



# **Liverpool City Region Tenancy Strategy 2022 - 2025**

**Final Draft**

## Contents

Policy Summary .....	3
Policy .....	4
1. Introduction .....	4
2. National Context.....	5
6. Objectives .....	10
8. The Strategy.....	13
9. Tenancy Types.....	13
10. The Kind of Tenancies to be Granted in the City Region.....	14
11. Circumstances when Different Types of Tenancies will be Granted. ....	16
12. The Length of Term if Fixed-Term Tenancies are Used .....	17
13. Circumstances when Registered Providers will Grant Further Tenancy .....	18
14. Flexible Tenancies in Line with Homelessness and Rough Sleeping Strategies ...	21
15. Succession and Survivorship .....	21
16. The Tenant Standard .....	22
17. Guidance for Registered Providers in formulating Tenancy Policies .....	22
18. Affordable Rent.....	23
19. Complaints.....	24
20. Reviews of Fixed Term Tenancies .....	24
21. Monitoring.....	25
22. Equalities .....	25
23. Consultation.....	25
Appendices .....	26
Appendix A: Voluntary Right to Buy Estimates per Region .....	26
Appendix B: Liverpool City Region Tenure .....	27
Appendix C: Liverpool City Region Agreed Actions .....	32
Appendix D: The Flexibilities announced under the Localism Act 2011 .....	33
Appendix E: Changes to the National Policy Position and Legislative Framework .....	34
Appendix F: Glossary of Terms .....	35
Appendix G: Homelessness Service Contact Details .....	37
Appendix H: Equality Impact Assessment .....	38



## Policy Summary

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## Policy

### 1. Introduction

The Localism Act of 2011 introduced a requirement for Local Housing Authorities across England to prepare and publish a Tenancy Strategy. The legal purpose of a Tenancy Strategy is to help shape the tenancy policies of Registered Providers of affordable housing who operate within a Local Authority's district.

The Localism Act included new flexibilities and powers to Registered Providers of Social Housing and the option to use Flexible Tenancies. In accordance with the legal requirements, the Tenancy Strategy sets out the flexibilities, for which Registered Providers of Social Housing will have regard to when formulating Tenancy Policies in relation to:

- The kind of tenancies they grant
- The circumstances in which they grant different kinds of tenancies
- Where they grant Flexible Tenancies and the length of terms, **and**
- The circumstances in which they will grant a further tenancy on the termination of the existing tenancy

Each Local Authority within the City Region, individually published their first Tenancy Strategy during 2012. As part of a strategic approach, it was agreed to conduct a single review on a partnership basis, with the City Region Local Authorities, working together and produced a shared Tenancy Strategy for 2016-2019.

The revised 2022 Tenancy Strategy updated the context for using flexible tenancies. However the guidance setting out how they should be used within the City Region remained the same, and it was agreed that a full strategic review would be completed in 2021.

There are currently over 100 Registered Providers managing more than 150,000 properties across the Liverpool City Region, with many having a presence in multiple Local Authority areas. A shared Tenancy Strategy provides a consistent approach that will guide Registered Providers in preparing their Tenancy Policies. Registered Providers are expected to have due regard to the principles set out in this Tenancy Strategy when formulating the policies that will govern how they will implement and utilise fixed-term tenancies.

This updated strategy sets out the City Region's position for 2022 onwards. It provides the basis for action, also, giving a steer to Registered Providers who are legally required to 'have regard to' the Tenancy Strategy but are not bound by it when drawing up their own policies.

The City Region's Tenancy Strategy should be considered alongside each Local Authority`

- **The Housing Investment Strategy**
- **Housing Strategy**
- **The Homelessness and Rough Sleeping Strategy**
- **Property Pool Plus and Under one Roof Allocation Scheme rules**

All of which can be found on each of the individual City Region Local Authority websites. They provide greater detail in relation to the housing priorities of the City Region and the portfolio of its Registered Provider Partners, the housing need requirements and allocation/nomination arrangements.

## 2. National Context

There have been many changes in the national housing Landscape since the City Region joint Tenancy Strategy was published in 2016. The regulatory framework for social housing in England is made up of:

- **Regulatory Requirements** What registered providers of social housing need to comply with
- **Codes of Practice** A code of practice can amplify any economic standard to assist registered providers in understanding how compliance might be achieved
- **Regulatory Guidance** This provides further explanatory information on the regulatory requirements and includes how the regulator will carry out its role of regulating the requirements.

All legal requirements have been included within the Tenancy Strategy Review and will influence future procedural practice.

## 3. National Housing Strategy

The last National Housing Strategy published by the Government was *laying the Foundations: A Housing Strategy for England (2011)*. It set out a range of objectives for housing, including the Government's view on the role and future direction of the social housing sector:

**Social housing can improve people's life chances, providing support at a time when they need it, for as long as they need it. It also supports mixed sustainable communities and local economies. But the system is not working: waiting lists have grown excessively; social housing is used inefficiently; and many tenants are not provided with the right incentives to take up work.**

The Government introduced a programme of reform through the Localism Act 2011, which made changes to the way people accessed social housing, the types of tenancies that are provided and the way homeless duty is discharged.

Registered Providers were given the option to grant different kinds of tenancies to respond to the needs of their communities, in order to:

<b>Increase Mobility</b>	By encouraging tenants to move between properties and sectors as their housing needs change
<b>Ensure that social housing only used for those in Genuine Need</b>	By moving people earning a higher wage into other forms of tenure
<b>Target Social Housing so it meets the needs of the Community</b>	For example, by addressing the under-occupation of larger family accommodation; and
<b>Promote Localism</b>	Through local decision making at a Community Level

#### 4. Welfare Benefit Reform

Further reforms were introduced by the Welfare Reform and Work Act 2016, including the reduction in Social Housing rents by 1% per annum for four years from April 2016. These measures affected Registered Provider budgets and impacted on the overall number and level of investment in homes available for social and affordable rent. Since April 2020, social housing rents have been allowed to increase again by up to CPI+1%, which will hopefully improve the ability for Registered Providers to invest in new and existing stock.

Universal Credit is widely accepted as the most important social security reform for thirty years. It brings together most of the means-tested benefits and tax credits for people of working age and has dominated policy-making for five years. Universal Credit has been rolled across the whole of the United Kingdom and is now the primary state benefit.

There have also been a number of Universal Credit administrative issues for Social Landlords and their tenants to adapt, which include;

- Housing Benefit reductions for tenants of working age who are under-occupying their property.
- Extension of the shared room rate, applied to most single people under the age of 35
- Introduction of a benefit cap of £26,000 per year.
- Reduction in benefits when someone claiming benefit has another adult living with them, who is not their spouse or partner.
- A default position that tenants are responsible for paying their own rent from their monthly UC payment, differing from housing benefit which was usually paid directly to their landlord.
- Tenants now have an individual responsibility for reporting all changes directly to the Department of Working Pensions (DWP), including rent increases.

The impact of these requirements regarding affordability, rent arrears, or on social landlords' income collection, particularly following yearly rent increases, will be monitored.

In 2012 there was an overriding government view that social housing tenants should not benefit from greater tenancy security than tenants in the private sector, thereby, introducing the use of discretionary fixed-term tenancies for Social Housing Landlords.

In the summer 2015 Budget, the Government announced an extension of the Right to Buy scheme to Registered Provider tenants. The National Housing Federation (NHF) advocated for and subsequently agreed a voluntary arrangement with Registered Providers to receive compensation for the discount offered to the tenant.

The overall future impact of the introduction of the Right to Buy scheme for Registered Providers is not fully known at this stage, particularly on one of the main critical pillars of the original agreement: guaranteeing that there will be no overall loss of affordable housing, by ensuring that for every home sold another affordable home is built.

## 5. Voluntary Right to Buy

The **Housing and Planning Act 2016**, underpins this voluntary agreement with the NHF. An initial pilot was carried out in 2016, and a second pilot launched in the Midlands in summer 2018.

The **Voluntary Right to Buy** (VRTB) Midlands's pilot was launched across the East and West Midlands – giving Housing Association tenants the opportunity to apply to buy their home at a discount. There were 44 Housing Associations involved in the pilot, resulting in a total of 1,892 homes being sold or sales in the final stages of completion by 30 April 2020. The analysis suggests;

- **87%** of replacement homes would be rented homes
- **13%** being shared ownership homes
- It is unclear whether the housing associations surveyed were planning to replace only **75%** of homes sold (which might happen if the sales receipts are insufficient to fund the costs of building new homes,
- *Rented housing being **58%** Affordable Rent and 42% social rented*
- RTB discounts increase annually in line with CPI, the maximum discount for the pilot was in line with the maximum for 2018/19.
- The current maximums (from April 2020) are £112,300 in London and £84,200 in the rest of England.

