

Appendix 2

Registered provider

tenancy guidance

2025 - 2030



Introduction

Section 150 of the Localism Act 2011 requires local authorities to publish a **tenancy strategy** setting out the matters to be considered by registered providers (RPs) with stock in their area when they are formulating their own tenancy policies.

In Lichfield District we have developed the **registered provider tenancy guidance** which meets this requirement and sets out how we would like registered providers with stock in Lichfield District to respond to matters including, but not limited to:

- the kinds of tenancies they grant.
- the circumstances in which they will grant a tenancy of a particular kind.
- the use of flexible/fixed term tenancies.
- the housing register and potential to make changes to the allocations criteria.

Our housing stock was transferred in 1997. Social housing stock is now primarily owned by a range of registered providers (or RPs), with over 95% owned by the council's seven 'approved' RPs.

Since the transfer, our key role has been to enable new affordable housing provision and guide RP partners in relation to the letting and management of all social housing stock in the district to meet local housing needs and priorities.

In 2021, the council once more became a Registered Provider and has committed to establishing its own small portfolio of affordable homes for rent and to serve as temporary accommodation.

Aimed at RPs (now including Lichfield District Council), councillors and housing professionals, this guidance replaces our previous tenancy strategies and forms part of a framework of housing strategy policies, and procedures.

It is informed by the council's Housing, Homelessness and Rough Sleeping Strategy, HEDNA and housing register data.

Background and aims

Lichfield District has relatively high residential property prices and rents when compared with the wider local area. This means many households find it difficult to afford to rent or buy a home on the open market in the district, and as such affordable housing is in short supply. Accommodation provided by RPs makes up only about 14%¹ of all homes in the district, so many people who need an affordable home can find it difficult to find one to suit their needs.

The aim of this guidance is to ensure that:

- the council meets its legal duties under sections 150 and 151 of the Localism Act 2011.
- RPs are aware of the council's approach to the matters contained in this strategy and that these are reflected in their own tenancy policies.
- the council and its partners jointly meet local housing needs with the limited resources available in the most efficient and effective way.
- the kinds of tenancies offered, and their terms serve the best interests of both the individual household and the landlord.
- a consistent approach is taken towards the use of Flexible Tenancies in the district.
- RPs tenancy policies are aligned to facilitate tenant mobility to make best use of the affordable housing stock.
- RPs tenancy policies do not have an adverse effect on homelessness.
- RPs create and maintain mixed and sustainable communities and provide support to help vulnerable people sustain their tenancies.
- Affordable housing is affordable to local people.

Local context

Lichfield District is in south-east Staffordshire neighbouring the West Midlands region and has a population of 106,400. The district has two main settlements Lichfield City and Burntwood, each with a population of around 32,000 as well as many villages set within a varied and attractive rural area. The population of Lichfield has increased by 5.7% since 2011, however, when compared with the West Midlands (6.2%) and Great Britain (6.6%) the population has grown at a slower rate.

The district is characterised by a larger than average proportion of people aged over 65 and similarly a larger than average number of children under the age of 15. The overall population for the district is projected to increase by 2% between 2017 and 2027 with growth in people over the age of 65 (17%) and ages 85 and over (55%). This rate of increase is likely to be faster than the national average. The impacts of an ageing population are recognised as a national issue.

¹ Social rent or shared ownership. Source: 2021 Census data <https://www.ons.gov.uk/census>

The figures for Lichfield District illustrating population ageing suggests that the movement into retirement and older age groups could be a more significant issue here than in many other areas of the country.

Guidance for registered providers on tenancy policy

All RPs that have entered contracts with Homes England will be able to charge affordable rents up to a maximum of 80% of market rents on new homes and on a proportion of their relets. Affordable rent only applies to homes built using grant funding from Homes England; affordable housing on developments built without grant (such as s106 sites) can be built as traditional social housing. Tenancies where an affordable rent is charged will be let and managed in the same way as social rent, and tenants will still be eligible for housing benefit.

