

Birmingham City Council Strategic Tenancy Policy

Section One: Introduction

The Localism Act 2011 received Royal Assent on 15th November 2011. The Act implements the Government's wider localism agenda and introduces a series of housing reforms.

Section 150 of the Localism Act imposes a duty upon all local authorities to prepare and publish a Strategic Tenancy Policy. This Strategic Tenancy Policy sets the broad objectives to be taken into consideration by all Registered Providers¹ when formulating individual policies relating to;

- a) *the kinds of tenancies that are granted to new tenants,*
- b) *the lengths of fixed term tenancies*
- c) *the circumstances in which a tenancy of a particular kind is granted,*
- d) *the exceptional circumstances in which tenancies are granted for less than two years.*
- e) *the circumstances in which tenancies may or may not be reissued at the end of a fixed term.*

and

- f) *the advice and assistance given*

The Birmingham Strategic Tenancy Policy identifies the Council objectives to which Registered Providers operating within Birmingham should have regard whilst developing respective landlord tenancy policies. It sets out the City Council's strategic housing position in respect of social housing tenancies, providing guidance in relation to the nature of tenancies deemed appropriate for use, tenancy length and review conditions.

The Localism Act empowers all Registered Providers the freedom to grant fixed term secure, as well as lifetime tenancies. The legal minimum length for a fixed term tenancy is two years, in exceptional circumstances, with five years or more being the expectation. There is no upper limit on the length of tenancy. Registered Providers are therefore able to provide a length of tenancy that takes account of the needs of individual tenants. At the end of the fixed term period the tenancy will be reviewed and either ended or renewed.

The Birmingham Strategic Tenancy Policy relates to lettings of all social and affordable rented properties to include adapted, sheltered and extra-care housing. It does not cover lettings to hostels, temporary accommodation or other forms of supported housing.

¹ Throughout this document where reference is made to all Registered Providers it includes Birmingham City Council

Section Two: The Local Context

Housing Supply and Demand

Social housing represents 25% of the total 424,000 homes within Birmingham. The tables below show social housing by property type and size².

Property Type	
House	46%
Flat	45%
Bungalow	5%
Other	4%

Bedroom Size	
1	34%
2	31%
3	31%
4+	4%

The population of Birmingham is reported as 1,036,900³, of which 65% are of working age. With such a large population within a single urban authority Birmingham accordingly records considerable levels of presenting housing need.

In November 2011 there were over 25,000 households requesting social housing, of which;

- 38% require one bedroom accommodation
- 33% require two bedroom accommodation
- 18% require three bedroom accommodation
- 7% require four bedroom accommodation
- 3% require five bedroom accommodation or larger.

5,200 new tenancies were granted across Council owned homes during the financial year 2010-2011, of which:

<ul style="list-style-type: none"> • 63% were flats • 24% were houses • 7% were bungalows • 6% were other property types 	<ul style="list-style-type: none"> • 42% were one bedroomed • 35% were 2 bedroomed • 22% were 3 bedroomed • 1% were four or more bedroomed
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Within Birmingham there is an historic and persistent disparity between the availability of stock and demand for accommodation, which is particularly prominent in regards to larger properties. It is therefore essential that providers ensure that the best use is made of this scarce resource in meeting both the short and long term needs of the city.

² CHP Decent Homes Survey (2011)/HSSA 2011

³ Office of National Statistics mid-year population estimate (2010)

Section Three: The Strategic Context

Tenancy Policies should be developed within the context of Birmingham City Council's overarching objectives for housing. Identified within the Birmingham City Council Plan⁴ with specific relevance to housing are:

- *Outcome 1: Succeed Economically*

Birmingham City Council is committed to;

- working with partners to improve economic prosperity
- reducing worklessness

- *Outcome 2: Stay safe in a clean, green city*

Birmingham City Council is committed to;

- improving the environment on council estates
- safeguarding vulnerable children, young people and adults

- *Outcome 3: Be healthy*

Birmingham City Council is committed to;

- developing extra-care housing and care centres for older people

- *Outcome 4: Enjoy a high quality of life*

Birmingham City Council is committed to;

- developing local neighbourhoods that will thrive, and be clean and attractive
- ensuring all council housing meets the Decent Homes Standard and bringing empty properties back into use
- preventing homelessness through various measures specifically targeted at the homeless

- *Outcome 5: Make a contribution*

Birmingham City Council is committed to;

- strengthening the voluntary and community sector

The Strategic Tenancy Policy is a key contributor to defining the way in which both these objectives and housing needs are met within the City. When developing tenancy policies Registered Providers should also have regard to:

- The Birmingham City Council Sustainable Community Strategy⁵
- The City Housing Plan⁶

⁴<http://www.birmingham.gov.uk/cs/Satellite?c=Page&childpagename=SystemAdmin%2FCFPageLayout&cid=1223092613266&packedargs=website%3D4&pagename=BCC%2FCommon%2FWrapper%2FCFWrapper&rendermode=live>
⁵http://www.birmingham.org.uk/documents/Final_Sustainable_Community_Strategy-Birmingham_2026.pdf?phpMyAdmin=b5998cc58dff68a4b03a480ef59038da

- The Homelessness Strategy⁷
- The Corporate Parenting Pledge to Children and Young People in Care⁸
- Birmingham City Council Employment and Skills Strategy⁹
- All relevant equalities legislation¹⁰

Specific consideration should be given to the following intended outcomes:

- Meeting housing need within Birmingham
- Achieving balanced, sustainable communities
- Tackling worklessness and promoting financial inclusion
- Addressing overcrowding and under-occupation
- The prevention and alleviation of homelessness
- Duties and obligations regarding children in need

Tenancy Types

A range of tenancy types are available to give appropriate levels of security to tenants whilst facilitating the effective use of social housing stock.

