

TENANCY POLICY

Purpose

This policy sets out how Black Country Housing Group (BCHG) grants tenancies and takes account of our key principles. These are:

- a) The purpose of the accommodation
- b) The needs of the resident
- c) The sustainability of the neighbourhood
- d) The best use of our housing stock

Scope

This policy covers all general needs, sheltered and supported housing of BCHG, where new tenancies have been created, and specifically:

- a) Our approach to managing starter tenancies
- b) The length of fixed term tenancies granted and what we do when it comes to reviewing them
- c) Our appeals process where a resident can raise their concerns about the tenancy they have been granted
- d) The support we will offer if we decide not to re-issue a tenancy

Responsibility

The Director of Operations will be responsible to authorise the termination of a tenancy, in line with the delegated authority from the Board.

The Head of Housing and Head of Property Services are jointly responsible for the implementation of this policy.

Neighbourhoods Managers will be responsible for overseeing the operation of tenancy reviews as they apply to Starter and Fixed Term Tenancies.

The Head of Property Services and Lettings Manager are responsible for evaluating this policy through feedback from residents and monitoring.

1. Our approach

BCHG will issue tenancies which are compatible with the purpose of the accommodation, the needs of the household and to make the best use of our stock.

The types of tenancy we offer:

Starter Tenancies

BCHG will offer starter tenancies to all new residents in accordance with our [Starter Tenancy Policy](#). Starter tenancies will be issued for an initial period of 12 months and, should there be no breach, this will automatically convert into either a fixed term or lifetime tenancy, which is explained in more detail below. The 12 month starter tenancy will be in addition to the five year fixed term tenancy making all new tenancies a 6 year term.

Assured Tenancies

Most existing BCHG residents hold an assured tenancy. These are often referred to as 'lifetime tenancies' as the resident is usually able to stay in their property for the rest of their life provided they do not breach the tenancy agreement. BCHG will continue to offer assured tenancies to residents who already hold an assured tenancy with BCHG. We will automatically convert a Starter Tenancy to an Assured Tenancy in the following circumstances:

- A resident is living in accommodation designated for older people such as Sheltered Schemes
- A resident has a long term registered disability
- Whether an assured tenancy is required in other situations, , will be considered on a case by case basis.

Secure Tenancies

We have a number of historical Secure Tenancies that began before 15th January 1989 as a result of the merger of St Phillips and Lotus Housing Society in 1990. These tenancies remain 'secure' with a 'fair rent' set by an independent Rent Officer of the Valuation Office Agency every two years. These are also "lifetime tenancies", provided a resident does not breach their tenancy agreement.

We do not offer new Secure Tenancies other than where a secure resident is transferred internally to another property, and the secure tenancy status will go with them

***Mutual Exchange**

Our Mutual Exchange Policy goes into more detail of the tenancy we will grant resident's that mutually exchange internally or with a resident(s) from another Social Landlord.

Five year Fixed Term Tenancy

Since 2011, the majority of the new tenancies we offer, after a starter tenancy, are fixed term tenancies. These are for a fixed period of time rather than being a lifetime tenancy. We currently offer a fixed five year term tenancy preceded by a starter tenancy of up to 12 months.

We have two different rent settings that apply to our Five year Fixed Term Tenancies:

1. If a property is part of the Affordable Housing Programme, the fixed term tenancies will have an affordable rent set at 80% of the local market rent. This is guided by the Royal Institution of

Chartered Surveyors (RICS). More detail on this is found in our Affordable Homes Programme Procedure.

When we decide to let a property on an affordable rent, we will take account of our overarching principles of:

- The purpose of the accommodation
- The needs of the tenant
- The sustainability of the neighbourhood
- The best use of our housing stock

We will always be clear in our communications that any such tenancy is an affordable five year fixed term tenancy.

2. In most cases a tenancy will not fall into the Affordable Housing Programme and, in such cases, we will offer a Five year Fixed Term Tenancy on a social rent.

