



Table of Contents

1.0 Vision and Challenges.....	4
2.0 Background	5
Local context	5
Legislative Background	8
Economic and Social Research Council	11
Links with RBC strategies and policies	12
3.0 Tenure Options.....	13
4.0 Tenancy Sustainment and Affordability	19
5.0 Review, Monitoring and Equality	22



List of Abbreviations

CORE	Continuous Recording of Lettings and Sale in Social Housing
DHP	Discretionary Housing Payment
IRL	Independent Retirement Living
LHA	Local Housing Allowance
RP	Registered Provider
SHMA	Strategic Housing Market Assessment
SSSC	Social Sector Size Criteria
UC	Universal Credit



1.0 Vision and Challenges

As an authority our corporate vision is to be a vibrant borough with a high quality environment, where we want to maximise opportunities with partners to provide services that are highly regarded by local people. For the housing department this vision extends to creating vibrant neighbourhoods, successful and sustainable tenancies and equality of opportunity.

As a borough we have:

- A thriving economy with high earning and low unemployment;
- We are within the top ten per cent of least deprived areas nationally;
- We have a well managed, high quality housing stock;
- We have responded well to increasing levels of homelessness through developing initiatives with the private sector.

We also need to continue to explore opportunities within the private sector and with Registered Providers (RPs) so we can continue to manage homelessness, develop affordable housing and provide a suite of housing solutions to our customers. We are also committed to continuing to provide opportunities for home ownership in the Borough, including shared ownership.

Whilst there are many positives, these need to be balanced against a number of issues and challenges which must be considered in the development of this strategy. These include:

- Addressing areas of deprivation in the Borough where unemployment and unsuitable housing are in issue;
- Limited land for housing development;
- The impact of welfare reform on the way low income households are managing their budgets and the level of support they need from the Council
- High levels of housing costs in the Borough making some accommodation options increasingly unaffordable;
- Reduced funding from Surrey County Council for things such as tenancy support services requiring provision to be funded in other ways.



2.0 Background

Local context

Census Data

Figures from the 2011 Census show that Runnymede has a population of 80,510. At that time the majority of the population, 38.7%, fell in the 18-44 years age category, 25.2% were 45-64 years old, 19.3% were 0-17 years old and 16.8% were 64+. Home ownership was the majority tenure with 69.5% of households owning their own home, which was higher than the national average of 63.4%. A further 12.69% were accommodated in social housing with the remaining in the private rented sector. Finally only 2.7% of households were unemployed.

Council's Housing Stock

The Council is a stock retained authority and currently manages:

- 2615 general needs properties;
- 210 independent retirement living (IRL) properties;
- 172 leasehold properties.

For the period 1st April 2015 to 31st March 2018 we let 539 tenancies within our stock (includes lets for both general needs and IRL) which equates to an average of 179 lets per year. All these properties were let on social rents, which means the rent is based on a prescribed formula determined

by the national rent regime, based on property values and local earnings; rents are very low and within Runnymede's stock equate to approximately 36% of market rent. The period 2018/2019 will see our first lets at affordable rents following completion of new build properties in the north of the Borough; these rents are set at 80% of local market rent, capped at Local Housing Allowance level.

The number of Right to Buy sales has fallen each year over the last three years, with seven completions in 2017/18.

Of the 539 lettings in the period 2015 to 2018, 57% (308) were flexible tenancies with the remainder of lettings being secure tenancies. To date IRL tenancies are let only on secure tenancies. The majority of flexible tenancies being offered are ten year tenancies with less than 1% being offered on a two year flexible tenancy and 2% being offered on a five year tenancy.

The total number of flexible tenancies awarded since April 2012 within the Council's own stock is 383, this represents 15% of our total stock. Opportunities for turnover of stock as a result of the end of fixed term tenancies is therefore small as the majority of our tenants are still secure tenants and it will take a number of years to alter this balance.

Registered Providers

Whilst we are a stock retained authority there are 12 other main RPs in the Borough. The term RP is set out in the Housing and Regeneration Act, 2008; and includes local authority landlords and private registered providers (such as



not-for-profit housing associations and for-profit organisations).

