

To: City Executive Board
Date: 20 March 2018
Report of: Head of Housing Services
Title of Report: Draft Tenancy Strategy and Tenancy Policy 2018-2023

Summary and recommendations	
Purpose of report:	To request that the City Executive Board approve the Draft Tenancy Strategy and Tenancy Policy 2018-2023 (and associated appendices) as draft documents to be published for a period of public consultation.
Key decision:	Yes
Executive Board Member:	Councillor Mike Rowley, Board Member for Housing
Corporate Priority:	Meeting Housing Needs
Policy Framework:	Housing and Homelessness Strategy 2018-21 Tenancy Strategy and Policy Statement 2013-18.
Recommendation: That the City Executive Board resolves to:	
1. Approve the Draft Tenancy Strategy and Tenancy Policy 2018-23 (and associated appendices) as draft documents to be published for a period of public and stakeholder consultation.	
Appendices	
Appendix 1	Draft Tenancy Strategy 2018-23 with sub appendices: A = Tenancy Policy; B = Legislative requirements and changes; C = Oxford city context; D = Flexible Fixed Term Tenancies (FFTT), how will they potentially work in Oxford?
Appendix 2	Initial Equality Impact Assessment
Appendix 3	Risk Register

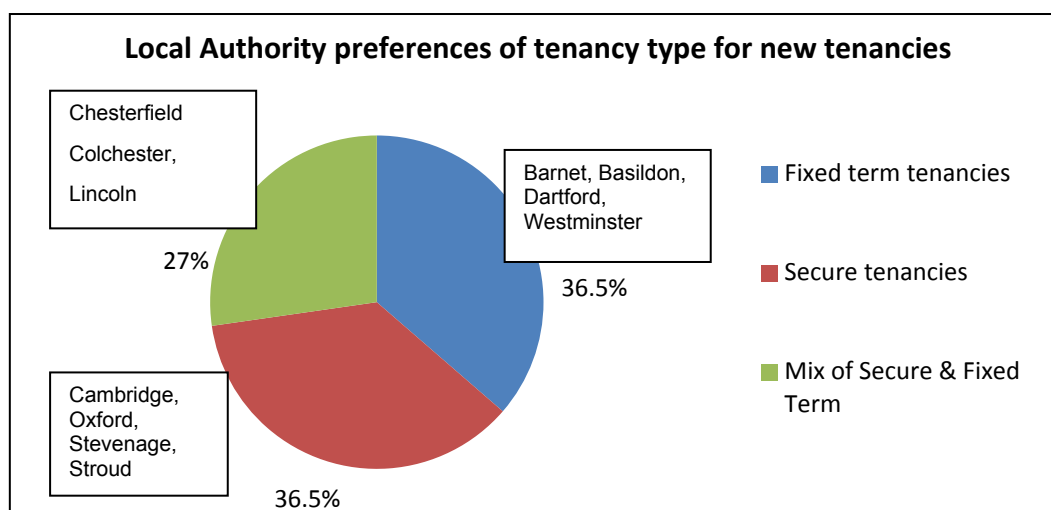
Introduction

1. The Council has a duty to publish a Tenancy Strategy (as a strategic housing authority) and Tenancy Policy (as a social housing provider and landlord) in accordance with the Localism Act 2011. The Council's current strategy and policy statement was produced in 2013 and is due for renewal in 2018. The commitment to renew the Tenancy Strategy in 2018 was also set out as an action in the Council's recently adopted Housing and Homelessness Strategy 2018-21.
2. To meet legislative requirements, the City Council has developed a new draft Tenancy Strategy and Tenancy Policy and is now required to consult with private registered providers of social housing in Oxford, Council Tenants, stakeholders and members of the public before the documents can be formally adopted.

Development of the strategy and appendices

3. Since the City Council's existing Tenancy Strategy and Policy Statement was published in 2013, there have been changes to Government policy and new legislation has been introduced. Under the Localism Act 2011, Registered Providers and Local Authorities can choose to offer Lifetime (Secure or Assured) Tenancies and Fixed Term Tenancies. A significant issue for consideration during the development of the new Tenancy Strategy for 2018-23, has been the new regulations introduced by the Housing and Planning Act 2016 which sets out a mandatory requirement for all Local Authorities to offer Flexible Fixed Term Tenancies. Government guidance on the mandatory requirements is still awaited, with no indication yet of when it is to be released.
4. Given this, to develop the new Tenancy Strategy and Tenancy Policy for 2018 onwards, City Council officers undertook an evaluation of the Council's practices and as a benchmark, the practices of a sample of another 10 similar sized stock-owning local authorities in England. This included a survey in January 2017, with the local authorities identified in Figure 1.1, to establish if they had already implemented Flexible Fixed Term Tenancies (FFTT) under the optional arrangements introduced by the Localism Act, and also to establish what their view was on FFTTs. The majority of local authorities preferred lifetime (secure) tenancies or a mixture of secure and fixed term tenancies.

