

TENANCY REVIEW POLICY & PROCEDURE

1. GENERAL STATEMENT

1.1 English Rural Housing Association is committed to sustaining rural communities through the provision of affordable homes for rent to local households. In 2011, in line with changes in Government strategy and regulatory approach, the Association decided to revise the range of tenancy types it offers on future rental homes developed, and has agreed to incorporate a new a fixed term tenancy model alongside traditional social rent, this additional tenancy type being consistency with that known as Affordable Rent. The length of this fixed term tenancy model will be for a period which is currently 20 years, unless otherwise approved by the Board for exceptional circumstances. This decision was reached after consultation with existing residents and staff and with the Association's overarching objectives in mind. A new tenancy was subsequently introduced by the Association, consistent with the assured shorthold fixed term tenancy model published by the National Housing Federation. For the avoidance of doubt, this policy document does not cover all existing 'Social Rent' homes developed under previous funding regimes prior to April 2011, where tenancy types will remain unchanged.

1.2 This policy and procedure document is designed to inform and direct how the new fixed term tenancy will be reviewed at the end of the fixed term period and how rents will be determined. Any application of the policy and procedure will uphold the rights contained within specific tenancy agreements issued by the Association and adhere to the laws governing tenant rights and the role of the Association as a landlord.

2. REVIEW OF TENANCY

2.1 The Association has sought to take advantage of the ability to charge higher or 'Affordable Rents', up to a level of 80% of market rent, to sustain its objective of both managing and developing quality affordable rural homes. In recognition of the high value rural areas in which it operates, where living costs are ordinarily recognised to be higher than urban areas, the Association's preference with regards to rent levels charged when using fixed term tenancies is that due consideration is given to the level of Local Housing Allowance payable and so far as possible this level is not exceeded, subject to financial viability, but that as a limit rents will not exceed 80% of comparable market rents. In accordance with regulatory guidance, rents charged will not be lower than a target rent calculated on an existing 'Social Rent' property.

2.2 All market rents will be calculated independently and in accordance with RICS prescribed methodology and by a RICS qualified surveyor. Given the relatively limited rental activity in many of the rural areas where the Association operates, the surveyor will be advised to identify and form a best view on comparables when deriving a market rent.

2.3 All Affordable Rents will be re-assessed in accordance with the agreed methodology when any new tenancy is awarded or re-issued, with specific reference to any agreements in place outlining the level of rent which should apply.

3. REVIEW OF TENANCY

3.1 The Association recognises that the review of a tenancy after a fixed period is likely to cause concern and insecurity amongst tenants. Because of this, the Association wishes to provide for a fair, transparent and timely process to minimise the potential for anxiety.

3.2 The Association will develop a system for highlighting tenancy anniversaries, so as to monitor those approaching the end of the fixed term period. One year before the end of the tenancy the policy and procedure for reviewing fixed term tenancies will be activated. To maximise the period available to the tenant to consider their options, which is critical given the limited availability of housing in rural areas, the tenant will be contacted between two years and eighteen months before the end of their tenancy and notified that a tenancy review will take place the proceeding year. At this stage the tenant will be able to request an informal meeting with the Association to discuss the process of the tenancy review.

3.3 The Association will contact the tenant to confirm that they are entering the final year of their tenancy and as a result a tenancy review will be undertaken. Tenants will be supplied with a copy of this policy and procedure document and any other appropriate information that may be considered necessary by the Association.

3.4 The tenancy review will involve an assessment of circumstances in accordance with those detailed in section three of this document. The assessment will take place within the first three months of the final year of the tenancy.

3.5 After the tenancy review has been completed, the Association will notify the tenant of the outcome and if a decision has been reached to terminate any tenancy, serve an appropriate Notice on the tenant informing them of this decision. This will include the process for appeal against any decision as well as appropriate welfare advice detailing how to access further information and support and, if appropriate, advice on finding alternative accommodation. This Notice will be served shortly after the tenancy review has concluded, but as a minimum before the last six month period of the tenancy.

3.6 During this process and when appropriate the Association may use the legal powers available to it to resolve any obstruction from the tenant in carrying out a tenancy review and maintain a detailed record of the process undertaken.

3.7 Should the decision be reached not to terminate a fixed term tenancy the Association may decide to issue a new fixed term tenancy or in specific circumstances when considered appropriate by the review panel, maintain the current tenancy on a rolling basis.

4. ASSESSMENT OF TENANCY

4.1 The approach to assessment will be aligned with elements of the Association's allocations policy and procedure. This will typically include asking the tenant to complete the application form used by the Association and supply supporting documents. The tenant will then be asked to participate in a meeting with their Regional Housing

Manager to discuss the information supplied and be scored against the published needs matrix appended to the allocations policy.

4.2 The Regional Housing Manager will report on this meeting to the Operations Director, supplying an assessment against the needs matrix, completed interview assessment form and supporting information supplied by the tenant. The report from the Regional Housing Manager will include a summary of any court action taken against the tenant over the preceding four years and also additional tenancy breaches recorded during this period. The Regional Housing Manager will also be invited to make a recommendation within their report to the allocations panel.

4.3 The Operations Director will convene an allocations panel, which will consist of at least two members of the housing services team, one of whom will be the Operations Director or Housing Services Manager. The Regional Housing Manager who has been involved in producing the review report will not form part of the Panel, as is the case with allocations. Prior to the meeting one member of the panel will undertake to determine local market prices for housing in the village using published data and current properties available for sale or rent in the village. This will also serve to inform the Panel of the availability of alternative accommodation locally.

4.4 The panel will meet and review all the information collated, with due consideration to the specific areas marked (a) to (e) below. Notes will be taken at the panel meeting and a final determination of the panel recorded within them.

- a) Tenancy Management
- b) Ability to access market housing
- c) Need for current accommodation type
- d) Overall household needs
- e) Other circumstances highlighted by tenancy review

4.5 Should the panel determine that there have been significant breaches relating to point a) or that in their view the household has sufficient and sustained income to facilitate point b), it will recommend that the tenancy is terminated. For the avoidance of doubt, sustained will mean for a period of more than five years and sufficient will mean a household income of, or more than, the average final income for the top percentage of the UK population as recorded by the Office of National Statistics or successive body (at the time of publishing this was recorded as £58,100) so long as the published rental value for a market property, which met the household circumstances, represented no more than 30% of the total household income.

4.6 Should the panel identify issues around point c), d) or e), then it will look to establish what, if any, other resources are available which could resolve these or facilitate a more acceptable arrangement. It will not however determine to terminate the tenancy.

4.7 Once the panel has reached a decision the tenant will be notified, this notification will include issuing appropriate documentation confirming the outcome of the tenancy review along with information on what happens next and also details on how to appeal. The Association will have a clear process for appeals and this will be consistent with the process outlined in the allocations policy.

5 CONCLUSION

5.1 In order to monitor the impact of this policy and procedure the Association will record outcomes relating to tenancy reviews within its performance monitoring arrangements which are reported at senior management and board level. The Association will also undertake to regularly review this policy and procedure based on experiences of tenancy reviews and look to learn from the experiences of others operating in social housing sector.

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Approved by:	Board of Management
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