In addition to the Council's own lettings noted above we achieve a number of lettings to other RPs in the borough each year through nomination rights, as follows:

	2015/16	2016/17	2017/18	Total
RBC Lettings	218	163	158	539
RP Lettings	144	81	141	366
Total Lettings	362	244	299	905

Research shows that several Registered Providers operating in Runnymede are using flexible tenancies and in a more rigorous way than the previous Tenancy Strategy prescribed; we previously indicated that ten year flexible tenancies should be the norm but many RPs are already offering less than this for the majority of lettings.

There also remains the widespread use of lifetime tenancies across the Borough.

Housing Register

The Council operates a choice based lettings scheme with allocations determined through the criteria set out in our Housing Allocations Scheme. Our allocations scheme is specifically designed to:

- Reflect the housing options available across the Borough;
- Increase the use of the private sector;
- Make best use of social housing for those most in need;
- Encourage applicants to widen their choice of tenure.

Applicants are disqualified from the register if they:

- Have savings or capital greater than £16,000; income greater than £30,000 (single persons) or £50,000 (couples);
- Are already suitably housed in social housing;
- Have a history of anti-social behaviour or poor housing related conduct in the last five years;
- Have an undischarged housing related debt over £100.

As at July 2018 there are 1051 applicants on the Council's housing register. The scheme is subject to regular review and reapplication, to reflect changes in government legislation or policy, or to reflect changes required for legal reasons.

The following shows a breakdown of the demand for properties and average waiting times; waiting time is affected by how proactively some households are bidding and the choices those households are making in terms of the type and location of housing. The average waiting times cover general needs properties only; the average wait for IRL is 9 months. The following also demonstrates that our highest demand is for one and two bedroom properties:



Property Type	Number of Applicants	Average waiting time	Longest waiting time
One Bed	497	23 months	18 years
Two Bed flat	364	19.5 months	14 years
Three Bed	157	23.5 months	15 years
Four Bed	29	16 months	8 years
Five Bed	4	26 months	5 years

Homelessness

The allocations scheme deals with the assessment of applications for housing and how we will prioritise the allocation of available properties; this includes assessment of applications from households who are accepted as homeless or threatened with homelessness. However, the process for dealing with homelessness applications is separate. The Homelessness Reduction Act 2017, which came into force in April 2018, has changed our response to homelessness. As a result we are now operating a three tier model of assessment, prevention and relief that incorporates the new extended statutory duties. It is currently too early to comment on the impact of this new legislation but a greater range of housing options is needed in order to prevent and relieve homelessness.

Since 1st April 2015 the number of applicants to whom we owe a statutory full housing duty under homelessness legislation has generally decreased:

Year	Number of Part 7 Acceptances owed full housing duty
2015/2016	115
2016/2017	71
2017/18	75

This is likely the result of improved prevention work undertaken by the Council and the development of our work with private sector landlords to offer accommodation. With the new duties to prevent and relieve homelessness we expect the number of cases owed a full duty is likely to decline further.

Underoccupation

Underoccupiers are prioritised on the housing register and the Council offers a package of incentives to encourage underoccupiers to move thus assisting with the potential to maximise the use of our stock; these incentives are generally prioritised in favour of households who are not affected by Social Sector Size Criteria (SSSC) reductions or the benefit cap. Registered Providers in the Borough also offer a variety of packages to encourage downsizing, including through mutual exchanges. However, the need to encourage downsizing must be balanced against the high need specifically for two bedroom properties.

As at July 2018 Runnymede Borough Council currently have 118 tenants who are underoccupiers, in receipt of housing benefit with a SSSC reduction; of these 17 are



underoccupying by two bedrooms or more and the remainder are underoccupying by one bedroom. At the same date 59 households were registered to downsize via our housing allocations scheme, this means that only 50% of households subjected to the SSSC are opting to downsize with the remaining 50% choosing to absorb additional costs not met by housing benefit. In 2016/17, we were able to downsize 13 households and in 2017/18 we downsized 26 households.

Those households registered to downsize are tenants with secure tenancies and therefore we can only incentivise the process of moving to encourage this to happen; a change in our approach to fixed term tenancies will not have an impact.