### Additionality

It is the government's intention that homes built to replace those sold under the VRTB should be additional to those that would have been built anyway. However, it is unclear on what is permitted or how to prove Additionality, with further work needed to consider;

- The extent to which Housing Associations are putting in their own resources in order to fund one for one replacements



- The extent to which S106 planning obligations are being used to provide effective cross-subsidy for replacement homes, which is allowable in exceptional circumstances if Additionality can be demonstrated.
- Whether Housing Associations build new homes, buy new homes or buy second-hand homes to replace those sold – buying homes is effective in replacing the number of social homes sold, but does not add to the total housing stock.

### Replacement homes

- *The receipts from sales may be insufficient to fully fund replacement stock, and most Housing Associations are likely to use some of their own resources on the replacement housing.*
- *While most Housing Associations in the pilot would prefer like for like replacement, the mix of homes is likely to include a mix of tenures (shared ownership, affordable rent and social rent).*
- *Most Housing Associations are looking to develop replacement properties themselves and planning to develop them in the pilot area, although land availability for sites is limited, and smaller associations who mostly cover urban or expensive areas may struggle to replace homes in their operational area.*
- Out of 305,718 properties included in the VRTB pilot, there were 188,989 eligible tenants.
- Had demand not been constrained, an estimated **2,884** would have purchased their home as part of the pilot. These purchasers would have represented:

**1.5% of eligible tenants**

**0.9% of all Housing Association tenants in the Midlands**

**Overall, the VRTB pilot cost Housing Associations an average of £20,685 per organisation in setup costs, and costs a total of £2,151 per sale. After deducting the £2,000 administration fee reimbursed by MHCLG, this administrative cost falls to £151 per sale.**

### Challenges

Operationally, portability has been one of the most challenging aspects of the VRTB for Housing Associations. The scale at which most Housing Associations operate, means that it is often very hard to identify many (if any) suitable properties for applicants to move to. Fundamentally, the majority of tenants applying for the VRTB want to buy their current home and are not willing to take the discount to another property. This suggests that motivation for many to apply for the VRTB comes most of all from a desire to own their current home, rather than a desire for a discount, or a more affordable route to homeownership.

One for one replacement homes sold is also a challenging aspect of the VRTB. Homes sold in the pilot had an average market value of £137,271. Even if the build costs of new homes are lower than the market price, the total costs of building replacement homes is likely to be close to the market value of these homes. The expected market price will be reflected in the price that Housing Associations will have to pay for land with (or likely to obtain) planning permission for housing. The gap between these prices highlights the extent of the challenge in obtaining one for one replacements overall.

The analysis of the value for money of the VRTB shows that the main financial costs of the VRTB are costs covered by Ministry of Housing Communities and Local Government, in reimbursing Housing Associations the value of the discount. The main financial beneficiaries are the buyers, and those who inherit from them. In economic terms, the discounts are a transfer, so the Net Profit Social Value of the pilot over 10 years is positive, with a Benefit Costs Ratio of 1.28%. Economic benefits from land value uplift arising from the replacement homes that are built, form a major part of this, and the value of the additional homes.

### **Benefits to People Moving into Social Housing**

Turnover rates in social housing are around 7.3% a year, which, means that existing tenants remain, on average for more than 10 years in their home. There is the potential for the VRTB to increase the number of available lettings available in the medium term. If the replacement home is built and available for letting after only 3 years, whereas, on average, the home sold would only have become available for letting after a longer period of time, then there will be an increase in available lettings.

**Non-public sector benefits: £212.5m**  
**Minus Non-public sector costs: £42.4m**  
**Divided by Net public sector costs: £120.0m**  
**Equals 1.42m**

This suggests that the VRTB gives a positive economic return of £1.42 for every £1 of public money spent, over a 10 year period of taking part. The VRTB pilot has operated successfully throughout the Midlands, resulting in all 44 large Housing Associations with stock having at least one sale.

Housing Associations overall felt well-supported by the government and the NHF in taking part in the pilot and felt that a lot of useful operational lessons were learned from the process

The report on the second pilot gives a clearer indication, with the propensity to buy calculated for each region, enabling estimates to be made to outline demand for a similar time limited VRTB scheme, where demand is not constrained. (See appendix 1)

The Homes England **Shared Ownership and Affordable Homes Programme 2016-2021**, made £4.74 billion of grant available nationally to deliver shared ownership homes via the Help to Buy scheme and rental homes through the Rent to Buy scheme which enables working households to rent a home at Intermediate Rent, providing an opportunity to save for a deposit to buy their first home.

It also focused on the provision of specialist homes for older, disabled and vulnerable people. Homes developed through this programme are now nearing completion and replaced by Homes England's Affordable Homes Programme 2021-2026, worth £7.39 billion over the five years, covering more of the same tenure types as under the 2016-2021 Programme. It is important to note the new Right to Shared Ownership, which will give the vast majority of tenants living in new rented homes funded and delivered through the

Affordable Homes Programme 2021-26, the opportunity to purchase a stake in their home and then purchase further shares when they can afford to do so, potentially leading to a further reduction in supply of RP housing for rent.

The Housing and Planning Act 2016, was enacted with the intention of phasing out the award of lifetime tenancies. Social Landlords were only to be offered fixed-term tenancies, with the proviso that landlords could offer tenancies up to the 19<sup>th</sup> birthday of the youngest occupant. This would have affected new and existing tenants who moved home (with a few exceptions) however, these provisions were not implemented and the National climate regarding Social Housing changed dramatically following the fire at Grenfell Tower in 2017.

In the Social Housing Green Paper – **A New Deal for Social Housing 2018**, the Government stated it would not implement compulsory fixed-term tenancies; however, within the Private Rented sector there have been moves to require landlords to offer longer tenancies and to remove “no fault” evictions.

The Social Housing White Paper – **The Charter for Social Housing Residents 2020**, sets out what every Social Housing resident should be able to expect in relation to safety, landlord performance, complaints, being treated with respect, having their voice heard, the quality of their home and neighbourhood, and access to home ownership.

The **Secure Tenancies (Victims of Domestic Abuse) Act 2018**, recognised that where a secure (lifetime) tenant was offered a new tenancy, when moving due to domestic abuse, they should retain their existing security of tenure and not be offered a fixed-term tenancy.

## 6. Objectives

This strategy will contribute towards the overarching objectives defined within the Liverpool City Region Housing Investment Strategy 2020. The Strategic Investment Priorities are:

Improve	The condition and energy efficiency of our existing housing stock through retrofit programmes with the priority being neighbourhoods with poorest quality housing stock or deprived as measured by indices of multiple deprivation
Diversify	Improve and redesign existing housing stock in areas of low demand
Make	The best use of empty homes or stock that is in low demand
Improve	The quality of neighbourhoods where data suggests market vulnerability through improving housing quality and choice

The Tenancy Strategy will place emphasis upon:

- **Provide smarter housing services**
- **Highly valued by our communities**
- **Delivered by people inspired to achieve**

All of these reforms and those that have recently been subject to consultation, will continue to be monitored to fully understand their impact on local housing markets and residents across the City Region. This will inform future changes to the Tenancy Strategy and enable service responses to remain appropriate and relevant to changing circumstances.

In addition to Government policy changes, the Covid-19 pandemic has placed additional pressures on demand for social housing, particularly as a result of the “Everyone In” campaign aimed at ensuring all rough sleepers had an offer of accommodation during the pandemic and also the lack of movement within both the private and rented housing sector.

The housing market has seen many changes, however, demand for accommodation remains high. Increased House prices are contributable to a substantial rise in private landlords selling their properties, which resulted in a rise in possession notices being served, placing additional pressure upon all housing providers

Buyer demand has increased at significant levels. At the same time, supply hit an all-time low. This has caused house prices to increase substantially throughout the past 12 months. The housing market is on course to have its busiest year since the financial crisis,

<b>UK average house prices</b>	Increased by 8.0% over the year to July 2021, down from 13.1% in June 2021.
<b>The average UK house price</b>	Was £256,000 in July 2021, which is £19,000 higher than this time last year, following the record high of £265,000 in June 2021.
<b>Average house prices</b>	Increased over the year in England to £271,000 (7%), in Wales to £188,000 (11.6%), in Scotland to £177,000 (14.6%) and in Northern Ireland to £153,000 (9.0%).

It will also become apparent whether the pandemic will continue to have an impact upon demand for social housing, due to rising levels of unemployment and the negative impact upon businesses. If it continues to rise, there will undoubtedly be increases in the number of households seeking social housing and support services.

