

FAREHAM
BOROUGH COUNCIL

**Fareham's Draft
Tenancy Strategy
2013-2018**

1. Introduction to Strategy - Legal Requirements

The Localism Act 2011 introduced a new legal requirement for all Local Housing Authorities in England to prepare and publish a Tenancy Strategy.

The Tenancy Strategy must set out the matters to which the registered providers of social housing in its district are to have regard in formulating policies relating to:-

- a) the kinds of tenancies they grant;
- b) the circumstances in which they will grant a tenancy of a particular kind;
- c) where they grant tenancies for a term certain, the lengths of the terms, and;
- d) the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

In developing a 'Tenancy Strategy' the Council must review its position in granting 'lifetime tenancies' with rights of succession and consider the introduction of 'flexible tenancies'. The development of a Tenancy Policy will assist in clarifying the Council's approach to the granting of tenancies.

The Localism Act enables registered social housing providers such as the Council to grant a 'Flexible/Fixed Term Tenancy' under section 107A of the Housing Act 1985. For the purposes of the Act, a 'Flexible Tenancy' is a secure tenancy if it is granted for a term certain of not less than two years.

It should be noted that the possible introduction of 'flexible tenancies' will apply to new tenancies only. Existing tenants on a secure tenancy and introductory tenancy will be unaffected.

2. Background

The Borough's housing market has a high proportion of owner occupied homes (86.1%) which is the highest in the region and fourth highest in the country. In contrast, the proportion of social and private rented housing is very low, with 5.0% renting from the Council and 2.5% from a housing association. Private sector rented housing accounts for only 3.7%, the lowest in Hampshire. Therefore the availability of affordable housing options for local people is very limited.

The Council has produced this Tenancy Strategy to provide an overarching approach to how we would want to see all Registered Providers (RPs), including the Council as a landlord, to make the best use of affordable housing in the Borough.

It is important to note that RPs must 'have regard to' the Council's Tenancy Strategy in developing their own tenancy policies. RPs will have already entered into their contracts with the Homes and Communities Agency (HCA) for the development of new affordable rent homes, meaning they may already have their own Tenancy policies in place. However, the Council hopes that RPs in Fareham will now have to review their own tenancy policies after the publication of this Strategy to ensure that, wherever possible, their policies work to complement the aims of the Council's Tenancy Strategy.

3. Aims

The Tenancy Strategy is intended to provide broad guidance to all providers of social housing including FBC operating in the Borough of Fareham, informing their policies and practices to produce lettings for housing applicants that meet local housing need. It will do this by:

- a) Enabling the best use of affordable housing across the Borough through greater tenancy flexibility, whilst maintaining a reasonable level of security of tenure for tenants;
- b) Providing broad guidance and direction to all RPs regarding their use of flexible tenancies;
- c) Indicating to current and prospective tenants, what they can expect from the tenancies offered by the Council and RPs operating in the Borough;
- d) Supporting the development and continuation of sustainable mixed communities, and;
- e) Addressing issues of affordability by seeking to maximize the availability of social rented properties and accepting the need for Affordable Rent properties only as a means of securing additional affordable rented homes.

4. Strategic Links

This Tenancy Strategy will need to be considered alongside the Council's:-

- a) Nomination's Policy - (New Policy in place April 2013);
- b) Homelessness Strategy - (reviewed in 2012 with major update planned for 2013);
- c) Housing Strategy - 2010 - 2015; and
- d) Tenancy Policy - (New Policy in place April 2013)

5. Granting of Tenancies

The Council will always look to make best use of its stock by the continued allocation of properties in accordance with its Allocation Policy. It expects that RPs will manage their stock in the same way to ensure that tenants are housed in accordance with their housing need into appropriate properties.

The Council supports the continued use of secure (lifetime) tenancies in the following circumstances:

- a) Where the housing applicant currently holds a secure tenancy (Council) or an assured tenancy (Housing Association);*
- b) Where the housing applicant is granted a tenancy of sheltered accommodation (subject to the applicant meeting minimum support/care needs and age criteria in accordance with the Council's Allocation Policy and the satisfactory conduct of the applicant's introductory tenancy);*
- c) Where the housing applicant is granted a tenancy of one bedroom general purpose accommodation (subject to the satisfactory conduct of the applicant's Introductory Tenancy);*

The use of Introductory Tenancies is seen as an important housing management tool and will continue to be granted to all new tenants of the Council.

In addition the Council will support the use of flexible (fixed term) tenancies for new tenants to ensure best use and maximum flexibility of family sized accommodation (2 beds and larger).