Housing benefit records show that there are an additional 47 tenants with other RPs in the borough who are underoccupying and have a deduction for the SSSC.

The Council actively manages our Discretionary Housing Payments (DHP) budget. This is achieved through joint meetings between the Housing Department and Revenues and Benefits Department, key factors considered through these joint meetings include the extent of positive engagement by applicants with the downsizing process and options for tenancy sustainment. Our policy is not to make an award DHP to downsizers unless the tenant is actively seeking to move and has not refused a suitable property.

Strategic Housing Market Assessment

The Strategic Housing Market Assessment (SHMA) was updated in 2018. The SHMA shows that:

- Mean incomes have continued to increase;
- Taking into account rent levels and levels of residual income households should spend no more than 35% of total household income on their housing costs to ensure affordability;
- 337 units per year of affordable housing will be needed;
- There is a high demand for one bedroom properties in the borough owing to the needs of an ageing population and downsizing requirements;
- When considering the needs of households owed a statutory housing duty there is high demand for two bedroom households;
- For applicants on the housing register there is a significant need for two bed homes.

Whilst only indicative, the results of the SHMA need to be considered in terms of our priorities for the use of flexible tenancies in the Borough and the continued need for both social and affordable housing options, with our priority being for housing with social rents.

Legislative Background

The Localism Act 2011

The Localism Act 2011 introduced:

- The use of flexible tenancies for local authorities from 1st April 2012;



- A requirement on local authorities to publish and keep under review a tenancy strategy, which RPs must have regard to in setting out their own tenancy policies.

The Tenancy Standard

Subsequent changes to the Tenancy Standard allowed both RPs and local authorities to use fixed term or flexible tenancies let on social or affordable rents. The current Tenancy Standard requires that providers grant tenants a tenancy for a minimum fixed term of five years, or exceptionally, a tenancy for a minimum period of no less than two years in addition to any probationary tenancy period. It should be noted that fixed term and flexible tenancies are the same thing; a tenancy granted for a fixed period of time.

The Tenancy Standard 2012 further conveys on RPs responsibilities to publish policies which outline their approach to:

- The types of tenancy they will grant;
- The length of any fixed term tenancies they will provide;
- The circumstances in which they will grant particular types of tenancy;
- The exceptional circumstances in which fixed terms tenancies of less than five years will be granted;
- The circumstances in which they may not grant another tenancy on the expiry of a fixed term tenancy;
- Providing advice and assistance to households who need to find alternative accommodation in the event that a further fixed term tenancy is not granted.

Continuous Recording of Lettings and Sale in Social Housing (CORE) shows that fixed term tenancies still account for only 23% of all general needs lets in 2016/17. For Local Authorities only 8% of general needs lettings were made on a fixed term basis in 2016/17.

Housing and Planning Act 2016

In recognition of the slow uptake the Government included measures in the Housing and Planning Act 2016 to make the use of fixed term tenancies mandatory for local authority landlords. The Act also contained provisions to restrict succession to the provision of a fixed term tenancy upon the death of the original tenant. The Government have announced in the Housing Green Paper 2018 that they have decided not to implement the provisions in the Housing and Planning Act 2016 at this time.

Housing Green Paper 2018 – A new deal for social housing

The Green Paper sets out the Government's vision for the future of social housing, at the time of writing the paper is still being consulted upon. The paper is underpinned by five principles:

- A safe and decent home;
- Improving and speeding up complaints;
- Empowering residents;
- Tackling stigma and celebrating thriving communities;
- Building the social homes we need and ensuring those homes can act as a springboard to home ownership.



The last principle is most relevant to this strategy; it sets out:

- How social housing provides a stable base for those that need it but how it must also support social mobility;
- The challenge of extending the opportunity of home ownership to social tenants whilst providers also continue to increase the supply of new affordable homes;
- That social housing is a precious resource that must be allocated fairly;
- The benefits of fixed term tenancies in the right circumstances with policies on the administration of fixed term tenancies being decided at a local level;
- The continued testing of the Voluntary Right to Buy for housing association tenants through a large-scale pilot and portable discounts.