Assured Shorthold 3 Year Fixed Term Tenancies

Since 2010 a number of properties have been bought under the Mortgage Rescue Scheme and an Assured Shorthold Fixed Term Tenancy was granted for 3 years. An 'intermediate rent' was applied, and an option given for the resident to buy their property back after 3 years and in accordance with the Scheme. Where the resident did not buy the property back after 3 years a further tenancy can be offered. However the advice on the type of tenancy has changed over times, so we have two different forms of tenancies since our participation in this scheme before 2010, and these are explained below:

Properties bought between 1st March 2010 to 1st January 2013

During this period 30 mortgage rescue properties were bought and, after satisfactory completion of the 3 year term, the tenancy was converted to an Assured Tenancy. The weekly rent charge remained at an intermediate rent but subject to annual increase in the same way as an assured rent. More detail is found in our [Rent Setting Policy](#).

Properties bought from 1st January 2013 onwards

Upon satisfactory completion of the 3 year term of the tenancy, tenancies will convert to an 'Affordable five year Fixed Term Tenancy' as outlined above at paragraph [1].

2. Tenancy Review

Whether affordable or social, a resident can end their tenancy at any time by giving BCHG 4 weeks' notice to terminate in writing. BCHG will not seek to end the tenancy before the end of the fixed term unless the resident is in breach of the tenancy agreement. Towards the end of a fixed term tenancy BCHG will carry out a review to see whether a new tenancy will be granted. The purpose of this review is to evaluate the resident's circumstances in terms of household make up, need, income etc. If a decision

is made not to renew the tenancy at the end of the fixed term, advice and assistance will be offered to help the resident explore options for alternative housing where appropriate.

If, however, it is decided to renew the tenancy, a further fixed term tenancy will be offered. We may decide not to renew the tenancy in the following situations:

- The resident(s) income exceeds the income threshold for which a mortgage is obtainable in the area. In such circumstances we would request the resident obtain independent financial advice and to discuss this with us
- The household is under-occupying their home. Where a property has more bedrooms than permitted by virtue of the 'bedroom tax', we consider it will be substantially more extensive than is reasonably required. We will use the criteria outlined by Government, in their bedroom tax calculations, to decide if the property is too big. Our aim is to prevent residents getting into arrears and potentially losing their home due to the bedroom tax (also known as the 'under-occupation charge')
- An adapted property is no longer suitable for the household's needs
- There has been a significant breach of their tenancy conditions
- Legal action has been commenced, or will imminently commence, against the resident or household for breach of tenancy.
- Where there has been a failure to participate in the review meetings

This list is not exhaustive and each resident's circumstances will be considered, on a case by case basis, including consideration of any vulnerabilities that they may be experiencing.

Where BCHG decides to end the tenancy, the resident must be given at least 6 months notice stating the reasons why and giving them a right to request a review of the decision not to renew. BCHG will then need to give 2 months notice requiring possession under Section 21 of the Housing Act 1988.

3. The Appeals Process

As BCHG have powers to both end and extend starter tenancies, and not to renew fixed term tenancies, an appeal process exists for both. We will make any decision fairly, reasonably and proportionally. Any decision we take will be after considering, or using all other options available and with clear evidence that the tenancy agreement has been breached, or the other reasons not to renew a tenancy as detailed at paragraph [2] have been satisfied.

Residents can appeal our decision not to convert their tenancy to either a Fixed Term Tenancy, or Assured Tenancy or to not renew a Fixed Term Tenancy, by writing to us within 10 working days of receiving our decision. An Appeals Panel made up of at least two Managers (Lettings Manager/ Head of Service), who are independent of the case and the original decision, will deal with the appeal.

The Appeal process will include the following:-

- Either party can rely on or refer to witness evidence.
- An oral and/or written review can take place, should the circumstances of a particular case require it
- Involve impartial officers
- The Resident will have the right to be legally represented at the hearing
- The Resident will have the right to receive information regarding BCHG's reasons for its decision(s).

4. Monitoring

Monitoring of lettings and tenancy types is recorded each month by the Lettings Manager and reported quarterly to the Exec Team. Resident Feedback and complaints are monitored as part of this process.

5. Review

This Policy will be reviewed in 3 years time

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Reviewed By	Ramesh Malhan	Approval By	Director
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