**The objective aim of the Tenancy Strategy is to contribute to the continuation of mixed and balanced communities and prevent unnecessary upheaval.**

## 7. City Region Context

The City Region has a population of 1.5million people and an economy worth over £20 billion. It benefits from an internationally recognised city, major employment sites and significant global companies, as well as leading Universities and research institutions. The City Region Combined Authority was established in April 2014 to lead on strategic decision making, with a vision for the City Region to be:

**A globally connected City Region delivering sustainable growth, opportunity and prosperity for people and businesses**

A devolution Agreement between the Government and Leaders of the City Region was approved in November 2015, to devolve powers and responsibilities to the City Region Combined Authority and for a new directly elected mayor for the Liverpool City Region.

The directly elected mayor acts as a Chair to the City Region Combined Authority and exercises powers and functions devolved from Central Government, including powers over strategic planning to help accelerate economic growth and new housing developments. Further devolution was agreed in March 2016, which included a commitment for the City Region to continue to work with Government or examine how national policies and finds can be best utilised to promote home ownership and housing supply in the context of the City Region's Housing Market. Projects to utilise devolved funds to take these aims forward are currently being developed and include the Brownfield Land Fund and Strategic Housing Infrastructure Land Fund.

The City Region Housing Strategy was first completed in 2007, and the current iteration is the Housing Investment Strategy 2020. The Strategic aim is to provide a framework for future housing investment to support regeneration and economic growth across the City Region.

Providing the right mix of affordable private and social rented homes is integral to attracting people to the City Region, retaining those residents who already live here and meeting the housing needs of older and vulnerable residents. The City Region Housing Investment Strategy is clear that having the right housing offer is key to the development of sustainable communities and crucial for the long-term growth of the City Region.

Rebalancing our housing offer also needs to include widening the range and quality of social housing provision to meet increasing need. Evidence shows that the City Region has need to social housing across all sizes but with a particular emphasis on 1-bed and larger 4-bed social rent homes. This supply and demand imbalance reflect several issues, not least the impact of welfare reform (and how this has influenced affordable housing programmes) and

demographic change. Addressing this imbalance is a key priority for us and will help meet wider objectives.

The City Region Local Authorities are keen to ensure that social housing continues to play a positive role in contributing to the social and economic position of the City Region as a whole. With the City Region Tenancy Strategy playing an important part in this, along with other key joint housing policies including the City Region Housing Allocation Policy which builds upon individual Local Authorities' strategies such as Homelessness and Rough Sleeper Strategies, Corporate Plans, Housing Strategies, all of which are informed by Strategic Housing Market Assessment (SHMA) which establishes the future need for different types of housing within their area. The City Region Tenancy Strategy has been developed within the context of these documents.

## 8. The Strategy

The City Region expects all Social Housing Providers to produce a Tenancy Policy, which addresses the strategic requirements detailed within the Liverpool City Region Tenancy Strategy.

The City Region Local Authorities welcome the flexibility for Registered Providers to determine the length of tenancy they will offer to new tenants. This provides the opportunity to encourage the best use of limited affordable housing stock. However, the City Region Local Authorities are keen to ensure that these flexibilities are applied in a manner that does not undermine social investment in communities, and ensures that the most vulnerable tenants are provided with the level of stability they require.

## 9. Tenancy Types

### Security of Tenure and "Lifetime Tenancies"

Long-term security was introduced for most social housing tenants by the Housing Act 1980. The Housing Act 1988 subsequently introduced the assured tenancy regime for Housing Associations. This regime has applied to most new housing association tenancies created since 15<sup>th</sup> January 1989.

The City Region's position on secure/assured tenancies, echoes that stated by the Government in 'A New Deal for Social Housing 2018' in the following extract:

*Many residents spoke about the benefits of security in their tenancies, saying that they created strong, supportive communities and particularly enabled people with vulnerabilities to thrive. Some felt that residents were more likely to look after their property, their neighbours, and the community if they had a lifetime tenancy. While some people thought it was right that residents should move out of social housing if they no longer needed it given the pressures on housing, many also had concerns about the uncertainty when fixed term tenancies came to an end and the impact this could have on their families and communities.*



The City Region Local Authorities recognise the immense and security that lifetime tenancies provide for residents and communities. Consultation when developing our first Tenancy Strategy in 2012 also found potential problems with implementing flexible tenancies in areas such as:

- Lengthy administration in reviewing tenancies when approaching the end of their term
- The risk of challenge to decisions to end a tenancy
- Greater risk of voids in between lets
- Residualisation of estates – Services to the area are underutilised and economically inefficient

The City Region position is therefore that secure or assured, lifetime tenancies are preferred in the majority of cases. We consider that these are most supportive of our vision for housing and supporting communities.

#### 10. The Kind of Tenancies to be Granted in the City Region

The tenancies that will be granted by Registered Providers within the City Region are:

**Introductory Tenancies:** Also known as “probationary” or “starter” tenancies. These are usually assured shorthold tenancies which can be offered to new tenants irrespective of whether the property is let at a social, affordable or intermediate rent. Introductory/Starter tenancies can only be used for new tenants. They cannot be used for tenants transferring from a secure Council tenancy or an assured Housing Association tenancy. Nor can they be used for a mutual exchange – where 2 existing tenancies undertake a house swap.

The introductory period normally lasts for twelve months and, provided there has been no breach of tenancy that would warrant eviction within that time, can be converted to an assured tenancy once the twelve months has elapsed. However, if the Registered Provider has reason to believe that the tenant has breached the tenancy agreement it can extend the introductory period beyond twelve months. Some of these lettings will be subject to Local Authority nominations in accordance with an agreement with the Registered Provider.

**Assured (“Lifetime”) Tenancies:** Registered Providers may continue to offer assured tenancies to transferring tenants, tenants converting from an introductory tenancy (or new tenants where there is no introductory scheme in place) regardless of whether the property is let at social, intermediate or affordable rent. Their aim is to provide quality and reliable accommodation to households who are unable to meet their housing needs through the

market. They are particularly focused on the more vulnerable members of society. These lettings will be subject to Local Authority nominations in accordance with an agreement with the Registered Provider.

**Secure Tenancies:** Registered Providers will not offer secure tenancies to new tenants as they are reserved for Local Authority use. However, some Providers will have tenants with secure tenancies where the tenancies have been assigned to a Registered Provider following a stock transfer,

**Assured Shorthold Tenancies:** Registered Providers have always been able to use assured shorthold tenancies in certain circumstances e.g. provision of temporary accommodation or introductory tenancies, as set out above. This Tenancy Strategy does not seek to encroach on this. Within the context of this strategy, it is anticipated that this form of tenure will be used for fixed-term tenancies.

**Fixed Term Tenancies:** The Localism Act 2011 introduced changes which allow Local Authorities/Registered Providers to grant fixed term or flexible tenancies. Registered Providers may use fixed-term tenancies for new tenants, regardless of whether the property is let at social, intermediate or affordable rent. It is recommended that the term of the tenancy will be for a minimum of five years and will be renewable at the discretion of the tenant and the landlord at the end of the fixed term. These lettings will be subject to Local Authority nominations in accordance with agreement with the Registered Provider. New homes built under the Government's Rent to Buy scheme are required to have assured shorthold tenancies for a fixed term of less than two years.

Whilst being committed to the use of secure/assured tenancies for the majority of general needs properties, we recognise that flexible tenancies, non-secure tenancies and licenses may be appropriate in some circumstances. These include:

- Temporary accommodation under provisions contained within the 1996 Housing Act
- When they allow the use of an additional property for affordable housing. An example would be where a registered provider brings private sector properties into use as affordable accommodation as part of a leasing scheme and a lifetime tenancy could not be offered due to the length of the lease
- Where the property is offered for a specific purpose, such as to support foster care by the occupant, but the foster caring comes to an end
- Property in very short supply where greater control over occupation is necessary to ensure it most effectively meets housing need and makes best use of stock. For example, larger family houses of 4 beds or more or properties with substantial adaptations suited to a disabled person.

**Market Rent Tenancies:** These tenancies will usually have assured shorthold tenancy as their legal form. Their aim is to provide quality and reliable accommodation to households



who can meet their housing needs through the market and are attractive to Registered Providers because of the quality and reliability they can offer. Such tenancies will play an important strategic role in meeting a demand and, particularly where introduced into areas undergoing change, in helping foster and sustain mixed communities. It is envisaged that this form of tenure will be an attractive alternative to households aspiring to buy for the first time but who are having difficulty securing a mortgage.