Further details on the granting of tenancies are set out in the Council's Tenancy Policy which is to be published in 2013.

6. Length of Tenancy

The Council will expect to see flexible tenancies granted for a minimum of 5 years to give security to the tenants and to ensure a stable community.

7. Review of Flexible (Fixed Term) Tenancies

The Council anticipates that, where (flexible) fixed term tenancies are used, most RPs will wish to include criteria relating to housing need amongst those matters which they will consider when deciding whether to 'renew' a tenancy. Similarly, the Council would expect them to consider using criteria intended to increase their ability to make best use of stock.

8. Supporting Mixed and Balanced Communities

The Council is committed through its Housing and Planning policies to try and create mixed and balanced communities. This has been achieved through robust planning policies to maximise the amount of affordable housing achieved on new housing developments. In addition on larger schemes, or where there are already high concentrations of existing social housing, the Council may be willing to consider the use of Local Lettings policies.

9. Rent levels under the Affordable Rent regime

The affordable rent model is intended to enable registered providers to secure additional financial capacity for the provision of new homes. While initiatives aimed at increasing the supply of affordable housing are welcome, the council will work with registered providers to ensure that rents are kept affordable for households in housing need.

The rents (including any service and management charges) of affordable rent properties (both new and conversions) should be as affordable having regard to local factors such as market rents and Local Housing Allowance (LHA) rates. As LHA levels will continue to limit the amount of Housing Benefits available to households, RP's should use the LHA rates as an upper cap in the setting of affordable rent levels.

10. Background Summary of Fareham's Affordable Housing Stock and Housing Needs as at November 2012

The Council has a stock of 2,370 general purpose and sheltered properties across the Borough and in addition there are 1,115 Housing Association properties, a combined total of 3,485 affordable homes:-

Combined FBC & HA Affordable Housing Stock	Flats/Maisonettes			Houses			Bungalows		Total	
	Bedsit	1 Bed	2 Bed	3 Bed	1-2 Bed	3 Bed	4-5 Bed	1 Bed		2-3 Bed
Portchester	0	73	145	2	30	135	6	4	15	410
North Fareham	38	123	243	0	91	271	15	0	7	788
South Fareham	47	146	210	0	18	186	10	37	1	655
Stubbington	0	25	12	3	42	76	3	17	2	180
Titchfield	11	14	41	1	46	115	10	30	0	268
Warsash	0	3	35	0	16	76	7	11	0	148
Locks Heath/Park Gate	0	56	80	0	62	80	5	3	1	287

Sarisbury	0	0	20	0	22	44	0	0	0	86
Out of Area	0	6	18	0	0	10	0	0	0	34
FBC Sheltered Stock	46	532	1	0	0	0	0	47	3	629
Total	142	978	805	6	327	993	56	149	29	3485

Sheltered Housing:

The Council is the main provider of sheltered housing in the Borough and owns 629 sheltered properties. Following a Review of the Sheltered Housing stock Collingwood House in Fareham North West will be redeveloped and a new 40 unit scheme will be completed in 2014.

The Council works closely with the following RPs who are the main landlords with housing stock in the Borough. These are also the main providers of new affordable housing in the Borough:-

- **First Wessex;**
- **Radian;**
- **Sovereign;**

As at the 31st March 2012 there were **2,176** households on the Fareham Borough Council Housing Waiting List, compared to **1,874** the previous year.

In total the following lettings were made to all affordable housing in the Borough in 2011/12 which includes the 122 RP vacancies:-

Total Lettings 01/04/11 - 31/03/12	General Purpose					Sheltered			Total
	Bedsit	1 Bed	2 Bed	3 Bed	4 Bed	Bedsit	1 Bed	2 Bed	All
Portchester	0	3	13	5	0	3	8	0	32
North Fareham	2	8	15	11	0	2	7	0	45
South Fareham	4	10	30	9	1	0	10	0	64
Stubbington	0	2	3	13	0	4	8	0	30
Titchfield	2	4	6	18	5	0	13	0	48
Warsash	0	1	0	3	0	0	3	0	7
Locks Heath	0	0	3	0	0	6	4	0	13
Park Gate	0	0	10	1	0	1	5	0	17
Sarisbury	0	7	5	2	0	0	0	0	14

Whiteley	0	0	2	2	0	0	0	0	4
Total:	8	35	87	64	6	16	58	0	274

11. Review of Strategy

The Council plans to review the strategy in 2017-18 with a view to publishing a new strategy in 2018. However should a need arise that prompts a review before this time then this will be carried out through the usual consultation and decision making process.