Welfare Reform Act 2012/ Welfare Reform and Work Act 2016

The Welfare Reform Act 2012 aimed to bring about reductions to the welfare benefit budget through the introduction of:

- Universal Credit (UC);
- Introduction of the benefit cap;
- SSSC in the social rented sector.

Other policy changes include a reduction in Local Housing Allowance (LHA) rates from 2011, with rates being set at the 30th percentile of local market rents instead of the previous 50th percentile. Additionally, caps for LHA were set along with

a limit on increasing LHA rent to either local market rate or Consumer Price Index, whichever is lower.

The Welfare Reform and Work Act 2016, brought about further changes and challenges for low income households:

- Benefit cap lowered
- Freeze on the rate of working age benefits and tax credits
- A limit on the entitlement to the child element of Child Tax Credit and UC to a maximum of two children in each household

The continued roll out of welfare reforms continues to have an impact in the Runnymede Borough:

- Households on low incomes struggle to rent in the private sector due to high rent levels and the failure of LHA rates to increase in line with local market rents;
- A minority of private landlords are prepared to rent at LHA rates, therefore limiting the number of affordable housing options available;
- Social housing tenants consistently turn to their landlords for help with budgeting and income maximisation owing to increasing hardship as a result of the benefit cap and UC;
- RPs are reporting an increase in rent arrears and the need to provide and fund support services.

UC is being rolled out to full service in the Borough in November 2018, this means that all new claimants will have to apply for UC. As a result we anticipate that a greater



proportion of tenants will need assistance with household budgeting and financial guidance. Recent amendments to the delivery of UC, such as abolishment of the waiting period, two week housing benefit run on and ability to get a 100% advance on new claims may help.

It should be recalled that one of the main drivers behind UC is that it should “make work pay” with government evidence showing that people:

- Move into work more quickly;
- earn more money under UC;
- have increased financial security.

With the emphasis on getting into work there is an increased stringency on sanctions if a claimant is not actively looking for work. With this in mind we may expect in coming years that more of our tenants are in work and therefore experiencing significant changes in their circumstances between the start of their tenancy and the end of the fixed term tenancy.

Changes to housing benefit and housing costs rules have also made housing young single households increasingly challenging, with entitlement for single households under 35 years of age restricted to the local housing allowance shared accommodation rate. There are circumstances where the one bed rate can still be claimed, such as for care leavers or if the tenant has a disability.

All these changes need to be reflected in approaches to managing and maintaining tenancies and therefore the type of tenancy to be offered and level of sustainment provided.

Economic and Social Research Council: evidence on the application of fixed term tenancies

The Welfare Conditionality Project (2013-2018) is funded by the Economic and Social Research Council. The study looked at the effect of fixed term tenancies on social housing both from a landlord and tenant perspective.

For tenants the study found:

- Fixed term tenancies generally had no impact, either positively or negatively, on tenants behaviour;
- Tenants were often mildly to moderately anxious about their tenancy status, particularly older tenants or those with medical needs;
- Tenants generally only had a vague idea of the purpose and grounds under which a fixed term tenancy would be terminated;
- There were concerns that non-renewal of a fixed term tenancy served as a penalty for working hard or that landlords would be taking people’s homes, memories and networks away.

For landlords the study found that that the main motivators for using fixed term tenancies were:

- Efficient use of stock;
- Better targeting of stock to those who need it;
- The perceived need to manage the impacts of welfare reform;



- Enhanced ability to deal with antisocial behaviour.

For landlords concerns centred around:

- The administrative burden of implementing a robust regime for reviewing fixed term tenancies;
- The ongoing demands of the review process.

Conclusions from the study found that:

- 50% of housing associations and 68% of local authorities said there were unsure whether the use of fixed term tenancies had been effective;
- Between 5 and 10% of tenancies were not renewed at the end of the fixed term.

If a non-renewal rate of 10% is applied to the Runnymede Borough, based on an average of 301 lettings a year across all social housing stock this would result in an additional 30 lettings a year.

