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**TENANCY MANAGEMENT AND SUSTAINMENT**

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**SUMMARY REPORT**

**Purpose of the Report**

1. The recent review of the Council's Local Lettings Policy identified a need for members to be more aware of the processes and actions that are in place to minimise the risk of tenancy failure. This report describes the end-to-end processes that have been put in place from applying for a Council tenancy to the long-term sustainment of a successful tenancy.

**Summary**

2. Over a number of years the Council has gradually introduced a series of processes that together provide a coherent set of actions that are aimed at minimising the risks of tenancy failure. In introducing these changes a shift has been made in the way the Council views tenancy management moving away from a reactive approach to breaches of the tenancy agreement to a proactive approach of preventing tenancy failure. The changes are focused on identifying risks and providing the right action to avoid future problems. This report describes the actions that take place through a five stage process and refers to a new service, Housing Plus that will be introduced during the autumn that will be the subject of a more detailed report after the service is fully operational.

**Recommendation**

- (a) Members are asked to note and comment on the content of this report.

**Paul Wildsmith**  
**Director of Neighbourhood Services and Resources**

**Background Papers**

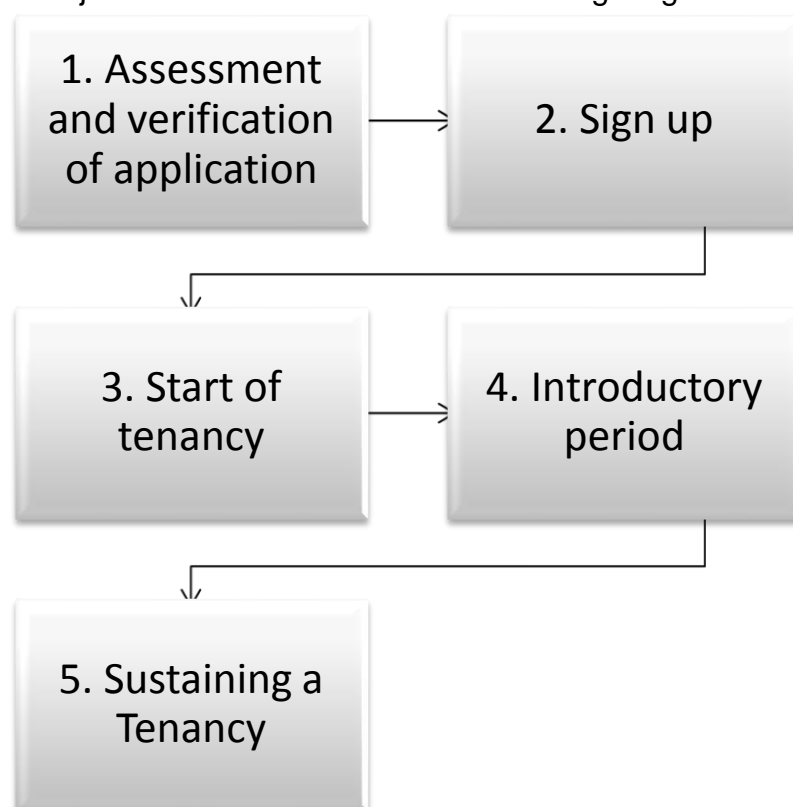
Compass Allocations Policy  
Tenancy Agreement

Ken Davies: 2435

## MAIN REPORT

### Information and Analysis

3. Over a number of years a series of changes have been made to tenancy management which have focused on prevention with the aim of avoiding problems or effectively dealing with the problem as quickly as possible when they occur. A further aim is to continue to improve our understanding of our tenants so that we can provide services that can significantly improve their chances of maintaining and sustaining their homes.
4. Although the number of Council tenants who have enforcement action taken against them for breaches of the tenancy agreement is quite small, the costs of tenancy failure are still very significant. The Government estimates that the cost of an eviction is £7,095<sup>1</sup> and £2,501 for dealing with a statutorily homeless case. Not only are there the costs of officer time but also legal action, rent loss plus other wider social costs such as homelessness and disruption within the local community. The approach now being taken therefore has both welfare and financial benefits.
5. As a responsible social housing landlord the Council is expected to provide housing for a mix of housing needs including the most vulnerable in the community. It also has responsibility for ensuring that tenants can feel safe and secure in their home and community. The processes that have been put in place to achieve both of these objectives are described in the following diagram:



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<sup>1</sup> Department of Communities and Local Government: Troubled Families Unit 2014