The council wants to ensure that social housing rent levels in the district remain truly affordable for residents; market rents can vary considerably, and we do not want affordable rents to differ in this way. We also want rents to remain affordable for low income and working households and that they do not discourage someone from working or make households dependent on welfare benefits. The council in line with policies, will actively seek properties for social rent on new developments as a preference over affordable rent.

To ensure consistency the council would therefore like RPs to continue to ensure that rents charged for affordable rented properties do not exceed the relevant Local Housing Allowance (LHA) rate that is applicable for that property size at the time that the rent is set.

Tenure and tenancy types

Following the introduction of the Housing Act 1985, social housing tenants were offered an assured or secure tenancy, which granted them a home for life.

Flexible tenancies were introduced as part of the Localism Act 2011 with the aim of helping RPs make best use of their stock and respond to changing housing needs. RPs may still offer the types of tenancies they currently use, such as starter/introductory, secure and assured tenancies. Flexible tenancies are an additional tool. Tenants must be informed of the type of tenancy they will be offered at the point of offer. This should also be clearly stated in their tenancy agreement, with any specified rights to the type of tenancy.

The council is committed to meeting housing needs of residents and to ensure that the different types of tenancies are used to support sustainable communities so that vulnerable tenants are provided with the level of stability they need. The needs of households or groups should also be considered, for example, the circumstances of households who have dependent school aged children attending a local school, those living in adapted properties and those with a support need should be considered when deciding on the length of a fixed term tenancy.

It is important that the most vulnerable tenants are provided with the level of stability they require, and fixed term tenancies will not be appropriate for certain groups, particularly older people and tenants in specialist or lifelong supported housing. **The following tenancy types can be offered:**

Type	Applies to:	Details
Starter and introductory tenancies	Typically offered to new social tenants	<ul style="list-style-type: none"> Usually last for up to 12 months, extendable for a further 6 months. Tenants do not have the full tenancy rights of a secure or assured tenant and although the landlord must apply to the court for eviction, this is a simpler and quicker process. If the tenant satisfies the landlord that they are a responsible tenant during this period (e.g. by paying rent promptly and behaving appropriately), they will be offered a secure or assured tenancy with full tenancy rights.
Fixed term assured shorthold tenancies	Historically issued by registered providers, but now not regularly issued	<ul style="list-style-type: none"> Usually issued for a fixed period of at least two-years, but in most cases should be for five years or more, in addition to anyone-year starter tenancy. The tenancy will be reviewed towards the end of the tenancy period. If the tenant's circumstances have changed, or there are concerns about behaviour, the tenancy may be ended, or a different property offered. If there are breaches of conditions of tenancy, the landlord may look to end the tenancy before the end of the fixed term. Councils and other registered providers of housing still have the option to offer lifetime tenancies. Fixed term tenancies should not be seen as a tool to deal with rent arrears or anti-social behaviour.
Assured tenancies	The most common form of registered provider tenancy	<ul style="list-style-type: none"> Tenants that have rented a property from a housing association for more than 12 months would normally have an assured tenancy, which could be a lifetime tenancy or a fixed term tenancy. Assured tenants have many of the same tenancy rights as secure council tenants and can only be evicted through the courts. Although tenants do not have the right to buy, they can apply to buy their home at a discount through the right to acquire. There are no restrictions on the length of these tenancies.
Secure tenancies	Generally issued to council house tenants and not RP tenants	<ul style="list-style-type: none"> Social tenants that have rented a property for more than 12 months would normally have a secure tenancy. Secure social tenants have additional tenancy rights, such as the right to transfers and mutual exchanges and the majority have the right to buy. RPs must apply to the courts to evict secure tenants and give four weeks written notice of eviction.
Lifetime tenancies	A form of secure tenancy	<ul style="list-style-type: none"> There are no restrictions on the length of these tenancies if you keep to the conditions of your tenancy (e.g. pay your rent, don't cause a nuisance etc.)

