

Sheffield City Council Tenancy Strategy

1 Introduction

1.1 The Localism Act 2011 introduced wide ranging reforms to social housing including a requirement that all local authorities have to produce a tenancy strategy. In line with the requirements of the Localism Act this strategy sets out the matters that all registered providers of social housing (Registered Providers - RPs) must have regard to when they develop their Tenancy Policies relating to:

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

2 Aims of the Tenancy Strategy

2.1 Sheffield City Council has taken this opportunity to review the type of tenancies it provides and consider the opportunities offered by the Localism Act 2011. For many years secure council tenancies have played an important role in creating settled and mixed communities and it is this stability that also offers security to the most vulnerable people. However, we also understand the pressures on the Council's housing stock and in particular the unmet demand for larger family homes. Our emerging Housing Strategy which will be published in 2013 will set out the intention to make best use of the city's homes and as a landlord we will routinely review the levels of occupation and work with RPs to help people relocate who may wish to move to a smaller home, but we do not believe fixed term tenancies are an appropriate way to manage social housing. This is a view which has been set out by a motion agreed at full council

2.2 We do not believe fixed term tenancies are an appropriate way to manage social housing given the potential adverse impact that tenancy reviews can have on people's well being and on community stability. We are also concerned about the potential impact on long term regeneration schemes and the willingness of residents to work with us to renew obsolete homes in the city if new homes are to be provided by RPs using fixed term tenancies.

Strategy Aims

- To protect and provide stability for vulnerable people
- To enable stable and mixed communities
- To help shape the tenancy policies of RPs operating in the city

2.3 We have developed the following objectives to be taken into consideration by RPs as they make decisions about their own tenancy policies.

Commitment to Lifetime tenancies – this principle shapes the strategy. In November 2010, Sheffield City Council confirmed its belief in the principle of lifetime tenancies for local people and opposition to ending lifetime tenure for council tenants. We would expect RP's to support this principle.

Minimising the impact of welfare reform changes – The changes, particularly around under occupation or “bedroom tax”, mean all social landlords must work together to allow tenants to move to smaller suitably sized accommodation.

Promoting mutual exchange – As the pressure on social housing within the city increases it is more important than ever to promote mutual exchanges to allow tenants more opportunity to resolve their housing needs. This will also support the objective of minimising the impact of welfare reform changes and resolving housing hardship brought about due to changes to housing benefit. We will work with RPs to remove any potential barriers to help us achieve this..

We note the expectation in the Regulatory Framework for Social Housing that RPs should grant to people who have been social housing tenants continuously since before 1 April 2012 a tenancy with no less security when they choose to move to another social rented home, whether with the same or a different landlord.

Promoting Health and wellbeing - Access to a secure good quality home is fundamental to positive health and wellbeing. By maintaining the principle of lifetime secure tenancies we will be promoting positive

health and wellbeing by enabling tenants to live independently in homes and neighbourhoods of their choice.

Prevention of Homelessness – Our commitment to lifetime tenancies supports the aims of our Homelessness Strategy by promoting security of tenure and reducing the likelihood of tenants becoming homeless when fixed term tenancies come to an end.

Introductory tenancies – Whilst these have been presented as a useful housing management tool to address anti social behaviour the Council has chosen not to adopt an introductory tenancy regime at this time as there are question marks over both their effectiveness and their benefits in relation to costs but we will keep the option under review. We acknowledge that some RPs operating in Sheffield currently use starter tenancies. Unless the tenant has breached the conditions of their tenancy we would expect lifetime tenancies to be granted in Sheffield when the probationary period has ended,.

