



Tenancy Policy

March 2017



Tenancy Policy

Introduction

This policy sets out the type of tenancies we will grant; the circumstances in which we will grant tenancies of a particular type and the length of any tenancy term. The policy has been developed in the light of the tenancy strategies adopted by the local authorities where we have properties and our current allocation policy.

The glossary on page 8 explains the terms used in this policy.

Aim of the policy

The aim of the policy is to:

- ensure that we sustain balanced communities; and
- encourage tenants to invest in their homes and communities; and
- adopt a value for money approach to managing our tenancies.

Scope

This policy covers the type of tenancy that we will grant at the start of a tenancy. It does not cover any subsequent change to the tenancy such as succession or assignment. These are covered in separate policies.

Once granted, we aim to ensure that the home continues to be occupied by the tenant who we let the home to and that, as far as possible, tenancies are sustained. Separate policies cover these issues.

In accordance with our allocations policy, we will grant tenancies to 16/17 year olds. A separate policy covers the specific requirements of this type of tenancy.

Background

Broadacres has charitable status and its objectives are to provide homes for those whose financial circumstances, disability or age mean that they would otherwise have difficulty accessing suitable accommodation.

We apply financial criteria to prospective tenants and may also seek a credit reference. The purpose of the credit reference is to assist in identifying if the tenancy is affordable and whether further support may be required to sustain it.

The type of tenancies we will grant

We will normally grant an assured periodic tenancy (a 'lifetime' tenancy). In certain circumstances, as outlined below, we may grant an assured shorthold tenancy, either periodic or for a fixed term.

In accordance with the regulatory framework, those tenants who had an existing Broadacres' tenancy on 1 April 2012 will retain the same security of tenure if they choose to move to another social rented home. This protection does not apply if the tenant decides to move to a home let at an affordable rent (a rent up to 80% of the market rent). However, we have so far decided to implement the same tenancy policy for properties let at an affordable rent which means tenants will also retain their security in this circumstance.

In our scheme for women fleeing domestic abuse we grant a licence so that we can make best use of the flexible accommodation provided.

The Anti-Social Behaviour Policy includes provision to offer a starter (probationary) tenancy where there is a material risk of a breach of conditions. We will also consider offering a starter tenancy where it is assessed that there is a material risk of a breach of conditions on other Grounds. The starter tenancy will be for a period of twelve months and can be extended by a further six months. At the end of the starter tenancy period the tenant will automatically become an assured tenant.

The circumstances in which we will grant an assured shorthold tenancy and whether it will be periodic or fixed.

We will grant an assured shorthold tenancy in the following circumstances:

- For short-term supported accommodation where it is expected that the tenant will move on within two years (periodic).
- Where the property has been purchased under the Government's Mortgage Rescue Scheme (three year fixed).
- For a property let under a Rent to Buy scheme (three to five year fixed).
- For a property grant aided for social or affordable rent where the condition of the funding is that a fixed term is offered (at least two years fixed)
- For a property let outside our allocations policy and at a sub-market rent. (periodic).
- Where occupation is meant to be time limited, for example:
 - if we rehouse a person (a non Broadacres tenant) on a temporary basis as a result of a disaster (periodic); or
 - if the property will only be available for a certain period as we intend to refurbish or demolish (periodic); or

- if we allow a family member to succeed to a tenancy but not in that specific property and we are waiting for a suitable alternative property to become available (12 month fixed); or under our agreement with Hambleton District Council whereby we will provide temporary accommodation for up to nine months for a maximum of four staff moving into the area to work for the Council (9 month fixed); or
- where an applicant already owns another property but under our allocations policy they are entitled to be offered one of our properties (up to two year fixed); or
- any other exceptional case where we are prepared to rehouse but only on a temporary basis.

The length of a fixed term tenancy:

- The length of any fixed term tenancy will normally be as outlined above. However, in specific circumstances the length will be determined by the expected length of the temporary arrangement.

Review of fixed term tenancies:

- A term of 2 years or more
- Between 9 and 12 months prior to the end of the tenancy a review will be carried out. This will normally involve a visit to review the tenant's financial and household circumstances and the conduct of their tenancy.
- At least six months before the end of the tenancy we will write to the tenant stating that we either:
 - propose to grant another tenancy on the expiry of the fixed term, and the type of tenancy and any term; or
 - do not propose to grant another tenancy and the reason why.

The above process will apply to all fixed term tenancies granted since 1 April 2012. We will endeavour to apply it to all existing fixed term tenancies with more than 12 months to expiry, subject to any terms included within existing agreements.

A term of less than 2 years

These tenancies have been granted for a specific reason and on the basis that they will not be renewed. However, we will contact the tenant at least two months prior to the end of the fixed term to discuss their vacation of the premises and to provide any advice and assistance required.