**License Agreement:** It is recognised that some Registered Providers provide temporary accommodation, such as hostels and specialist or supported accommodation and in certain instances 'licence agreements' may be used. A licence agreement is a legal contract which is used for temporary and certain types of specialist and/or supported accommodation or shared housing, where there is no exclusive possession to any part of the dwelling.

In framing Tenancy Policies and determining the circumstances in which fixed term tenancies should be granted, extended or ended, the Liverpool City Region Local Authorities advocate that Registered Providers make use of the flexibilities as described in section 8 below.

#### **11. Circumstances when Different Types of Tenancies will be Granted.**

Where a property becomes available for letting the Registered Provider will determine the appropriate form of tenancy and will seek to identify a suitable tenant. In determining the form of tenancy the Registered Provider will take into account:

- The current mix of households in the locality and the aspiration to create and sustain a balanced and mixed communities
- Known need and demand for housing in the locality
- Their neighbourhood and asset management plans
- Targets for lettings agreed as part of any nominations agreement or agreed local lettings policies
- Its allocation through Choice Based Lettings
- Any other strategic considerations relevant to the Registered Provider

There will be a **presumption in favour of lifetime (assured) tenancies** so that future social housing tenants maintain the security of tenure currently enjoyed by existing tenants. 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. However, the City Region Local Authorities recognise that there will be circumstances when the new tenure flexibility will provide an opportunity for Registered Providers to make best use of their housing stock. The City Region Local Authorities consider that fixed-term tenancies are **not suitable** in any of the following circumstances:

- Where the household is transferring from an existing Registered Provider assured or Local Authority secure tenancy which was granted prior to 1<sup>st</sup> April 2012. This is to

ensure that there are no disincentives for existing tenants to move to a more suitable or desirable property and there are no barriers to normal “churn” within the sector

- Tenants with a lifelong need for support that would disadvantage them in securing alternative accommodation should be offered lifetime tenancies. This applies to tenants in both general needs and specialist and/or supported accommodation
- Where the tenant is someone over the prevailing state retirement age or where the tenant is residing in older persons accommodation, such as sheltered or “extra care” housing
- Where the property is located in an area of very low demand and/or high multiple deprivation and where the Local Authority has serious concerns about the long term sustainability of the area, unless the Registered Provider can demonstrate that the use of fixed-term tenancies would assist with creating and maintaining the balance in such areas. In these circumstances the Local Authority will initiate discussions with the relevant Registered Provider(s) to request that they temporarily suspend the use of fixed-term tenancies in that area or specify how fixed-term tenancies would assist with creating and maintaining balance
- Where a tenant with a secure or assured tenancy is required by a Registered Provider to move due to redevelopment e.g. they are being required to move; not seeking to do so.

There is a balance to be struck between generating greater availability of social housing for those in need, and maintain stable communities. It would not be desirable to allow a high proportion of fixed-term tenancies in any area if this risks creating an excessive turnover of properties and hence, community instability.

## 12. The Length of Term if Fixed-Term Tenancies are Used

The expectation is that fixed-term tenancies will be granted for a **minimum of five years**, with discretion to Registered Providers to let for shorter or longer periods where this is appropriate to the circumstances of the household or property.

The reasons for this approach are:

- It is reasonable in terms of managing the resources involved in reviewing tenancies; in order to give the tenant a reasonable time of stability to build their life chances for themselves and their possible dependents
- To allow a reasonable period for tenants to engage in the local area, which is needed for cohesion in communities **and**
- To allow the Registered Provider to take into account circumstances of the household or property which might merit a letting of shorter or longer than five years.

In certain circumstances the granting of a tenancy that exceeds a five- year period may be appropriate for some tenants in order to provide an additional degree of stability and security and to aid neighbourhood cohesion. The circumstances of households who have dependent

school-aged children attending a local school, those living in adapted properties, and those with a support need that is long-term but not necessarily lifelong, should be considered when deciding on the length of the fixed-term offered by a Registered Provider.

It is envisaged that two-year tenancies should only be issued in exceptional circumstances, for example:

- Where a property is part of a leasing arrangement and is not in the ownership of the Registered Provider and would need to revert into private ownership
- Supported housing schemes where it is anticipated that the tenant will move on to more settled accommodation within a period of less than five years
- Lettings carried out for management reasons such as those for tenants moving into properties to allow emergency works to be carried out in their existing home
- Regeneration areas where property demolition or disposal is expected to take place within five years
- Where properties have been built using Government funding for Rent to Buy.

### 13. Circumstances when Registered Providers will Grant Further Tenancy

It is expected that tenants' needs will be sensitively dealt with, and that the criteria for renewals may include the following consideration:

#### Fixed-term tenancies expiring will usually be renewed where:

The household includes dependents of pre-school age or in full-time education, unless any points in the paragraph below apply. We may also need to recognise that children stay with their parents well beyond school age for valid reasons, and these will be considered on an individual basis
The tenancy was originally offered in response to a particular set of circumstances or vulnerabilities (e.g. the household was fleeing harassment or domestic violence, is under a witness protection programme, was a person leaving Local Authority care or has mental health problems) and the household is still classed as being vulnerable
The property has been adapted to meet the needs of a disabled person and that person still resides in the property and needs the adaptations
The household receives some form of housing support or is recognised as being vulnerable
The household still requires the size of property, based upon housing need
The household is playing an active role in the community

The household has children attending a local school
The tenant would be approaching the prevailing state retirement age within the next three years and the property is suitable for a lifetime tenancy
Households where a household member is seriously or terminally ill
In cases where the property is under-occupied but this is not as a result of a change in household circumstances (e.g. due to low demand for the property it was under-occupied on allocation) it is recommended that the tenancy should be renewed if the tenant can still afford to pay the rent (due to the under-occupation charge)
The tenant can demonstrate that they carry out caring responsibilities for a neighbour or relative who lives nearby and there is no suitable alternative accommodation in the same area

**Fixed-term tenancies expiring will not usually be renewed where:**

There has been a material change in household size and they are now under-occupying the property by more than one bedroom (an alternative tenancy may be offered) subject to alternative accommodation being available. In determining whether or not a property is classed as under occupied Registered Providers should have regard to the 'bedroom standard'. Registered Providers may also wish to consider whether an additional bedroom is needed to allow a carer or relative to occasionally stay in the property overnight to undertake caring responsibilities for the tenant
The household's circumstances enable them to access market housing AND there is not a reason to seek to retain the household in the locality for the purposes of community balance. The Liverpool City Region Local Authorities do not want the use of fixed-term tenancies to be a barrier to households seeking employment or attempting to improve their income and lifestyle through career progression and, therefore, would expect that this criterion would only apply infrequently
A member of the household, or their invited guests, is engaged in anti-social activities within the locality of the home and/ or that has a detrimental effect upon the community in which the household is placed. Anti-social behaviour is conduct which is causing or likely to cause nuisance or annoyance, harassment, alarm or distress, to any other person, and can include criminal acts
The property was adapted before or during the tenancy period for someone with a disability only for that person to be no longer resident there or to no longer require the adaptations and there are other households needing this type of adapted accommodation. In these cases the City Region Local Authorities expect that the Registered Provider will arrange for alternative suitable accommodation to be secured either through a transfer or mutual exchange within its own stock or that of another Registered Provider

Where a person has been granted a property in order to receive support but then refuses to accept that support
--

Where there is evidence that a breach of tenancy agreement has occurred, for example, property neglect or unaddressed arrears
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Where it is identified the property is inappropriate for an individual's needs, i.e. they are not coping in the property or they need more support than is currently being provided
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The City Region Local Authorities are committed to ensuring that the decision to terminate a fixed-term tenancy does not lead to increases in levels of homelessness in the area.

Therefore, in situations where a decision has been taken by a Registered Provider not to renew a tenancy at the end of a fixed-term, the Registered Provider should seek to engage with the tenant at the earliest possible convenience to make them aware of the Provider's intentions. Government guidance recommends a review period of six months. However, Registered Providers may want to consider making an initial contact with the household before this to ensure that there is sufficient time for the Registered Provider to arrange alternative accommodation or for the household to purchase a home where this is likely to be deemed necessary.

Registered Providers should provide households affected by the termination of a tenancy with any relevant advice and support that will assist them in successfully relocating to alternative accommodation. This could include:

- |   |
|---|
| <ul style="list-style-type: none"><li>• <b>Advice on low-cost home ownership options and other alternative affordable housing tenures</b></li></ul>   |
| <ul style="list-style-type: none"><li>• <b>Specialist housing and/or welfare related advice and/or signposting to appropriate services</b></li></ul>  |
| <ul style="list-style-type: none"><li>• <b>Advice on renting in the private rented sector and assistance in identifying and securing a suitable property (this may involve assistance with a deposit where necessary)</b></li></ul> |

Each Local Authority across the City Region has a Housing Options/housing Solutions Service which will be able to assist tenants with a wide range of advice to help them resolve the issues arising out of the termination of their tenancies.