- Introductory/Probationary/Starter Tenancies
- Secure Tenancies (hereafter referred to as lifetime tenancies)
- Secure Flexible Tenancies/Flexible Tenancies (hereafter referred to as fixed term tenancies)
- Assured Tenancies (hereafter referred to as lifetime tenancies)
- Assured Shorthold Tenancies (hereafter referred to as fixed term tenancies)
- Other tenancy types as permissible in law

In the formation of Landlord Tenancy Policies Registered Providers should seek to ensure compatibility, as far as possible, with the following:

- The purpose of the accommodation
- The needs of individual households
- The sustainability of the community
- The efficient use of housing stock
- Children in need

Introductory/Probationary/Starter Tenancies

Introductory/Probationary/Starter Tenancies may continue to be provided to new tenants.

⁶<http://www.birmingham.gov.uk/cs/Satellite?c=Page&childpagename=Housing%2FPageLayout&cid=1223092723025&pagename=BCC%2FCommon%2FWrapper%2FWrapper>

⁸<http://www.birmingham.gov.uk/democracy/Pages/AgendaDetail.aspx?AgendaID%3d63161>

⁹ TBC

¹⁰<http://www.legislation.gov.uk/ukpga/2010/15/contents>

Where a Registered Provider seeks to use Introductory/Probationary/Starter Tenancies they should be entered into for a period not in excess of 12 months, or a maximum of 18 months where reasons for extending the probationary period have been given and where the tenant has had the opportunity to request a review.

Upon successful completion of the probationary period tenants should graduate on to a lifetime or fixed term tenancy as set out within the Landlords Tenancy Policy.

Lifetime Tenancies

Lifetime tenancies must be retained for those tenants who held them on the day that the relevant section of the Localism Act 2011 came into force.

Such security of tenure must be retained where the tenant chooses to move to another social rented home. This requirement will not apply where tenants choose to move to accommodation let on affordable rent terms.

Registered Providers may elect to extend the use of lifetime tenancies to other groups of tenants at the end of their probationary/introductory tenancy as defined within their Landlord Tenancy Policy.

Where a household's need for a specific property type is unlikely to significantly alter in the future, the continued allocation on lifetime tenure is encouraged.

Fixed Term Tenancies

Fixed term tenancies are an option for use by all Registered Providers.

Unless in exceptional circumstances fixed term tenancies should be provided for a minimum period of 5 years excluding any probationary period. The types of exceptional circumstance in which landlords will seek to operate tenancies of less than 5 years should be clearly stated within landlord tenancy policies.

Registered Providers may seek through their landlord tenancy policies to establish longer minimum tenancy terms and the conditions associated with these terms should be clearly defined within the policy.

Where fixed term tenancies are being used to support the delivery of the affordable rents programme, consideration should be given to the geographical distribution of rent conversions to ensure that areas with high levels of tenancy turnover are not further destabilised as a result. Furthermore consideration should be given to distributing rent conversions across property types to ensure that there is a mix of rent levels available for households to access.

In establishing the terms associated with fixed term tenancies Registered Providers should consider the needs of individual households and the sustainability of local communities.

When considering the efficient use of housing stock Registered Providers should bear particular reference to tackling under-occupation. Registered Providers may wish to consider tailoring the lengths of their tenancies to enable a review to occur when the property is likely to become under-occupied.

Registered Providers may also wish to consider adopting different tenancy lengths to enable the needs of defined vulnerable groups to be appropriately met. Such groups could include children in need and vulnerable adults.

To reflect the desire to use fixed term tenancies to promote best use of stock through tackling under-occupation it is considered that household size should form a key component of the tenancy review process.

Tenancy Reviews

It is considered that the majority of fixed term tenancies will be renewed upon review by providers unless the household's circumstances have materially altered.

Any decision not to renew a fixed term tenancy should only be made where significant alteration has taken place and should consider the impact on:

- Tackling worklessness and promoting financial inclusion.
- Addressing overcrowding and under-occupation
- The prevention and alleviation of homelessness
- Duty's and obligations regarding children in need
- The purpose of the accommodation and any subsequent changes since the commencement of tenancy.
- The needs of individual households and any subsequent changes since the commencement of tenancy.
- The sustainability of the community
- The efficient use of housing stock
- Children in need and any subsequent changes since the commencement of tenancy.

Providers should have regard to Council objectives related to tackling worklessness and creating balanced, sustainable communities when considering the economic circumstances of households.

Decisions not to renew tenancies on economic grounds should not compromise the Council's broader strategic framework.

Tenancy reviews should be conducted no later than 6 months prior to the end of the fixed term period.

Housing Advice

Where a fixed term tenancy is not renewed each Registered Provider must ensure appropriate housing advice is provided. Such advice should be clearly defined and published in each individual landlord tenancy policy. All reasonable steps should be taken to ensure that appropriate advice in regards to alternative housing options is provided in order to prevent statutory homelessness.

Landlord Tenancy Policies

Every Registered Provider of social housing within the city is required to develop and publish a tenancy policy which should seek to have regard to the principles defined in this Strategic Tenancy Policy

These individual tenancy policies can be viewed [*format to be agreed*].

Review Arrangements

This policy document is compliant with all relevant regulation at the time of publication.

This Strategic Tenancy Policy document will be formally reviewed periodically.

It can also be reviewed at intervals where:

- there are amendments to relevant legislation or regulations to which this document must adhere

The review process will be conducted by Birmingham City Council, in consultation with relevant Registered Providers and service users.