

Update on Localism Bill & Tenure Reform

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- Local Government
- EU Fines
- Non-Domestic Rates
- Community Empowerment
- Planning
- London

- Allocations
- Homelessness
- Finance
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- Regulation
- Ombudsman
- Tenure Reform

"Do we want to reform tenure to actually enable people to move through housing rather than seeing it as something that you either get - 'great, I've got my council house' - or you don't get – bad...'

So I think a more flexible system - that not everyone will support and will lead to a quite a big argument ... looking at a more flexible system I think makes sense."

Tenure – where we are now

Local Authorities

- Secure (except ‘niche’ products and exclusions)

Private Registered Providers

- The most secure form of tenure compatible with the purpose of the housing and the sustainability of the community (social rent)
- A minimum of tenancy period of no less than two years (Affordable Rent)

Tenure – where we expect to be

All social landlords

Issue tenancies which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community and the efficient use of their housing stock

New Flexibilities – Conditions and Boundaries

- Publication of tenancy policy
- Minimum fixed term of five years (or exceptionally two years)
- Guarantees for existing secure and assured tenants who move and to all tenants following a decant

“Christopher Robin had a question to ask first, and he was wondering how to ask it. ‘Well’ he said at last, ‘it’s a very nice house, and if your own house is blown down, you must go somewhere else, mustn’t you’”

Legislation

- Royal Assent to Localism Bill: end November
- Commence provisions (mostly) to coincide with new Tenancy Standard coming into effect

Regulation

- Consultation on revised Tenancy Standard: November
- New Tenancy Standard comes into effect: 1 April 2012

“For existing tenants, and for new tenants in later years, a system of regular review every few years could run through whether someone’s circumstances had changed to allow them to take up a different part of the ‘offer’ ”

- Policy on grant and renewal of tenancies
- Exceptional circumstances and consideration of vulnerable groups
- Review procedures
- Advice and assistance
- Tenant involvement and influence
- Regard to local authority Tenancy Strategy

- Statutory duty on local housing authorities
- No prescription on content or format
- Regard to other strategic housing documents
- Consult PRPs in area and (in London) the Mayor
- Publish within a year of statutory provisions coming into force

“I think it’s fair to say to someone: if you want to come into social housing you sign with us a contract that will mean you will be active in finding work”

- Statutory right to one succession to spouse/partner
- Publish policy on grant of discretionary succession rights
- New flexibility on recovery window where property too large for successor (local authorities)

Transfers and Exchanges

- “These reforms will only affect new tenancies. We will ensure that the security of existing social tenants continues to be protected”
- Protections through Tenancy Standard on transfers
- Protections through Localism Bill on ‘mutual exchange’
- Exclusions through secondary legislation

“When there are people on the waiting list who are desperately needy, and others in state homes earning \$90,000 a year, we can't go on with a 'house for life' mentality”

Rights of Fixed Term Tenants

- Local authority flexible tenants = secure tenants minus statutory right to improve and be compensated for improvements
- PRP fixed term tenants = assured shorthold tenants plus Right to Acquire
- Grounds during fixed term; unqualified right of possession after end of fixed term

Possession at the end of the fixed term

- Provide at least six months' notice of intention through a 'minded to' notice
- Provide opportunity for challenge and review
- Provide at least two months' notice that require possession

Fixed Term Tenancies and Other Tenancies

- Precede with introductory/starter tenancies as per secure or assured tenancies
- Secure/assured - demoted/FIT - secure/assured
- Fixed term – demoted/FIT – fixed term

“Each council, whether they are stock retained or ALMO need to decide if flexible tenancies will work for them, their decisions will be based on the availability of stock in their area, what their strategic objectives are and how they think policies will impact on the overall housing situation in their borough.

The reasons for using flexible tenancies will be many and varied and will be based on an analysis of the local economic, social, political and community wellbeing issues...”