustainment (detailing the support and interventions provided to prevent evictions), tackling tenancy

fraud, succession rights, assignments and mutual exchanges. The new Tenancy Policy will ensure compliance with regulatory requirements through the new Tenancy Standard (2024) from the Regulator of Social Housing. One marked change has been more frequent use of placing homeless households in council housing under a Part VII homelessness duty (granting a non-secure tenancy to provide interim accommodation). This is already referenced above in paragraph 2.3 for the council's designated accommodation for rough sleepers, but now extends to the council's general needs accommodation where the council has found itself having to use its own accommodation to fulfil its temporary accommodation duties. This was initially necessary as a result of the Covid 19 pandemic whereby all rough sleepers needed to be brought indoors through the "everyone in" campaign. Due to continued increases in homelessness presentation and the need to place households in temporary accommodation, this practice is likely to continue for some time. Therefore, the refreshed Tenancy Policy now sets out the circumstances where non-secure tenancies will be used.

4.0 Compliance with statutory requirements

- 4.1 Local authorities are required to consult all partner Registered Providers prior to adopting a Tenancy Strategy. This was undertaken prior to the implementation of the first Tenancy Strategy in 2013.
- 4.2 The Localism Act 2011 further provides, at Section s.151(1), that before making a modification to its Tenancy Strategy reflecting a major change of policy, it must send a copy of the draft strategy, or proposed modification, to every private registered provider of social housing for its district and give the private registered provider(s) a reasonable opportunity to comment on those proposals.
- 4.3 The proposed changes, in respect of both the Tenancy Strategy and Tenancy Policy, are minor in nature. The formal consultation requirements imposed in relation to the Tenancy Strategy do not apply. However, the draft Tenancy Strategy was published on the Council's website on 1st February 2024 and comments were invited. No responses were received from RP partners or anyone else. The draft Strategy was also discussed at Registered Provider Strategic Partnership Meetings which the council chairs.
- 4.4 In accordance with s.151(3) of the Localism Act 2011, in modifying its Tenancy Strategy the council has had due regard to its current (i) allocation scheme under section 166A of the Housing Act 1996 (ii) homelessness strategy under section 1 of the Homelessness Act 2002.

5.0 Options and Options Analysis (including risk assessment)

	Option 1: Approve the Tenancy Strategy and Tenancy Policy	Option 2: Do not approve the Tenancy Strategy and Policy
Advantages	It will maintain legal compliance with the Localism Act.	None
Disadvantages	None – there are no fundamental alterations or changes in policy required	The existing Strategy and Policy will be out of date.
Risks	None – as above	Risk of challenge particularly with regulatory requirements and the

		upcoming inspection by the Regulator of Social Housing.
--	--	---

6. Officer Preferred Option (and comments)

- 6.1 The officer preferred option is to approve and adopt both the Tenancy Strategy and Tenancy Policy, which is a true and up to date reflection of current policy and practices across the social housing sector in Lancaster district.

7.0 Conclusion

- 7.1 As previously stated, the amendments to the Tenancy Strategy and Policy are minor in nature but will ensure continuing legal compliance with legislative and regulatory requirements.

RELATIONSHIP TO POLICY FRAMEWORK

Homes Strategy 2020-25 – The Tenancy Strategy and Policy underpins the need to make the best use of existing housing stock, fundamentally the current social housing supply as well as increasing social and affordable housing provision. The updated Tenancy Policy ensures compliance with the Tenancy Standard (2024) from the Regulator of Social Housing.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

The refresh of the Tenancy Strategy and Tenancy Policy are not expected to have any adverse impact.

LEGAL IMPLICATIONS

Legal Services have comprehensively reviewed various drafts of the Tenancy Policy and Tenancy Strategy in accordance with current law, legislative and regulatory guidance, and practice, and are satisfied that the required changes have been made in these final versions.

FINANCIAL IMPLICATIONS

There are no financial implications to note.

OTHER RESOURCE IMPLICATIONS

Human Resources:

HR do not need to be consulted.

Information Services:

IS do not need to be consulted.

Property:

Property do no need to be consulted

Open Spaces:

Public Realm do not need to be consulted.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

(1) Lancaster District Tenancy Strategy and
(2) Tenancy Policy

Contact Officer: Kathy Beaton
Telephone: 01524 582724
E-mail: kbeaton@lancaster.gov.uk
Ref:



Lancaster District Tenancy Strategy



Date: Refreshed edition: 2024

www.lancaster.gov.uk/housingpolicy

Contents

Section 1 – Introduction.....	2
Section 2 – The statutory requirements	2
Section 3 – The Lancaster district housing market	5
Section 4 – Tenure and affordability	9
Section 5 – Enhanced Housing Options	17
Section 6 – Monitoring and reviewing the Tenancy Strategy	19

Section 1 – Introduction

- 1.1 Lancaster City Council adopted its first Tenancy Strategy in January 2013. The first Strategy was formulated through collaborative working with the 14 district councils across Lancashire and Registered Provider partners to establish a broad framework which all social housing providers would operate within, allowing each Local Authority to develop their own individual tenancy strategies taking account of housing markets, housing supply and the approaches that exist within those districts. The Tenancy Strategy 2024 takes account of regulatory changes, existing practices and alignment to the new Tenancy Standard (2024) from the Regulator of Social Housing.
- 1.2 Lancaster City Council remains committed to improving the health and wellbeing of its residents and ensuring access to decent, safe and affordable homes. The city council expects all social housing providers to work together to tackle climate change both in terms of the retrofitting of existing homes and to drive up the standards of new housing supply and ensuring that housing stock across the district meets fire safety standards and with robust policies to tackle issues with damp and mould.
- 1.3 The Tenancy Strategy relates principally to the management of social housing within Lancaster district, and how it is best used to meet the diverse needs of a wide range of households. Demand for social housing has always been acute for general needs accommodation but the Covid pandemic has brought new challenges – the need to bring all rough sleepers indoors and find longer term housing solutions and housing supply during the pandemic has been very constrained across all housing tenures.
- 1.4 Tenancy Strategies were introduced to allow local authorities to make considered responses to some of the freedoms associated within the Localism Act 2011 and this Strategy will review the extent to which those freedoms should be used to address the challenges that exist and balances the needs of social housing providers in ensuring that housing accommodation is well managed and allocated to those in the greatest need and in appropriate settings whilst providing a clear and transparent housing offer to social housing tenants.
- 1.5 The Tenancy Strategy will review:-
 - Rent and tenure reform
 - Homelessness
 - Allocation policies
 - Nomination arrangements
- 1.6 At the time of updating this Tenancy Strategy, the government has introduced the Renters' Rights Bill, which includes provisions for the abolition of fixed term assured tenancies, and assured shorthold tenancies. The Tenancy Strategy may require updating to reflect the legislative changes this bill is likely to bring about once enacted.

Section 2 – The statutory requirements

- 2.1 Tenancy Strategies became a legal requirement for local authorities to prepare and publish as part of the Localism Act 2011. The legal purpose of a Tenancy Strategy is to help to shape the tenancy policies of Registered Providers who operate in their area. In Lancaster district this would also include the city council itself as a housing stock retaining council.