Factors to be taken into account in offering a new tenancy at the end of a fixed term tenancy

Some of the circumstances when we will grant a fixed term tenancies are clearly

meant to be time limited and for a temporary period. In these cases there would not be an intention of extending the fixed term, unless the circumstances have changed and it is appropriate to offer a longer term.

In other cases we will usually agree to grant a new tenancy of the same property in the circumstances below.

- if the property still remains suitable for their needs in terms of size and facilities; and
- if they have complied with any action required as a condition of why they were granted a fixed term tenancy; and
- if they have conducted the tenancy satisfactorily; and
- they still meet our financial criteria; and
- they have engaged in the review procedure; and
- the property is still available to let.

If any of the above are not met then we may not offer another tenancy of the same property. We may offer a tenancy of another of our properties if the only reason for not renewing the tenancy of the existing property is because it is overcrowded, under-occupied or unsuitable in terms of other facilities.

A grant of another tenancy of the same or another property may be at a social, affordable or sub-market rent.

In making our decisions, we will consider the circumstances of each case.

Advice and assistance at the end of a fixed term tenancy

If we decide not to grant another tenancy, we will offer the tenant advice and assistance on securing alternative accommodation. This will include, as appropriate:

- Advising and assisting (if required) the tenant to register and bid for properties owned by other social landlords.
- Liaising with Harrogate and East Riding of Yorkshire which do not advertise their properties through choice based lettings schemes.
- Providing advice on how to find options available within the private sector.
- Providing advice on low cost home ownership options, if the tenant could afford this.

We will work with Local Authority Housing Options services regarding identifying options available within the private sector.

Review of decisions

A prospective tenant can ask for a review of the decision:

- to initially offer them an assured shorthold tenancy (fixed or periodic - this

- does not apply to those properties advertised and let at a sub-market rent); or
- the length of any fixed term tenancy.

A request for a review can only be made on the basis that the decision does not accord with our policy or our policy has been unfairly applied to their circumstances.

A tenant can also ask for a review of the decision:

- not to offer a new tenancy at the end of a fixed term tenancy; or
- to seek possession of an assured shorthold periodic tenancy or an assured tenancy using a mandatory ground.

A request for a review must be made within 21 days of being notified of the offer or receiving a notice.

Any review will be conducted by a more senior person than the person who made the original decision.

Any offer of a property will not be held open whilst a review process is ongoing and, therefore, a prospective tenant will need to make a decision whether or not to accept the property on the terms offered, pending the review.

We will write to the tenant or prospective tenant with the outcome of the review and, if it is to confirm the original decision, the reasons for it.

Review of policy

This policy will be reviewed in the light of any significant external factors and otherwise every three years.

Equality impact assessment

This policy is a continuation of our previous policy which had an impact assessment in July 2010. Monitoring has shown that there has been no adverse impact for any specific group.

SUB-MARKET RENT POLICY

Introduction

This policy sets out how we will allocate and manage properties let at a sub-market rent. These are properties that we let below market rent for a similar home in the same area.

Aim of the policy

The aim of the policy is to:

- Offer a high quality product, on terms that are comparable to the private sector, to those who, because of the high house prices within our area, struggle to meet their housing needs in the open market.
- Have a transparent and simple process for prospective applicants who are interested in the properties.

What are sub-market rent properties?

Sub-market rent properties are aimed at those people who are:

- unable to purchase or would struggle to rent on the open market; and
- would be unlikely to receive a high priority for social housing under our allocation policy.

The property will be let at less than the market rent on an assured shorthold tenancy agreement. The rent charged will be no more than 80% of the market rent (including service charges) for a similar home in the same area.

Who is eligible?

Applicants must:

- be aged 18 or over;
- be a British national citizen or with permanent leave to remain in the UK;
- have a total household income less than £60,000 and be unable to afford to buy a suitable property on the open market without assistance;
- be able to afford the rent, which may be with the support of Housing Benefit;
- pass credit and reference checks; and
- for some properties (which will be clearly identified), have to make a commitment to enter home ownership through a low cost home ownership product in the short to medium term (normally within 5 years) and be able to demonstrate how the discounted rent will enable them to save a deposit.

How will properties be let?

Available properties will be advertised through various media as required, including:

- Choice based lettings schemes such as North Yorkshire Home Choice
- Broadacres' website and in Broadacres' offices

- Property websites such as Rightmove
- More general for sale websites
- Lettings agents
- Social media such as Facebook or Twitter
- 'To let' boards at the property
- Press and local newsletter adverts
- Posters distributed locally.

Properties will normally be let on a 'first come' basis but if there is interest from several applicants then we may prioritise:

- Existing tenants of Broadacres or other social landlords.
- Applicants with a local connection through residence or employment (if this is not already required through a S106 agreement).
- Applicants who will make optimum use of the property size or facilities, for example a family with children may be given priority over a single applicant for a house.
- Applicants whose circumstances will enable a balanced and sustainable community to be achieved.

