

Housing Management Policy



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1. Purpose of the strategy

Our mission is to be recognised as the leading local provider of affordable housing; we will strive for quality in everything that we do and this will be the main feature that sets us apart from others. We are a caring organisation that will put people first and we take pride in the way that we serve our tenants and maintain our properties and in our financial strength and efficiency.

The aims set out in this strategy have been specifically developed to help us to achieve our mission whilst also taking account of the new and changing environment in which we work. The aims cover all aspects of housing management, including rents, lettings, tenancy management and tenant involvement.

2. The current environment

We are delivering homes and services to our tenants in an ever changing environment. Welfare Reform, including Universal Credit, is impacting on the amount of benefits tenants receive and the way they receive them. There are concerns that vulnerable tenants and those that are financially or digitally excluded may have more difficulties coping with the changes.

It is widely recognised that we are in a 'housing crisis' with insufficient homes to meet demand across all levels of the housing market. Years of grant reduction for social housing, and the right to buy, have resulted in a lack of homes for those most in need. Our partner local authorities have high waiting lists of applicants in need of an affordable home and they are struggling to meet the demand.

There is an increasing concern about the affordability of homes at all levels of the housing market. To deliver new housing we have been reliant on grants which require us to charge 'Affordable Rent' which is up to 80% of the market rent. Due to the housing market, rents for some of our properties could be considered unaffordable for some tenants in the future.

The Localism Act 2012 and the Housing & Planning Act 2016 has seen a shift from social housing being a home for life to a home for only as long as tenants need it. Fixed Term tenancies are now compulsory for local authorities and are encouraged of Housing Associations to make best use of our stock, increase tenant mobility and free up properties for those in need.

Our Regulators, the Regulator of Social Housing (RSH), require us to "offer tenancies or terms of occupation which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community and the efficient use of our housing stock". They also expect us to publish clear and accessible policies which outline our approach to tenancy management.

3. How the Strategy was developed

A task and finish group was set up to analyse the current environment and debate the key issues using the legislation, guidance, research and regulations. The group was made up of three Board Members including the Vice Chair, Chair of the Tenant Performance Panel, the Chief Executive, the Housing Manager and the Senior Housing Officer. Key aims and objectives were developed from there and put to the Board in the form of a draft strategy in February 2018.

Following this, all tenants were invited to get involved with the review, a few did and they provided feedback on the draft. Feedback was positive with no recommendations made. The Board subsequently approved the strategy in March 2018.

4. Summary of the key aims

The key aims of this strategy are to meet local housing need by providing homes which are affordable and well managed, and to provide services that improve the lives of our tenants and their communities. Each aim and the supporting objectives are set out below in more detail.

5. Aim 1 – Meet local housing need

One way to meet local housing need is by delivering new homes and our approach to this is set out in our Development Strategy. Another way is by making best use of our existing housing stock and to do this we will undertake the following objectives:

1a) Extend the use of fixed term tenancies

We will extend the use of fixed term tenancies, from those let purely at Affordable Rent, to other tenants in a way which provides a home for tenants as long as they are deemed to need it. We see fixed term tenancies as a means to encourage tenants to improve their circumstances so will combine their use with a holistic approach (see 4).

Fixed term tenancies will be of varying lengths with a minimum of two years (in exceptional circumstances), but it is envisaged that five years will be the norm. Lifetime tenancies may still be appropriate for some applicants, when determining the tenancy length we will have regard to the individual circumstances of the tenant, the type of property that they are moving to, community sustainability and local housing demand.

Existing Cornerstone tenants will retain their security of tenure if they move and existing tenants of other register providers will retain their security if they were social housing tenants prior to April 2016, except where they choose to move to a property let at Affordable Rent or where there are other restrictions. We will continue to use Starter Tenancies in addition to fixed term tenancies where appropriate.

The grounds under which we will not renew a fixed term tenancy will include factors such as the suitability of the property compared with the needs of the household, income and tenancy conduct. We may consider charging additional rent where the financial circumstances of the household have improved but where the property is suitable and there is a need to remain within the community. We will set out further details in a revised Fixed Term Tenancy Policy, alongside our Tenancy Policy which will detail the types of tenancy we will offer and under what circumstances.

1b) Allocate homes via Devon Home Choice (DHC) but make use of flexibilities within the scheme

DHC continues to be used by local authorities to allocate homes to applicants assessed as being in housing need. Departing from this scheme could undermine their ability to discharge statutory duties. All lettings will meet the criteria set out in our Lettings Policy.

Where nominations and S106 agreements permit it, we will allocate a proportion of properties outside of the scheme via 'direct lets', this will include where tenants are moving for major improvements or redevelopments, specific housing management issues or to facilitate downsize moves. We will also use local lettings policies in consultation with local authorities where they will contribute to sustainable and balanced communities.

1c) Implement a downsizing scheme to free up family homes

Our 2016 census, which was completed by 51% of tenants, showed that approximately 160 tenants are under-occupying either a two or three bedroom home. Some of these homes are pre-war two bedroom flats which we are in the process of modernising to make them more suitable for families.

We recognise that some tenants will have lived in their home and their communities for many years and will have strong connections to both. We will not force people out of their homes, however we will consult with them to develop a scheme which encourages moves and maximises our opportunities to free up family homes for those in need. This may include financial incentives and support, practical help with the moving process and offering alternative more suitable properties from our stock so that tenants can remain in their local community.

