

Committee: Housing Board

Date: 14 June 2022

Title: Fixed Term Tenancies

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Summary

This report is presented so that Housing Board can consider recommending to Cabinet the amendment of the council's Tenancy Policy to remove Fixed Term Tenancies

Recommendation

That Housing Board recommends to Cabinet a revised Tenancy Policy that removes Fixed Term Tenancies

Financial Implications

Savings in administration costs for monitoring and reviewing fixed term tenancies if it is agreed to cease using them

Background Papers

None

Impact

Communication/Consultation	Tenants and leaseholders panel /members
Community Safety	None
Equalities	Yes, new tenants being issued tenancies on the same basis as current tenants
Health and Safety	None
Human Rights/Legal Implications	Yes, new tenants having the same rights and responsibilities as current tenants following expiry of their one-year introductory tenancy
Sustainability	Yes, more sustainable tenancies and communities by ceasing the use of fixed term tenancies

Ward-specific impacts	None
Workforce/Workplace	Yes, removes the need for time-consuming administration of fixed term tenancies

Situation

1. The Localism Act 2011 gave local authorities the power to offer flexible tenancies on a fixed term to new tenants after 1 April 2012. Whilst this was a discretionary power indication from Government at the time was that legislation would be laid before parliament recommending an end to lifetime tenancies for social housing tenants and replace them with fixed term tenancies.
2. The Government's reasoning at the time for tenancies on a fixed term was to enable a review of the tenants' circumstances at the end of the fixed term to inform the decision whether to grant a further fixed term tenancy or seek possession of the property.
3. The Localism Act 2011 also placed a requirement on local authorities to produce Tenancy Strategies and Tenancy Policies. Uttlesford adopted the West Essex Tenancy Strategy in 2012 in conjunction with neighbouring authorities and it sets out the Council's overall strategy and objectives for managing its tenancies, including an objective for the Council to commence the use of flexible tenancies. The Council's Tenancy Policy was adopted in 2012.
4. The Council's Tenancy Policy established that all new tenants being offered a 3bed house or larger would be granted a one-year introductory tenancy followed by a 9 -year fixed term tenancy.
5. From 2013 onwards the council has issued 127 fixed term tenancies with a breakdown per year as follows. This equates to under 5% of current council tenancies.
6. With changes in government legislation there is now no longer a requirement or expectation on Registered Providers to use fixed terms tenancies. There has been recognition by the Government of the importance of housing stability for those who rent in the social housing sector.
7. Experience has shown the importance of social housing tenants feeling that they have a long-term commitment to their community without the fear of a tenancy review leading to uncertainty and even potentially termination of their fixed-term tenancy. It is important that tenants and their household can settle into their new home, feel part of their local community and the children feel settled at school and fulfil their potential.

8. Many Housing Associations and other councils have now ended the use of fixed term tenancies and analysis of their results and work we have carried out ourselves, shows that the circumstances of the vast majority of tenants who are on fixed term tenancies will not have changed at the point of review.
9. Tenancy reviews need to be undertaken before the expiry of the fixed-term for the 127 fixed-term tenancies and the first of these will soon be required in view of the initial ones commencing in 2013. These reviews will be an administrative burden for the team and as previously stated, those who have completed the tenancy reviews have shown that there has been little or no benefit in doing so, as it has not led to the release of housing stock.
10. It is therefore proposed that the Council amends its current Tenancy Policy and no longer offers fixed term tenancies and that our current fixed term tenancies are converted to secure tenancies, unless there is a specific reason not to do so at this time. We will continue to offer Introductory Tenancies of 12 months extendable to 18 months to ensure that all tenants can have this probationary period before they become secure tenants.
11. Downsizing grants will remain available as a financial incentive to encourage tenants to move to smaller accommodation, where appropriate, thereby releasing a larger property. The downsizing grant is currently £2,500 for those age 60 and over downsizing to bungalows/ sheltered flats or £2,000 for general needs tenants downsizing.

12. Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
2. Council tenancies may not be checked or reviewed on a regular basis.	1. Low likelihood due to the mitigating actions	2. Mitigating actions in place to reduce the potential impact	<p>The Housing Service has an ongoing programme of Tenancy Inspections where tenants are visited at home and their circumstances checked. This helps ensure that we know our tenants and can deal with any issues.</p> <p>The Council will maintain the</p>

			system of Introductory Tenancies whereby all tenants who are new to social housing are visited at home and their conduct reviewed before the tenancy can convert to a secure tenancy.
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1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.