Affordable rents – the ‘affordable rent’ product introduced by Government is not a tenancy type, however, it is closely linked and it is important to set out the Council’s position on this. We have concerns at the potential impact of RPs converting properties to affordable rent levels in higher value areas of the city and in areas where the numbers of social housing stock is low. To ensure there continues to be a distribution of socially rented properties across the city, we ask that RPs consider the following points when developing or updating their tenancy policies:

- Our preference is for RPs to grant lifetime tenancies when letting affordable rent properties
- We expect RPs not to re-let properties with four bedrooms or more at affordable rents, especially in areas with high average market rents, and if RPs let these properties at affordable rent, we expect that affordable rent to be set at a level no higher than the Local Housing Allowance rate for that area.
- We expect RPs not to convert properties to affordable rents in areas where there is already a scarcity of social housing.
- In order for us to take a city-wide approach on affordable rent properties and to enable us to support RP’s funding bids to the HCA we would expect RPs to consult with us on conversion and investment issues prior to developing agreements with the HCA.

2.4 We recognise the Localism Act only requires RPs to have regard to this strategy when developing their tenancy policies and we are aware many have signed contracts with the Homes and Communities Agency over the development of the new affordable rent product for the delivery of affordable housing until 2015. This means they will already have plans

in place for the conversion and provision of affordable rent homes, and will also have plans in place for the type of tenancies that they will offer. However, our expectation is that RPs with homes in Sheffield will review their own tenancy policies after the publication of this strategy to ensure that, wherever possible, their policies work to complement our strategy.

- 2.5 RPs have a duty within the regulatory framework for social housing to: “co-operate with local authorities’ strategic housing function, and their duties to meet identified local housing needs. This includes assistance with local authorities’ homelessness duties, and through meeting obligations in nominations agreements” We do expect our strategic partners to support delivery of Council policies and objectives, including our commitment to lifetime tenancies. Linked to this, where Council land is made available to an RP for development of social housing we would expect that the homes will be let on lifetime tenancies. In particular where the development is undertaken to assist the Council with a regeneration scheme we expect the RP to comply with the Regulatory Framework’s requirements on the tenancies to be granted to existing social housing tenants.

3.0 Monitoring and Reviewing the Tenancy Strategy

- 3.1 The Tenancy Strategy should be reviewed three years after the implementation date of 15th January 2013.
- 3.2 We are committed to positive engagement with RP’s active in Sheffield and expect our strategic partners to support delivery of Council policies and objectives. We recognise the important contribution already being made by RP’s, including high performance on delivery of lettings to applicants nominated by the Council. We will continue to encourage and monitor RP performance on supporting delivery of Council policies and objectives through regular meetings with individual RPs, the Sheffield Housing Management Forum and the Sheffield Strategic Housing Forum. We will utilise these opportunities to monitor the delivery of the recommendations of the Tenancy Strategy. Monitoring will include assessing the level of conversions to fixed term flexible tenancies and to affordable rent compared to the current plans of RPs operating in the city, particularly where we have supplied the land that they have developed on.
- 3.3 We will also monitor the pattern of homelessness and consider previous tenancies held by applicants who subsequently became homeless.
- 3.4 Evidence of support for the objectives of this strategy will be one of the factors taken into consideration when the Council makes decisions on working with individual RPs.

Appendix 1

Strategic Context

In November 2010 the government issued the Fairer Futures Consultation which in part looked at introducing flexible tenure to social tenancies. This would mean that for the first time Local Authorities would have the option to give tenancies for a fixed period of time.

Sheffield City Council was aware of the proposed benefits of the introduction of flexible tenure and following consultation with TARA representatives, it was felt that they could have a negative impact on vulnerable tenants and on the creation of mixed and stable communities.

In November 2010 Sheffield City Council confirmed its belief in the principle of lifetime tenure for local tenants and its opposition to ending lifetime tenure for council tenants. It is this principle that shapes Sheffield's Tenancy Strategy.

We circulated the draft strategy to all of the RPs of Sheffield to give them the opportunity to feedback their views on the strategy. The feedback we received from the RPs was generally supportive of our three aims of the strategy particularly in respect of providing security to tenants.