Management of tenancies

The council expects social housing providers who own or manage stock within the district, to provide effective tenancy management services, including:

- Managing all conditions of the tenancy agreement effectively.
- Ensuring that social housing tenants act appropriately and in accordance with their tenant responsibilities.
- Deal effectively with the impacts on local communities of antisocial behaviour, alcohol, or drug misuse.
- Tackling tenancy fraud.
- Managing tenancy changes, mutual exchanges, and the Right to Buy process.
- Assisting in reducing the risk of homelessness.
- Supporting the development of sustainable neighbourhoods.

The housing allocations scheme

The Localism Act has enabled local authorities to determine which categories of applicants should qualify to join the register for affordable housing.

The council's allocation scheme sets out who qualifies for social housing and how applicants are prioritised. Housing applicants who are deemed to be the most vulnerable and in the greatest need will be deemed to have priority.

The Act now enables councils to decide to close the list to some categories of applicant; however, the government has retained a role in determining priority groups by preserving the current 'reasonable preference' categories.

A specific requirement of the legislation is also to give additional priority to armed forces personnel.

LDC has nominations agreements in place with registered providers which means that they are required to advertise a high proportion of their vacant stock in the district through the choice-based lettings scheme for those on the register to bid on the weekly advert cycle.

Homelessness and preventative measures

There are many forms of homeless accommodation, individuals and households are usually staying in these properties on a licence agreement. The licence is a legal contract that gives the licensee the right to stay in the room or the property under specific circumstances. They are usually used for temporary or shared accommodation whereby a bedroom is rented but the kitchen, bathroom and maybe the living room are shared.

Properties for homeless people can be let on an assured shorthold tenancy where this is exclusive use.

The council is purchasing several properties through the rough sleeping accommodation programme and use of commuted sums and right to buy receipts to be used to accommodate those who are either currently rough sleeping or at immediate risk of rough sleeping.

The council is also actively seeking to increase the provision of temporary accommodation properties within the district.

Service charges

Service charges are subject to separate legal requirements as set by The Service Charges (Summary of Rights and Obligations and Transitional Provision (England) Regulations 2007 No.1257 Reg.3), including tenancy agreements.

It is expected that RPs will:

- Keep service charges to a minimum.
- Set reasonable and transparent service charges that reflect the service provided to tenants.
- Ensure that services and works are of a reasonable standard.
- Supply tenants with clear information on how service charges are set.
- Identify service charges separately from the rent charge.
- Where new or extended services are introduced, and an additional charge may need to be made, the registered provider will consult with tenants.
- If actual expenditure is less than the current charge, the service charge will be reduced accordingly.

Tenancy sustainment

RPs must ensure access to appropriate services is available for tenants who are vulnerable or who need additional support to sustain their tenancy. This assistance should help to enable tenants to remain in their community and their support networks, reducing the risk of homelessness through loss of tenancy.

In the event of a resident wishing to downsize, it is expected that the RP provides adequate advice to them about their options or signposts them to advice on this, this will ensure the best use of stock within the district.

Mutual exchanges

In accordance with the tenancy standard RPs must offer a mutual exchange service. We expect that the opportunity to do this will be promoted and enable tenants to exchange their property with another tenant by way of online and paper-based agreement to ensure access for all.

In accordance with guidance, we anticipate existing 'lifetime' tenants will still retain their right to exchange by way of assignment. This right is statutory for secure tenants and regulatory for assured tenants.

Equalities

This guidance has been subject to an Equality Impact Assessment (EIA). The council expects RPs to carry out an EIA when developing their tenancy policies.

Review of this guidance

This guidance is reviewed every five years, or earlier if significant changes are needed.

If you would like to make any enquiries relating to the guidance, please email policyandstrategy@lichfielddc.gov.uk