The City Region Local Authorities do not expect Registered Providers to use fixed-term tenancies as a short cut to enforcement procedures for breaches of tenancy conditions, but accept there may be circumstances where enforcement proceedings are so far advanced that it would not be appropriate to renew a tenancy. It will be for Registered Providers to judge these cases on their own merit mindful that they will have to justify such action should the tenant seek to exercise their right to appeal.

The City Region Local Authorities expect Registered Providers to have robust and fair appeal processes in place to resolve any disputes that may arise.

When securing alternative accommodation for the household, Registered Providers should take into account so far as is possible the household's area(s) of choice and whether they need to live in a particular area to give or receive care or support.

#### 14. Flexible Tenancies in Line with Homelessness and Rough Sleeping Strategies

The City Region Local Authorities all have Homelessness and Rough Sleeping Strategies and Housing Pathways which have been developed with residents and stakeholders. These are focused on responding to the needs of individuals and family households at the earliest opportunity to prevent, and where this is not possible, relieve homelessness, with the ultimate aim of breaking the cycle of repeat homelessness and eradicating rough sleeping

The City Region objective, mirroring that of the Government's "Everyone In" agenda, is to ensure that every rough sleeper has access to accommodation and support appropriate to what they need next. In order to maximise flow through these pathways towards greater levels of independence, and it is essential that move on options remain available. The use of flexible tenancies will allow for residents to move towards greater levels of independence when they are ready and ensures the continued availability of supported accommodation for those that need it.

#### 15. Succession and Survivorship

The law regarding succession was altered by the Localism Act 2011 providing different rules for succession dependant on the start date of the tenancy. Whenever the tenancy starts, the law only allows one succession.

##### Survivorship by Joint Tenants

Survivorship has some different rules from those relating to succession by someone who is not a joint tenant. Joint tenants have a right of survivorship following the death of a joint tenant, until there is only one surviving tenant.

- Survivorship applies in all tenure types. There is no residency criteria for survivorship to take place.
- There is no right of succession after a tenancy has been "survived".

##### Tenancies that Started Prior to 1 April 2012

Tenancies that started prior to 1 April 2012 have succession rights as follows:

- Succession to a partner or spouse
- Succession to a family member living with the tenant for the preceding 12 months
- Family members are defined at section 113 Housing Act 1985.

##### Tenancies that Started After 1 April 2012

Tenancies that started after 1 April 2012 have succession rights by law only

- To a partner or spouse.

- Discretion to grant succession to a family member (as defined by s113 Housing Act 1985) who has lived with the tenant as a member of the household for a minimum of 5 years consecutively.

There is no right of succession to a carer employed by the deceased tenant.

### **Unsuccessful Requests for Succession**

All requests for “succession” for those who fall outside the above categories will be considered on an individual basis in line with procedural policies.

Succession in cases of Introductory, extended Introductory or demoted tenancies will be granted in line with the current legislation

## **16. The Tenant Standard**

The Regulatory Framework for Social Housing in England from April 2012 sets out the specific standards that Registered Providers (RPs) must meet and takes account of the amendments made as a result of the Localism Act 2011.

The Tenant Standard requires Registered Providers to let their homes in a transparent and efficient way and to take account of the housing needs and aspirations of tenants and potential tenants. They must demonstrate how their lettings:

- Make the best use of available housing
- Are compatible with the purpose of the housing
- Contribute to local authorities’ strategic housing function and sustainable Communities
- Also expected to co-operate with Local Authorities’ strategic housing function and their duty to meet identified Local housing needs.
- This includes assistance with Local Authorities’ homelessness duties, and through meeting obligations in nomination agreements.

## **17. Guidance for Registered Providers in formulating Tenancy Policies**

Where RPs let properties on flexible tenancies, we recommend the following apply:

- For general needs housing, any fixed term should be for a minimum of 5 years in accordance with Homes England and the Regulator for Social Housing guidance. However, in exceptional circumstances, a minimum of two year fixed term can be offered.
- All prospective tenants should be made aware of the type and length of tenancy prior to sign up
- Tenants should also be informed of the circumstances in which they will be granted a further tenancy at the end of the term of their current tenancy. The criteria for not renewing a tenancy must be clearly published in the provider’s tenancy policy, in accordance with the requirements of the legislation



- Tenancy policies should recognize the benefit of a period of stability for those with young families and children in education
- Where flexible tenancies are being used to support the delivery of an Affordable Rents programme, consideration should be given to the geographical distribution of these properties to ensure that areas with high levels of tenancy turnover are not further destabilized as a result
- If a flexible tenancy is not being renewed on the basis of under-occupation, or where the property's major adaptations are no longer needed, it is expected that RPs offer a smaller alternative, or in non-adapted property within their own stock, or through partnership working with other providers and the Local Authority, thus allow the tenant to remain housed until an alternative is found
- The Council expects to be notified of all decisions not to renew a tenancy to enable housing advice to be provided for those households affected.

## 18. Affordable Rent

Affordable rents were introduced by the Localism Act 2011. The policy's primary objective was to allow Registered Providers to generate additional rental income to support investment in building more affordable homes, despite reductions in government grant. This would be achieved by charging a higher rent than social rent but remaining at a level that was still affordable to tenants with low to medium incomes (where eligible, with support through Housing Benefit).

The Department for Levelling Up, Housing and Communities (DLUHC) has issued guidance on setting rents for social housing. Registered Providers' property valuations for initial rent setting must be in accordance with a method recognized by the Royal Institute of Chartered Surveyors (RICS). The resulting Affordable Rent (subject to certain exceptions) shall not exceed 80% of market rent. The level of Affordable Rent will be recalculated at any subsequent grant of a new tenancy.

### The City Region Position on Affordable Rents

We are broadly supportive of the principle of Affordable Rents, as a means of broadening housing diversity and choice, and generating additional funds to support the viability of new-build programmes. We also recognise that some Registered Providers have entered into a contract within the Affordable Homes Programme managed by Homes England which requires an Affordable Rent element.

The City Region's position is that Affordable Rents should only be used where it can be evidenced that the rent is genuinely affordable to the local population. Local Housing Allowance provides a good benchmark against which to assess affordability, and Government guidance states that Registered Providers should have regard to it when setting affordable rent. Another useful benchmark of affordability is the rent cap for social rents. While not strictly applicable to Affordable Rents, the Council would want to discourage Affordable Rents above that level.



It is recommended therefore that Affordable Rents do not exceed the rent cap, except where a higher rent is critical to ensure viability; typically, we may expect that exception to apply to the building of larger properties of 4 or more bedrooms, a minority of 3 bed properties or to properties with specialist features.

The level of affordable Rent charged for new developments should be considered on a case by case basis, seeking to balance the need to ensure viability, maximise income, and meeting the needs of local people and their community. Further emphasis is placed upon affordable rents, whilst they can be up to 80% of market rents, consideration should be given to ensuring they do not exceed the prevailing Local Housing Allowance rate, and in exceptional circumstances, by no more than 15%

## 19. Complaints

All social landlords are required to set out the way in which a tenant or prospective tenant can escalate a complaint if they are dissatisfied with the response. This should include information on:

- Internal complaints' procedure
- Housing Ombudsman
- Judicial Review
- Where to seek independent legal advice

The Social Housing White paper, **The Charter for Social Housing Residents (2020)**, sets out what every Social Housing resident should be able to expect in relation to complaints. The expectation is that Social Housing tenants will have their complaints dealt with promptly and fairly, with access to a strong ombudsman who will give them swift and fair redress when needed. This requirement will be developed further by the Regulator of Social Housing.

## 20. Reviews of Fixed Term Tenancies

The City Region Local Authorities expect Registered Providers to ensure their Tenancy policies contain the following information:

- How and to whom review requests should be made, including timescales for making the request
- How any review panel will be comprised
- Give timescales for administering the review
- Be accessible and widely publicised, such as published on websites available in Housing Offices, Local Community buildings

Under current legislation there is no right for a tenant to ask for a formal review of the decision to award an introductory tenancy. However, where a tenant believes that the Registered Provider has incorrectly awarded an introductory tenancy, the tenant should write to the designated Housing Provider, details can be located on individual websites. Such a

request should be made within 14 days of the date of signing the tenancy agreement. Such requests will only be considered where the Housing Provider has awarded an introductory tenancy in contravention of this Policy.

