

Cabinet

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New Tenancy Strategy and Tenancy Policy for Durham County Council



Report of Corporate Management Team

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Purpose of Report

- 1 This paper seeks approval to the adoption of two new housing policy papers. These are:
 - (a) The County Durham tenancy strategy
 - (b) The tenancy policy for Durham County Council's housing stock
- 2 The tenancy strategy is an over-arching strategy that sets the framework within which all social housing providers (ie registered providers) in the County should be granting tenancies.
- 3 The tenancy policy on the other hand is a policy that explains to tenants and applicants how Dale and Valley Homes; Durham City Homes and East Durham Homes grant tenancies on behalf of the County Council.
- 4 Both the tenancy strategy and the tenancy policy are derived from the current Government's desire to see whether the social housing stock in local authority areas can be allocated and used more efficiently.
- 5 This paper sets out the background to both policies; their inter-relationship and their importance to the overall strategic housing function of the authority.
- 6 The tenancy strategy is appended in Appendix 1. The tenancy policy is attached in Appendix 2.

Background

- 7 The Government has been aiming to make changes to the system of allocating social homes – with the stated intention of making it fairer. They also want to see providers make better use of their housing stock.
- 8 Their over-riding policy objective is to establish a system where social landlords can use greater freedoms and flexibilities to firstly, manage their

stock effectively and secondly, to meet the housing needs and aspirations of a greater proportion of their tenants and applicants.

- 9 The Localism Act 2011, in particular, ushered in a range of reforms intended to reform social housing and authorities' waiting lists through allowing changes to eligibility; moving homelessness obligations to the private sector where appropriate and increasing rents to nearer market rents.
- 10 It also enabled fixed term (or flexible) tenancies to be used as an alternative to secure or assured tenancies.

Detail

Tenancy Strategy

- 11 The Localism Act included a specific requirement for local authorities to prepare and publish a tenancy strategy by 15 January 2013.
- 12 The Act states that local authority tenancy strategies should set out 'the matters to which the registered providers of social housing for its district should have regard to' in formulating policies relating to:
 - 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; and
 - The circumstances under which a tenancy may or may not be reissued at the end of the fixed term.
- 13 In developing a tenancy strategy the local authority must:
 - Have regard to its current allocation scheme;
 - Have regard to its current homelessness strategy;
 - Send a copy of the draft strategy to every Registered Provider of social housing for its area, and give the registered provider a reasonable opportunity to comment on those proposals; and
 - Consult such other persons as the Secretary of State may (by regulations) prescribe
- 14 The tenancy strategy will take account of the new power to grant flexible (or fixed term) tenancies. These tenancies offer social landlords the opportunity to let tenancies for a fixed term (normally 5 years).
- 15 The tenancy strategy will be a strategic framework for the whole of the County within which providers should construct their tenancy policies.
- 16 The Durham strategy provides some context to the way the authority operates as a strategic housing authority; makes specific points about the local housing

market and the difficulty that low income households have in accessing owner occupation; and suggests also that some areas of the County display relatively low levels of demand for social housing.

- 17 Our assessment of the housing market in Durham reaches the conclusion that flexible (or fixed term) tenancies may only be appropriate in a limited number of circumstances. It does however recognise that there will be some providers in the County who will use flexible tenancies but seeks to set out in what circumstances they can be justified.
- 18 Durham's draft tenancy strategy gives providers the opportunity to issue a full range of tenancies including flexible tenancies. The latter tenancy however is deemed to be appropriate in only a limited set of circumstances and for specific household types.
- 19 An analysis of the housing market in Durham has shown that many communities could be disadvantaged should providers seek to encourage tenants to leave after a fixed term. Social housing is not always in high demand and increased turnover may precipitate higher voids rates.
- 20 Nevertheless there may be communities or neighbourhoods, particularly where high demand is proven to exist, where the pressure on the housing register could be alleviated through higher tenancy turnover.
- 21 The draft tenancy strategy therefore acknowledges there may be circumstances where flexible tenancies are appropriate although it states that these circumstances are limited. It suggests that the main criteria for identifying suitable applicants should be associated with;
 - (a) Their potential to earn a sufficiently high income and/or save for a deposit to purchase privately in the longer term.
 - (b) Linkages to areas where there are new employment opportunities
 - (c) Where properties are in very high demand or in very short supply
 - (d) Where accommodation had originally been designated for outright sale and the provider wants to preserve this option for the future.
- 22 It has been concluded that fixed term tenancies should not be granted to the following groups of people.
 - Applicants or a member of the household who is vulnerable as a result of old age where one member of the household is over the age of 60;
 - Applicants or a member of the household who is registered disabled (including people with learning difficulties); and
 - Applicants or members of the household who are vulnerable as a result of enduring mental ill health or other special reason.
- 23 Flexible tenancies are not seen as a means to enforce tenancy conditions or to assist in 'red lining' areas for clearance or redevelopment. Where the latter is being employed then providers are being asked to provide additional information to justify their actions to the Council.

- 24 Through the tenancy strategy, we hope to establish consensus (across the social housing sector in Durham) over when fixed term (or flexible tenancies) can be used. It is however accepted that some providers (for instance those who work across local authority boundaries) may not always be able to develop a policy that reflects perfectly the Council's own priorities. Whilst recognising that it is not able to secure complete compliance with the strategy; the Council nevertheless expects to work in a spirit of partnership with its social housing providers in order to deliver the broad objectives of the strategy.
- 25 The authority will be keeping the strategy under review and will monitor the extent to which providers' tenancy policies comply with the strategic framework that we are proposing.

Tenancy Policy

- 26 The County's tenancy policy has been developed simultaneously with the strategy.
- 27 Every registered provider of social housing in the county is now required by the Regulator (the Homes and Community Agency), through its Regulatory Framework, to develop a tenancy policy for the benefit of their tenants and applicants.
- 28 The policy has to set out the ways in which the provider grants and manages the Council's tenancies. The DCC tenancy policy is jointly applicable to Dale and Valley Homes, Durham City Homes and East Durham Homes – i.e. the providers who manage the Council's housing stock.
- 29 The tenancy policy is expected to set out a number of issues about the way in which the provider grants Council tenancies (see Appendix 3). The tenancy policy is therefore the document that can set out whether providers make use of flexible tenancies.
- 30 Flexible tenancies can provide an extra lever to encourage a tenant to move on to alternative accommodation at the expiry of the fixed term (subject to pre-defined circumstances). The adoption of flexible tenancies marks a departure from social landlords automatically providing a 'tenancy for life'.
- 31 After discussion and debate it has been decided that the tenancy policy for the Council should make an explicit undertaking not to adopt flexible tenancies (see paragraph 37). This decision will be kept under review.
- 32 As indicated above, the County's housing stock is managed by three housing providers – Dale and Valley homes; Durham City Homes and East Durham Homes.

33 One of their overall objectives is to deliver effective tenancy management and support across a range of tenancy types in order to enable tenants to sustain their tenancies for as long as possible.

34 The principles of tenancy management are set out below:

- Offering the most appropriate tenancy to meet the individual tenant's housing circumstances and needs.
- Complying with our duties to tenants as set out in legislation.
- Complying with our contractual duties to tenants as set out in tenancy agreements.
- Complying with the housing regulator's standards and requirements.
- Taking a preventive approach to tenancy failure by giving appropriate help and guidance to people who are finding it difficult to manage their tenancy, and by taking enforcement action where necessary.

35 The policy also seeks to reach a balance between individual household needs; the needs of the wider community and the need to make efficient use of the authority's stock as a whole.