Figure 1.1: Review of other local authorities with similar amount of housing stock owned:



5. Registered Providers are required only to have regard to the Council's Tenancy Strategy when setting their Tenancy Policies, processes and procedures. Although the City Council's current Tenancy Strategy and Policy Statement 2013-18 sets out a preference for lifetime tenancies, contact with 8 Registered Providers (RPs) operating within the City revealed that all but one were using Fixed Term Tenancies (FTT) for new tenants when letting their stock. Generally, they offer 5-year Fixed Term Tenancies but have options to offer terms of 2 to 10 years in exceptional circumstances. The opinion of RPs highlighted that the use of FTTs can be unsettling for tenants, some of whom have been reluctant to move when their fixed term came to an end. However, most tenants whose FTTs were due to end did not need to move and were given a new FTT. RPs also indicated that the use of such tenancies has provided them with the opportunity to manage the turnover of their housing stock more effectively to meet housing need.
6. As mentioned earlier, Government guidance is awaited on the mandatory use of Flexible Fixed Term Tenancies by all Local Authorities (for clarity, this does not include Oxford City Housing Limited). It is anticipated that the guidance will provide clarity on the expected length of any mandatory fixed term offered by Councils, and also where there may be any discretion to offer lifetime (secure) tenancies. Given the feedback from other local authorities and Registered Providers (see paragraphs 4 and 5 above), it is expected that operationally, implementation of mandatory fixed term tenancies (which require regular and timely reviews, assessments and advice/support) will increase the case load of staff and will impact upon resources in the short to medium term. Longer term, there could also be an impact on communities although this would be more evident where tenants' circumstances change and they are required to move at the end of their fixed term tenancy. How Flexible Fixed Term tenancies could potentially work in Oxford is explored in more detail in Appendix D of the new draft Tenancy Strategy document.
7. As the City Council's existing Tenancy Strategy is due to end in 2018, in the absence of Government guidance on mandatory use of Flexible Fixed term Tenancies, the new draft Tenancy Strategy and Tenancy Policy 2018-23 sets out a continued commitment for the Council to offer only lifetime (secure) tenancies unless there is a legislative change or grant funding requirement to offer an alternative tenancy term. Should there be a need to update the Tenancy Strategy/Policy in relation to implementation of mandatory Flexible Fixed Term Tenancies, a further report and revised Tenancy Strategy and Policy will be presented to the City Executive Board.
8. In addition, the new draft strategy supports a continued offer of social rent tenure in preference to affordable rent. This is mainly due to affordability reasons set out in Appendix C of the Tenancy Strategy document.
9. Overall, the new draft Tenancy Strategy 2018-23 and appendices take into account recent and emerging changes in legislation, the City Council's Allocations Scheme and also highlights the following key objectives:
 - To promote Oxford City's housing vision with a focus to provide social rented tenancies.
 - To ensure that affordable housing providers adhere to the new Tenancy Strategy to the benefit of the local community.

- Affordable housing providers are to let any new tenancies in Oxford at genuinely affordable rents i.e. in line with social rent or at Affordable Rents capped at Local Housing Allowance (or equivalent measure) levels.
- To create sustainable, mixed and balanced communities.

Consultation

10. Subject to City Executive Board approval, consultation on the draft Tenancy Strategy and associated appendices will run for a period of 4 weeks from 21 March to 19 April 2018. Consultation responses will be used to inform any changes to the strategy prior to an amended version being presented to the City Executive Board by July 2018, and to Full Council at its next meeting thereafter.
11. As part of the consultation process, City Council officers will convene meetings with private registered providers of social housing, and also with a panel of tenant volunteers/ambassadors who will have the support of the Council's Tenant Involvement Team. They, along with other statutory and non-statutory consultees and the general public, will be asked to review and comment on the new Draft Tenancy Strategy 2018-2023 and its implications for the community of Oxford. To facilitate the wider consultation with organisations and the public, an online survey will be published. Various media formats (paper copy of the survey upon request, online information, news articles, Tenants in Touch magazine, social media posts, posters displayed in community centres and other public buildings etc.) will also be utilised to publicise the consultation opportunity and to help people understand how they can get involved.

Financial implications

12. None associated with the recommendations in this report. However, the financial impact associated with the introduction of Fixed Term Tenancies, when the details are eventually provided by Government, will be modelled through the HRA Business Plan and reported accordingly.

Legal issues

13. Review of the existing Tenancy Strategy within 5 years, and production and consultation on a new strategy prior to the expiry of the existing one, ensures that the Council is meeting its duties under the Localism Act 2011 (sections 150 and 151) and the Housing and Regeneration Act 2008 Part 2 Chapter 6 s196 and s197. (See also paragraph 14 below).

Level of risk

14. If the draft Tenancy Strategy 2018-23 and associated appendices are not approved for public consultation, this will result in a delay in having a new Tenancy Strategy and Tenancy Policy adopted in time to replace the existing documents when they expire in summer 2018. This may result in the City Council being unable to meet its legislative obligations under the Localism Act 2011. See Appendix 3: Risk Register.

Equalities impact

15. The Equalities Impact Assessment initial screening form is attached as Appendix 2. No adverse equality implications are evident at this stage. The strategy seeks to secure affordable accommodation with security of tenure where possible for all those in housing need.

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Background Papers:

- 1 Tenancy Strategy and Policy Statement 2013-18
https://www.oxford.gov.uk/downloads/file/912/tenancy_strategy_and_policy_statement_2013
- 2 Housing and Homelessness Strategy 2018-21
<https://www.oxford.gov.uk/info/20010/housing>

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