Standing Up for Sheffield: Corporate Plan 2011 – 2014

This plan sets out the strategic direction and priorities for the Council for the next three years and is structured around eight outcome areas that cover a wide range of initiatives. The principle of lifetime tenancies that provide security and a sense of community are particularly relevant to the following four outcomes:

- **A Great Place to Live:** This element of the plan is to make Sheffield a desirable place to live that has successful places and sustainable communities. It focuses on having the right number of desirable homes, citizens living in thriving neighbourhoods with access to sustainable and safe transport. The Council believes that life time tenancies will provide stability in the housing market and help communities to invest in the areas over the long term.
- **Safe and Secure Communities** – This element of the plan is to make Sheffield a safe and secure place to live. Lifetime tenancies will help to provide long term security of tenure for Sheffield's communities, who chose to live in homes owned by the Council
- **Successful young people** – This element recognises that children are the future of the city and aims to ensure that all children and young adults achieve their full potential. Secure tenancies enable children to grow up in stable communities

- **Better health and wellbeing** – This element focuses on three key areas, promoting lifelong health and wellbeing for adults and children, promoting independence and effective and efficient care. Lifetime tenancies help the Council achieve these aims by removing the worry from tenants that their tenancy may come to an end and enabling them to live independently in their own home.

Appendix 2

Sheffield Context

Sheffield has a population of 552,700 and is the fourth largest city in England. The city's population is growing at an unprecedented rate and so too are the number of households. By 2031, it is estimated that Sheffield's population will be around 670,000 and around 49,000 new households will have formed. The majority of this growth will be because of an increase in births and an increase in the student population and economic migration. At present Sheffield has a student population of around 60,000, some 9,000 of which are from overseas.

Sheffield's population is also ageing and people are living for longer. In the next 20 years we expect there to be an extra 40,000 people aged 80 and over living in the city. There will also be an increase in the numbers of other vulnerable groups, such as people with learning difficulties and people with dementia. This will require the Council and other providers to adapt their services to meet future household needs.

Housing Market

Sheffield has over 230,000 homes. Private properties make up three-quarters of Sheffield's housing stock and the majority of these are owner occupied (63%). The remaining properties are social rented through the Council or other Registered Providers. Sheffield City Council currently owns around 42,000 properties.

Sheffield's housing stock contains a high proportion of semi-detached homes built in the 1950s and 60s and terraced properties built before 1945. Though recent development particularly in the city centre has been dominated by apartments the city has lower levels of flats and detached properties when compared to national, regional and local averages.

The city's housing market is polarised and house prices vary. The housing market in the south west of the city is extremely popular with an average house price of around £200,000. In contrast, the housing market in the east of the city has some of the cheapest properties available, at around £60,000.

The changes in the housing market have in part been driven by the lack of available mortgage finance and the 20% deposit currently needed to buy a home. This large deposit of around £23,000 in Sheffield is now the biggest barrier to home ownership for first time buyers and home owners with little equity in their home.

The restriction on mortgage finance has meant that more people are now accessing the private rented market. It is estimated that 12% of Sheffield's households rent privately and in the future this sector is expected to grow further. This growing demand is driving up private rent levels and the average rent for the city now exceeds £600 a month.

Many residents in Sheffield don't currently have the income and savings to access the private rented sector or owner occupation. This has meant that demand for social housing within the city remains high, typically a person with high priority will be on the waiting list for a property for 3 months whereas a person without any priority will be waiting for 90 months with an average of 8500 current active bidders.

Welfare reform changes

The welfare reform changes represent the biggest changes to the benefits system in a generation. These changes particularly around the subject of under occupation or "bedroom tax" may have significant impact on demand for certain property types. It is estimated that the changes to the benefit system may have the potential to impact on up to 7500 tenants of Sheffield City Council and based on work we have done with RPs it will also affect a large number of tenants within their accommodation.

It is therefore important that the RPs within the city work together to make it as easy as possible for tenants to move between properties to find suitably sized accommodation that best fits the needs of the household, which in turn will help people to move to smaller accommodation.

Housing Strategy 2013 – 2023

Sheffield City Council's draft Housing Strategy sets out the Council's ambitions for housing provision, investment and management in the city over the next 10 years. The strategy considers current housing market conditions, projected population growth within the city and priorities raised by residents and then describes how we intend to use our resources and influence partners and the private sector to help us achieve our goals.