- 2.2 The five main changes brought about through these reforms can be summarised as: -
- A wider range of tenancies within the social housing sector
 - The introduction of affordable rents
 - Greater discretion for local authorities to decide who can apply for inclusion on the Housing Register
 - The ability for local authorities to discharge their homelessness duty in the private rented sector
 - Allowing greater mobility within the social housing sector
- 2.3 To date, most social housing tenants have been offered a secure tenancy, which grants them a home for life. The Localism Act gives landlords more flexibility to decide what length of tenancy they offer, based on levels of housing stock and the needs of individual tenants.
- 2.4 Flexible tenancies can be granted by local authorities for a fixed term of not less than 2 years. The fixed term is usually 5 years. Registered Providers must grant general needs tenants a periodic secure or assured tenancy for a minimum fixed term of five years, or exceptionally, a tenancy for a minimum fixed term of no less than two years, in addition to any probationary tenancy period.
- 2.5 The Tenancy Strategy must set out as a minimum, the matters to which Registered Providers are to have regard to in formulating tenancy policies including: -
- The kinds of tenancies they will grant.
 - Where they grant tenancies for a fixed term, the length of those terms.
 - The circumstances under which they will grant tenancies of a particular type.
 - The circumstances under which a tenancy may or may not be reissued at the end of the fixed term, in the same property or in a different property.
- 2.6 Whilst all local authorities are required to produce a Tenancy Strategy, Registered Providers and Lancaster City Council as a stock retaining council will need a Tenancy Policy on the type of tenancies they grant. In developing a Tenancy Policy there must be due regard to tenure strategies. The requirements for the Tenancy Strategy are set out in the Localism Act, but the requirements of a Tenancy Policy are explained in the draft Directions to the Regulator of Social Housing. Lancaster City Council, therefore, requires both a Tenancy Strategy and a Tenancy Policy.
- 2.7 All tenancy policies that are developed must set out if fixed tenancies are to be offered and must have regard to each District's Tenancy Strategy. When using fixed term tenancies the following themes would need to be considered: -
- The relationship between fixed term tenancies and affordable rent
 - Use of starter tenancies, introductory and demoted tenancies
 - The Right to Buy/Right to Acquire and fixed term tenancies
 - Succession and fixed term tenancies
 - Transfers, mutual exchanges and fixed term tenancies
 - Ending a fixed term tenancy
 - Possibility of challenge.
- 2.8 Registered Providers are expected to conform to published guidance from the social housing regulator in respect of developing and publishing tenancy policies setting out the type of tenancies they will use and the circumstances therein. They will also be

expected to follow any good practice and ensure they are taking account of the local housing market and issues when developing their tenancy policies.

- 2.9 Most partner Registered Providers have already got a tenancy policy or interim policy in place in order to comply with the current Affordable Homes Programme and funding requirements. Registered Providers, therefore, need to review their own tenancy policies after the publication of the Tenancy Strategy to ensure that their policies do not conflict with any aspects of this document.

Aim of the Strategy

- 2.10 This Tenancy Strategy seeks to ensure that the changes in the Localism Act do not undermine and, wherever possible, enhance progress in meeting the housing priorities in the district which are:-

To build and maintain sustainable communities.
 To ensure the most efficient use of the district's housing stock to meet local need.
 To target resources effectively to households in greatest need.
 To prevent homelessness and fulfil our statutory duties when homelessness occurs.

- 2.11 The Strategy seeks to complement the Lancashire wide and sub-regional initiatives such as the Lancashire Homelessness Strategy prevention agenda, and the local policies that exist in relation to the Ideal Choice Homes Choice Based Lettings Scheme, and the current/future allocation policies of partner Registered Providers with housing stock in this district.
- 2.12 The Strategy also takes account of the private rented sector and to maximise the potential that exists to provide a wide range of housing offers locally.

Section 3 – The Lancaster district housing market

- 3.1 Social housing providers should, when determining their own tenancy policies, be informed by an understanding of the role of affordable housing within the Lancaster district, and the potential impact of their policies.
- 3.2 The Lancaster district contains a population of just under 143,000 residents, with a total housing stock of 66,500 and dwellings (Council Tax 2023). The mix and type of housing by tenure varies greatly across Lancaster district. Around 20% of owner-occupied properties are detached with only 6% being apartments and maisonettes and by contrast in the private rented sector 9% are detached and some 32% are apartments and maisonettes.
- 3.3 Of the total residential dwellings across the district, 69% are houses, 15% are apartments and maisonettes, 14% are bungalows and less than 2% are caravans or park homes. In relation to size, 11% of the existing dwelling stock have one bedroom/bedsit, 30% have two bedrooms, 40% have three bedrooms and 19% have four bedrooms.
- 3.4 As of 1st January 2024, there are 840 long term empty properties in Lancaster district, which equates to approximately 1% of the housing supply.
- 3.5 The Lancaster district has been recognised through previous regional strategic housing market assessments as having a relatively self-contained housing market. Some of the historic and current factors can be summarised in broad terms as:

- An isolated housing market
- High demand areas in Lancaster and rural areas out of reach for first time buyers and young families, which is becoming more widespread.
- A significant take up of private sector housing in Lancaster by the student population with increases in purpose-built student housing
- A lower than national average social housing provision
- Over supply of poor quality private rented stock in Morecambe; a legacy from the town's heyday as a popular coastal resort.

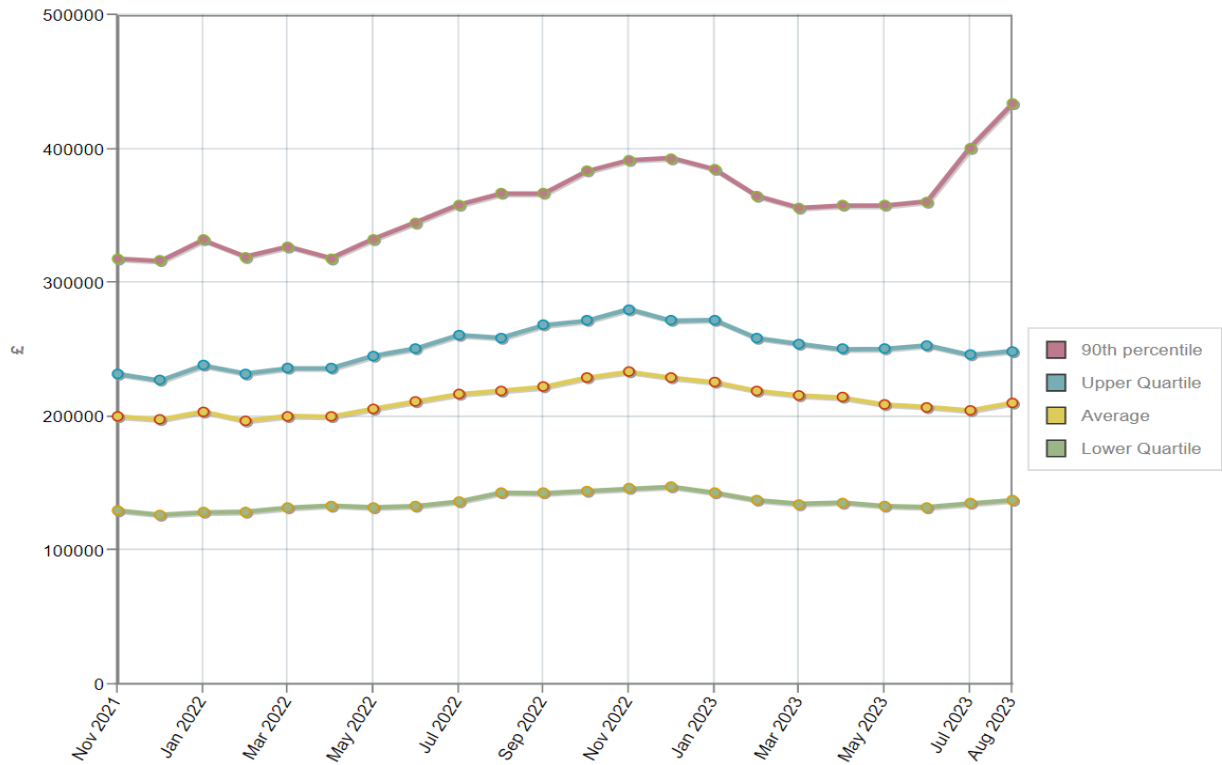
3.6 Significant progress has been made with the regeneration of Morecambe's West End to improve housing quality and reduce the number of HMO's resulting in a more balanced housing market and improve the housing conditions in the area although the profile and age of the existing housing remains challenging. There has been increased provision of student housing in the City Centre is hoped will create more availability and better access to local residents in finding suitable housing in the Lancaster south area. The council has also introduced an Article 4 Direction to better manage future provision of student housing in the form of HMOs in residential areas of Lancaster. The council itself wants to make a more direct contribution to the supply of social and affordable housing and has set out its key housing priorities in its adopted Homes Strategy 2020-2025.