## Assessment and Verification

6. The Compass Choice Based Lettings System which operates across all five Local Authorities in the Tees Valley has established a process for applying for social housing in the sub-region. This is based on “The Allocation of Accommodation: Guidance for Local Housing Authorities in England (CLG, June 2012).” All applicants who want to register on Compass have to provide the following information:
  - (a) One form of identification
  - (b) Proof of address and National Insurance number
  - (c) Proof of three years housing history
  - (d) Proof of child benefit/ child tax credit if appropriate
  - (e) Landlord reference or a character reference from a professional person
7. Some of the above checks specifically meet the requirements of section 160A of the Housing Act 1996. This deals with the immigration status of people who have come to the United Kingdom from abroad. Generally they establish if the applicant is entitled to apply for social housing. Section 160A of the Localism Act 2011 gives Local Authorities discretion to decide who may qualify to apply for social housing in their area. Information provided in the application and in the above checks will identify any issues. For example, an applicant (or a member of their household) who has been found to have engaged in unacceptable behaviour, serious enough for a Registered Provider to pursue court action had they been a tenant, can be classed as non-qualifying when applying to the ‘Compass’ Housing Register. Unacceptable behaviour includes relevant criminal activity, anti-social behaviour or significant housing debt where no reasonable attempt to repay this debt has been made. Where there is a concern about an applicant the Council can seek further information from Disclosure Scotland who can provide information on criminal convictions and other risks.
8. Where an applicant has a poor housing history a further assessment is made to understand what efforts the applicant has made to address these issues. This could include payment of rent arrears or evidence of good behaviour for a sustained period. An applicant is therefore not automatically barred from applying and where their application is either suspended or refused the situation will be reviewed. In 2013/14 thirteen applications for Council housing in Darlington were suspended. From April 2014 to date a further five applications have been suspended.
9. These checks also ensure that the applicants are who they say they are and that the information is correct. This helps to reduce the risk of fraud. The Tenancy Fraud Act 2013 was introduced because of concerns about the increasing incidents of tenancy fraud. Instances of tenancy fraud in Darlington are rare.
10. One of the main aims of the application process is to assess housing need and this will also identify vulnerabilities such as the need for a support or care service and/or money advice when they are rehoused. Additional work may be necessary with the applicant to build up a better picture of their needs and this may include,

with the permission of the applicant, contact with other appropriate organisations to ensure that the right accommodation and services can be put in place to ensure a successful rehousing.

## **Offer Process**

11. First time tenants are statistically most likely to breach their Tenancy Agreement and the most likely group to proceed to formal action. As an example in 2013/14 159 Introductory Tenancies got to the stage where the threat of legal action was made. The sign up process therefore forms a critical stage in identifying any potential risks:
  - (a) At this stage the application form will be reviewed with the applicant to identify any changes in circumstances to ensure the application is still correct and valid.
  - (b) An assessment of the applicant's financial circumstances will be made. This includes a detailed review of income and outgoings. They may be assisted with a Housing Benefit application and/or may be referred for money and budgeting advice.
  - (c) Advice on rent payment methods is provided and assistance offered with Direct Debits and Standing Orders.
  - (d) Support needs will be reviewed and where there is no support but an outstanding need then an appropriate referral can be made via the Key Point of Access.
  - (e) The Tenancy Agreement will be explained alongside a range of detailed issues such as reporting a repair and gas safety inspections. The applicant will be given a copy of the Tenants' Handbook as well as a copy of the Tenancy Agreement.
  - (f) The applicant will be asked to provide information on how they intend to set up their home and advice and assistance may be provided on a range of matters from options for obtaining furniture to how to deal with utilities.
12. A further assessment has recently been introduced for the new Housing Plus service. This service is intended for those who, through the assessment process, are identified as being at higher risk of breaching their tenancy agreement. The service is an intensive housing management service that provides additional advice and assistance with housing matters. The tenant and the Council sign a joint agreement that contains a set of goals designed to lead to maintaining a successful tenancy.