## 21. Monitoring

The Strategy is a 'live' document that is adaptable over time, informed by partnership working with Registered Providers and others as well as being informed by changes to the housing market, housing need and demand for properties as a result of shifting national policy.

The Strategy is monitored by the City Region Local Authorities to reflect changes in local housing priority, legislation and strategic goals. Monitoring considers:

- The effectiveness and extent to which fixed-term tenancies are issued and any appeals;
- Number of fixed term tenancies issued and not renewed
- Equality impact monitoring information;
- Changing housing market conditions and their likely impact on the demand for service provision;
- Changes to housing allocation policies;
- The composition of the housing register;
- Allocation and nomination trends;
- Registered Providers' Tenancy Policies; and
- The impact of welfare reforms.

The monitoring of these areas informs future changes to the Strategy and enables service responses to remain appropriate and relevant to changing circumstances. Upon completion of the review, an annual report will be presented to the Liverpool City Region Housing and Spatial Planning Board no later than six months after the financial year.

## 22. Equalities

A range of stakeholders were consulted during the development of the Tenancy Strategy and an Equality Impact Assessment was completed

The City Region Local Authorities expect that all Registered Providers will undertake EIAs of their own tenancy policies

## 23. Consultation

This strategy was developed in consultation with the Registered Providers operating within the City Region to ensure a well-informed and inclusive approach.

## Appendices

### Appendix A: Voluntary Right to Buy Estimates per Region

Area	Estimating the likely number of buyers of a national VRTB time-limited scheme Eligible	Proportion able to afford	Eligible and able to afford	Propensity to buy	Estimated number of purchasers
North West	262,044	24%	67,308	6.1%	4,372
North East	97,916	24%	25,649	5.9%	1,597
Yorkshire and Humber	103,110	28%	31,135	6.4%	2,110
East Midlands	65,937	20%	14,107	5.9%	882
West Midlands	131,678	24%	33,311	6.2%	2,169
South East	183,482	9%	18,508	6.3%	1,228
London	222,939	4%	10,290	7.9%	863
South West	120,428	13%	16,974	5.8%	1,048
East	131,616	14%	19,834	6.3%	1,320
<b>England</b>	<b>1,319,149</b>	<b>17%</b>	<b>246,166</b>	<b>6.3%</b>	<b>15,870</b>

## Appendix B: Liverpool City Region Tenure

### Liverpool City Region Tenancy Strategy Data (September 2021)

Table 1: Tenure (total households)							
Local authority	Owned outright	Owned with mortgage	Shared ownership	Social rented	Private rented	Other	TOTAL
Halton	14, 436	19, 360	322	13, 441	5, 212	541	53, 312
Knowsley	16, 032	21, 864	314	16, 333	5, 980	800	61, 323
Liverpool	43, 803	53, 144	1, 096	57, 485	48, 290	2, 697	206, 515
St Helens	25, 215	25, 737	427	15, 597	7, 736	1, 024	75, 736
Sefton	42, 334	40, 803	664	17, 063	15, 804	1, 262	117, 930
Wirral	46, 806	48, 037	713	21, 329	22, 275	1, 423	140, 583
<b>TOTAL</b>	<b>188, 626</b>	<b>208, 945</b>	<b>3, 536</b>	<b>141, 248</b>	<b>105, 297</b>	<b>7, 747</b>	<b>655, 399</b>

North West	934, 101	1, 007, 463	15, 787	550, 481	462, 899	38, 818	3, 009, 549
England	6, 745, 584	7, 229, 440	173, 760	3, 903, 550	3, 715, 924	295, 110	22, 063, 368

Source: MHCLG ONS 2011 Census

Table 2: Tenure (%)							
Local authority	Owned outright	Owned with mortgage	Shared ownership	Social rented	Private rented	Other	TOTAL
Halton	27.08%	36.31%	0.60%	25.21%	9.78%	1.01%	100%
Knowsley	26.14%	35.65%	0.51%	26.63%	9.75%	1.30%	100%
Liverpool	21.21%	25.73%	0.53%	27.84%	23.38%	1.31%	100%
St Helens	33.29%	33.98%	0.56%	20.59%	10.21%	1.35%	100%
Sefton	35.90%	34.60%	0.56%	14.47%	13.40%	1.07%	100%
Wirral	33.29%	34.17%	0.51%	15.17%	15.84%	1.01%	100%
<b>TOTAL</b>	<b>28.78%</b>	<b>31.88%</b>	<b>0.54%</b>	<b>21.55%</b>	<b>16.07%</b>	<b>1.18%</b>	<b>100%</b>

North West	31.04%	33.48%	0.52%	18.29%	15.38%	1.29%	100%
England	30.57%	32.77%	0.79%	17.69%	16.84%	1.34%	100%

Source: MHCLG ONS 2011 Census

Table 3: Median gross annual salary (all workers, residence-based)						
Local authority	2016	2017	2018	2019	2020 (Provisional)	% increase 2016-20
Halton	21,537	21,426	21,958	23,695	24,067	11.75%
Knowsley	21,502	21,956	22,287	22,696	23,700	10.22%
Liverpool	21,754	21,792	22,324	23,312	24,963	14.75%
St Helens	22,850	21,644	22,859	24,650	25,535	11.75%
Sefton	21,701	22,149	22,606	23,637	24,244	11.72%
Wirral	22,167	22,350	22,953	24,136	23,984	8.20%

North West	21,622	21,986	22,683	23,741	24,334	12.54%
England	23,337	23,754	24,283	25,150	26,055	11.65%

Source: Annual Survey of Hours and Earnings from MHCLG ONS Housing Statistics Portal

**Table 4: Median house prices (with Ratio to Median Salary)**

Local authority	2016	Ratio	2017	Ratio	2018	Ratio	2019	Ratio	2020	Ratio	2021 (Provisional)	% increase 2016-20
Halton	£125,000	5.8	£128,500	6.0	£130,000	5.9	£135,000	5.7	£135,100	5.6	£140,000	12%
Knowsley	£113,500	5.3	£119,995	5.5	£120,000	5.4	£121,998	5.4	£130,000	5.5	£134,000	18%
Liverpool	£118,750	5.5	£122,000	5.6	£126,000	5.6	£128,000	5.5	£135,000	5.4	£136,000	15%
St Helens	£115,000	5.0	£124,950	5.8	£125,000	5.5	£127,000	5.2	£129,950	5.1	£136,000	18%
Sefton	£154,000	7.1	£160,000	7.2	£164,500	7.3	£169,000	7.1	£172,500	7.1	£183,500	19%
Wirral	£147,000	6.6	£150,000	6.7	£157,000	6.8	£161,475	6.7	£165,000	6.9	£170,000	16%

Source: ONS House Price Statistics for Small Areas and Annual Survey of Hours and Earnings from MHCLG ONS Housing Statistics Portal. All figures taken from June of the relevant year: Median price paid (existing dwelling) by local authority.

**Table 5: Median monthly private rents**

Local authority	2016	% of median salary	2017	% of median salary	2018	% of median salary	2019	% of median salary	2020	% of median salary	2021 (Provisional)	% increase 2016-21 (Provisional)
Halton	£500	27.86%	£525	29.40%	£525	28.69%	£525	26.59%	£550	27.42%	£525	5%
Knowsley	£544	30.36%	£550	30.06%	£550	29.61%	£550	29.08%	£550	27.85%	£615	13%
Liverpool	£450	24.82%	£451	24.83%	£450	24.19%	£495	25.48%	£500	24.04%	£525	17%
St Helens	£475	24.95%	£475	26.34%	£495	25.99%	£495	24.10%	£535	25.14%	£550	16%
Sefton	£525	29.03%	£525	28.44%	£540	28.66%	£542	27.52%	£550	27.22%	£575	10%
Wirral	£500	27.07%	£500	26.85%	£500	26.14%	£550	27.35%	£550	27.52%	£575	15%

Source: Valuation Office Agency and Annual Survey of Hours and Earnings from DCLG ONS Housing Statistics Portal