Market Housing Sector

3.7 Housing affordability continues to be a key challenge in Lancaster district which has been significantly impacted by changes in market conditions during the Covid pandemic which resulted in reduced turnover of housing across all tenures along with an increase in average house prices in Lancaster district. Whilst the housing market has also been impacted by the increase in mortgage interest rates, no notable changes have materialised as yet.

Average House Prices – Lancaster District

Pricing levels over time



3.7 The current average house price in Lancaster district is £215,800 based on sales and valuations based over sales between March and August 2023. The lower quartile house price is £142,000 for the same period. Below details the average price by property size:-

- 1 bedroom flat £85,500
- 2 bedroom flat £118,500
- 2 bedroom house £169,800
- 3 bedroom house £214,200
- 4 bedroom house £320,100

Private Rented Sector

3.8 Estimates show that 90% of the private rented sector stock is situated in urban areas and 10% in rural areas. 45% of private rented accommodation is situated in Morecambe and Heysham, and 32% in Lancaster south, much of which will include student lets.

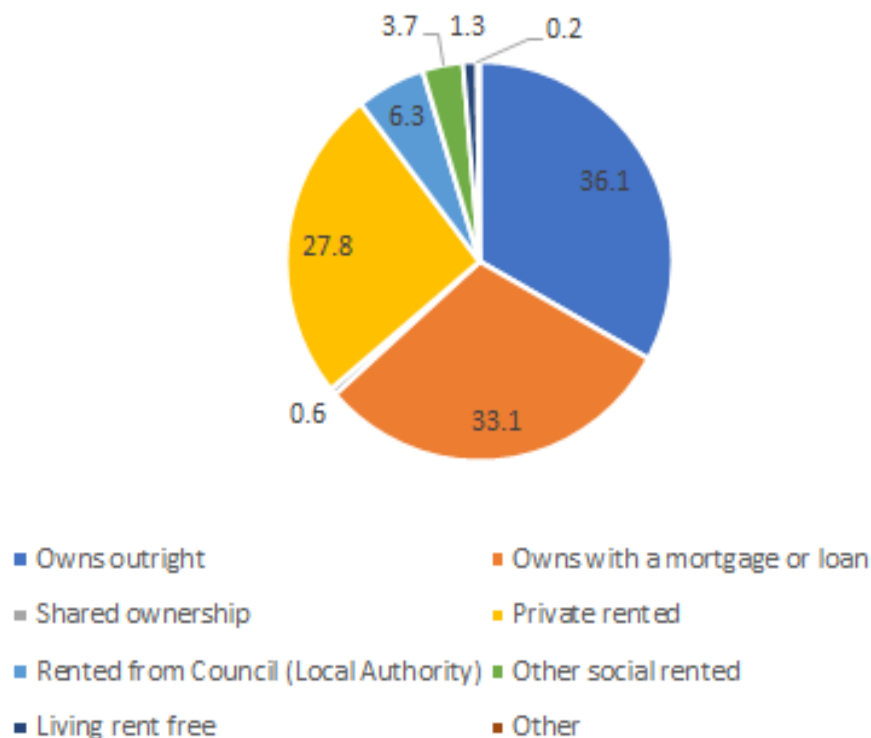
Analysis of weekly rent levels in Lancaster district by size

Property Size	1 bed	2 bed	3 bed	4 bed
LA rent				
Housing Association Rent	76	85	94	
Private - 30th Percentile	109	144	165	207
Private - 80% Median	101	124	146	226
Private - Median	126	155	183	282
Private - Upper Quartile	147	173	207	323

Social Housing Sector

3.9 The most up to date figure for social housing provision in Lancaster district shows that there are 6,172 units of social housing in Lancaster district. A further 365 homes are let as shared ownership. The Council as a stock retaining local authority owns 3642 dwellings (LAHS 2023) with 2530 dwellings (RSH published data 2001/2021) owned and managed by Registered Provider partners. These figures include all general needs accommodation and those designated for older people. In addition, there are 401 units of specialist supported housing for specific vulnerable groups. The figures highlight that the percentage of social and affordable housing in Lancaster is less than 10% of the existing housing provision, and well below the national average of 18%.

Tenure Split in the Lancaster District



Section 4 - Demand for Social Housing

- 4.1 There has been a marked increase in demand for social and affordable housing due to the impact of the Covid pandemic, the lack of turnover in housing across all tenures with the eviction ban significantly impacting on rented accommodation, and the lack of new supply as new dwelling completions sharply reduced.

Analysis of the Housing Register by Band

	Housing waiting list by band					
Band	Number on register Q4 (22/23)	Number on register Q3 (22/23)	Number on register Q2 (22/23)	Number on register Q1 (22/23)	Number on register Q4 (21/22)	Percentage of all applications
A	79	57	53	52	62	2.88
B	257	254	272	281	281	9.38
C	1103	1111	1059	1019	990	40.27
D	735	735	720	712	693	28.63
E	565	561	551	544	532	20.63
All bands	2739	2718	2655	2608	2558	

Analysis of Housing Register by Bedroom and Band Q4 2022/23

Bed Need	Number On Register					Total all bands		Transfers
	Band A	Band B	Band C	Band D	Band E	Number on waiting list	As % of waiting list	No. of transfers
One bed	15	111	487	411	404	1428	52.14	241
Two beds	37	68	364	203	109	781	28.51	150
Three beds	19	42	204	82	41	388	14.17	80
Four beds	7	23	45	32	10	117	4.27	28
Five beds	0	7	3	5	1	16	0.58	4
Six beds +	1	6	0	2	0	9	0.33	3
Totals	79	257	1103	735	565	2739		506

- 4.2 The council has been proactively seeking to rehouse existing tenants under-occupying larger family properties and has created a new budget to incentivise this.

Mutual Exchanges

- 4.3 The Tenancy Standard 2024 sets out that social housing providers must offer a free mutual exchange service to eligible tenants and expects these to be publicised with the necessary support and information clearly provided.

Managing Homelessness and Rough Sleeping

- 4.4 The impact of the Covid pandemic, the cost-of-living crisis and constricted housing market has all impacted on homelessness presentations resulting in marked increases in the use of temporary accommodation. It is vitally important that given the overall level of social housing, the slower turnover and increased demand, that social housing is allocated to those in the most need. Registered Providers play a key role in both boosting housing supply and maximizing the nominations provided to the council. At least 50% of all vacancies must be offered to the council although some Registered Providers do provide more.

