



Report for:	Cabinet
Date of meeting:	11 February 2020
Part:	1
If Part II, reason:	

Title of report:	
Contact:	Cllr Margaret Griffiths, Portfolio Holder for Housing Authors: Vivienne Cunningham, Lead Officer (Flexible Tenancy Project Officer) Layna Warden, Group Manager, Tenants & Leaseholders.
Purpose of report:	<ol style="list-style-type: none"> 1. To review the progress of the use of Flexible Tenancies in Dacorum and their continued use. 2. To outline proposals to cease their use and revert to secure periodic (lifetime) tenancies. 3. To detail proposals for mandatory home visits to all general needs properties on a five yearly cycle.
Recommendations	<p>That Cabinet approve</p> <ol style="list-style-type: none"> 1. To revert back to using Secure Periodic Tenancies for all Dacorum Borough Council tenants and cease the use of flexible tenancies from 1 April 2020. 2. To introduce mandatory five year visits to all general needs Dacorum Borough Council tenants. 3. To a review of the secure tenancy agreement and delegate authority to the Portfolio Holder for Housing to approve new documents once updated.
Period for post policy/project review	18 months from 1 st April 2020
Corporate objectives:	Affordable Housing Building Community Capacity Modern and Efficient Council

Implications:	<p><u>Financial</u></p> <p>The review and implementation of a new Secure tenancy agreement will incur approximately £12,000 of costs through printing, legal advice and postage. This however will be met through a reduction in court and legal costs for flexible tenancy challenges and an improvement in the condition of our homes through regular inspections.</p>
'Value for money' implications	<p><u>Value for Money</u></p> <p>Reverting back to Secure (Lifetime) tenancies will lead to stronger communities and enable tenants to progress in employment without the risk of losing their home. Overall this will lead to greater tenant satisfaction. Resources can be diverted from managing the review and appeals process and instead focus on pro-active visits to identify fraud, offer support where needed and maintain the condition of our homes.</p>
Risk implications	<p>Reverting back to Secure Tenancies will reduce risks from managing Fixed Term Tenancies. In particular from legal challenge due to the relatively new legislation. The changes proposed will comply with well-established legislation and therefore avoid the risk of non-compliance. The proposals for regular tenancy visits will improve our ability to effectively manage risks in all council properties.</p>
Community Impact Assessment	<p>Community Impact Assessment carried out November 2019</p> <p>Attached as Appendix 3</p>
Health and safety Implications	<p>There are no direct Health and Safety implications arising from this policy</p>
Deputy Monitoring Officer	<p>The Localism Act 2011 introduced a power for local authorities to offer flexible tenancies however it is not a mandatory requirement.</p>
Deputy S.151 Officer Comments	<p>The costs of implementing the recommendations are expected to be cost neutral with the reduced costs of no longer managing flexible tenancies met by an increased cost of enhanced mandatory visits.</p>
Consultees:	<p>Fiona Williamson – Assistant Director (Housing) Mark Gaynor- Corporate Director (Housing and Regeneration) CMT – Corporate Management Team HCOSC - Housing and Communities Overview and Scrutiny Committee HSMT - Housing Senior Management Team</p>

	TLC - Tenants and Leaseholders Committee Existing tenants and applicants
Background papers:	Report for Overview & Scrutiny Committee – 6/11/19 (Appendix 1) Results of Tenant Consultation Report – Nov 2019 (Appendix 2)
Glossary of acronyms and any other abbreviations used in this report:	DBC – Dacorum Borough Council OSC – Overview & Scrutiny Committee HSMT – Housing Senior Management Team FT/FTT – Flexible Tenancy/Fixed Term Tenancies HA – Housing Association MEX – Mutual Exchange ASB – Anti-Social Behaviour

1. Introduction

- 1.1. This report sets out the current position of Flexible Tenancies (FT) used by Dacorum Borough Council (DBC) Housing Service. It details the research carried out following the first completed year of reviews and makes proposals to make better use of our homes and resources.

2. Background

- 2.1. The Localism Act 2011 introduced new flexibilities for housing providers to offer social housing tenancies for a fixed term. The main rationale for the flexibilities was to make the best use of stock in the context of a shortage of supply. Fixed Term Tenancies would normally be for a period of no less than five years at the end of which, in certain circumstances, tenants would be required to move from the accommodation, thereby creating a vacancy.
- 2.2. DBC decided to adopt the use of flexible tenancies and these were introduced in April 2013 for all new DBC tenants offered a general needs tenancy. Older tenants moving into sheltered accommodation continued to be offered secure tenancies as there was a higher need for them to remain in homes that offered stability.
- 2.3. All tenancies commenced with a one year introductory period, and following this, provided there were no issues, rolled over into a five year FT. Towards the end of the five year tenancy the tenant would be visited by their Tenancy Officer to establish if they were still eligible for social housing. If the household income is above £60,000 or savings are greater than £16,000 then the tenancy will not be renewed. If the home is too big for the household's needs they will be given assistance to move and the tenancy will not be renewed.