**Table 6: Average weekly social housing rent for registered providers**

Local authority	2016		2017		2018		2019		2020 (as of 31-Mar-20)		% change 2016-20 (Provisional)
	Rent	% of 10 <sup>th</sup> percentile salary	Rent	% of 10 <sup>th</sup> percentile salary	Rent	% of 10 <sup>th</sup> percentile salary	Rent	% of 10 <sup>th</sup> percentile salary	Rent	% of 10 <sup>th</sup> percentile salary	
Halton	£89.97	60.75%	£84.05	56.75%	£83.30	55.48%	£82.38	52.78%	£82.00	-	-8.86%
Knowsley	£87.21	61.25%	£85.32	59.92%	£84.70	54.05%	£83.33	45.18%	£82.72	-	-5.15%
Liverpool	£86.47	62.12%	£84.30	60.56%	£83.45	-	£82.56	50.00%	£82.33	-	-4.79%
St Helens	£88.06	-	£89.99	-	£88.71	-	£87.78	67.61%	£87.16	-	-1.02%
Sefton	£89.02	70.18%	£85.02	67.03%	£84.20	-	£83.38	58.65%	£85.58	-	-3.86%
Wirral	£85.72	62.99%	£84.65	62.21%	£83.84	52.96%	£82.48	59.49%	£84.73	-	-1.15%

Source: MHCLG and Annual Survey of Hours and Earnings from DCLG ONS Housing Statistics Portal Social rent rate (excluding service charge)

## Property Pool Plus/Under One Roof Information

Table 7a: Knowsley affordable housing demand and supply 2019-20		
Bedrooms/ property type	Supply	Demand
	Number of properties advertised	Applicant demand per advert
Bedsit	0	0
1 bed	368	43
2 bed	395	62
3 bed	280	44
4+ bed	26	42
Bungalow	16	Included in property size
Adapted property	14	Included in property size

Source: Property Pool Plus

Table 7b: Liverpool affordable housing demand and supply 2019-20		
Bedrooms/ property type	Supply	Demand
	Number of properties advertised	Applicant demand per advert
Bedsit	31	31
1 bed	735	79
2 bed	788	97
3 bed	549	93
4+ bed	50	90
Bungalow	133	Included in property size
Adapted property	393	Included in property size

Source: Property Pool Plus

Table 7c: Sefton affordable housing demand and supply 2019-20		
Bedrooms/ property type	Supply	Demand
	Number of properties advertised	Applicant demand per advert
Bedsit	4	27
1 bed	374	57
2 bed	448	69
3 bed	258	104
4+ bed	23	81
Bungalow	31	Included in property size
Adapted property	81	Included in property size

Source: Property Pool Plus

Table 7d: St Helens affordable housing demand and supply 2019-20		
Bedrooms/ property type	Supply	Demand
	Number of properties advertised	Applicant demand per advert
Bedsit	1	28
1 bed	131	49
2 bed	607	69
3 bed	445	107
4+ bed	26	43
Bungalow	108	Included in property size
Adapted property	170	Included in property size

Source: Under One Roof

Table 7e: Halton affordable housing demand and supply 2019-20		
Bedrooms/ property type	Supply	Demand
	Number of properties advertised	Applicant demand per advert
Bedsit	0	0
1 bed	353	43
2 bed	325	69
3 bed	267	70
4+ bed	29	53
Bungalow	69	Included in property size
Adapted property	199	Included in property size

Source: Property Pool Plus

Table 7f: Wirral affordable housing demand and supply 2019-20		
Bedrooms/ property type	Supply	Demand
	Number of properties advertised	Applicant demand per advert
Bedsit	5	72
1 bed	486	59
2 bed	380	63
3 bed	186	96
4+ bed	20	100
Bungalow	43	Included in property size
Adapted property	143	Included in property size

Source: Property Pool Plus

Table 7g: Liverpool City Region TOTAL affordable housing demand and supply 2019-20		
Bedrooms/ property type	Supply	Demand
	Number of properties advertised	Applicant demand per advert
Bedsit	40	36
1 bed	2316	60
2 bed	2336	76
3 bed	1540	82
4+ bed	148	70
Bungalow	292	Included in property size
Adapted property	847	Included in property size

Source: Property Pool Plus, Under One Roof

Local authority	Overcrowded by 1 or more bedrooms	Overcrowded by 2 or more bedrooms	Under occupying
Halton	333	53	321
Knowsley	194	29	275
Liverpool	1535	209	1835
St Helens	868	77	3300
Sefton	464	64	695
Wirral	258	26	354

Source: Property Pool Plus

Local Authority	2018-19			2019-20		
	Total accepted applicants	Total prevention applications	Prevention outcomes: Secured accommodation for 6+mths	Total accepted applicants	Total prevention applications	Prevention outcomes: Secured accommodation for 6mths
Halton	38	553	222	38	554	348 (55%0
Knowsley	12	708	272 (59%)	25	559	370 (62%)
Liverpool	188	1176	516 (62.9%)	40	807	506 (53%)
St Helens	13	454	240 (70.6%)	21	558	348 (65.9%)
Sefton	8	395	188 (62%)	2	374	221 (53.9%)
Wirral	46	428	141 (43.8%)	33	428	507 (51.5%)

Source: Housing Options Service contract data



## Appendix C: Liverpool City Region Agreed Actions

ACTION	COMMITMENT
Review Legislation & Government Guidance	The Liverpool City Region Local Authorities will keep under review relevant legislation, government guidance and local housing conditions.
Strategic Impact	Will monitor the impact of this strategy and its effectiveness in supporting the objectives outlines within the Housing Investment Strategy 2020.
Strategy Amendments	Amend the Tenancy Strategy (following consultation) if a significant change in any of the above factors so requires.

## Appendix D: The Flexibilities announced under the Localism Act 2011

- Enabled Social landlords, after the expiry of introductory or starter tenancies, to grant tenancies for a fixed length of time
- Set the statutory minimum length of tenancy at 2-years (to be used only in exceptional circumstances) with a tenancy term of 5-years being considered the norm
- There is no upper limit on the length of the tenancy, as social landlords could still offer lifetime tenancies
- That prospective tenants must be given prior written notice that their tenancy is to be a flexible tenancy and have the right to request a review of the length of the term
- When a social landlord decides not to reissue a tenancy at the end of the term, they must give 6-months' notice of this decision before the end of the tenancy and must provide advice and assistance for tenants to help them to find suitable alternative accommodation

Tenants with flexible tenancies have the same protection from eviction as tenants with a secure or assured tenancy. Landlords are still required to rely on one of the grounds for possession and also prove they acted reasonably when deciding to seek possession.

The Localism Act states tenants with flexible tenancies have the following rights:

- Right to exchange with limited exceptions
- Right to buy / acquire (on the same conditions assured tenants)
- Right to take in lodgers and to sub-let part of the property (with landlord's permission).
- Right to have repairs carried out.
- Right to consultation and information.
- Right to one succession to spouse or partner of the deceased tenant.
- Landlords will be able to offer other relatives the opportunity to succeed but will not be required to do so

## Appendix E: Changes to the National Policy Position and Legislative Framework

Since the introduction of the Localism Act 2011 several other pieces of legislation have been enacted that impact on the tenancy offer that can be offered by Local Authorities and Registered Providers.

Legislation	Overview
<b>Housing and Planning Act 2016</b>	Proposals in the Housing and Planning Act 2016 were set to end the granting of secure tenancies to all but a few 'nationally' agreed exceptions
<b>Social Housing Green Paper 2018</b>	Rowed back' in announcing that these proposals would not be enacted at the time. This allowed Local Authorities to continue to determine the types of tenancy that they would offer, locally. There have been no suggestions since this time that the government has any plans to end the use of Lifetime Tenancies
<b>Homelessness Reduction Act 2017</b>	Homelessness Reduction Act 2017 added two new duties to the original statutory rehousing duty: <ul style="list-style-type: none"> <li>➤ <b>A duty to prevent homelessness</b></li> <li>➤ <b>A duty to relieve homelessness</b></li> </ul> The legislation extends entitlements to help, placing a renewed focus on the prevention of homelessness and local joint partnership working. It has the potential to provide more client focussed, personalised statutory homelessness services
<b>Secure Tenancies (Victims of Domestic Abuse) Act 2018</b>	Supports victims of domestic abuse in social housing to leave their abusive situation. The bill will require Local Authorities, Registered Social Landlords, when re-housing an existing lifetime social tenant, or offering them a new sole tenancy in their own home, to grant a new lifetime tenancy. The Local Authority / Registered Housing Provider must be satisfied that the tenant or a member of their household has been a victim of domestic abuse and the new tenancy is granted in connection with that abuse

