



COUNCILLOR GEORGE
DAVIES

CABINET

Monday, 3 OCTOBER 2016

APPROVAL OF LIVERPOOL CITY
REGION TENANCY STRATEGY

Councillor George Davies, Cabinet Member - Housing and Community Safety (and Deputy Leader of the Council), said:

“A key pledge in our Wirral Plan is to ensure ‘good quality housing’ for Wirral residents. A fundamental element of this is doing all we can to enable people to access affordable, high-quality social housing.

“This Liverpool City Region Tenancy Strategy helps us towards our goal, working in partnership with our neighbours throughout the region to create a social housing market which meets the needs of our communities.

REPORT SUMMARY

The Localism Act 2011 gave new flexibilities and powers to Registered Providers of social housing, including the option to use flexible tenancies. Registered Providers were given the ability to offer different kinds of tenancies to respond to the particular needs of their communities, ensuring social housing is focused on those who are in genuine need. The Localism Act also placed a duty on all Local Authorities to publish a Tenancy Strategy setting out how they would like Registered Providers to make use of these flexibilities.

In 2013 Wirral Council produced a Tenancy Strategy which was approved by Cabinet. As all Liverpool City Region local authorities were due to review their Strategies in 2016 and many Registered Providers operate across more than one local authority, it was agreed to produce a single Strategy for the whole sub-region.

RECOMMENDATION/S

Cabinet is requested to:

Approve the Liverpool City Region Tenancy Strategy 2016 - 2019 set out at Appendix One to this report, subject to the unanimous agreement of each Liverpool City Region Local Authority through their corresponding approval processes.

It is also recommended that should any minor amendments be required to the Strategy as a result of these approval processes, the Cabinet Member for Housing & Community Safety is given delegated authority to approve these amendments on behalf of Wirral Council. It is intended, subject to approval, that the LCR Tenancy Strategy 2016-2019 will replace the existing Tenancy Strategy for Wirral.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 Wirral Council is required to have a Tenancy Strategy under the Localism Act 2011 and as such Cabinet approved the Council's first Tenancy Strategy in June 2013. There is a need to regularly review the Strategy and as all Liverpool City Region local authorities were ready to review their strategies at the same time, it was agreed to produce a single Tenancy Strategy for the sub-region. Registered Providers of social housing (RPs) are required to have regard to local authority Tenancy Strategies when producing their Tenancy Policies and as many RPs have housing stock in more than one local authority, it is sensible to reduce the number of Strategies they need to refer to.
- 1.2 The Strategy has been informed and developed through consultation with all Liverpool City Region local authorities, the Sub-Regional Property Pool Plus Steering Group, all RPs with stock in the Liverpool City Region. In addition an open public consultation took place in July 2016.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 It is a statutory duty for local authorities to publish a Tenancy Strategy. Wirral Council considered refreshing the existing strategy however as many RPs have housing stock across the Liverpool City Region and all Liverpool City Region local authorities were in the same position of needing to refresh their own strategies, it made sense to develop a single Strategy for the City Region.

3.0 BACKGROUND INFORMATION

- 3.1 The Localism Act 2011 gave new flexibilities and powers to Registered Providers of social housing, including the option to use flexible tenancies. Registered Providers were given the ability to offer different kinds of tenancies to respond to the particular needs of their communities to ensure that social housing is focussed on providing homes for those in genuine need. The Localism Act placed a duty on all Local Authorities to publish a Tenancy Strategy setting out how they would like Registered Providers to make use of these flexibilities to respond to local needs.
- 3.2 Local Authorities within the Liverpool City Region individually published their first Tenancy Strategies during 2012 and 2013 with all due to be reviewed during 2016. Given the similarities between the existing strategies, the City Region Local Authorities agreed to collaborate and produce one joint Tenancy Strategy, particularly as there are currently over 100 Registered Providers managing in excess of 150,000 properties within the City Region, many of which operate across Local Authority boundaries. As such, the adoption of a joint Tenancy Strategy will be beneficial as it will provide a consistent approach to help support Registered Providers in preparing their Tenancy Policies.
- 3.3 Registered Providers are expected to have due regard to the principles set out in Local Authorities Tenancy Strategies when formulating policies that govern how they will implement and utilise fixed-term tenancies and it is important that they are able to

follow a consistent set of principles, which one Liverpool City Region Tenancy Strategy will provide.