36 The policy sets out the main tenancy types that the providers offer as follows:

- (a) Secure tenancies
- (b) Introductory tenancies
- (c) Tenancies for Minors
- (d) Family Intervention Tenancies
- (e) Demoted tenancies

37 It specifically states that flexible (or fixed term tenancies) will not be offered because there is insufficient evidence to suggest that the Council's tenants will be ready to buy or move on into the private sector at the end of their fixed term. It also recognises the risks associated with greater tenancy turnover to those neighbourhoods which are subject to low demand. This decision will be kept under review.

38 The policy summarises tenants' rights and also the responsibilities of both tenants and the landlord. It also sets out the circumstances under which tenancies can be terminated.

39 The policy will be subject to an annual review.

40 No Equality Impact Assessment has been completed because there are no changes to existing policies.

Consultation

- 41 Both the draft tenancy strategy and the draft tenancy policy have been subject to extensive consultation.
- 42 All housing providers who manage stock in the County have been informed of the draft strategy and have had the opportunity to comment on it. The development process for the strategy has been highlighted on the County's website.
- 43 The draft tenancy policy has also been referred to on the County's website and has been promoted through the communication channels of the three providers.

Recommendations and Reasons

- (a) To agree to adopt the tenancy strategy and tenancy policy
- (b) To agree to monitor and review compliance and applicability to the local housing market.

Background Papers

- (i) Proposed tenancy strategy (Appendix 1)
- (ii) Proposed tenancy policy (Appendix 2)
- (iii) Tenancy Policy requirement of the Regulator (Appendix 3)
- (iv) Equality Impact Assessment (Appendix 4)
- (v) Implications (Appendix 5)

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Appendix 1: Implications

Finance -

N/A

Staffing -

N/A

Risk -

None

Equality and Diversity / Public Sector Equality Duty -

To be assessed.

Accommodation –

N/A

Crime and Disorder -

N/A

Human Rights -

Some tenants may oppose their tenancy being terminated at the end of a fixed term. Any such disputes would be settled in Court and would take account of the circumstances under which the tenancy was granted in the first instance.

Consultation -

There has been extensive consultation.

Procurement -

N/A

Disability Issues –

It is proposed that registered disabled persons should not be offered flexible tenancies (as part of the County Tenancy Strategy).

Legal Implications –

A new form of tenancy is being introduced by many Registered Providers and this will have to be linked to a new tenancy agreement and new procedures for terminating tenancies.

APPENDIX 2

Draft Tenancy Strategy



**Draft Tenancy Strategy for County
Durham**

September 2012

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Appendix 1 Summary of Housing Strategy

Appendix 2 Comparisons between periodic and fixed term tenancies

1. Introduction

The Tenancy Strategy is intended to provide a framework to Registered Providers (RPs) operating in Durham so that their individual tenancy policies and practices for letting their affordable housing stock meet local housing needs and improve the overall operation of the County Durham housing market.

The Localism Act (2011) includes new powers relating to allocations and flexible tenancies and it requires local authorities to produce a Tenancy Strategy that sits alongside a local authority's Housing Strategy, Homelessness Strategy and Allocations Policy.

Building on our established and strong working relationships, this strategy has been developed collaboratively between the Council, our managing agents and Registered Providers and other key stakeholders. In developing this strategy together we have had regard to our Housing Strategy, Durham Key Options allocation scheme and the Council's homelessness strategy.

The Act states that local authority tenancy strategies should set out the high level objectives for social housing providers to have regard to in relation to:

- the types of tenancy available; and the type they will grant
- the ways in which the Council expects registered providers to decide when to grant particular tenancies
- the length of term for fixed term tenancies
- 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
- the nature of the local housing market which helps to justify this approach

The social sector of the housing market has a very important role to play because it provides accommodation for those who cannot access market housing (either for rent or sale) and are therefore in need of affordable housing. The County Council wants to make the most of this valuable asset and this tenancy strategy helps to fulfil that objective.

2. Background and Context

County Durham Vision

The County Durham Partnerships “Altogether Better Durham” vision is set out in the Sustainable Communities Strategy 2010 -30 and is at the heart of Council’s Housing Strategy. The Strategy is the overarching plan for County Durham, showing how partners in County Durham work together to improve the economic, social and environmental wellbeing of the area. It sets the direction and provides the blueprint to deliver long lasting improvements, acting as a guide and framework for all other strategies developed for the area. In order to be ‘altogether better’ Durham County Council and its key partners have agreed five priority themes:

Altogether Wealthier	Altogether Better for Children and Young People	
Altogether Healthier	Altogether Greener	Altogether Safer

The Council has placed Regeneration and Economic Development; ‘Altogether Wealthier’ at the forefront of our priorities for creating an Altogether Better Durham.

Altogether Wealthier

Regeneration and economic development has been placed at the heart of the Sustainable Community Strategy in recognition of the size of the economic performance gap between County Durham and the regional and national averages, and its influence on every other aspect of quality of life from educational attainment to health.

The County Durham Regeneration Statement which was developed in 2009 and refreshed in 2012, underpins the Altogether Wealthier theme of Sustainable Communities Strategy for County Durham and states the ambition *to shape a County Durham where people want to live, work, invest and visit and enable residents and businesses to achieve their potential*. It sets an integrated Economic Development, Planning, Housing and Transport policy framework for County Durham and outlines the County Durham Economic Partnership's approach to delivering its ambition. The Statement specifies the spatial, social and economic priorities over the coming years whilst recognising the tough economic climate that still exists and the altered landscape of economic development and regeneration.

Sustainable neighbourhoods and rural communities are places where people can live and want to live; places that help to enhance the wellbeing and potential of our communities. Our quality of place, our housing offer and overall connectivity are integral to ensuring that people and businesses are attracted to County Durham and that current residents and businesses can access region wide opportunities.

Our strategic housing objective is to create a residential offer that retains and attracts economically active households but provides for those more vulnerable households in housing need and offers more specialist accommodation for older people. Social housing has a key role in promoting economic prosperity across the county in both urban and rural areas by providing low cost housing close to areas of economic activity and growth and offering opportunities for labour mobility.

Housing Strategy

Our housing strategy built on this ambition by identifying three key objectives (Housing Markets, Housing Standards and Housing People) and ten key issues that the County Durham Housing Forum have agreed to focus on (see chart 1 below)



Chart 1: Diagram showing structure of housing strategy

The three objectives contribute to the delivery of the Council's housing strategy and details of this are set out in Appendix 1

The Council's housing policy goal is to ensure that everyone has the opportunity of living in a decent home that they can afford, in a community where they want to live. To achieve this, the Council seeks to:

- a) Achieve a wide choice of high quality homes, both affordable and market housing, to address the requirements of the community
- b) Widen opportunities for home ownership
- c) Ensure the delivery of high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need

d) Improve affordability across the housing market, by increasing the supply of housing and;

e) Create sustainable, inclusive mixed communities in all areas both urban and rural

National Context

The government is making far reaching changes to the way social housing is resourced, allocated and managed. The creation of a tenancy strategy offers the authority the opportunity to reassess our strategic approach to housing and in particular how we utilise the new freedoms set out in the Localism Act 2011.

These new freedoms extend beyond tenure reform to allocations and homelessness policies. Overall the government want to see a more effective matching of stock with those most in need and the authority is therefore reviewing its approach to allocations and lettings (including how homelessness applications are processed) (see below).

There are also changes to the way social housing rents are fixed for those Registered providers who have a HCA funded development programme (see below)

3. Durham's housing market

There are currently a total of 235,360 residential dwellings across County Durham of which 223,081 are occupied by individual households.

In terms of dwelling stock, the 2012 household survey, conducted as part of the County Durham Strategic Housing Market Assessment study¹, reported that:

- 82.8% of properties are houses, 4.3% are flats/maisonettes, 12.4% are bungalows and 0.4% are other property types, and
- 72.2% of properties are owner-occupied, 20.3% are rented from a social landlord, 7.3% are private rented and 0.1% are intermediate tenure (e.g. shared ownership)

(see chart 2)

Comparison with national tenure balance

The extent of social renting as a housing tenure is slightly below the level for the North East as a whole (23.4%) though above the England average of 18% as shown in chart 3²:

¹ County Durham 2012 Strategic Housing Assessment Draft Report, May.