Links with RBC strategies and policies

Corporate Business Plan

The plan sets out the following priorities that need to be considered in the development of the Tenancy Strategy:

- To continue managing, maintaining and developing the Council's housing stock;

- Continue working with the private sector to provide improved and additional housing, including affordable and key worker housing;
- To continue supporting and improving the quality of lives of our vulnerable/deprived residents;
- Develop joint working with the voluntary sector;
- Support the ambitions of our residents.

Housing Strategy and Homelessness Strategy

We acknowledge that our existing housing strategy is out of date but regardless we still continue to address the following priorities:

- Maintain the decent homes standard for the social housing stock and work with tenants to continually improve our estates;
- Enable 600 units of new affordable housing to be provided in the Borough over five years;
- Work with health and welfare organisations, the voluntary sector, private landlords and others to reduce homelessness and to achieve shared priorities;
- Encourage the better use of existing stock by reducing empty homes and providing incentives to people to downsize from family accommodation.

This tenancy strategy is also in line with the emerging Homelessness Strategy and will feed into the Council's new Tenancy Policy.



3.0 Tenure Options

Social and Affordable Rents

Social housing tenancies can be let on either social rents (set through the national rent regime) or affordable rents. Consistent with Government Rent Guidance, social rented property let by providers will continue to be let on a social rent basis, including on relet, unless converted to affordable rent. The same applies if a RP sells their social rented stock to another provider.

Affordable rented housing has the same characteristics as housing let on social rents but it is outside the national rent regime although subject to other rent controls that require it to be offered to eligible households at a rent up to 80% of gross local market rent. RPs can charge affordable rent on new build properties where they have entered into agreement with the Homes and Communities Agency through the Affordable Homes Programme. RPs operating under the Affordable Homes Programme also have the flexibility to convert existing social rent properties, at re-let, to affordable rents.

The use of flexible tenancies and the differing methods of charging rent for social housing means that within the Borough we will have a complex range of secure and assured, lifetime and flexible tenancies, on either affordable or social rents. All secure tenancies within the Council's stock will remain on social rents, as will the majority of flexible

tenancies. Only the Council's new build properties will be let on affordable rents.

CORE data shows that 32% of general needs lettings by RPs in the Borough in 2015/16 were let on affordable rent, and in 2016/2017 this figure was 3.5%.

Despite the fact that affordable rents are lower than market rents, the cost can still be problematic for some low income households given that they are approximately 45% to 60% more expensive than social rents depending on the size of the property.

We will actively work with households, particularly those who are homeless or threatened with homelessness, to ensure they are making changes to effectively manage their household budgets and/or are prepared for meeting rent in advance or ongoing rent payments when they achieve a housing solution. Whilst we accept that RPs may wish to undertake their own affordability checks when households are nominated, the affordability assessments completed by the council should be accepted as reliable and we anticipate cooperation in accepting nominations.

Given high rent levels in the area and the recommended percentages for the amount of household income deemed affordable to spend on housing, for some low income working households only social rents are truly affordable, we therefore need to retain the supply of housing at social rents in the Borough. RPs should retain their stock let at social rents in favour of applying to convert rents upon re-letting. Our view is that RPs should retain a minimum of 50% of relets at social



rents across the Borough, covering a range of property types and sizes. Whilst we do not expect providers to consult with us on each conversion, we would encourage providers to work in partnership with us to agree their approach.

Disposals

With ongoing pressures on the demand for social housing we would ask that RPs consult with us about the future use and potential options if they are planning on disposing of any of their properties. We would support any disposal and redevelopment in line with our development strategy.

Fixed Term Tenancy Provision

Flexible tenancies are the same as fixed term tenancies; they offer a tenancy for a fixed period of time. At the end of the fixed term the landlord needs to have a procedure for review, renewal or termination of the fixed term tenancy.

Central government's view on the use of flexible tenancies is that:

- Social housing is a scarce resource that should be focused on those who need it most, for as long as they need it;
- Local authorities should decide what form of tenure best meets the needs of local people;
- Social housing should be springboard to a better life and aid the tenants journey towards other tenures.

As an authority our use of flexible tenancies has been concentrated on:

- Making best use of stock within the Borough;
- Managing underoccupation;
- Addressing antisocial behaviour;
- Ensuring the changing needs of households are addressed.