## **Introductory Period**

13. All tenants who are new to social housing begin as an Introductory Tenant. Section 124 Housing Act 1996 implemented Introductory Tenancies to provide what could be described as a “trial” period. The period is usually one year but if there is a cause for concern the period can be extended. An Introductory Tenant does not have the same rights of security as a Secure Tenant. Should there be a serious breach of tenancy then legal proceedings to evict the tenant are less onerous
14. All Introductory Tenants will be visited by a Housing Officer in the early stages of the tenancy to ensure that they are settling into their property and to discuss any problems. There may be other visits during the introductory period but this will depend on how well the tenant is coping. A formal assessment is made of the introductory period prior to the tenancy becoming secure
15. Tenants receiving a Housing Plus service will be contacted frequently in the early weeks of the tenancy with the intensity of the contacts reducing as the tenancy becomes established.
16. Any breach of the Tenancy Agreement will be dealt with by the local Housing Officer or the Management Plus Officer and in the case of rent arrears the Income Management Officer. More serious cases of breach of the Tenancy Agreement that are not solely rent arrears may be referred to the Tenancy Enforcement Team.
17. Under some circumstances the Introductory Tenancy may be extended to 18 months. This will occur if there are concerns about how the tenancy is being conducted and notice of the intention to increase the introductory period will be given by the 10<sup>th</sup> month of the tenancy. Where a tenant has not satisfactorily completed an Introductory Tenancy a Notice of Possession Proceedings will be served.

## **Tenancy Sustainment**

18. The vast majority of tenants maintain a successful tenancy. However some tenants will breach their tenancy agreement and the most common cause is by falling into rent arrears. This is dealt with through routine housing management. However, a small number go on to make serious breaches of their tenancy agreement. In cases of neighbour nuisance or anti-social behaviour the Tenancy Enforcement Team may become involved. This is a specialist team within housing management. They make use of a number of tools to resolve problems using legal remedies as a last resort. All complaints are logged in one of three categories that relate to the severity of the complaint:
  - (a) Category A: Where there is a serious breach of the tenancy agreement including criminal activity in a Council property, serious abuse or violence.
  - (b) Category B: Where there is a persistent problem.
  - (c) Category C: Low level issues.

19. Each category will result in a different level of response

- (a) In cases that fall in category “C” “Talk Down” may be used. Where the problem is a dispute between tenants, a lasting solution is often best achieved if tenants resolve the dispute between themselves. Often a tenant will complain to the Council rather than speak to their neighbour. Intervening at this stage may only succeed in escalating the problem.
- (b) For both category “A” and “B” the team will investigate complaints. In some cases the process of talking to those involved may resolve the situation but where further action is required a number of other options are available. Noise monitors are used in cases of noise complaints. Noise can be a subjective issue and this provides objective information that will help guide further action or may resolve the problem. Where the issue is anti-social behaviour witness information may need to be gathered over a period of time. Mediation can be a successful way of resolving difficulties with other people. Once the Council has received the approval of both sides we will arrange a meeting. Very often two or three meetings are needed to resolve everything. All meetings are private and confidential. The Council’s Neighbourhood Resolutions Team based in Gladstone Street provides this service.
- (c) Where the tenant acknowledges there has been a breach of the Tenancy Agreement an undertaking can be signed agreeing to abide by a number of ‘promises’ in relation to their future conduct.
- (d) Where more formal action is required there are a number of options that depend on the type of problem:
  - (i) Anti-social behaviour injunction which was created by the Crime and Disorder Act 1998. Later legislation strengthened its application via the Anti-social Behavior Act 2003. This is a Court order intended to correct the behavior of people above the age of 10 who have committed minor offenses that do not warrant a criminal charge.
  - (ii) Gas safety abatement notice was introduced in the Environmental Protection Act 1990, Section 80 and requires a response within seven days allowing access to carry out essential Gas checks. Should the tenant not respond to this then a Warrant of Entry can be applied for that will allow forced entry within seven days. The council is yet to use the Warrant of Entry.
  - (iii) Notice of Seeking Possession (NSP) remains active for up to 12 months and can result in legal action being taken. At this stage a tenant can still take steps to avoid further action by addressing the reason for the Notice. For example, in 2013/14, over 1,000 notices were served with the vast majority due to rent arrears. However, by working with and supporting these tenants, only 100 proceeded to court. From this, 23 evictions were carried out as a result of tenants failing to abide by the terms of the court

order. The figures show our commitment to working with our tenants to help sustain their tenancies

- (iv) The eviction process can be slow and the court can decide not to uphold the case, award suspended possession allowing the tenant further time to address the problem or give possession, usually with 28 days' notice. The reasons for eviction fall into two main reasons, namely rent arrears and anti-social behaviour.

## **Conclusions**

20. In summary, the numbers of serious breaches of the Tenancy Agreement are small. Some of this can be attributed to the simple fact that most Council tenants do not cause problems. Some of this is due to the preventative actions that are now being taken. The aim is to reduce these further with the introduction of the Housing Plus service as the next step in this direction.