² CLG 2011. Data based upon Local Authority HSSA returns 2011.

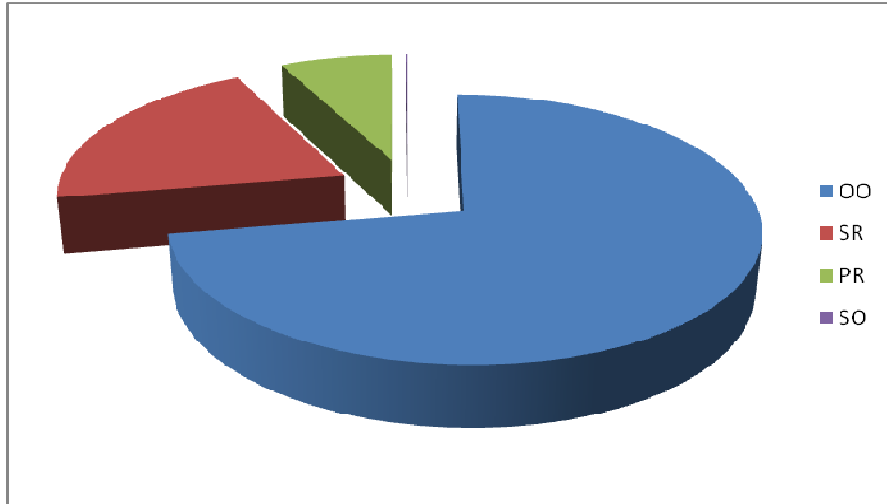


Chart 2: Balance of housing tenure across County Durham – 2012
 (OO-Owner Occupied; SR-Social Rented; PR-Private Rented; SO-Shared Ownership)

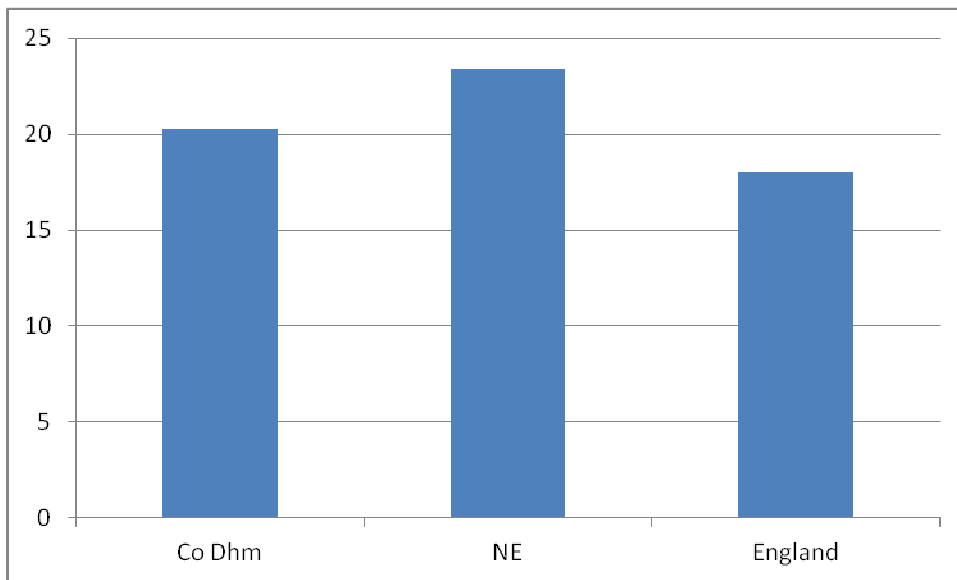


Chart 3: Relative proportions of social rented housing

Over the period 2009-11, social renting has experienced a decline in County Durham from 21.2% in 2009 to 20.3% in 2011, representing a fall of 1,237 dwellings

This relates to a longer term trend in the social rented sector which has experienced decline largely as a result of Right to Buy legislation and selective demolition. Whilst the tenure remains in decline, the current major shifts are taking place in the owner occupied and private rented sectors with the former declining from record highs and the latter growing significantly at the national level.

Residential mobility

Based upon SHMA 2012 survey evidence on the tenure choices of households moving within County Durham over the previous 5 years indicates that social renters and owner-occupiers are most likely to remain in the same tenure. In particular, around 83% of social renters had moved from elsewhere in the social rented housing stock. This figure correlates with the fact that one third of the 20,000 social housing applicants on the waiting list already live in the social rented sector. There is a clear intra-tenure dynamic at work.

Housing affordability

Median house prices across County Durham have increased from £45,450 in 2000 to £101,000 in 2011, an increase of 122.2%. Lower quartile house prices have increased from £30,000 to £68,000 over the same period, an increase of 126.7%.

There is evidence to suggest that the relative affordability of open market dwellings in County Durham is good relative to all other local authority areas in the North East. The relative affordability of open market dwellings in the Lower Quartile in County Durham is compared with the other Local Authorities in the North East in the following table presenting lower quartile house prices, lower quartile gross income of full-time workers and a ratio of lower quartile incomes to house prices:

District	Lower Quartile House Price	LQ Gross Income per week	Annual Gross Income	LQ Income to House Price ratio
Newcastle upon Tyne	£94,933	£317	£16,505	5.75
North Tyneside	£94,792	£337	£17,498	5.42
Northumberland	£89,500	£344	£17,888	5.00
Darlington	£82,542	£330	£17,144	4.81
Stockton-on-Tees	£85,396	£346	£17,992	4.75
Gateshead	£83,042	£344	£17,904	4.64
NORTH EAST	£79,667	£333	£17,316	4.60
Redcar and Cleveland	£79,667	£335	£17,441	4.57
South Tyneside	£77,417	£329	£17,124	4.52
Sunderland	£75,000	£326	£16,942	4.43
Middlesbrough	£67,958	£314	£16,344	4.16
Hartlepool	£74,042	£357	£18,548	3.99
County Durham	£67,667	£328	£17,056	3.97

Table 1: Relative affordability of lower quartile (LQ) prices by Local Authority (residence based)

Sources: CLG House Price Statistics Q1-Q3 2011; Annual Survey of Hours and Earnings 2011

In terms of relative affordability, County Durham presents as the most affordable local authority area within the North East, with an income to house price ratio of 3.97 for lower quartile house prices. However, this analysis is based on county-wide data and this may mask considerable variations in house prices in specific local areas.

In 2000, a household income of £8,571 would have been required for a lower quartile price to be affordable within County Durham. By 2011, this had increased to £19,429, an increase of 126.7%.

	Year	£	Income to be affordable*
Lower Quartile	2000	30,000	£8,571
	2011	68,000	£19,429
Median	2000	45,450	£12,986
	2011	101,000	£28,857

Table 2: Income Requirements to access owner occupation in Durham

Sources: CLG/ Land Registry

*Assuming a 3.5x income multiple and a basic 25 year mortgage with APR of 5%.

Social Rented Sector

There are around 48,000 social properties in Durham managed by 35 housing providers. Around 83% are managed by 6 main social housing providers (Durham City Homes; East Durham Homes; Dale and Valley Homes; Cestria Community Housing; livin and Derwentside Homes)

The following information on the social rented sector in County Durham is based upon the household survey conducted as part of the County Durham 2012 SHMA study. This showed that:

- Houses account for around 56% of occupied affordable dwelling stock, one third, (32%) are bungalows and 11% are flats/apartments. The majority of affordable dwellings have two bedrooms (just over 50%), with approaching a further one third having three bedrooms (27%) and one fifth (20%) having one bedroom
- Just over one quarter (26%) of social rented households are single people aged 60 and over and a further 25% are singles aged under 60; 11% are couples, 15% are lone parent families and 13% are couples with children
- 28% of all people aged 16 or over living in affordable housing are in employment. A further 29% are wholly retired from work, 24% are permanently sick/disabled and 11% are unemployed.
- Incomes of households in the social rented sector are generally low, with 83% receiving an income of less than £300 gross each week and 62% receiving less than £200 gross each week.