Our view is that tenants should be encouraged to pro-actively manage their finances and prepare to move into other tenures as their situation allows, but to have access to support and opportunities to remain in social housing when needed, including upsizing and downsizing to reflect the needs of the household.

With the SMHA in mind, the average number of social housing lettings achieved each year, difficulties with downsizing and the continued concerns about welfare reform, it is appropriate that RPs continue to offer fixed term tenancies across the Borough. Where providers are not currently offering fixed term tenancies they should review their policies and unless there are sound business reasons or particular risks or ethical reasons for the client group they deal with, they should start to offer fixed term tenancies.

At the end of a fixed term tenancy a review must be undertaken, which may result in one of the follow outcomes:

- Grant of a further fixed term tenancy at the same property;



- Grant of a further fixed term tenancy at an alternative property that better suits the household's needs;
- End of the tenancy with no further grant of a tenancy due to significant changes in the household's circumstances;
- Support to access a new home if the tenancy will not be renewed.

The ability to undertake reviews and manage outcomes allows providers to make best use of stock and this remains the highest priority. At the end of a fixed term tenancy we may be able to help tenants with the financial resources to achieve home ownership; given the economic stability of the Borough and the jobs market, it is highly feasible that this can be achieved for some tenants. For other tenants there may be the opportunity to move into the private rented sector or take up shared ownership.

However, the balance needs to be struck against the resources required to undertake flexible tenancy reviews and the gain. The duration of fixed term tenancies being offered will have an impact on the frequency and number of reviews. RPs in the Borough will need to make decisions about the way they implement the recommendations in this strategy, the level of resources they are able to commit to fixed term tenancy reviews and potential outcomes. It is too early days in the fixed term tenancy regime to say, given the figures available across the Borough, how many properties will be returned at the end of a fixed term and the number of legal challenges there will be against decisions not to renew etc.

To encourage best use of stock, ensure affordability and therefore sustainability for certain categories of tenant, and to manage demands on certain types of accommodation in the Borough the Council proposes the use of fixed term tenancies in the following ways:

Two year fixed term tenancies

- Single households under 35 years of age, except where there are evidenced disabilities requiring adaptations;
- Households with evidenced histories of anti-social behaviour within the last five years;
- Households with evidence of poor rent payment history within the last five years;
- Households with children over 18 years old still in education, employment or training.

Five year fixed term tenancies

- Households moving into two bedroom general needs properties;
- Households moving into one bedroom general needs properties, except where the tenant is under 35 or there is evidence of long term disabilities requiring adaptations.

Ten year fixed term tenancies

- Households with children under 9 years of age to allow for those children to complete full-time education or an



apprenticeship in line with government expectations (except where moving into a two bedroom property);

- Tenants with disabilities or support needs that are long term including those requiring adaptations;
- New tenants moving into IRL properties;
- All other households.

Where an existing lifetime tenant has agreed to downsize, the longest term tenancy available should be offered so as not to disincentivise downsizing. This will need to be reflected in tenancy policies and should be considered in line with other incentives and the extent to which households are downsizing. Providers must pay regard to the pressures that already exist for two bedroom properties and the impact that downsizing may create for this type of property.

It is acknowledged that the decision to use fixed term tenancies and to what extent, lies with RPs in the Borough. Providers should consult with their tenants on their own tenancy policies and should:

- Keep the use of fixed term tenancies under regular review to ensure best use of stock;
- Assess and record any detrimental impacts on the stability of communities from the use of flexible tenancies.

Specialist Housing

We understand that rents for certain types of supported or specialist housing are outside the Governments Rent Standard. We also appreciate that the opportunities for

providing a range of tenancies to suit needs and demand is more limiting for providers of specialist housing as both the demands of individuals and the nature of accommodation provision will determine the type and length of tenancy offered. We therefore fully anticipate that providers of such accommodation in the Borough may operate outside of the requirements of this strategy.

Independent Retirement Living

Analysis shows that there is relatively low demand for IRL in the borough compared to our general needs stock. However, we also know that the Borough's population has an ageing profile and this will need managing over time in terms of access to suitable housing.