Temporary Accommodation Figures since May 2023

DATE	HOTEL/B&B		DISPERSED (FAMILIES)	TOTAL
	families	single		
25.05.23	18	3	5	26
27.07.23	16	9	13	38
30.08.23	28		13	41
28.09.23	17	4	13	34
26.10.23	17	2	10	29
29.11.23	9	7	9	25

03.01.24	10	11	12	33
-----------------	----	----	----	----

- 4.5 As part of the Everyone In campaign, the council brought all rough sleepers and those of risk of rough sleeping indoors during the first lockdown and provided the necessary support for those individuals to be maintained in their accommodation. There were also positive developments in health provision for people who are rough sleeping including the provision of a new Parish Nurse role.
- 4.6 The council was successful in receiving capital and revenue funding through the Rough Sleeping Accommodation Programme and in partnership with Calico (Syncora) is providing 12 one-bedroom self-contained apartments as end stage supported housing for rough sleepers. The new project was handed over in March 2023.
- 4.7 Lancaster City Council received government funding to develop a Housing First model in the district for a small cohort of rough sleepers and a new Housing First Worker has now been appointed with the first placement made. The Housing First model will operate flexibly whether the accommodation is existing social, affordable or private rented accommodation.

Section 5 – Tenure and affordability

- 5.1 The main types of tenancy currently used by providers are as follows: -
- **Introductory Tenancy** - An introductory tenancy is a one-year 'trial' council tenancy. As long as the terms of the tenancy agreement are met, it will be automatically by followed up with a secure tenancy.
 - **Secure Tenancy** – Normally granted by local authorities and Registered Providers before 1989, where the tenant can stay in the property for an unspecified period of time, and where the tenancy can only be brought to an end in certain circumstances (known as grounds for possession). Fair rents have applied prior to the Localism Act 2011, and tenants have other rights such as the right to exchange, the right of succession and the right to buy.
 - **Demoted Tenancies** – Where a court had granted an order to demote a secure tenancy or brings to an end an assured tenancy to be replaced by a demoted assured shorthold tenancy on the grounds of nuisance, annoyance or unlawful use of the property. A demoted tenant loses the previous rights they enjoyed as secure or assured tenants and the demoted tenancy normally lasts for one year unless the court extends this.
 - **Assured Shorthold Tenancies (ASTs)** – These are in common use in the private sector and by some Registered Providers with their market rented stock, where they do not own the freehold of the property, act as managing agents or where some other restriction applies. The key feature is that the tenancy lasts for a fixed term following which the landlord is entitled to possession of the property. Since the 27th February 1997, assured shorthold tenancies can be fixed term or periodic.
 - **Assured Tenancies** - These provide similar legal rights to ASTs, but the tenant can stay in the property for an unspecified period of time. There

is no automatic right for the landlord to repossess the property at the end of the tenancy.

- Starter tenancies – These are similar to an introductory tenancy but used by Registered Providers. It will generally last for up to 12 months before converting to an assured tenancy and is normally in the form of an AST. Some Registered Providers use starter tenancies routinely on all new lettings, or in certain circumstances, such as where a local lettings policy applies.
- Flexible Tenancies – These are tenancies granted by local authorities which are fixed for a specific period of not less than 2 years. The fixed term is usually 5 years. Flexible tenancies were introduced from 1 April 2012, to give local authorities the discretion not to offer a “lifetime” tenancy to new tenants. At the end of the fixed term, the authority may decide to grant another fixed term tenancy, offer a secure tenancy or not renew the tenancy
- Licences – These are normally used by Registered Providers for supported housing schemes, such as the Foyer, where there are shared facilities and where the accommodation is intended to be short term. There is limited security of tenure where a licence has been granted.
- Non-Secure Tenancies – These are granted as a periodic tenancy in accordance with Schedule 1 paragraph 4 of the Housing Act 1985 where a duty exists and the council is providing interim accommodation under the terms of the homelessness legislation.
- Demoted Tenancies – These are secure tenancies which can be downgraded to a demoted tenancy which is similar to an introductory tenancy with fewer rights and less protection. Tenants have the right to request an internal review of a decision to demote a secure tenancy. The court can demote a secure tenancy where the tenant or a member of their household and/or visitors have behaved in an anti-social manner or caused nuisance or used the home for illegal activities such as drug dealing. A demoted tenancy will normally last for 12 months after which period the tenancy will become secure again provided the terms of the tenancy agreement have not been broken and no application for possession has been made.
- Family Intervention Tenancies – these may be granted to existing tenants who have been evicted as a result of anti-social behaviour or could be at risk of eviction. They normally last between 6 and 12 months and include an agreement about behaviour expected and the involvement of support services.

Range of tenure types and rents that can be offered

	Permanent Tenancy	Fixed-term/temporary
Social Rent	Local authority - Secure Tenancy let at social rent	Local authority - Flexible Tenancy let at social rent or non-secure temporary tenancy under homelessness duties
	Registered Provider - Periodic Assured Tenancy let at social rent	Registered Provider - Fixed-term Assured Shorthold Tenancy let at social rent
Affordable Rent	Local authority - Secure Tenancy let at an affordable rent	Local authority - Flexible Tenancy let at an affordable rent or non-secure temporary tenancy under homelessness duties
	Registered Provider - Periodic Assured Tenancy let at an affordable rent	Registered Provider - Fixed-term Assured Shorthold Tenancy let at an affordable rent

Affordable Housing and Affordability

- 5.2 The term 'affordable housing' is used to describe housing provided below market cost, either through renting or by a mixture of renting and buying part of the property, commonly known as shared ownership or shared equity.
- 5.3 The National Planning Policy framework includes 3 types of affordable housing:
- Social rented housing which is owned by local authorities and private registered providers for which guideline target rents are determined through the national rent regimes.
 - Affordable rented housing which are subject to rent controls of no more than 80% of the local market rent (including service charges).
 - Intermediate housing, which includes shared ownership, shared equity, Rent to Buy schemes, and more recently First Homes, which is market housing sold at a minimum of a 30% discount to eligible first time buyers.

Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.

- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.

Affordable Rents

- 5.4 Homes England (the main funding provider of affordable housing on behalf of Central Government) implemented a new framework to deliver the Affordable Homes Programme in 2011. Affordable rents were introduced to take account of the lower levels of grant funding available to Registered Providers allowing new rents to be set at up to 80% of market rents (the 80% has to include any service charge that applies). In practice, Registered Providers will check the market rents in a particular area and will also take account of the Local Housing Allowance that applies in the district when setting rents.
- 5.5 The introduction of the Affordable Homes Programme and reduced rates of capital grant funding means that Registered Providers are operating within a much more financially challenging environment, and in order to deliver the required number of new homes in the current programme, Registered Providers can, when properties become vacant, convert the tenancy to affordable rent, and in certain circumstances, may wish to dispose of some of their existing stock which is uneconomical to keep and maintain. This does not seem to be a widely adopted practice in Lancaster district, and the council advocates the importance of retaining as much social housing set at social rent levels as is practically possible.
- 5.6 Whilst Lancaster district was not previously identified as a local authority in high need of social rented dwellings using a government formula to assess this nationally, more recently there has been a relaxation of this, allowing all social housing providers to deliver new homes at social rents and claim an uplift in grant in order to do so. The council actively encourages Registered Providers to fully explore opportunities to bring forward social housing units utilising the new flexibilities provided through Homes England. Where affordable rents continue to be used, social housing providers should:-
- a) Wherever possible, set affordable rents that do not exceed the LHA rate and consult the council if they intend not to do so.
 - b) Affordable rented tenancies are let in the same way as social rented tenancies and are let as widely as possible through the Council's Ideal Choice Homes Choice Based Lettings Scheme but with clearer guidance on qualifying criteria and income requirements.
 - c) That mechanisms exist to provide new tenants with clear information about affordable rent at the commencement of the tenancy, and the impact of future changes such as the proposed welfare reforms, changes in entitlement and the introduction of Universal Credit.
 - d) Registered Providers do not attempt to convert tenancies to affordable rent on schemes where a section 106 agreement stipulates that social rents will apply.
 - e) Affordable rents should not be applied for supported housing without sufficient justification as the overall cost of accommodation including service charges is unlikely to be feasible or viable. Any proposed use of affordable rents in supported housing should be discussed and agreed with the council before implementing.
 - f) Registered Providers will notify Lancaster City Council in writing about any units they wish to dispose of, whether in respect of individual units, or as part of an overall disposal strategy, setting out the reasons for this.