It should also be noted that where properties are in short supply (eg 4 bedroomed houses) there is a significant mismatch between numbers on the register and available stock. For instance there are 658 4 bedroomed houses across the social rented stock in Durham (representing 1.6% of the stock) but applicants for

this type of accommodation represent 4.6% of the households on the housing register.

4. Housing Need and Tenure Reform

Although Durham's housing register has just over 19,000 registered for social housing, not all are in urgent housing need and over one third are transfer applicants who already live in the social housing sector. There are wide variations in levels of demand for property depending on property type, size and geographical location

Our housing market evidence has been used to develop our tenancy strategy. We know, for instance, that there is a high percentage of applicants and tenants either in receipt of benefit or with low incomes. This evidence alongside the current difficulties in obtaining mortgage finance means access to the private housing market is extremely limited for social housing tenants. This is in spite of the ready supply of low cost market housing available in County Durham.

Furthermore there are also many places and communities where there is low demand for social housing. Increased turnover can lead to an increase in the numbers of empty homes and have a negative impact on community stability generally.

This leads to the conclusion that fixed term (or flexible) tenancies may only be appropriate for a limited number of households who:

- (a) have the long term potential to access owner occupation and/or
- (b) occupy accommodation in high demand areas or where housing of a particular type is in short supply and where increased tenancy turnover will not adversely impact on the sustainability of communities.

The Council expects Registered Providers to have regard to this general advice.

The Council would wish to see certain household types and needs groups excluded from fixed term (or flexible) tenancies. These are set out in section 6 below.

Allocations Policy

The majority of social housing in Durham is allocated through a choice based lettings system, Durham Key Options. Choice based lettings is a way of enabling people looking for a home to bid for available social housing properties that are advertised in their chosen areas.

All applicants register for housing on a common housing register and receive notification of their priority banding (from A to F). This determines the extent to which they will have opportunities to make successful bids on the lettings system.

The Localism Act makes significant changes to the way local authorities can allocate housing and deal with homeless cases. Whereas previously almost

anyone could apply for social housing, local authorities will now have the freedom to set their own eligibility criteria to join the lists, according to local needs and priorities. This measure, as with tenure reform, is primarily intended to allow housing to be targeted at those in most need. Households able to access other tenures will be expected to pursue those options instead, rather than joining the social housing register.

The Durham Key Options Lettings Policy has been reviewed following changes brought about by both the Localism Act and Welfare Reform. Alterations have been proposed to the banding structure, the preference groups and the discharge of the Homelessness Duty. The previous policy was considered to be confusing and the new policy should be easier to understand. There have been no additional restrictions placed on who can apply to be on the register.

It is also hoped that the new policy and procedures will give applicants a realistic idea of their chance of getting social housing.

The Localism Act will also make it possible to discharge the duty to homeless households by the offer of suitable accommodation in the private rented sector provided that the tenancy offered is for a minimum of 12 months. (Before this, local authorities could only discharge the homelessness duty in the private rented sector with the agreement of the household - but this agreement is no longer required.)

This change is intended to respond to the shortage in social housing whilst also reducing the substantial costs that can arise from using temporary accommodation. Durham has yet to determine the extent to which this new arrangement will be used.

Nomination Arrangements

The Council's nomination arrangements with Registered Providers will not be affected by these changes or by the tenancy strategy itself and lettings will continue through the existing arrangements established through the Durham Key Options choice based lettings service.

Mobility in social housing

Durham County Council wants to promote and improve mobility in social housing. This means both allowing transfer requests to be given appropriate priority (especially where under-occupation exists) and also making it easier for tenants to exchange homes.

Affordable Rents

Alongside the requirements of the Localism Act, the Homes and Communities Agency (HCA) is working to agree programmes for the delivery of new affordable housing with RP's. Whilst the majority of social housing tenants will continue to pay a social rent linked to guideline target rents set out by a national rent regime,

all new homes built with HCA subsidy are expected to be offered at affordable rents (on any type of tenancy determined by the registered provider) at up to 80% of the market rent.

In addition RP's who have a development programme with the HCA may also increase rents on a percentage of relet properties to affordable rent levels.

Durham County Council accepts the need to set targets for converting existing affordable housing stock to affordable rents in order to generate funding for RPs to build more homes and comply with the requirements of the HCA Affordable Homes Programme.

It does not expect that tenancies let at an affordable rent should necessarily be fixed term (flexible) tenancies

Disposal of Stock

Whilst our priority is to retain as much affordable housing as possible, the County Council recognises that in certain circumstances (for instance in low demand areas) the disposal of vacant stock may be justified.

The Council will require any registered provider to secure written approval from the Council before taking any steps to dispose or market surplus void property. Any such approval would be subject to all relevant receipts being used to secure additional investment for new housing and regeneration initiatives within the county.

RP's are therefore encouraged to take a collaborative approach to asset management.

Welfare Reform

The Welfare Reform Act introduces a number of changes that impact severely on vulnerable households and by implication may increase the demand for housing services.

For housing the changes to housing benefit entitlement include

- alterations to the Local Housing Allowance eligibility levels;
- limiting housing benefit for working age tenants to cover the size of property they are judged to need
- imposing the shared room rate in the private sector for all single persons under 35 years old

All these changes will impose increased pressure on registered providers either through increased demand for transfers; through increased debt problems and through wider issues of homelessness and increased pressure on the housing register

Tenancy Policy

All providers will have their own tenancy policy that will have regard to this strategy. These policies will provide more detail about their respective approaches to tenancy management.

5 Types of Tenancy

Anyone offered housing managed by housing associations; the Council or its Arms Length Management Organisations will normally be granted a secure or assured 'lifetime' tenancy; typically after an initial probationary period.

The Localism Act gives all registered providers to grant tenancies on flexible terms (ie for a fixed term) as well as on a 'lifetime' basis and this strategy describes the circumstances when it may be appropriate to grant this different type of tenancy

Each provider will have their own tenancy policy which sets out in greater detail their own individual approach to tenancy management and the granting of tenancies. A list of all providers operating in Durham is set out in section 7.

Housing providers operating in Durham will be able to offer one of the following tenancy types depending on the applicant/tenants' circumstances:

Periodic Tenancies

This type of tenancy runs indefinitely from one rental period to the next until terminated by either the landlord or the tenant. The usual forms of periodic tenancy are as follows:

Periodic Secure Tenancy

Only the Council or its Arms Length Management Organisations can grant a secure tenancy.

Periodic Assured Tenancy

Assured tenancies have similar rights to secure tenancies but not on a statutory basis. They are normally offered by Registered Social Landlord (or housing associations).

Fixed Term Tenancies

This type of tenancy runs for a fixed length of time after which a landlord has the option to either renew or terminate the tenancy. They include:

Introductory/Starter Tenancy

This type of tenancy (also referred to as a probationary tenancy) lasts for 12 months from tenancy sign up.

Fixed Term (or Flexible) Secure or Assured Tenancy

This is a newly introduced tenancy (available to new tenants only) fixed for a predefined period of time and let as a secure or assured tenancy

Where fixed term tenancies are used, they should be for a minimum 5 year period in order to provide stability and security. Only in exceptional circumstances should this type of tenancy be granted for a lesser period. The reasons for granting terms of less than 5 years should be explained to any new tenant(s)

Furthermore, the Council does not expect fixed term tenancies to be granted for any period longer than 5 years as individual circumstances cannot be predicted over longer periods of time.