3. Research

- 3.1. Research was carried out both nationally and locally. Many of the large Housing Associations had returned to lifetime tenancies, including Hightown HA who have a large number of properties in the local area. Our neighbouring Council at St Albans is also in the process of reviewing their use of FTs with a view to returning to Secure Tenancies.
- 3.2. The publication of the Green paper on 2nd September 2018, confirmed that the use of flexible tenancies should be decided at a local level, in order to get the right balance between providing security for individuals and communities, and making best use of the homes available. It also encouraged consideration for tenants who would be vulnerable or fleeing domestic abuse to ensure they retained secure tenancies.
- 3.3. The Housing Service has been carrying out these reviews from the summer of 2018 and has found the vast majority of tenancies to have been renewed. Further detail can be found in the report presented to the Overview & Scrutiny Committee attached as - Appendix 1.
- 3.4. The Housing Service has conducted 337 flexible tenancy visits up until the end of 2019 and 95% have been renewed for a further five years. With the level of visits required for flexible tenants, this has reduced the time available to visit existing secure tenants, causing concern that the current arrangement does not provide value for money but also reduces our ability to effectively manage risks in secure tenancies.
- 3.5. National research, backed up by our local experience, demonstrates that the original aims of moving to flexible tenancies – such as helping people into employment, making better use of stock, increasing mobility – have not happened. The negative impacts – of uncertainty for tenants, acting as a barrier to building stronger communities, increased workload for staff with no benefit – outweigh any limited benefits that may have occurred. There have also been what must have been unforeseen impacts of the legislation that, for example, means that once a fixed term tenancy ends that any rent arrears become Former Tenant Arrears, which are much more difficult to recover.
- 3.6. The Housing Service carried out a consultation with our tenants from October to early November 2019 asking for their views on flexible tenancies. The consultation was open to all tenants of DBC and also those on the housing register. The results of this consultation can be found in Appendix 2 (Results of the Flexible Tenancy Survey). Comments from those with a flexible tenancy ranged from feeling insecure in their home, worrying about the future, not wanting to invest financially in the home, to the reluctance to taking on extra hours at work in case this meant having to move out of their council property.
- 3.7. While workload of Housing Officers has considerably increased to carry out the flexible tenancy reviews, these have proven beneficial to build stronger relationships with tenants, identify any potential tenancy fraud, offer support and information about other services the council and local community groups can provide and generally confirm the tenancy is being conducted appropriately, especially in relation to the upkeep of the home. These benefits, however, can be achieved without the complication of fixed term

tenancies by ensuring that all tenants are seen regularly to check on any changes in circumstances.

4. Proposals

- 4.1. It is proposed, that DBC will no longer provide flexible tenancies and instead give all new, transferring and existing tenants a secure tenancy.
- 4.2. All general needs tenants will receive a home visit from a Housing Officer at least once every five years. It is proposed that these visits will be called a Tenancy Health Check, and officers will discuss with the tenant their current housing need and offer them advice about downsizing if appropriate. It is anticipated that we will encourage tenants to downsize when the time is right for them to do so. We will also take a visual inspection of the property and advise if anything which is their responsibility needs doing, or refer them to our Repairs Contractor.
- 4.3. The visit will also give us the opportunity to check on the tenant's welfare and spot if a tenant is experiencing any difficulty, enabling us to signpost them for help or referring to teams like the Tenancy Sustainment Team or an external agency.
- 4.4. By visiting our tenants regularly, we can build better relations with them, making them feel valued as a tenant of DBC. This building of relationships may even help reduce ASB complaints, but will certainly ensure our properties are returned to us at the end of the tenancy in better condition than they are now which will help save on the escalating void costs.
- 4.5. Dacorum Borough Council's Allocation Policy is such that only those most in need of a home are offered a council tenancy, and the decreasing number of successful RTB applications would indicate that less tenants are now in a position to purchase their home therefore still having the need of a social rented home. The Homelessness Reduction Act places a greater emphasis on preventing homelessness and our work to sustain tenancies (rather than bring them to an end) is more important than ever.
- 4.6. Our resources could be better utilised by visiting all our general needs tenants on a five yearly cycle to ensure compliance to tenancy conditions. This will provide us with a much better idea on how all our properties are being maintained and allow us to intervene earlier than we currently do now, saving on repair costs. The time spent in carrying out flexible tenancy reviews does not provide any financial benefit to the Council whereas regular home visits will.
- 4.7. Tenants whose flexible tenancy is due to end after 1st April 2020 will be given a new secure tenancy at the point their existing tenancy ends. Additionally all new tenants will be given a secure tenancy from 1st April 2020. Those who are currently mid flexible tenancy will be written to notify them they will receive a secure tenancy either at the point their tenancy is due to end or when they are formally given notice of a new secure agreement.

4.8. With a number of changes since the last tenancy agreement was drawn up in 2013 a new secure tenancy agreement will be drafted and consulted on throughout 2020 so that all DBC tenants are formally given a new secure tenancy making every tenant have the same agreement.

5. Conclusion

5.1. There is evidence that the use of Flexible Tenancies does not provide value for money, creates uncertainty with tenants and in communities and has not met its aims to increase mobility and provide social housing for those in genuine need. A number of benefits have been felt through conducting visits to these tenants and it is proposed that DBC no longer uses flexible tenancies but revert to secure tenancies for all tenants from 1st April 2020.

5.2. Regular Tenancy Health Checks will be completed at least once every 5 years to ensure an effective housing management service and to encourage discussions about downsizing and support for tenants.

6. Recommendations

That Cabinet approve

1. To revert back to using Secure Periodic Tenancies for all Dacorum Borough Council tenants and cease the use of flexible tenancies from 1 April 2020.
2. To introduce mandatory five year visits to all general needs Dacorum Borough Council tenants.
3. To a review of the secure tenancy agreement and delegate authority to the Portfolio Holder for Housing to approve new documents once updated.