Lancaster City Council may not unreasonably withhold consent on the proviso that the Registered Provider has an active development programme and will ultimately be seeking to increase the existing social and affordable housing supply. The council will also expect that all other avenues are pursued before granted consent for disposals which including transferring existing social housing to another Registered Provider particularly relevant in the case of non-developing Registered Providers. The council maintains that given the low level of social housing within this district and the unprecedented demand for social housing currently, that disposals will only be necessary in exceptional circumstances.

Affordable housing secured through Section 106 agreements

- 5.7 As part of the planning process, Lancaster City Council requires a percentage of on-site affordable housing on new market housing schemes that meet the threshold set out in our affordable housing policy. Where affordable housing is required, the Council will negotiate for a mix of rented and intermediate housing. Whilst social rented units remain the council's preference, given the changes since 2011 and the fact that affordable rented tenancies became the default for new rented homes, the council's own planning policies currently expect that new rented homes will be in the form of affordable rented tenancies. Any shift towards social rented homes would require a comprehensive review of affordable housing viability. As the council does intend to undertake a full review of its adopted Local Plan, this will include a refresh of its housing evidence and the council will be recommissioning a new study to re-test the percentage and tenure split required on new market housing schemes as part of the Local plan review. As part of this exercise, the council will also be assessing the impact of setting an LHA cap on rents.

The use of Flexible/Fixed Term Tenancies

- 5.8 The Government's rationale for introducing flexible tenancies was to ensure that social housing is provided to those who need it the most.
- 5.9 As part of reviewing the Tenancy Strategy, Lancaster City Council has again considered the potential benefits of adopting flexible tenancies and our measured response is that we advocate a cautious approach to the use of flexible tenancies at this time. However, it may be something that the council will keep under review given the scale of demand for social housing. In reviewing this Strategy the council has also taken account of Registered Provider activities within the partnership, and there is no evidence of fixed term tenancies being used by existing partners
- 5.10 Whilst, we do acknowledge that under-occupation of the social housing sector is something that all social housing providers need to tackle in this district, the changes being brought about through the welfare reforms have already some tenants to move into smaller accommodation, and there are other ways in which tenants can be supported into moving to alternative accommodation without the need to routinely administer flexible tenancies.
- 5.11 Although there is significant demand for social housing, and lower than average social housing provision in this district, in instances where fixed term tenancies are brought to an end, the needs of that household may still need to be met through social housing, so the use of flexible tenancies will not routinely remove that need and provide more capacity within social housing. The benefits of providing security of tenure for many vulnerable households should support the creation of sustainable

communities within the district and limited further polarisation within the social housing sector.

- 5.12 Lancaster City Council recognises that it is important to tackle poor tenancy conduct and anti-social behaviour in social housing. For this reason, the Council already grants introductory tenancies, and can grant family intervention tenancies. Registered Providers can already offer starter tenancies for some or all of their new lettings should they chose to for the better management of their housing stock. There is also the potential administrative and financial burden that could be created by social housing providers creating flexible/fixed-term tenancies through necessary monitoring, issuing of notices, undertaking reviews, appeals and possible legal challenges as well as costs associated with re-lets and voids.
- 5.13 Therefore, Lancaster City Council does not currently see the need for the systematic use of flexible tenancies in this district. If the council decides to use flexible tenancies in the future in the interests of better managing its housing stock and assets it would have to revise its Strategy to reflect this change in policy, and set out the principles it will apply, including the circumstances where flexible tenancies will be granted; the length of the fixed term that will be offered; and the policy for granting further tenancies on expiry.
- 5.14 Where Registered Providers are considering the use of fixed term tenancies, that they have considered the following factors:-
 - a) The fundamental need to build and maintain sustainable communities.
 - b) The aim of ensuring the most efficient use of Lancaster district's social housing stock to meet local housing need, and target resources effectively at those households in greatest need.
 - c) Offering a minimum term of 5 years unless exceptional circumstances justify a shorter tenancy period which should be no less than 2 years.
 - d) The needs of vulnerable groups such as older people, people with learning disabilities, mental ill health or physical disabilities where a periodic tenancy is far more conducive to their health and wellbeing, and the accommodation is longer term supported housing.
- 5.15 For Registered Providers, the use of fixed-term tenancies is only considered appropriate for starter tenancies or in other limited circumstances such as market lettings or for special management reasons. Licences are only considered appropriate for short term supported or shared housing.
- 5.16 Where Lancaster City Council intend to use flexible tenancies on a fixed term, their tenancy policy should detail the circumstances in which they may or may not grant another tenancy on the expiry of the fixed term including their approach on taking into account the needs of households who are vulnerable by reason of age, disability or illness and households with children.
- 5.17 Where another tenancy is not being offered, reasonable advice and assistance should be provided to the tenant by the social housing provider to help them find alternative housing at least 6 months prior to the end of the tenancy. Tenants should be assisted in finding accommodation that is suitable to the household needs and in doing this social housing providers should have regard to the test of suitability contained within the statutory code of guidance on homelessness.
- 5.18 In deciding whether to grant a further tenancy at the end of a fixed term, social housing providers should comply with the requirement to grant tenancies which are

compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community and the efficient use of their housing stock.

- 5.19 Social housing providers should signpost and work with the council's Housing Options Service as appropriate, and so far as possible, should work in partnership with other landlords who may be able to meet the needs of any tenant whose fixed term tenancy is being brought to an end.

Reviews

- 5.20 All social housing providers should include details in their tenancy policy of the mechanisms for reviews of decisions and that the review process following any directions issues by the regulator and to achieve consistency amongst social housing providers.
- 5.21 All review processes should be clear and transparent and afford a full opportunity to understand any decisions made by the social housing provider and provides a realistic timescale for the request for a review.
- 5.22 Each Registered Provider will structure its own review process in line with relevant guidance. It is anticipated however that the process will;-
- a) Where the Registered Provider offers a fixed term tenancy, a right to request a review within 21 days; where the proposed length of the fixed term is shorter than five years (in general needs housing following any probationary period).
 - b) The way in which a tenant or prospective tenant may appeal against or complain about the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term.
 - c) Ensure that any review request is carried out and decisions notified before the expiry of any notices served.
 - d) Provide notification in writing of the outcome and reasons for decisions which are clear and provide a full explanation.
 - e) Set out the statutory provisions for reviewing possession proceedings.

Tenancy Assignments

- 5.21 Assignments are where tenancies can be legally transferred from one person to another with the consent of the landlord. Social Housing Providers should set out in their tenancy policies in what circumstances assignments may be permitted. Most commonly, assignments take place by way of a mutual exchange.

Mutual Exchanges

- 5.22 Social housing providers are encouraged to make best use of the council's Ideal Choice Homes CBL and the HomeSwapper portal as a way of maximising opportunities for social housing tenants to find suitable mutual exchanges to increase social mobility, provide opportunities for tenants to take up employment and to allow tenants to improve their housing circumstances and move into more suitable accommodation. Where mutual exchange requests are received, the social housing provider must make it clear to incoming tenants from the outset, the type of tenancy they will be granted once they exchange properties, and the rent charged applicable to the property they are moving to.

Successions

- 5.23 Succession is a statutory right for a tenancy to be transferred to somebody else when the tenant dies. Social housing providers should ensure their tenancy agreements and their published tenancy policy set out the circumstances in which succession rights apply, depending upon the type of tenancy granted, the date it was granted, and whether the landlord is a Registered Provider or the council, as different succession rights apply. Where there is no statutory right of succession, the council would expect social housing providers to provide an appropriate level of assistance to anyone left in the property and would liaise with the relevant support agencies including the council's Housing Options Team.