Minors and tenancies

A person under the age of 18 years cannot hold a legal tenancy. In these circumstances providers will make special arrangements.

Family Intervention Tenancy

This is a tenancy to help local authorities and registered providers to work with families who have been involved with anti-social behaviour.

Appendix 2 describes the similarities and differences between periodic secure and flexible secure tenancies .

6. Circumstances that will determine the tenancy type to be offered.

Durham County Council will expect providers to follow standard housing management practises linked to the County's allocation policies when determining the tenancy type to be offered to applicants:

Fixed Term (or Flexible) Tenancy

Where fixed term tenancies are to be granted then they will normally be granted for a period of 5 years.

Fixed term tenancies may be considered appropriate in the following circumstances

:

- Where it is anticipated that an applicants'/tenants' financial circumstances and potential future income is likely to facilitate access to market housing.
- Where it is anticipated that new local employment opportunities may generate improved financial circumstances and tenant mobility. (An example of this is where a major employer is creating significant number of new jobs paying salaries that could enable tenants on fixed term social

tenancies to access the owner occupier market at the end of any fixed term (five years))

- Where properties are in very high demand and/or extremely short supply
- Where the accommodation was originally intended for outright sale or shared ownership and granting a tenancy is regarded as a short term arrangement

Fixed term tenancies should not be granted to the following groups of people

- | |
|---|
| <ul style="list-style-type: none">• Applicants or a member of the household who is vulnerable as a result of old age where one member of the household is over the age of 60• Applicants or a member of the household who is registered disabled (including people with learning difficulties)• Applicants or members of the household who are vulnerable as a result of enduring mental ill health or other special reason |
|---|

Fixed term tenancies can be granted to families with children but where the children are young (say a household with at least one child under 5 years old) then consideration should be given to extending the preferred 5 year fixed term to a longer period of time.

It is not appropriate to use fixed term tenancies to manage risk such as to manage arrears, anti social behaviour or damage to property – there are other tools which can be used to manage these breaches of a tenancy agreement.

The Council does not encourage the use of fixed term tenancies throughout specific areas or neighbourhoods (as a precursor to possible redevelopment for instance) but where this decision is made, the RP will be expected to consult the authority on the reasons for such a decision.

Flexible tenancies can be used in conjunction with homes that have either affordable rent or social rents applied to them.

7. Circumstances in which tenancies will be terminated

General

There are various circumstances where tenancies can be legally terminated. These are likely to be set out in providers' individual tenancy policies or tenancy management policies.

Fixed Term (or Flexible) Tenancies

For fixed term (flexible) tenancies it is expected that unless there has been a significant change in circumstances, then the fixed term tenancy will not be terminated, and the tenancy will be renewed for a further period.

Fixed term tenancies can be automatically renewed if a household's circumstances have not changed. Where the household now includes a person over 60 years of age or a person with a long term illness or disability then the flexible tenancy can be converted to a periodic assured or secure tenancy

The circumstances where a tenancy is not renewed should be driven by housing management “best practice” but should be informed by the criteria set out in section 6.

It is expected that if the house is required for other applicants on the housing register, the RP will either establish that the household can afford to access accommodation in the private sector or that suitable alternative affordable or social rented accommodation will be offered to that fixed term tenant.

Review and Appeals Process

Registered providers who grant fixed term tenancies will be required to produce appropriate review and appeals processes.

8. Monitoring and Reviewing

Durham County Council will monitor compliance with the Tenancy Strategy by regular meetings with individual RP's.

It is proposed that the County Council will use existing partnership groups (consisting of representatives of RP's and other key stakeholders) to facilitate and support the Council in its monitoring role and in reviewing the effectiveness of this strategy.

Performance data will be collected on the numbers of flexible tenancies granted; renewed and terminated and also on their locations and type of housing they apply to. The relative balance between affordable rented and social rented accommodation that have flexible tenancies will also be monitored.

9. List of Registered Providers

The list below shows the housing providers and Durham County Councils managing agents who operate within County Durham. They can be contacted for copies of their individual tenancy policies.

Housing Providers in County Durham	
Accent Foundation Ltd	Jacob Wrights Almshouses
Anchor Trust	Jane Cameron's Old Peoples Charity
Brandon Aged Persons Homes	Johnnie' Johnson Housing Trust Ltd
Broadacres Housing Association Limited	NomadE5 Housing Association Limited
Cestria Community Housing Association Ltd	Places for People Homes Limited
Cheviot Housing Association Limited	Places for People Individual Support Limited
Dale and Valley Homes	Progress Care Housing Association Limited
Derwentside Homes	Railway Housing Association and Benefit Fund
Dimensions (UK) Limited	Salvation Army Housing Association
Durham Aged Mineworkers' Homes Association	livin (formerly Sedgefield Borough Homes
Durham City Homes	Sherburn House Charity
East Durham Homes	Tees Valley Housing Limited
Endeavour Housing Association Limited	Teesdale Housing Association Limited
Fairoak Housing Association	The Riverside Group Housing Limited
Hanover Housing Association	Three Rivers Housing Association Limited
Home Group Limited	Two Castles Housing Association Limited
Housing Hartlepool	William Russell Bequest
Housing 21	

APPENDIX 1

Appendix 1 provides the details of the three key housing objectives of the Housing Strategy “Building Altogether Lives” it reflects a step change in the strategic vision and delivery mechanisms to meet the challenging housing, economic, social and environmental needs of our communities .

Housing Strategy

Altogether Better at Housing People

This theme or objective addresses the non bricks and mortar elements of housing and includes outcomes that provide more and better support services for

vulnerable groups such as older people, vulnerable adults and young people, the gypsy and traveller community and homeless people. Support services are provided through the housing options service, care and support provision and the role that the provision of higher quality housing services in the public and private sectors plays in the terms of wider benefits such as health, educational attainment, social inclusion and reducing crime and anti social behaviour,

Altogether Better Housing Markets

This objective describes the role housing plays in regeneration and growth as well as affordability and includes the following outcomes:

More new housing built with a range of housing types and tenures to meet the economic and social needs of our county

More joined up approach to regeneration and delivery and providing more additionality from investment.

Altogether Better Housing Standards

This objective focuses on the role that housing plays in improving standards in terms of investment in and use of existing stock and includes the following:

- More decent home
- Fewer empty homes
- Improved management standards in the private sector
- Enforcement taken against problem landlords
- Warmer and safer homes

APPENDIX 2

Differences between periodic and fixed term secure tenancies

	Periodic Secure Tenancies	Fixed Term Secure Tenancies
Term	For life of tenant	Recommended term 5 years; could be shorter at discretion of the Council/Landlord
Right to exchange	Secure tenants have a statutory right to exchange their tenancy	Same rights as secure tenants

	with another secure tenant, which can only be refused by the landlord on certain grounds , such as rent arrears	
Right to take in lodgers and to sub-let part of the property	Secure tenants have the right to take in a lodger or sub-let part of the property, provided that they continue to use the property as their only or principle home. Sub-letting part of the property requires permission from the Council and failure to obtain this would be a breach of tenancy.	Same rights as secure tenants
Right to Repair	Secure tenants have certain rights to ensure that their landlord deals with certain repairs within a reasonable timescale with a right to compensation in some circumstances	Same rights as secure tenants
Rights to consultation /information	Tenants have the right to be consulted about various matters affecting their rights and tenancy conditions, and information about their tenancy	Same rights as secure tenants
The Right to Buy	Secure tenants are entitled to buy their council home after they have been a social housing tenant for five years and provided that they meet a number of other criteria	Same rights as secure tenants
Succession	There can be one succession of tenancy to a spouse or close relative if they lived with the tenant for at least a year before their death. The Government is proposing to restrict the statutory succession to spouse or partner in future, although councils will be able to extend this to other people living with the tenant if they wish to.	There will be a minimum statutory right for one succession to a spouse or partner.
Moves	The Government is proposing that where an existing social tenant moves to another social rented property, they will be granted a secure tenancy. For new secure tenants it will be entirely at the discretion of the	The type of tenure offered where a flexible tenant is re-housed by a council will be at the local authority's discretion.