Evidence from the Economic and Social Research Council shows that fixed term tenancies can be a source of distress for older households. In addition our consultation with residents groups, who are generally more representative of the older population, suggests that older residents need security and stability in retirement.

To achieve a balance we recommend that ten year flexible tenancies are offered to households moving into this type of accommodation.

Adaptations

In order to make the best use of adapted or specially designed stock consideration should be given to offering a tenancy of less than ten years where there is a likelihood that



there is only a short term need for such specialist housing, although the minimum term must be for two years. Where a potential tenant has a lifelong condition or long-term needs then it would be appropriate to offer a longer fixed term tenancy of ten years.

Where lifetime tenants require adaptations to remain in their homes and where the same tenants are underoccupying their home, we would encourage providers to engage their tenants in discussions about downsizing to more suitable accommodation before proceedings with adaptations.

Successions

Due to the high demand for social housing in the Borough we do not support schemes for non-statutory succession to social housing tenancies. Succession rights are set out in the Housing Act 1985, Housing Act 1988 and Localism Act 2011, according to the type of tenancy and start date for that tenancy. To ensure best use of stock and that stock is let to those in the greatest need, those households found to be non-successors must be referred to the council for a full housing options appraisal to determine their ability to fulfil their housing requirements through the private market or any potential priority they may have through our Housing Allocations Scheme.

Following the Localism Act tenancies awarded after April 2012 only provide succession rights to spouses; this includes tenancies awarded to downsizers moving after April 2012 even if they were lifetime tenants pre-localism. This may disincentivise downsizing for long standing lifetime tenants, in

these circumstances it may be appropriate to consider whether tenancy or succession policies should grant additional succession rights to lifetime tenants opting to downsize to one bedroom properties to ensure downsizing opportunities can continue to be realised. We would not recommend granting additional rights to households downsizing to two bedroom properties due to the high demand in the borough for this size of property.

Section 106 Planning Obligations and Partnership Working

The Runnymede Local Plan recently submitted to the Secretary of State for examination includes Policy SL20 for the delivery of affordable housing in new residential developments. Policy SL20 requires 35% of housing units on development schemes of 11 or more dwellings to be affordable with tenure split 80% social/affordable rent and 20% as other forms.

To secure delivery of affordable housing in new development the Council will enter into planning obligations under S106 of the Planning Act 1990 (as amended) with the developer which will set out the type, size and tenure of dwellings secured as affordable. In securing affordable housing the Council will apply or negotiate with RPs, the type of tenancies for each affordable dwelling based on this Tenancy Strategy.

The Council are investigating the potential of working in closer partnership with Registered Providers on the allocation of section 106 sites. Our aspirations are that the Council and providers coordinate practices to produce properties and



tenancies that meet local housing need. This would include working in a more cohesive way on the issue of fixed term tenancy provision and affordability. We will be working and engaging partners on this matter over the lifetime of this strategy.



4.0 Tenancy Sustainment and Affordability

Tenancy Sustainment

The Council are looking at early intervention options to ensure households are 'tenancy ready' regardless of whether they are housed in a council property, with another RP or in the private sector. Pre-tenancy training is something we are looking to aspire to provide to help tenants sustain their tenancy from the outset. The training will include guidance on preparing a budget, paying rent in advance, household management and presentation to letting agents. This will be beneficial to all tenants but particularly so for younger, inexperienced tenants. These skills will also assist residents if their circumstances change and they are ready to move into other tenures.

Throughout the life of a tenancy providers should be offering basic tenancy sustainment services to help vulnerable tenants or those tenants just struggling to cope with the management of their tenancy. Sustainment services should include:

- Income maximisation;
- Use of benefit and better-off calculators;
- Budgeting advice;
- Negotiating with lenders on behalf of a tenant;
- Application for charitable assistance;
- Digital inclusion;
- Referral to debt management agencies;

- Referral to other support agencies such as Family Support Programme or Children's Centres.

RPs must consider limitations on providing financial advice to tenants due to Financial Services Authority regulations.