Affordability and Tenancy sustainment

- 5.24 All social housing providers should have appropriate mechanisms to collect information about household income at housing application stage. Where a household is eligible for an offer of social housing, the housing provider should undertake a further affordability check to ensure that the household has an income which is sufficient to maintain their tenancy and if necessary, provide advice assistance and signposting on income maximisation. In recent years, given the sharp increase in energy costs, new tenants should be provided with appropriate advice and guidance on how to operate heating and hot water systems to combat fuel poverty.
- 5.25 Social housing providers should provide very clear information about the conditions of tenancy that apply for every letting and explain clearly the obligations and responsibilities which fall upon both the tenant and landlord. Social housing providers should strive to have appropriate management systems in place to respond to and provide timely interventions to ensure that tenants maintain their tenancies successfully and provide sufficient support. All avenues to preventing evictions should be exhausted before possession proceedings are deemed necessary and the council would expect that every social housing provider will have clear policies and procedures in place.

Joint Tenancies and Relationship Breakdown

- 5.26 Social housing providers should provide clear processes and procedures in place that set out how they will deal with requests from tenants to alter sole and joint tenancies. This also extends to relationship breakdown and ensuring that appropriate information is given to joint tenants and where appropriate, they should be signposted to appropriate agencies so they fully understand the implications of relinquishing their interest in a tenancy.

Tenancy Fraud

- 5.27 Social Housing Providers should have processes and policies in place to make the best use of social housing and ensure properties continue to be occupied by those who are entitled to live there by undertaking verification and identity checks at housing application stage and at tenancy sign up stage. Tenancy fraud can take the form of unauthorised sub-letting, non-occupation of the property, fraudulently obtaining social housing, wrongly claiming succession of the tenancy, unauthorised exchange or assignment and exercising the Right to Buy/Acquire Fraud. Social Housing Providers should investigate any report of tenancy fraud. Possession proceedings and criminal prosecutions are the legal remedies available and can result in a fine, recovery of profits made from the fraud, imprisonment and loss of

tenancy. Local authorities also have powers to compel specified organisations to provide them with information for the purpose of preventing, detecting and securing evidence for tenancy fraud.

Section 6 – Enhanced Housing Options

- 6.1 Given the shortage of social housing in the Lancaster district, it is imperative that all social housing providers work together to meet housing need and respond to changes in housing markets. Lancaster City Council has strengthened its Housing Options Service by improving access to the social rented stock through its Choice Based Lettings Scheme - Ideal Choice Homes, which provides a more simplified means of assessing housing need in a clear and transparent way.
- 6.2 Lancaster City Council developed a nomination agreement with all partner Registered Providers who are active in this district, which was reviewed when the Ideal Choice Homes – Choice Based Lettings Scheme was implemented in October 2011. The council expects full participation of CBL from all social housing providers. Some partner Registered Providers have completely embraced this and are providing 100% nomination rights through CBL, other partners are considering increasing their nomination percentages, and other partners do not wish to commit beyond 50% nomination rights. We do understand that some Registered Providers have legitimate concerns about fully committing 100% nominations through CBL as they believe it could restrict their ability to properly manage their own stock and impact on voids and relet performance. However, the arrangements can be flexible enough to overcome any issues identified. Furthermore, there is more likelihood of the council being able to support and facilitate reciprocal arrangements between social housing providers to make the best use of the social housing vacancies that become available, which will be more acute when the welfare reforms around under-occupancy apply. There are also many benefits to customers having one single point of access for all social housing vacancies operated in a clear and transparent way.
- 6.3 In 2023, the council approved the implementation of a new Registered Provider Framework to formalise the existing arrangements by ensuring that new and existing entrants fully embrace the council's priorities, strategies and objectives and evidence their suitability to be a suitable partner. The Registered Provider Framework is now live and will be reviewed periodically.
- 6.4 The council has broadened its homeless prevention role and has employed two dedicated homeless prevention officers to provide detailed assessments, linking in with specialist services, provide timely interventions to prevent homelessness occurring and assist households where no statutory rehousing duty applies. Alongside this several specialist roles have been created in the Housing Options Service - a Temporary Accommodation Officer, a Domestic Abuse Housing Options Officer, and Calico are funded to employ a Private Landlord Liaison Officer, assisting to source accommodation and build relationships with private landlords. The council also provides assistance to homeowners who are in mortgage arrears and funds a full-time homeless debt advisor employed by North Lancashire Citizens Advice Bureau.
- 6.5 Given the limited availability of social housing vacancies, Lancaster City Council work in partnership with Calico Housing Group to deliver our Accommodation Finding Service, which works with local private landlords to source private rented accommodation for single people and families who the council have a duty to house and are homeless or at risk of

homelessness. The AFS provides support to the families to move, and ensure they are settled into their new home and they provide floating support for people who have been rough sleeping to assist them in sustaining tenancies including a new Housing First offer. The council is part of a scheme called Help2Rent, which provides landlords with private accommodation free insurance packages for homeless households coming through the Housing Options Service, which is an incentive for private landlords to work with the council to relieve homelessness. Going forward, the council intends to strengthen and maximise access to the private rented sector in Lancaster district in order to meet the widest possible housing need.

Local lettings Policies

- 6.6 Some local lettings policies already apply within the Lancaster District, which apply to certain types of properties or in certain areas. Lancaster City Council generally supports the appropriate use of local lettings policies as a means of creating sustainable communities providing the policies do not severely limit or restrict opportunities to rehouse those in the greatest need or the most vulnerable. Social housing providers need to ensure that they provide clear information and guidance on how and when local lettings policies will apply, what processes are in place to determine the suitability of applicants and undertaking reviews.

Armed Forces

- 6.7 Social housing providers are requested to have regard to the needs of armed forces personnel when framing their allocation policies and refer to the appropriate guidance to ensure that this group are not disadvantaged. Homes England has already determined that armed forces personnel should be awarded the highest priority for shared ownership schemes and other low-cost home ownership initiatives. Lancaster City Council's Allocation Policy makes specific provision for armed forces personnel and spouses of armed forces personnel in relation to satisfying local connection as well as ensuring reasonable preference is given in relation to banding. Furthermore, priority is given to allocations at Westfield Memorial Village, managed by Guinness Partnership, which is accommodation designated for armed forces personnel. In the last year, the city council and Guinness partnership have been exploring options to increase the number of lettings for armed forces personnel as part of the ongoing commitment to the armed forces covenant.

Exclusions

- 6.8 All social housing providers can determine their own allocation policies which are framed around housing need and contained in the reasonable preference categories, defined in the Code of Guidance published in June 2012. Social housing providers can also determine in what circumstances they can exclude or reject applicants from the Housing Register. Where these apply, social housing providers must publish details of the circumstances they will exclude or reject housing applicants; they should issue written decisions outlining the reasons for it, and should give applicants the right to request a review of the decision.

[Section 7 – Monitoring and reviewing the Tenancy Strategy](#)

- 7.1 Lancaster City Council will continue to maintain its Registered Provider Framework and Strategic Partnership which meets quarterly and focuses on the development of housing and planning policies and strategies, the provision of affordable housing and tenancy management issues within the district. Registered Provider partners will assist the council in its role of monitoring and reviewing the effectiveness of this Strategy, with a particular focus on changes in legislative and regulatory requirements, future

changes in allocation policies and processes in ensuring that all social housing will continue to be allocated to those in the greatest need, changing market conditions, tackling homelessness and assisting the council in meeting its statutory duties.