## Appendix F: Glossary of Terms

<b>Affordable Housing</b>	Includes social rented housing, affordable rented housing and low-cost home ownership such as shared ownership
<b>Fixed Term Tenancy</b>	A flexible tenancy with a fixed start and finish date, usually for 5 years. At the end of the fixed term the tenancy may end or it may be renewed, depending on the criteria for renewal specified in the RP's Tenancy Policy
<b>Affordable Rent</b>	A rent set at 80% of the equivalent market rent for properties
<b>Social Rent</b>	Rent levels for Social Housing for which guideline target rents are determined through a National Rent Regime aimed at helping ensure that all Social Rent levels are brought into line and are comparable. Social Rents are usually significantly lower than market rent levels
<b>Local Housing Allowance (LHA)</b>	Used to work out Housing Benefit for tenants who rent privately. The amount of LHA tenants may be eligible for depends on the place of residence, with local limits based on the cheapest 30% of properties in an area
<b>Market Rent</b>	The rental income level that a property would most probably command on the open market if rented privately
<b>Intermediate Rent</b>	Homes for sale and rent provided at a cost above social rent but below market levels. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing
<b>Department for Levelling Up, Housing and Communities</b>	Formerly known as the Ministry of Housing Communities and Local Government. The Department is responsible for UK Government Policy
<b>Regulator of Social Housing</b>	The central Regulator for all Social Housing Providers, including Housing Associations and Local Authorities

<b>Liverpool City Region</b>	The Liverpool City Region is an economic and political area which incorporates the Local Authority districts of Halton, Knowsley, Sefton, St Helens, and Wirral
<b>Housing Options Service</b>	Administer Homelessness Services, providing help and advice on all aspects of housing need
<b>Local Enterprise Partnership (LEP)</b>	Partnerships between Local Authorities and businesses, created in 2011 to help shape local economic priorities and undertake activities to drive local economic growth and the creation of jobs
<b>Homelessness Strategy</b>	A strategy that sets out homelessness issues within a Local Authority area and a plan of action to respond
<b>Localism Act</b>	Legislation enacted in November 2011 relating to a wide range of functions at a local level including housing, planning and local government administration
<b>Local Lettings Policy</b>	A policy applied to the letting of properties or a group of properties for housing management purposes or to meet other strategic objectives
<b>Registered Provider</b>	An organisation registered with the Homes and Communities Agency as a provider of social housing
<b>Strategic Housing Market Assessment (SHMA)</b>	The SHMA reviews the whole of a housing market and forms part of the evidence base which will help to inform future housing and planning policies and strategies
<b>Tenancy Agreement</b>	The contract between a tenant and a landlord
<b>Tenancy Policy</b>	A Registered Provider's policy that sets out the landlord's policy on the use of fixed-term tenancies
<b>Tenancy Strategy</b>	Local Authority strategy that sets out the matters Registered Providers operating in their area should have regard to when setting their Tenancy Policy

## Appendix G: Homelessness Service Contact Details

Local Authority	Homelessness Service Contact Number	Homelessness Service Email Address
Halton	0151 511 7979	Housing.solutionsteam@halton.gov.uk
Knowsley	0151 443 2333	Housingsolutions@knowsley.gov.uk
Liverpool		
Sefton	0151 934 3541	Housing.options@sefton.gov.uk
St Helens	(017440) 675150	HousingAdviceOptions@sthelens.gov.uk
Wirral	0151 666 5511	housingoptions@wirral.gov.uk

## Appendix H: Equality Impact Assessment

<b>EIA Ref</b>		
<b>Lead Officer</b>	Name	<b>Patricia Preston</b>
	Position	<b>Principal Manager</b>
	Contact details	<a href="mailto:Patricia.preston@halton.gov.uk">Patricia.preston@halton.gov.uk</a> <b>0151 511 8581</b>

### SECTION 1 –Context & Background

#### 1.1 What is the title of the policy / practice?

Tenancy Strategy 2021

#### 1.2 What is the current status of the policy / practice?

Existing

Changed

New

#### 1.3 What are the principal aims and intended outcomes of the policy / practice?

The development of a Tenancy Strategy setting out the matters which registered providers of social housing must have regard to when formulating their policies on tenancies, including: the kinds of tenancies that they grant; the circumstances in which they grant certain tenancies; the length of time that they will grant tenancies and in which circumstances they will grant further tenancies once an existing tenancy has come to an end.

#### 1.4 Who has primary responsibility for delivering the policy / practice?

Local Housing Authorities in partnership with Housing Associations. This Tenancy Strategy is a joint strategy across the City Region so each Local Authority will be responsible for delivery the policy in its area/

### 1.5 Who are the main stakeholders?

The main stakeholders are Housing Associations and potential social housing tenants.

### 1.6 Who is the policy / practice intended to affect?

Residents ☒ Staff ☐ Specific Group(s) ☐ (add details below)

The policy is intended for all households who will be looking to take on a social housing tenancy.

### 1.7 Are there any other related policies / practices?

- LCR Housing Investment Strategy
- Housing Strategy
- Property Pool Plus and Under one Roof Allocation Scheme rules
- Homelessness and Rough Sleeping Strategies

## SECTION 2 – Consideration of Impact

### 2.1 Relevance: – the Public Sector Equality Duty

Does this policy / practice / service have due regard to the need to: -

- (a) Eliminate discrimination, harassment, victimisation and any other conflict that is prohibited by the Equality Act 2010
- (b) Advance equality of opportunity between two persons who share a relevant protected characteristic
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

Yes ( ☒ ) No ( ☐ )

State reasons below

*(Relevance to service users/staff)*

Due regard has been given to eliminating discrimination and treating all individuals fairly when providing tenancies in the social housing sector.

### 2.2 Has data and information has been used in determining the impact of the policy / procedure under review?



<b>Equality Group(s)</b>	All
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<b>Baseline data and information</b>
Tenure types, salaries, median house prices and private rented sector average, access to social housing including bungalows and adapted properties,

**2.3 On the basis of evidence, has the actual / potential impact of the policy/ practice been judged to be positive (+), neutral (=) or negative (-) for each of the equality groups and in what way? Is the level of impact judged to be high (H), medium (M), or Low (L)?**

Protected Characteristic	Impact type +, =, -	Level H, M, L, -	Nature of impact
Age	+	L	he Tenancy Strategy recommends that people over the prevailing state retirement age, or residing in older persons' accommodation, are not offered fixed-term tenancies to ensure stability of tenure during later life. The Tenancy Strategy recommends that a fixed term tenancy will usually be renewed where the tenant would be approaching the prevailing state retirement age within the next three years and the property is suitable for a lifetime tenancy.
Disability	+	M	The Tenancy Strategy recommends that fixed-term tenancies will not be used for prospective tenants where the household requires an adaptation to the home which is required for life. The Tenancy Strategy recommends that a fixed term tenancy will usually be renewed where the property has been adapted to meet the needs of a disabled person and that person still resides in the property and needs the adaptations
Gender	=	/	There is no evidence to suggest any relevance between gender and

			the Tenancy Strategy.
Race / ethnicity	=	/	There is no evidence to suggest any relevance between these categories and the Tenancy Strategy.
Religion / belief	=	/	
Sexual Orientation	=	/	
Transgender	=	/	
Marital status/ Civil Partnerships	=	/	
Pregnancy/Maternity	+	/	The Tenancy Strategy recommends that where an existing tenancy includes dependents of pre-school age or in full-time education (where children are part of the household), a fixed term tenancy will usually be renewed.
<b>In Halton two further vulnerable groups have been identified: -</b>			
Carers	=	/	There is no evidence to suggest any correlation between carers and the Tenancy Strategy.
Socio – economic disadvantage	+	H	The Tenancy Strategy encourages the use of fixed-term tenancies in certain circumstances which may increase the availability of housing for low income households. It also contains a presumption in favor of lifetime tenancies and sets out the circumstances where fixed-term tenancies should normally be renewed, including where households include dependents of pre-school age or in full-time education

**2.4 Does the policy / practice have any potential impact upon safeguarding vulnerable people?**

No

**2.5 How will the impact of the policy / practice be monitored?**

Governance through LCR Housing Officers Group and Property Pool Plus Contract Board

## 2.6 Who will be responsible for monitoring?

Patricia Preston Principal Manager
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**2.7 If any negative impacts, or potential negative impacts, have been identified what mitigating actions will be put in place, thereby eliminating the need for a further Stage 2 assessment.**

**Where none have been identified insert 'no further action required' in the first column**

Action & purpose / outcome	Priority	Timeframe	Lead Officer
No further action required	(H, M, L)		

## 2.8 Summary of stakeholders involved in this review

Job Title or Name	Organization / representative of
Patricia Preston, Principal Manager	Halton BC

## 2.9 Completion Statement

**As the identified Lead Officer of this review I confirm that:-**

No negative impact has been identified for one or more equality groups and that a Stage 2 Assessment is not required     ✓

Signed: <i>Preston</i>	Date: 4th October 2021
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