It describes how a good choice of housing helps the city achieve many of its ambitions. For instance, we believe that good quality stable homes can help to improve a child's life chances by providing the right environment to enable improved educational attainment. We also believe that good housing and housing services helps to improve the health and wellbeing of the city's residents, and a city with ambitions to grow its economy will be stronger with a healthy and competitive housing market.

The aims of the draft Housing Strategy are to:

- Help younger, older and vulnerable people to live independently
- Increase the supply of new homes in the city
- Make best use of the city existing housing stock.

Joint Health and Wellbeing Strategy

In 2013 the responsibility for Public Health transfers from the Primary Care Trust to the Council. This has provided the opportunity to create a partnership between GPs and the City Council which has a shared ambition and a shared strategy. The aims of the Joint Health and Wellbeing Strategy are to tackle the main reasons why people become ill or unwell and in doing so, reduce health inequalities in the city. The strategy also sets out the importance of people in Sheffield getting a good start in life to improve their chances of living a long and healthy life.

Access to secure good quality homes is fundamental to positive health and wellbeing. Conversely living with the uncertainty that your tenancy may end and being forced to move following a tenancy review can prevent people feeling part of their local community, be a barrier to children's educational attainment and has the potential to impact on peoples future life chances.

In contrast by supporting the principle of lifetime secure tenancies we believe we will be promoting positive health and wellbeing as we will be supporting tenants to live independently in homes and in neighbourhoods of their choice

Lettings Policy

Sheffield City Council's Lettings Policy covers the allocations to all of the Councils 42,000 properties and nominations to RPs of social housing in Sheffield. The lettings policy prioritises the allocation of our homes to people who have an urgent need. It also recognises that some people will not be eligible on this basis and some homes will be allocated to people without an urgent need. However, it aims to make best use of the size and type of stock we have got through appropriate allocations.

The current policy was adopted in 2001, updated in August 2006 and further amended in 2010 to ensure reasonable preference is awarded to all groups entitled to this. Following the introduction of new statutory guidance and considerable changes in the demand for social housing in Sheffield over recent years it was decided to carry out a general review of the policy. This will consider all the

implications of new statutory guidance, housing demand in Sheffield, welfare reform proposals and emerging issues.

A summary of the current Lettings Policy can be found in Appendix 4

Homelessness Strategy 2010 – 2013

In July 2010, the Council adopted a new Homelessness Strategy. This document outlines the strategic direction, priorities and targets for Sheffield over the next three years.

In the current economic climate more people are finding it difficult to keep up with housing costs and to sustain their tenancies. Homelessness in Sheffield has increased slightly and we expect that demand for services will increase in the next few years. In response we are seeking to increase housing choice for people who become homeless and we are working with other landlords to do this.

We will continue to work hard to keep the level of homelessness in Sheffield as low as possible. In order to help us to achieve this, our homelessness strategy describes how we will focus on the prevention of homelessness through early intervention. We will also develop flexible tenancy support to reduce the risk factors that lead to tenancy failure

We will also continue to support the aims of our Homelessness Strategy by promoting lifetime tenancies and security of tenure for all tenants of social housing, and reducing the likelihood of tenants becoming homeless when fixed term tenancies come to an end.

Sheffield's Homelessness Strategy can be found here:

<https://www.sheffield.gov.uk/in-your-area/housing-services/housing-strategies.html> .

Affordability

Affordable housing is vital to ensure that we have a mix of housing giving people the opportunity to live in their preferred areas of the city promoting diverse neighbourhoods. For those unable to access homeownership and social housing, the private rented sector (PRS) is normally the tenure of choice. However, for many low income earners the PRS is unaffordable and those with lower incomes may be limited to cheaper accommodation, which may be of a poorer quality and condition. Affordable Rent is therefore seen as an important route to plugging the gap between social housing and the private rented sector.