	Council as to the form of tenure offered.	
--	---	--



Draft Tenancy Policy
East Durham Homes,
Dale and Valley Homes and
Durham City Homes

September 2012

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1 Introduction

This is Durham County Council's tenancy policy for tenants of (and applicants for) all the housing that we own and that is managed for us by Durham City Homes, Dale and Valley Homes, and East Durham Homes.

Our policy sets out the approach to tenancy management, tenancy support and the types of tenancy on offer for about 19,000 social homes we own.

Our policy takes account of our Tenancy Strategy for County Durham, which you can find at www.durham.gov.uk. The strategy sets out some of the wider issues that are relevant to a good tenancy policy.

To increase the number of tenants who sustain their tenancies, our policy aims to deliver effective tenancy management and support across a range of tenancy types.

Tenancy management focuses on pre-tenancy sign-up, continual support to tenants, advice (guidance and assistance), and directing tenants to other housing providers if needed. It aims to help people sustain their tenancies, but as a last resort our three managing agents will take enforcement action when necessary.

2 Purpose of our policy

Our policy aims to ensure that customers understand the different tenancy types available, why we offer different types of tenancy, and what rights and responsibilities the tenancy agreement sets out.

Our policy tries to balance individual households' needs with the community's need to be sustainable and the need to make efficient use of our housing stock.

In applying our policy, we will comply with relevant legislation and statutory guidance.

3 Principals

Effective tenancy management is based on the following key principles:

- Offering the most appropriate tenancy to meet the individual tenant's housing circumstances and needs.
- Complying with our duties to tenants as set out in legislation.
- Complying with our contractual duties to tenants as set out in tenancy agreements.
- Complying with the housing regulator's standards and requirements.
- Taking a preventive approach to tenancy failure by giving appropriate help and guidance to people who are finding it difficult to manage their tenancy, and by taking enforcement action where necessary.

4 Background and context

We own about 19,000 rented homes, all managed and maintained on our behalf by three managing agents. Two are arm's-length management organisations –

East Durham Homes, which manages and maintains about 8,430 homes in the east of the county; and Dale and Valley Homes, which manages and maintains about 4,240 homes in the west of the county – and the third is Durham City Homes, our retained in-house provider, which manages and maintains about 6,100 homes in the Durham central area.

Table 1 below shows the number of applicants on the housing register, and the breakdown of properties looked after by our three managing agents.

Table 1: Council-owned stock and number of applicants for each provider as at 27 March 2012				
	East Durham Homes	Dale & Valley Homes	Durham City Homes	Total
No. of applicants	3814	2416	2725	8955
% of total applicants	42.6%	27%	30.4%	100%
Stock figure (1/4/11)	8434	4242	6106	18676
% of total stock	45.2%	22.7%	32.1%	100%

Data from the Durham key options database shows that applicants' incomes on average remain relatively low. Table 2 below shows the average income for applicants for the three areas of east, west and central Durham. Most applicants are receiving housing benefit or low wages, making it difficult for them to get a mortgage to use the private housing market. So their housing options are limited to social rented housing and private renting.

Table 2: Tenants income distribution (£/yr)

	Not stated	Below 10,000	10,000 to 14,999	15,000 to 19,999	20,000 to 24,999	25,000 to 29,999	30,000 to 34,999	35,000 +	Total
Dale and Valley Homes	200	1548	461	139	37	21	5	5	2416
Durham City Homes	353	1459	532	230	94	36	15	6	2725
East Durham Homes	331	2288	760	282	95	36	17	5	3814
Total	884	5295	1753	651	226	93	37	16	8955

5 Tenancy types

The tenancy types we offer depend on each applicant's housing circumstances.

We wish to sustain communities. We believe that one way of doing this is to grant lifetime social tenancies wherever possible. Therefore our managing agents will usually grant weekly periodic secure or introductory tenancies.

Secure tenancies

We grant a secure tenancy where, immediately before the tenancy began, the applicant was:

- A secure tenant; or
- An assured tenant (not an assured shorthold tenant) of social housing where the landlord is a registered social landlord; or
- An introductory tenant who has successfully completed their probationary period.

A secure tenancy gives the tenant security of tenure and the following statutory rights:

- Right to buy
- Right to repair
- Right to take in lodgers and to sublet part of the property
- Right to exchange
- Right to consultation and information

Our managing agents will normally grant weekly periodic secure tenancies.

Introductory tenancies

This is a probationary tenancy that (normally) lasts 12 months from tenancy sign-up, after which it becomes a secure tenancy on a periodic or fixed-term basis.

We grant an introductory tenancy where the successful applicant does not fulfil the criteria of becoming a secure tenant. This will usually mean people who currently live in the private sector including owner-occupied housing, private rented accommodation, tied housing, armed forces accommodation, and those leaving the care of family or friends.

Minors and tenancies

A person under the age of 18 cannot hold a legal tenancy. In these circumstances we will seek to grant the tenancy to an adult such as a member of the minor's family or, if this is impossible, to another adult (for example a social worker) who will hold the legal tenancy on trust for the minor's benefit until they reach 18. Alternatively we may grant an equitable tenancy, which is an agreement to grant a tenancy when they reach 18, or we may grant a licence if we are also providing services to the minor.

We may require a guarantee to ensure that a tenant fulfils their obligations.

Family intervention tenancy

Family intervention tenancies are granted to a few families who have chaotic lifestyles including anti-social behaviour, rent arrears and children not attending

school. It is a tenancy for families who require intensive family support and who would not normally be offered a tenancy. They are entered into voluntarily and last between six months and a year.

An existing tenancy cannot be converted to a family intervention tenancy, and as part of the process we will offer the family a property away from their original area. However, we can convert a family intervention tenancy, usually into an introductory tenancy for 12 months, which can then become a secure tenancy.

Demoted tenancy

A demoted tenancy may be granted by the court in cases of anti-social behaviour or unlawful use of the secure tenancy. It will normally last for 12 months, after which it will usually become a secure tenancy.

Flexible tenancy

These are secure tenancies granted for a fixed term of at least two years. At present we do not offer flexible tenancies to people on the housing register who would like one of our homes. This is because there is not enough evidence to suggest our tenants will be ready to move on and buy or rent in the private market at the end of the fixed term. We will regularly review this decision.

6 Tenancy agreements, responsibilities and sign-up

We will ensure that tenants are fully informed about their tenancy rights and obligations at the pre-tenancy sign-up stage and beyond.

We will also provide reasonable support. We will base any interventions we make on individual tenants' support needs (see our tenancy management policy).

Through our managing agents, we will conduct a sign-up visit with all new tenants to ensure they fully understand their rights and responsibilities and the conditions for the tenancy on offer. Sign-up will include details of our approach to tenancy management, and will also focus on financial inclusion (eg, help with housing benefit claims) and on possible future support needs.

New tenants will also receive a follow-up visit within six weeks to ensure they are keeping to the tenancy conditions and continue to understand them.