Lancaster City Council

Housing and Property: Council Housing

TENANCY POLICY

October 2024

Prepared by:	PL
Effective from	October 2024
Approved by	JW
Review date	October 2027
Revision number:	1.0

(01524) 582929



councilhousing@lancaster.gov.uk



1. Introduction and Policy Objectives
2. Scope
3. Legislation and Regulatory Standards
4. Tenancy Type
5. Tenancy Sustainment
6. Preventing Evictions
7. Tackling Tenancy Fraud
8. Succession Rights
9. Assignment
10. Mutual Exchange
11. Review

1. Introduction and Policy Objectives

- 1.1. Within the Consumer Standards as set out by the Regulator of Social Housing, the Tenancy Standard sets out a clear expectation that registered providers shall publish clear and accessible policies which outline their approach to tenancy management, including interventions to sustain tenancies and prevent unnecessary evictions, and tackling tenancy fraud.
- 1.2. The objective of this Tenancy Policy is to effectively communicate the Council's approach, in particular in relation to granting tenancies (including the types of tenancies granted), and to the management of existing tenancies.

2. Scope

- 2.1. This policy applies to all current tenants and sets out the principles that will be applied in the case of all future tenancies.

3. Legislation and Regulatory Standards

- 3.1. The Localism Act 2011 placed a statutory duty on Local Authorities to produce a Tenancy Strategy which sets out the matters to which the Council and other social landlords in its district are to have regard in formulating policies relating to:
 - The kinds of tenancies they grant.
 - The circumstances in which they will grant a tenancy of a particular kind.
 - Where they grant fixed-term tenancies, the lengths of the terms; and
 - The circumstances in which they will grant a further tenancy, on the coming to an end of an existing tenancy.
- 3.2. This Tenancy Policy has due regard to, and is in support of, Lancaster City Council's Tenancy Strategy.
- 3.3. More broadly, this Policy is set within the framework provided by other relevant legislation, in particular the:
 - Housing Act 1985
 - Housing Act 1996
 - Equality Act 2010
- 3.4. The Council must also meet the regulatory standards set by the Regulator of Social Housing using its powers under the Housing and Regeneration Act 2008.

4. Tenancy Types

Introductory Tenancies

- 4.1. Most tenants who are new to the Council, who have not immediately beforehand held a secure tenancy or an assured tenancy (the housing association equivalent), will be offered an introductory tenancy for a trial period of one year. This applies in the case of both General Needs and Independent Living accommodation. Before the start of the introductory tenancy tenants are told that, should they successfully complete the introductory period, they will automatically be granted a secure tenancy.
- 4.2. During an introductory tenancy a tenant has less security and fewer rights. For example:
- **It is easier to evict an introductory tenant:** if they do not keep to the tenancy agreement, and the Council decides to seek possession, it must follow the correct procedure and act fairly and proportionately, but it does not have to prove a ground for possession
 - They cannot buy their home
 - They cannot assign the tenancy (unless pursuant to a court order, or to a potential successor), or exchange their home
 - They cannot sublet or take in a lodger
 - They cannot carry out improvements
- 4.3. An introductory tenancy will automatically become a secure tenancy after 12 months unless either the trial period has been extended, or the Council has by then commenced possession proceedings for the recovery of the property, due to a breach of the tenancy.
- 4.4. To extend the trial period, the Council must serve a notice telling the tenant that the trial period is to be extended.
- 4.5. Before asking the Court to end a tenancy, the Council must serve a notice of proceedings for possession. This tells the tenant that the Council will be asking the Court to make a possession order. It also sets out the reasons why.
- 4.6. Introductory tenants have the right to request an internal review of a decision to extend the trial period, or to apply for an order to end the tenancy.

Secure Tenancies

- 4.7. Most Council tenants will have a secure tenancy. Secure tenants have the right to live in their home indefinitely as long as they comply with the requirements of their tenancy agreement.
- 4.8. Secure tenants also have other rights above and beyond those of an introductory tenant, such as the right, in certain circumstances, to:

- Buy their home
- Carry out improvements
- Assign or exchange
- Sub-let part of their home or take in lodgers

4.9. The Council can only evict a secure tenant by following the correct procedure and obtaining a court order, based on a ground (or grounds) for possession.

Demoted Tenancies

4.10. A secure tenancy can be downgraded to a demoted tenancy, which is similar to an introductory tenancy. With a demoted tenancy the tenant has fewer rights. For example, a demoted tenancy cannot be assigned unless it is part of family law proceedings.

A demoted tenant does not have the right to buy their property during the demoted period. They also have less protection from eviction than a secure tenant.

4.11. The Court can demote a secure tenancy if a tenant (or someone living with, or visiting the tenant) has behaved in an anti-social manner, used the home for illegal activities such as drug dealing, or in either case threatened to do so if satisfied that it is reasonable to make an order. To rely on this ground, the Council only needs to establish that the behaviour caused *or is capable of causing* nuisance or annoyance to any person, and directly or indirectly relates to or affect its housing management functions

4.12. A demoted tenancy will normally last for 12 months, after which the tenant will become a secure tenant again, provided they have not broken the terms of the tenancy agreement and the Council has not had to ask the Court for possession of the property.

4.13. The tenant has the right to request an internal review of a decision to apply for a demotion order.

Non-secure tenancies

4.14. Non-Secure Tenancies are granted by the Council to applicants to whom the Council has a duty to provide interim accommodation, under the terms of the homelessness legislation.

Licences

4.15. The Council issue temporary licences to allow occupation under specific circumstances e.g. where tenants are required to temporarily vacate their home to allow intrusive maintenance works to be carried out.

Leases

- 4.16. The Council assists in the provision of specialist supported accommodation and currently leases two single multi-occupancy dwellings to a partner provider to facilitate this. The issue of these leases is subject to the Council's corporate decision-making process. The leases are granted for a fixed term, and the arrangement is reviewed periodically to ensure delivery of the Council's corporate objectives.

Joint/Sole Tenancies

- 4.17. Any of the tenancy types listed above can be granted as joint or sole tenancies.
- 4.18. A sole tenancy is one where the tenancy is in the name of one person, who has sole responsibility for meeting its terms.
- 4.19. A joint tenancy is one tenancy with 2, 3 or 4 joint tenants who each have responsibility for complying with its terms. Joint tenancies are common for married couples or established partners, or close family members. A breach of tenancy by one joint tenant is the responsibility of all. It is the Council's policy to facilitate the creation of joint tenancies wherever possible.

5. Tenancy Sustainment

- 5.1. The Council will seek opportunities to promote the sustainment and success of tenancies, both prior to and during the tenancy. These include (but are not limited to):
- An assessment of circumstances at the housing application stage, to identify risk factors or support needs prior to an offer of tenancy being made.
 - A tenancy health check, carried out in relation to all new tenancies, to identify any risk factors or support needs early in the life of the tenancy.
 - Practical support in connection with income maximisation, including assistance with regard to benefit claims.
 - Provision of an energy support service, to assist tenants with affordability and other energy-related issues.
 - Provision of a Housing Support service for tenants with complex needs.
 - An in-house housing adaptations service, which works closely with health and social care colleagues to deliver a range of adaptations to promote tenancy sustainment through independence, in Council homes.
 - The offer of service chargeable furniture packages to support the creation of homes.
 - Good quality, practical, published information available to tenants and applicants to ensure the uptake of services and support as needed.
 - An 'eyes and ears wide open' approach to all tenant contact, to ensure a proactive service-wide approach to the risk of tenancy failure. This includes, for new tenancies, a post-

allocation visit within the first 6 weeks of tenancy commencement and a planned tenancy visit after 6 months. A programme of periodic tenancy audits for all tenancies is also in place.