1d) Explore partnerships and projects

We will explore opportunities to work in partnership with local authorities and other parties on projects which could alleviate the issue of addressing housing need within our local communities. These will be considered by the Senior Management Team and referred to the Board where project outcomes support achievement of our core aims and objectives.

6. Aim 2 – Affordable homes

There is a direct link between charging ‘Affordable Rents’ (up to 80% market rent) and being able to provide more homes as the additional income supports our ability to develop. However, we recognise that we need to get the balance right between maximising income and the affordability of these rents for our tenants. Rents that are too high can result in arrears, evictions and properties which are empty or difficult to let.

We aim to achieve this balance by capping rents on new lettings at the Local Housing Allowance rate (LHA), this is the rate used to assess housing benefit entitlement in the private sector and is the baseline recommended by local authorities in Devon. We will use up to 80% of the market rent or LHA rate, whichever is the lower and this will apply to new build properties and existing properties converted to ‘Affordable Rent’ as part of an Homes England agreement (formerly HCA).

However, where applying the LHA rate would prevent us from delivering new homes, as it makes them unviable, we will consider alternative subsidy and undertake an affordability assessment which will look at the local market conditions, including the need and likely demand for the homes. We will continue to consider ‘Intermediate Rents’ for new and existing schemes where there is a business case for doing so.

The Government has dictated rent reductions of 1% for four years until 2020 and after that we can increase rents by up to the Consumer Price Index (CPI) plus 1% for five years. Within the discretion that we will have post 2020 we will ensure that we consider the affordability of our rents and the balance between this and delivering the good quality services that our tenants have come to expect of us.

7. Aim 3 – Well managed homes

Managing our homes includes dealing with tenants who do not keep to their tenancy agreement; this could include rent arrears, anti-social behaviour or not looking after their home; it also involves dealing with empty properties (voids). Our approach to repairs and maintenance is detailed separately in our Asset Management Strategy.

Well managed homes means that our tenants can live peacefully in their homes and communities and we minimise financial loss. The following objectives support this aim:

3a) Take a more proactive approach to managing tenancies

We will ensure tenants understand the terms and conditions of their tenancy by reviewing our tenancy sign up process and our existing Tenants Handbook; this will include checking that they are accessible to all tenants.

A rolling programme of tenancy reviews will be introduced, which will include visits to tenants to consider and address all aspects of the tenancy. We will take account of the individual circumstances and needs of the tenant and their household (see 4).

We will make the payment of rent as easy as possible by providing a range of payment methods and access to appropriate support and advice.

When dealing with tenants who breach their tenancy we will be consistent and fair, but firm where appropriate. We will communicate clearly and try to resolve things at the earliest stage possible, eviction will always be a last resort.

3b) Deliver efficient & effective void management

We will offer properties that meet a minimum lettable standard and will minimise the time they are left empty through improved marketing of homes and streamlining of the void and letting process. We will also review the ways we can minimise void periods during improvement programmes (see Void Management Policy).

8. Aim 4 – Improve lives

Not every tenant is the same, they have different needs, vulnerabilities and aspirations and some need more help and advice than others. Through external factors, such as Universal Credit, we believe that more tenants will be in need of help to sustain their tenancy and to achieve their aspirations. We see that offering that help is an increasing part of our role as a caring landlord, particularly with the introduction of fixed term tenancies. We want to be more engaged with our tenants so that we can offer services that meet their needs and help them to improve their lives if they want to. The following objectives support this aim:

4a) Provide a more holistic service to tenants

Through the new programme of tenancy reviews we will increase the contact we have with tenants and the number of tenants we engage with. Through this contact we will be able to provide additional support and advice to help tenants maintain their tenancies and achieve their aspirations; this could include signposting them for more specialist support or helping them move towards employment.

We will also work with tenants to stay independent in their homes by offering adaptations, where appropriate for the property; the needs of the tenant and the budget available (see Aids & Adaptations Policy).

Improving environments, services and facilities within communities can have a positive impact on the wellbeing and lives of tenants. Where possible and appropriate we will work with partners and other organisations to address the concerns of tenants within their community.

4b) Expand our digital services and support tenants to get online

Getting online is becoming vital for most tenants so that they can apply for benefits, get access to better deals and stay connected to friends and family. Communicating digitally with tenants and empowering them to self-serve also represents better value for money, if tenants are able to check their rent account and pay online this frees up staff time to help other tenants who need a bit more support.

4c) Review and expand our approach to financial inclusion

Currently we outsource money advice for tenants, this helps them to budget, manage their debts and deal with benefit claims and appeals. A review of this service will be conducted to ensure it can meet increasing demand and deliver positive outcomes for tenants at a price which represents value for money.

We will also work in partnership with other social housing providers to commission the services of a sustainable credit union which can provide affordable and ethical financial products for tenants. It is expected that this will reduce the negative effects of tenants using pay day loans, door step lenders and loan sharks.

4d) Deliver our Tenancy Involvement Strategy

We have recently reviewed our Tenant Involvement Strategy, which is linked to this strategy. We will continue its delivery which promotes a range of ways for tenants to influence the management of their homes and be actively engaged with us.

9. Delivering the strategy

This strategy is a commitment to diversify and expand services. This will involve investment in staffing and services which must generate value for money, including positive social outcomes for tenants. A review of resources will be undertaken and provided to the Board.

The relevant policies and procedures will be updated and staff will be provided with training and guidance in applying them.

An action plan will be developed which will specify how the aims and objectives of the strategy will be achieved and within what timescale. Delivery of this action plan will be monitored by the Senior Management Team and the Board.