CONSULTATION

- 3.4 The Consultation process was focussed on a survey in May 2014 with Registered Providers operating within the City Region. Analysis identified that, of those that responded to the survey, four Providers had issued a total of 63 fixed-term tenancies since 2012. The reasons for their use include:
- The Mortgage Rescue scheme;
 - An empty homes initiative;
 - Maximising income for new developments;
 - Supporting tenancy sustainment;
 - Ensuing efficient use of adapted properties for disabled people;
 - Preventing under-occupation of large family homes;
 - Certain property types were identified to be in short supply;
 - Certain properties were in high demand areas.
- 3.5 Of the 63 fixed-term tenancies issued 62% were in Sefton, 24% in Wirral, 13% in Liverpool and 2% in Halton. Fixed term tenancies have not been used in Knowsley or St Helens. During this period 70,000 new tenancies have been issued across the City Region therefore 63 fixed-term tenancies as a proportion is below 0.1% of total. This is in line with national trends, where the use of fixed-term tenancies remains low.
- 3.6 Clearly the use of fixed-term tenancies can have some benefits which may be attractive to some Local Authorities particularly in the South of England where demand is higher. For example they can assist in helping to release larger properties when a family no longer needs that size of property. At present however, this type of issue is not evident in the City Region to the same extent. This may change overtime, however for the time being there are only three Registered Providers who have confirmed that they would definitely use such tenancies in the future.
- 3.7 The proposed Liverpool City Region Tenancy Strategy was made available to stakeholders via an online questionnaire in July 2016, and the responses received demonstrated strong support for the overall approach of the Strategy. Consultation questions focussed on the accuracy of the content, the presumption in favour of lifetime tenancies, situations where fixed-term tenancies are unsuitable, the length and renewal of fixed-term tenancies, missing information or evidence and the adequacy of the Strategy in light of continuing reform of the welfare system by Government. Detailed feedback was provided by consultees to some questions and the Strategy was duly amended, particularly around the tenancy types used by RPs, the reasons for the use of fixed-term tenancies and the nature of the proposed annual review.

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- 3.8 The proposed Liverpool City Region Tenancy Strategy builds on the existing Local Authority Strategies by maintaining a presumption in favour of lifetime tenancies. Social housing is often located in some of the more deprived parts of the City Region, and reducing security of tenure in these areas is likely to impact on the longer-term aspiration of creating sustainable communities. The proposed Strategy also

recognises that there may be circumstances where the use of fixed-term tenancies will provide an opportunity for Registered Providers to make best use of their housing stock. It sets out the criteria Registered Providers should consider in determining the appropriate form of tenancy for tenants and the situations where the use of fixed-term tenancies will not be suitable. The proposed Strategy retains the expectation that fixed-term tenancies will normally be granted for a minimum of five years.

- 3.9 A detailed analysis of housing market trends across the City Region has been undertaken, with a summary provided as an appendix to the Strategy. This identifies that demand for social and affordable housing continues to be high across the City Region. However, taking this into account along with the impact of recent Government welfare and housing reforms it does not identify any trends which would prompt a change of policy direction from that of the existing Tenancy Strategies.

DECISION-MAKING PROCESS

- 3.10 The Strategy received agreement from the Liverpool City Region Housing and Spatial Planning Co-ordination Group in August and was recommended for approval by the Housing and Spatial Planning Board in September. The proposed Strategy will then be recommended for endorsement and adoption by each Liverpool City Region Local Authority through their own decision-making processes, with a view to launching the revised City Region Tenancy Strategy by the end of December 2016.
- 3.11 Subject to approval, the Strategy will be reviewed and an annual update will be reported to the Housing and Spatial Planning Co-ordination Group.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications.

5.0 LEGAL

- 5.1 The development of a Tenancy Strategy was a statutory requirement of the Localism Act 2011 and had to be published by 2013. The Act also states that a local housing authority must keep its Tenancy Strategy under review, and may modify or replace it from time to time.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no ICT, Staffing or Asset resource implications.

7.0 RELEVANT RISKS

- 7.1 The Tenancy Strategy needs to be clear about the issues which RPs should have regard to when setting their Tenancy Policies. This will lead to more balanced and sustainable communities and protect households that the local authority views as being vulnerable and more suited to lifetime tenancies.

8.0 ENGAGEMENT / CONSULTATION

- 8.1 The engagement and consultation process has been set out in full in sections 3.4 to 3.7.

9.0 EQUALITY IMPLICATIONS

9.1 The potential impact has been reviewed with regard to equality and the impact assessment can be found at:

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0>

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APPENDICES

Appendix One – Liverpool City Region Tenancy Strategy 2016 - 2019

REFERENCE MATERIAL

None.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
None.	