In preparation for the end of flexible tenancies, periodic reviews of circumstances should be undertaken. This will ensure that tenants are:

- Making progress to improve their circumstances throughout the period of the tenancy;
- Managing their tenancy without issues;
- Preparing for the review process at the end of the tenancy.

Tenancy support for UC claimants is under significant pressure and demand for such support is likely to increase as the full roll out takes place during autumn 2018, thereafter it is likely there will be a peak in demand for tenancy sustainment. To help providers cope and manage they should be:

- Developing links with local job centres and work coaches;
- Making their tenants aware of resources to help with the transition such as Personal Budgeting Support available through the Council with referrals via the Job Centre;
- Online resources such as the Money Manager for Universal Credit Claimants.



As demand for tenancy sustainment is likely to increase, providers should be encouraged to risk manage and prioritise cases. However, should a tenancy ultimately fail, even with the provision of sustainment, then early referral to the Council for housing options advice is essential. Providers are encouraged to set up protocols with the Council for making referrals for advice.

End of fixed term tenancy support

During a flexible tenancy providers need to support tenants with:

- Financial planning;
- Money management;
- Signposting to support agencies;
- Periodic reviews to monitor changes in circumstances.

At the end of the fixed term Registered Providers are expected to have a clear and transparent review process for fixed term tenancies, which is understood by the tenant from the outset of their tenancy.

We recommend that it is generally not appropriate to renew flexible tenancies in the following circumstances (other circumstances may also apply, this list is not exhaustive):

- The property is adapted and no one at the property requires the adaptations;
- The property is underoccupied or overcrowded

- The financial circumstances of the households have changed and housing needs can be satisfied through other tenures;
- The tenant's behaviour during the fixed term has been unacceptable to the extent that they would not be accepted onto the housing register, including fraud and antisocial behaviour;
- The tenant or their advocate has not engaged in the review process;
- The tenant comes into legal ownership of another home or property.

RPs should provide support to residents should their flexible tenancy not be renewed. This should include:

- Signposting them to alternative tenures;
- Providing financial advice;
- Affordability assessments;
- General support with relocation;
- Adequate time to seek alternative housing;

The review process must be completed at least six months before the tenancy is due to end and if appropriate RPs should offer short term extensions whilst alternative housing is being sourced.

In considering the affordability of other tenures at the end of the fixed term the SHMA recommends that a threshold of 35% of income spent on housing costs would be reasonable and affordable. This should be considered in line with the income criteria for disqualifying persons from our housing register, with financial limits set at £30,000 pa for single households



and £50,000 pa for family households. However, full affordability assessments should be undertaken in all circumstances, assessing the merits of each case but taking into account these guidelines.

Providers should also be agreeing protocols with the Council for referring those tenants whose flexible tenancies are not being renewed, so we can offer housing advice in a timely way and offer a Personal Housing Plan where appropriate.

Regard needs to be given to households with protected characteristics, particularly on decisions not to renew tenancies for such households. Providers need to maintain records on the impact of fixed term tenancies on households with protected characteristics to ensure there are no negative impacts.



5.0 Review, Monitoring & Equality

This strategy is intended to provide guidance to RPs for the period 2018 to 2020 and will be reviewed thereafter. Whilst this is a short time frame it is essential to enable us to continue to respond to political, legislative, economic and social needs, including any changes as a result of the 2018 Housing Green Paper.

Registered Providers should review and update their tenancy policies in light of this new strategy. Providers should be mindful of their duties under the Equality Act 2010, ensuring that Equality Impact Assessments are undertaken on their own tenancy policies. Providers should also continue to monitor the impacts of those policies on their tenants, stock and communities, ensuring that households with protected characteristics are not discriminated against.

Of particular interest in the next period will be:

- The outcomes of a growing number of fixed term tenancy reviews as the first wave of fixed term tenancies come to an end;
- The percentage of properties available for re-letting following fixed term tenancy reviews;
- The number of appeals and challenges;
- Impact on legal costs associated with the end of fixed term tenancies;
- Impacts on homeless applications.

An Equality Impact Assessment has been completed on this strategy to ensure protected characteristics have been considered and that there are no negative impacts.