Tenants' obligations

Our tenancy agreement imposes obligations on the tenant and us (the landlord)

The tenant's obligations depend on the type of tenancy offered but can include:

- To pay rent and any service charges on the due date;
- Not to take in lodgers or sub-let the premises without our prior consent;
- To maintain gardens;
- Not to repair vehicles within the property's curtilage (boundary);

- To comply with the condition on the number of animals allowed in the premises;
- Not to operate a business from the premises without our prior consent;
- To generally look after the property and do minor repairs (called the tenant's repairing obligation); and
- Not to cause a nuisance or annoyance or act in an anti-social manner.

Council's obligations

As landlord we have a number of obligations to tenants including:

- Repair of the building's structure and exterior keeping in repair and proper working order the home's installations for space heating, water heating and sanitation

Tenants' rights

The table below shows the differences in tenants' rights between periodic secure tenancies and periodic introductory tenancies.

For both periodic and introductory secure tenancies there is a statutory right of at least one succession to a spouse or partner, unless the tenancy agreement states that other family members can succeed, which in Durham they can.

You may be able to transfer (or assign) your tenancy:

- If this is necessary because of a court order (for example if a marriage or civil partnership breaks down); or
- To a person who would qualify to succeed to the tenancy on the future death of the tenant. You must get our written permission for this.

Summary of legal rights of tenants	Secure tenants	Introductory tenants
Right of succession for a family member/partner	Yes	Yes
Right to repair	Yes	Yes
Right to be consulted on housing management	Yes	Yes
Right to buy (some properties may be exempt)	Yes	No (but the introductory period counts towards the discount)
Right to take in lodgers	Yes	No
Right to sub-let (you may only sub-let part of your property)	Yes	No
Right to improve your home	Yes	No
Right to exchange your home with another tenant	Yes	No

Tenants' statutory rights are protected and guaranteed when they transfer through succession.

We normally grant joint tenancies to two people living together as partners. However, in exceptional circumstances we may give a joint tenancy to up to four

people regardless of gender or marital status, including any 'relevant member(s) of the family' as defined in the tenancy agreement.

Please see our tenancy management policy and the County Durham tenancy agreement at www.durham.gov.uk.

7 Ending of tenancies

Here are the circumstances where we will end tenancies:

Tenancies with no security

We may wish to bring a tenancy to an end if a tenant has lost their security of tenure, for example because they no longer occupy the property as their only or principal home or they have died and there are no further rights to succession. A notice to quit will be served. We may then take possession proceedings through the courts if necessary.

Tenancy surrender

If we and the tenant agree to bring the tenancy to an end, this may be done by surrender. For a surrender to take effect the tenant must offer the tenancy to us and we must agree to accept it. Offer and acceptance must be in writing and can be proved by a deed of surrender, a legal document.

If a joint tenancy is surrendered, the surrender should be signed by all the joint tenants where possible. We have discretion to award a single tenancy to any remaining occupant when a previous joint tenancy ends.

Court order

Secure, introductory, demoted and family intervention tenancies may all be ended by a court order. This will usually require us to serve a notice on the tenant warning them that we are taking possession proceedings. The type of tenancy will determine the type of notice and the court's powers to award possession.

Property abandonment

If a tenant behaves in a way that shows they have intended to vacate the property but have made no positive communication saying so, we may serve a notice to quit that ends the contractual tenancy. When the notice expires we may repossess the property without getting a court order if there is no evidence of occupation.

8. Our policy on granting discretionary tenancies

In some circumstances no right of succession to the tenancy may exist but we may be able to grant a discretionary tenancy. Our policy *Successions, assignments and granting of discretionary tenancies* sets out the circumstances when we may grant a discretionary tenancy. (See the tenancy management policy.)

9. Complaints

If a customer is unhappy about a decision, they should first follow their managing agent's internal complaints procedure. As long as there is no need for us to

intervene to review the managing agent's overall service standards, the tenant may then complain to the Housing Ombudsman (from April 2013). This can be done straightaway using a MP, local councillor or similar representative or after the expiry of 8 weeks if no representative is used.

10. Consultation

We will seek the views of tenants, applicants and relevant stakeholders on this policy in various ways including presentations and questionnaires.

11. Policy monitoring and review

We will review the policy annually or when a change of legislation or external policy requires it.

APPENDIX 3

Tenure Policy requirements of the Regulator

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, and set out:

1. The type of tenancies they will grant.
- 2 Where they grant tenancies for a fixed term, the length of those terms.
- 3 The circumstances in which they will grant tenancies of a particular type.
- 4 Any exceptional circumstances in which they will grant fixed term tenancies for a term of less than five years in general needs housing following any probationary period.
- 5 The circumstances in which they may or may not grant another tenancy on the expiry of the fixed term, in the same property or in a different property.
- 6 The way in which a tenant or prospective tenant may appeal against or complain about the length of fixed term tenancy offered and the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term.
- 7 Their policy on taking into account the needs of those households who are vulnerable by reason of age, disability or illness, and households with children, including through the provision of tenancies which provide a reasonable degree of stability.
- 8 The advice and assistance they will give to tenants on finding alternative accommodation in the event that they decide not to grant another tenancy.

**Appendix 4
Equality Impact Assessment**

Durham County Council – Altogether Better equality impact assessment form

NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments.

You can find help and prompts on completing the assessment in the guidance from page 7 onwards.

Section one: Description and initial screening

Section overview: this section provides an audit trail.	
Service/team or section: Economic Development and Housing	
Lead Officer: David Siddle, Special Housing Projects Manager	Start date: July 2012
Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)	
<p>Tenancy Strategy for County Durham</p> <p>The tenancy strategy is a statutory requirement of the Localism Act 2011 and offers the opportunity for all local authorities to set out the high level objectives for social housing providers to ‘have regard to’ in relation to:</p> <ul style="list-style-type: none"> • 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. <p>Durham’s draft tenancy strategy gives providers the opportunity to issue a full range of tenancies including on a lifetime basis as well as flexible/fixed term tenancies. The latter tenancy however is deemed to be appropriate in only a limited set of circumstances and for specific household types.</p> <p>It should be noted that the tenancy strategy does not impose any obligations on social housing providers. They are expected to ‘have regard’ to the strategy only.</p>	
Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –	
<p>Applicants on the Durham Key Options housing register All tenants in the social housing sector All social landlords operating in Durham Elected members</p>	

Voluntary organisations involved in housing provision

Is a copy of the subject attached? Yes

If not, where could it be viewed?

Initial screening

Prompts to help you:

Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

Is there an actual/potential negative or positive impact on specific groups within these headings?

Indicate :Y = Yes, N = No, ?=Unsure

Gender	Y	Disability	Y	Age	Y	Race/ethnicity	?	Religion or belief	?	Sexual orientation	?
--------	---	------------	---	-----	---	----------------	---	--------------------	---	--------------------	---

How will this support our commitment to promote equality and meet our legal responsibilities?

Reminder of our legal duties:

- Eliminating unlawful discrimination & harassment
- Promoting equality of opportunity
- Promoting good relations between people from different groups
- Promoting positive attitudes towards disabled people and taking account of someone’s disability, even where that involves treating them more favourably than other people
- Involving people, particularly disabled people, in public life and decision making

The tenancy strategy indicates that social landlords can use flexible tenancies in certain prescribed circumstances. Flexible tenancies are fixed term tenancies and could be any length from 2 years long (the absolute minimum) to over 5 years in length. They mark a departure from ‘lifetime tenancies’ normally associated with the social sector. It means that a tenancy could be terminated after a fixed term leaving the tenant to find alternative accommodation in the private sector. However it is recommended that certain groups do not get flexible tenancies and these are:

- Applicants or a member of the household who is vulnerable as a result of old age where one member of the household is over the age of 60
- Applicants or a member of the household who is disabled (including people with learning difficulties)
- Applicants or members of the household who are vulnerable as a result of enduring mental ill health or other special reason

This would protect those sectors of society who are the most vulnerable.

What evidence do you have to support your findings?