Currently Sheffield's private rented and social rented sector varies across the city, with some areas having higher numbers of social housing than others, and some areas having more expensive private rented accommodation than others. The impact and viability of the housing reforms may therefore vary from one area of the city to the

next. Through modelling we looked at these differences and how the introduction of Affordable Rent will work across the city, and how it will affect access to housing. Although baseline data on rents across the city is considered, this strategy does not advise on rent setting.

A map is attached which details the density of social rented properties across the city (appendix 6 to illustrate where a further deficit would be created by converting properties in certain areas.

New housing development

Sheffield City Council recognises the important role that RPs play in providing social housing for the people of Sheffield and we want to work further with them to increase housing supply within the city. However where the Council has already made a valuable land asset available to RPs to develop we would expect the tenancies that are created to be lifetime as far as is reasonably practicable. We do recognise that this may not always be possible or that it may have serious implications for the RP's business plans. In these circumstances we would expect RP's to consult with us on the length of the term of the tenancy being granted and the circumstances in which they will grant a further tenancy when the original tenancy comes to an end.

Where in the future Council land is made available to an RP for development of social housing we would expect that the homes will be let on lifetime tenancies. In particular where the development is undertaken to assist the Council with a regeneration scheme we expect the RP to comply with the Regulatory Framework's requirements on the tenancies to be granted to existing social housing tenants.

Appendix 3

Other tenancy types

The default tenancy type for Local Authorities is a secure tenancy for RP's it is assured. There are however occasions where the default tenancy cannot be granted and these are most commonly in pursuance of provision of homelessness duty under part 7 of the housing act 1996.