Section 106 and other planning conditions

Certain properties are covered by S106 agreements or other planning conditions. These agreements initially restrict offers to applicants with a 'local connection' to the area. 'Local connection' is defined in a number of ways and is specific to the property. Properties will be allocated in accordance with such agreements where they exist.

Tenancy agreement

The properties will be let on an assured shorthold periodic tenancy agreement. This gives a minimum tenancy of six months. At any time after the six months, we can terminate the tenancy on two months' notice. However, it is intended that, subject to compliance with the tenancy agreement and any condition regarding a commitment to home ownership, the properties will be available to rent on a long term basis.

The properties

The properties will normally be let unfurnished. Occasionally there may be built in fittings such as oven/hob or white goods.

Glossary

Assignment	This is passing on a tenancy to someone else. This can only be done with our written permission and usually only to someone with a right of succession. The only exceptions are if a court orders an assignment because of a relationship breakdown, or if tenants are exchanging their homes (a mutual exchange).
Financial criteria	We set guideline figures for income and savings/equity based on the income needed to be able to rent on the open market. Applicants should normally have income and savings/equity to be able to qualify for one of our homes let at a social rent. The exception is if they meet one of our other charitable criteria, for example being over 65 or disabled.
Homes and Communities Agency's regulatory framework	We are regulated by the Homes and Communities Agency, who set standards that we should meet.
Local Authority Housing Options Service	Local authorities usually have a service that provides advice and assistance on the different types of accommodation available and how to access it.
Low cost home ownership	These are schemes where people may part-rent and part-own a property or where a property is sold at a discount to the market price but must always be sold on with the same discount.
Mortgage Rescue Scheme	A scheme where we receive Government funding to help those who may be due to have their homes repossessed by their mortgage lender. We will buy the home and give them a tenancy.
North Yorkshire Allocation Policy	Broadacres is a partner in North Yorkshire Home Choice. This is a single scheme to let properties across all local authority areas in North Yorkshire, apart from Harrogate. A single allocation policy, which determines who is eligible for housing and the priority they are given, operates across the partnership.
Rent to buy	We build homes to sell to people who can't afford homes on the open market. Some people cannot obtain a mortgage at the time the property is available. We may then agree to rent the property on an intermediate rent for a fixed period until they are in a position to buy.
Succession	If the tenant dies then in certain circumstances anyone living with the tenant as a wife, husband or civil partner can take over the tenancy.
Rent	
Affordable rent	An affordable rent is a rent up to 80% of the market rent. This term is only used for those properties built with grant funding from the Homes & Communities Agency which we have agreed to let at this level of rent.
Intermediate/sub-market rent	Intermediate and sub-market rents are below a market rent.
Market rent	A market rent is the rent of similar properties let on the open market.
Social rent	A rent that is calculated by a formula set by the Government that takes into account value, size and local earnings.

Tenancies	
Assured periodic tenancy	This is a tenancy which gives the tenant long-term security. We can only evict the tenant if we get a possession order from the courts. The courts can only give possession on the grounds (reasons) set out in the Housing Act 1988.
Assured shorthold tenancy (periodic)	This is a tenancy granted for an indefinite period. We can get possession on one of the grounds in the Housing Act 1988 (as for a periodic tenancy). However, after the first 6 months we can also get possession by giving the tenant 2 months' notice (to expire at the end of 6 months or any time after). We do not have to give any reason. If the tenant doesn't leave we can apply to the County Court for a court order.
Assured shorthold tenancy (fixed term - less than 2 years)	This is a tenancy granted for a set period. At the end of the period the tenant should leave. If they do not, we can get a court order after giving 2 months' notice. (We can also get a court order during the tenancy on one of the grounds in the Housing Act 1988.)
Assured shorthold tenancy (fixed term - more than 2 years)	If the tenancy is for more than 2 years we also have to give notice of our intention to terminate or review the tenancy 6 months in advance of the end date.
Licence	A licence has less security than a tenancy and is personal permission to live in a property. We can terminate a licence by giving 4 weeks' notice.
Probationary tenancy (starter)	This is a periodic assured shorthold tenancy granted to a new tenant for a period of 12 months. If the tenant conducts the tenancy satisfactorily then they will be granted an assured periodic tenancy or a fixed term tenancy. If they do not comply with the tenancy conditions, the probationary tenancy can be extended up to a total of 18 months or the tenancy terminated by giving 2 months' notice.
Tenancy Strategy	Under the Localism Act 2011, all local authorities must have a tenancy strategy setting out the matters which Housing Associations are to have regard to in formulating their policies relating to the kind of tenancies they grant and the circumstances when they grant them, the length of any fixed term and what happens at the end of a fixed term.