Social Rented Sector Evidence:

There are around 48,000 social properties in Durham managed by 35 housing providers. The majority are managed by 6 main social housing providers (Durham City Homes; East Durham Homes; Dale and Valley Homes; Cestria Community Housing; livin and Derwentside Homes)

The following information on the social rented sector in County Durham is based upon the household survey conducted as part of the County Durham 2012 SHMA study. This showed that:

- Houses account for around 56% of occupied affordable dwelling stock, one third, (32%) are bungalows and 11% are flats/apartments. The majority of affordable dwellings have two bedrooms (just over 50%), with approaching a further one third having three bedrooms (27%) and one fifth (20%) having one bedroom
- Just over one quarter (26%) of social rented households are single people aged 60 and over and a further 25% are singles aged under 60; 11% are couples, 15% are lone parent families and 13% are couples with children
- 28% of all people aged 16 or over living in affordable housing are in employment. A further 29% are wholly retired from work, 24% are permanently sick/disabled and 11% are unemployed.
- Incomes of households in the social rented sector are generally low, with 83% receiving an income of less than £300 gross each week and 62% receiving less than £200 gross each week.

Housing Need and Tenure Reform

A high percentage of housing applicants and tenants are either in receipt of benefits or with low incomes. The current economic climate makes it difficult to obtain a mortgage restricting access to home ownership for social tenants. There are places in the county where there is low demand for social housing and an increase in tenancy turnover may lead to an increase in the number of empty homes leading to a negative impact on community stability.

Fixed term (or flexible) tenancies may therefore only be appropriate for a limited number of households in County Durham who both:

- (a) Have the longer term potential to access owner occupier; and
- (b) Occupy accommodation in high demand areas where increased tenancy turnover will not impact adversely on the sustainability of communities

The Council expects registered providers to have regard to this general advice contained within the Tenancy Strategy and exclude certain vulnerable groups from fixed term (or flexible) tenancies.

Welfare Reform

The Welfare Reform Act introduces a number of changes that impact severely on vulnerable households and by implication may increase the demand for housing services.

Changes to housing benefit entitlement include:

- alterations to the Local Housing Allowance eligibility levels;
- limiting housing benefit for working age tenants to cover the size of property they are judged to need
- imposing the shared room rate in the private sector for all single persons under 35 years old

All these changes will impose increased pressure on registered providers either through increased demand for transfers; through increased debt problems and through wider issues of homelessness and increased pressure on the housing register.

Consultation with housing providers in the County and other stakeholders (and elected members) occurred in July 2012 and ended on 27th July. Eleven responses were received and these were taken into account when refining the strategy.

Decision: Proceed to full impact assessment – No **Date: 30.08.12**

If you have answered ‘No’ you need to pass the completed form for approval & sign off.

Section two: Identifying impacts and evidence- Equality and Diversity

Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.

	Identify the impact: does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
Gender	Men and women, in particular lone parents and older women under retirement age may be adversely impacted by flexible tenancies as opposed to the ‘lifetime tenancies’ usually associated with the social housing sector. This impact is minimised by the recommendation that certain groups are not given fixed/flexible tenancies including: <ul style="list-style-type: none"> • Applicant/member of 	15% of social rented houses are lone parent families. Incomes of households in the social rented sector are generally low, with	DCC expects providers to follow standard housing management practices when determining tenancy type Monitoring in

	<p>household who is vulnerable due to old age (60+)</p> <p>Lone parents with children may be adversely impacted if issued with flexible tenancies. DCC expects providers to follow standard housing managing practice when determining tenancy. Strategy monitoring and review arrangements will determine ongoing impact formulating mitigating actions where possible. It is recommended that families with children have longer fixed term tenancies</p>	<p>83% receiving an income of less than £300 gross each week and 62% receiving less than £200 gross each week. (Household Survey 2012).</p> <p>Lone parents are more likely to be a female primary carer. (EHRC Triennial Review)</p> <p>26% of social rented houses are let to single people aged over 60 (Household Survey 2012).</p> <p>Greater number of older women in the county population (ONS).</p>	<p>first year of tenancy strategy to determine actual impact on groups.</p> <p>EIA to be reviewed in 12 months.</p>
Age	<p>All age groups impacted however any potential negative impact of fixed/flexible tenancies is minimised by recommendations to not give such tenancies to:</p> <ul style="list-style-type: none"> • Applicant/member of 	<p>Just over one quarter (26%) of social rented households</p>	<p>As above</p>

	<p>household who is vulnerable due to old age (60+)</p> <p>Minors (under 18) cannot hold a legal tenancy which may have implications for care leaver. Providers make special arrangements in these circumstances.</p> <p>Flexible tenancies used appropriately could promote and improve mobility in social housing e.g. giving priority to transfer requests (esp. where under-occupancy exists), easier exchange of homes etc. This may improve access to social housing e.g. young families.</p>	<p>are single people aged 60 and over and a further 25% are singles aged under 60; 11% are couples, 15% are lone parent families and 13% are couples with children. 28% of all people aged 16 or over living in affordable housing are in employment. A further 29% are wholly retired from work, 24% are permanently sick/disabled and 11% are unemployed. (Household Survey 2012).</p>	
Disability	<p>Any potential negative impact of fixed/flexible tenancies is minimised for people with disabilities by recommendations to not give such tenancies to applicants or member of the household who:</p> <ul style="list-style-type: none"> • have a disability (including people with 	<p>24% of all people in affordable housing are permanently sick/disabled (Household Survey 2012).</p>	As above

	<ul style="list-style-type: none"> learning difficulties) are vulnerable as a result of enduring mental ill health or other special reason 		
Race/Ethnicity	Insufficient evidence to determine impact		As above
Religion or belief	Insufficient evidence to determine impact		As above
Sexual orientation	Insufficient evidence to determine impact		As above

How will this promote positive relationships between different communities?

Availability of affordable housing through increased turnover with the protection of vulnerable groups will promote positive relations. However lack of particular type and area of housing stock including additional pressures of Welfare Reform may restrict this strategy. In particular the risk of widespread of adoption of flexible tenancies may start to destabilise fragile communities and their use in low demand areas needs to be discouraged.

Section three : Review and Conclusion

Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.

The Strategy expects registered social housing providers in County Durham to have due regard in relation to the types of tenancies they offer in accordance with the Localism Act 2011. There are potential impacts for all tenants and future tenants across the protected characteristics. However some vulnerable groups are protected in terms of age (over 60) and disability (including learning difficulty and mental ill health).

Lone parents with children may be negatively impacted if issued with flexible tenancies but the strategy recommends that they are given longer fixed terms. This may have a disproportionate impact on women who are more likely to head a lone parent family. Monitoring and review arrangements will determine ongoing impact and formulate mitigating actions where possible. Monitoring will occur on an annual basis and will focus on the number of flexible tenancies granted and the household type that have been given to. In the longer term, once tenancies have been ended we will also monitor the circumstances under which they have

not been renewed.

Strategy monitoring and review arrangements will determine ongoing impact and formulate mitigation of adverse impact where possible

NB: This EIA links to the Housing Welfare Reform, Durham Key Options and Durham Lettings Policy EIAs.

Action to be taken	Officer responsible	Target Date	In which plan will this action appear
Monitoring in first year of tenancy strategy – regular meetings with RPs, partnership groups, collation of performance data.	David Siddle	October 2013	Economic Development and Housing Head of Service Plan
EIA Review		Sept 2013	
When will this assessment be reviewed?	Date: September 2013		
Are there any additional assessments that need to be undertaken in relation to this assessment?	No		
Lead officer - sign off: David Siddle, Special Housing Projects Manager			Date: 31 st August 2012
Service equality representative - sign off:			Date:

Please email your completed Impact Assessment to the Equality team - equalities@durham.gov.uk.