Appendix 4

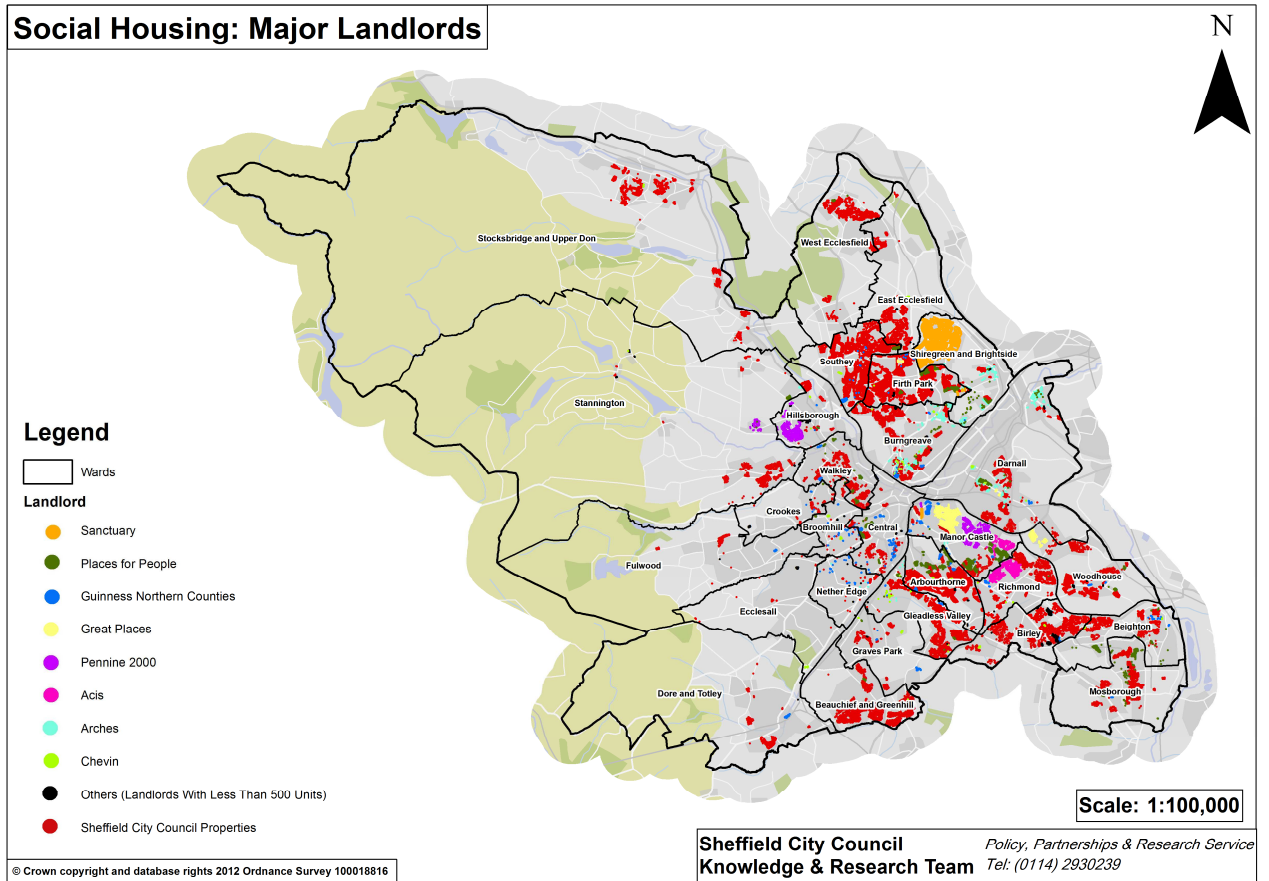
Lettings policy

See attached link for the full lettings policy

<https://www.sheffield.gov.uk/dms/scc/management/corporate-communications/documents/housing/social-housing/Sheffield-Lettings-Policy-Issue-6---April-2011/Sheffield%20Lettings%20Policy%20Issue%206%20-%20April%202011.pdf>

Appendix 5

Map to show density of social landlord properties across Sheffield



Appendix 6

The Tenancy Policies of the RPs with socially rented properties in Sheffield.

Registered Provider	Name and location of tenancy policy
Abbeyfield	73 brookhouse Hill Sheffield S10 3TB
Acis	http://www.acisgroup.co.uk/main/tenancy/tenant-handbook.htm
Action Housing	22 Wilkinson Street Sheffield S10 2GB
Affinity Sutton	www.affinitysutton.com
Anchor Trust	http://www.anchor.org.uk/help-faqs/default
Arches	http://www.archeshousing.org.uk/index.htm
Bedfordshire Pilgrims	https://www.bpha.org.uk/Pages/default.aspx
Bradfield Feofees	59a Sheffield Road Dronfield S18 2GF
Chevin	http://www.chevinha.co.uk/3-my-home/9-policies-amp-publications.html
Dimensions	http://www.dimensions-uk.org/
Derwent Living	http://www.derwentliving.com/
Equity Housing Group	http://www.equityhousing.co.uk/main.cfm
George Woofindin Almshouses	Hunters Bar Sheffield S11 8QA
Great Places	http://www.greatplaces.org.uk/Pages/default.aspx
Guinness Northern Counties	http://www.guinnesspartnership.com/resident-services/guinness-northern-counties.aspx
Hannah Rawson Almshouses	Worrall Road Sheffield S6 4BB
Home Group	http://www.homegroup.org.uk
Housing 21	http://www.housing21.co.uk
Johnnie Johnson	http://www.ijhousing.co.uk
Joseph Kaye Almshouses	94 Bates Street Sheffield S10 1NQ
Metropolitan	http://www.yorkshirehousing.co.uk
Methodist Homes for the Aged	http://www.mha.org.uk/HomePage.aspx
Padley	266 Barnsley Road Sheffield S4 7AG
Peak District Rural Housing	http://www.peakdistrictrha.org.uk
Pennine 2000	www.ph2k.org.uk
Places for People	www.placesforpeople.co.uk
Riverside English Churches	www.riverside.org.uk
Salvation Army	www.saha.org.uk
Sanctuary	www.sanctuary-group.co.uk/housing
Sheffield Jewish	Kingfield lodge 22 Kingfield Road S11 8RN
St Annes Community Services	www.st-annes.org.uk
SYHA	www.syha.org.uk
Yorkshire Housing	www.yorkshirehousing.co.uk