- 5.2. The teams across Council Housing work co-operatively to promote tenancy sustainment. All tenants have a named Housing Officer who is available to give advice and assistance with tenancy related issues, and a named Income Management Officer for rent, debt and other financial issues.
- 5.3. Residents in Independent Living have a needs and risk assessment carried out at the time they take up a tenancy. An individual support plan is also put in place to identify the support needed and to help them continue living in their own home. Support plans are reviewed annually.
- 5.4. Residents who are at risk of tenancy failure are referred to the Housing Support team. These officers work with households, supporting them and building their engagement to achieve positive outcomes, and improving their health and wellbeing through targeted support.

6. Preventing Evictions

- 6.1. A proactive, supportive, and customer- focussed approach ensures that legal action is avoided wherever possible. However, the Council is committed to taking such action (including possession proceedings) where reasonable and proportionate, in the circumstances of a particular case.
- 6.2. The Council will work closely with support agencies. This includes working with the Police, health services, community mental health team, voluntary support organisations, other Council departments, and advocates.
- 6.3. The Council will carry out home visits and make efforts to maintain regular contact with tenants who may be at risk of eviction, whether as a result of anti-social behaviour or rent arrears, and will use the full range of tools and powers available to address these issues. Early intervention will be prioritised to resolve problems before they become unmanageable.
- 6.4. The Council will provide clear advice at all stages of the rent arrears process, including written advice as provided for in the Council's Rent Arrears Handbook. Case management will include advice tailored to the individual and their specific circumstances.
- 6.5. All anti-social behaviour cases are risk-assessed at the point of reporting to ensure the appropriate level of response. Urgent cases (including those relating to Hate Crime or Domestic Violence) will receive a 24 hour response. The Council will provide clear advice in all ASB cases in accordance with the Council's Anti-Social Behaviour Policy.
- 6.6. The Council takes a twin-track approach to perpetrators of anti-social behaviour, ensuring that any underlying issues are identified and, where appropriate, support is provided to perpetrators alongside the appropriate enforcement action.

- 6.7. In cases where legal action is contemplated the Council will follow the Pre-Action Protocol for Possession Claims by Social Landlords published by the Ministry of Justice.

7. Tackling Tenancy Fraud

- 7.1. The Council will carry out measures prior to and during the application process for allocating Council tenancies. For example:
- The Council is a participating organisation in the National Fraud Initiative (NFI)
 - In line with the Lancaster City Council Housing Allocation Policy, when applying to join the Housing Register applicants must provide proof of ID and proof of eligibility.
 - Housing applicants must make a declaration to confirm that all the information they have provided is correct, and consent to the Council making further enquiries concerning their eligibility for housing. This may include checks with the Home Office, Land Registry, Police, Probation Services, Social Care and other Council departments.
- 7.2. For current Council tenants, periodic checks take place during the life of the tenancy to identify and address tenancy fraud, by confirming that council tenancies are legally occupied, and that the information held about tenants is correct and up to date. For example:
- Six-week post-allocation visits
 - Six-month introductory tenancy visits
 - Tenancy audits through planned programmes, or triggered in response to notification of a change in circumstances or other information e.g. reports of suspected tenancy fraud, for health and safety reasons, through safeguarding or vulnerability reports, etc.

8. Succession Rights

Joint Tenancies

- 8.1. When a joint tenant dies, the surviving joint tenant inherits the tenancy by the common law rule of survivorship. Survivorship is not a statutory succession but counts as one when determining if there is a further right to succeed to a tenancy.
- 8.2. The tenancy always passes to the surviving joint tenant(s). Another person cannot succeed to a joint tenancy, even if they would qualify to succeed to a sole tenancy.

Sole Tenancies

- 8.3. Following the death of a sole tenant the tenancy can pass to a person qualified to inherit it. This is a statutory succession and only one person can succeed to a tenancy.
- 8.4. **Secure tenancy - began before 1st April 2012.** A spouse or civil partner can succeed to the tenancy as long as they were occupying the property at the time of the tenant's death as their only or principal home. Where there is no spouse or civil partner a cohabitee or member of the tenant's family succeeds if they have been living at the property for at least 12 months before the tenant's death as their only or principal home.
- 8.5. **Secure or introductory tenancy - began on or after 1st April 2012.** A spouse, civil partner or cohabitee can succeed if they occupied the property as their only or principal home at the time of the tenant's death. Other family members do not have automatic succession rights, however the Council will consider requests from family members who occupy the property as their only or principal home and have lived there for at least 12 months before the tenant's death.
- 8.6. **Demoted tenancy.** Right to succeed applies to any family (as defined) member (including spouse/civil partner/co-habitee) subject to requirement that only or principal home *and* 12 months' residence.
- 8.7. For a family member to succeed they must be a close relative. This is defined as a:
- Parent/grandparent
 - Child/grandchild
 - Brother/sister
 - Uncle/aunt
 - Nephew/niece
 - Step-relative
- 8.8. If more than one spouse, civil partner, cohabitee or family member claims succession rights they must agree between them who succeeds. If they cannot decide the Council will make the decision based on the available relevant evidence in accordance with relevant legalisation.
- 8.9. If a family member succeeds to a property which is bigger than they need the Council may offer an alternative property. Where a spouse, civil partner or cohabitee has succeeded to the tenancy, they will be able to stay in the property.
- 8.10. Usually there can only be one succession to a Council tenancy (though the Council will consider requests for additional successions under certain circumstances). A tenancy cannot normally be succeeded to if the tenant:
- Had succeeded to the tenancy themselves
 - Had the tenancy assigned to them
 - Lived alone

- Is the sole remaining tenant, following the death of a joint tenant, and has acquired the tenancy by survivorship

8.11. If a sole tenant dies and no-one has a legal right to succeed to the tenancy, the Council will consider sympathetically an application for the tenancy from a member of the household who had a long-term commitment to the home prior to the tenant's death. The Council may offer them alternative accommodation where the property is bigger than they need.

9. Assignment

- 9.1. When an assignment of tenancy takes place, a tenant's interest in the tenancy is transferred to another person. The tenancy itself continues on the same basis and the new tenant takes on all the rights and responsibilities of the tenancy.
- 9.2. A secure or introductory tenancy can be assigned to someone who would have been entitled to succeed to the tenancy if the tenant had died (see section 8, 'Succession Rights').
- 9.3. Secure tenants also have the right to exchange with another tenant with the Council or another social landlord. (See section 10, 'Mutual Exchange'.) Introductory tenants do not have the right to exchange but may request permission to do so.
- 9.4. A court may also make an order in certain family proceedings for a secure or introductory tenancy to be assigned.

10. Mutual Exchange

10.1. Tenants of Lancaster City Council can apply to exchange their home with a tenant from the Council, or from another social landlord. The tenants involved in the proposed 'swap' must obtain their respective landlord's consent. The Council will not normally refuse permission unless:

- One of the homes would be overcrowded or (substantially) under-occupied
- The Council are taking legal action for possession of one or other property
- The exchange would mean that a home designated for special needs, or with design features for those with a physical disability, would not be occupied by someone requiring those facilities

10.2. Before an exchange can proceed, there may be conditions to be fulfilled. For example:

- No rent arrears
- Property and garden must be in good condition
- Any improvements or alterations made without written agreement of the Council must be put right

- 10.3. The Council provide an online mutual exchange service which enables tenants to register their details for a mutual exchange, and search for matching properties. This is a nationwide system and allows applicants to access matching properties in other areas of the country. It is available via the choice-based lettings website: www.idealchoicetohomes.co.uk.

11. Review

- 11.1. This Tenancy Policy will be reviewed every three years unless circumstances require an earlier review.