



Executive Committee

All Wards

28th October 2009

INTRODUCTORY TENANCY SCHEME

(Report of the Head of Housing and Community Services)

1. Summary of Proposals

The Committee is asked to recommend the adoption of Introductory Tenancies for all new tenants with Redditch Borough Council.

An Introductory Tenancy is a temporary tenancy lasting initially for a twelve month period during which time the tenant is effectively on probation. If the Introductory Tenancy is conducted in a satisfactory manner then it will automatically become secure after twelve months. Existing secure tenants of the Local Authority will not be affected under these proposals.

Many Social Landlords who have adopted Introductory Tenancies and have found that it assists them to identify vulnerable clients who may be at risk of losing their tenancy earlier so they can be given help or support that they require. They are also effective in assisting the landlord to tackle persistent or serious antisocial behaviour more quickly without the victims having to give evidence in court.

2. Recommendations

The Committee is asked to RECOMMEND that

the Council adopts the use of Introductory Tenancies for all new tenants with effect from January 2010.

3. Financial, Legal, Policy, Risk and Sustainability Implications

Financial

- 3.1 The costs of administering the scheme will be met within existing Housing Revenue Account (HRA) budgets. This will be achieved through use of existing members of the housing services team to manage the Introductory Tenancies. We anticipate that a low level of cases will require formal action. There will be a requirement to increase the number of visits undertaken by housing officers to tenants in their first year but it is anticipated that this will reduce the risk of greater costs in the long term by resolving breaches of tenancy earlier. Other local Authorities who have adopted introductory tenancy schemes report a reduction in possession proceedings and reduced costs overall.

Legal

- 3.2 Part V of the Housing Act 1996 confers upon Local Authorities the discretion to grant introductory tenancies to all new Local Authority tenants, with some exceptions which are: new tenancies granted to existing secure tenants (i.e. transfer), assured tenants of a registered social landlord and any new tenancy where one of the tenants was a secure tenant (i.e. where a joint tenancy is created between an existing secure tenant and a new tenant).
- 3.3 Advice has been sought from Legal Services on the process and procedures required to run a successful Introductory Tenancy Scheme.
- 3.4 Local Authorities can revoke the scheme at any time without prejudice to re-establish a new scheme in future. In the event that this occurs all introductory tenants would become Secure Tenants.
- 3.5 The Housing Act 1985 requires us to consult our tenants when implementing any changes to housing management which affect all or a group of tenants.

Policy

- 3.6 Redditch Borough Council has already demonstrated its commitment to Homeless Prevention through the introduction of the Housing Options Team following a Scrutiny Review. The Introductory Tenancy Scheme would provide more intensive management of new tenancies which would highlight potentially vulnerable clients so that they can be given the support required at an earlier stage. An Introductory Tenancy Scheme which allows the Council to terminate the tenancy where tenants consistently breach their conditions will assist the Council to deliver safer and more sustainable communities.

Risk

- 3.7 We have not identified any increased risks to Redditch Borough Council as a result of adopting an Introductory Tenancy Scheme. An Equalities Impact Assessment will be undertaken prior to the introduction of the scheme and an action plan developed to ensure that the needs of all new tenants are met. Failure to adopt an Introductory Tenancy Scheme would reduce the Council's ability to tackle antisocial behaviour, neighbour nuisance, rent arrears and other tenancy breaches and make it more difficult to support good tenants and deliver a Key Priority Safer Community.

Sustainability / Environmental

- 3.8 Introductory Tenancies would assist the Local Authority to tackle antisocial behaviour, neighbour nuisance, rent arrears and other tenancy breaches more quickly so that good tenants feel more supported and Redditch becomes a more pleasant place to live and work. Greater monitoring of new tenancies in the first year would ensure that those tenants who experience difficulties in managing their tenancies receive the help and assistance required to change their behaviour at an earlier stage. Introductory Tenancies are seen as good practice by the Audit Commission and key to encouraging vibrant and sustainable communities.

Report

4. Background

- 4.1 Under Section 124(1) of the Housing Act 1996, a local housing authority was given the ability to elect to operate an Introductory Tenancy Scheme. An incentive for Social Landlords to introduce Introductory Tenancies is that it makes it easier for them to obtain vacant possession of a property where a new tenant has breached their tenancy conditions or is causing a nuisance or harassment to their neighbours.
- 4.2 Where a scheme is in use, every new tenancy for a Council property shall be an introductory tenancy, except in a few exceptions. A tenancy remains introductory until the end of a trial period of twelve months. At the end of the trial period, the tenancy shall become secure, unless the landlord has served notice to extend the period or end the tenancy.
- 4.3 Introductory tenants would have similar rights to secure tenants with the following exceptions:
- a) They would not have the right to take in lodgers;
 - b) They would not have the automatic right to improve their home;
 - c) They do not have the right to buy their home;
 - d) They do not have the right to exchange their home;
 - e) They do not have the same legal protection from eviction for breach of tenancy;
- 4.4 Introductory Tenancies like secure tenancies can only be terminated by obtaining a court order. Unlike secure tenancies the court must

grant a possession order provided that the landlord has complied with its policies and procedures. Before commencing possession procedures, the landlord must serve a valid notice on the tenant. There is no need for the landlord to prove grounds for possession, but the notice must set out the reasons for the decision to evict. The reasons must be lawful and they must not be irrational or in bad faith. Following receipt of the notice the tenant is entitled to request a review of the decision. This review must be conducted in accordance with the Introductory Tenancies (Review) Regulations 1997. The review must be undertaken by a person who was not involved in the decision to apply for an order of possession and decision must be given in writing.

- 4.5 The proposed Introductory Tenancy Scheme would require the Council to take a more proactive and intensive management approach during the first 12 months. We would be required to conduct more frequent visits to the property in the probationary period, make efforts to assist tenants to resolves difficulties managing their tenancies and be able to provide evidence that we have followed the correct procedures before we would be able to gain possession in court.
- 4.6 If Redditch Borough Council had doubts about the suitability of an Introductory Tenant, but insufficient grounds to terminate the tenancy within the first twelve months, a notice could also be served which would extend the introductory period for a further 6 months to allow further monitoring to be undertaken. An Introductory Tenant would also have the right to seek a review of the decision to extend the term of the Introductory Tenancy.

5. **Key Issues**

- 5.1 Introductory Tenancies would:
- a) Allow Redditch Borough Council to take action more quickly and easily when tackling anti-social behaviour, neighbour nuisance, rent arrears and other tenancy breaches.
 - b) Assist Redditch Borough Council to identify vulnerable tenants and tackle problems earlier so that appropriate advice and support can be given in order to equip them to sustain their tenancy in the longer term.
 - c) Ensure that secure tenancies are only offered to tenants who have kept to the terms of their tenancy agreements.
 - d) Benefit the Council's existing tenants and the wider community by offering a greater incentive for new Tenants to adhere to their

tenancy conditions, helping our neighbourhoods to become safer and more enjoyable places to live.

- 5.2 The Tenant Satisfaction Survey that was undertaken in 2008 highlighted that tenants felt the support given to new and potentially vulnerable tenants required improvement. The Introductory Tenancy Scheme would require more visits to be undertaken in the first year, which would address this concern.
- 5.3 Consultation with existing tenants has demonstrated that they consider an Introductory Tenancy Scheme to be a positive step from the Council towards addressing antisocial behaviour or breaches of tenancy conditions.
- 5.4 There is an established procedure for Housing Reviews in which a first review is undertaken by a Senior Housing Officer (who was not involved in the original decision) and the second is undertaken by a Housing Appeals Committee consisting of elected Members. The existing terms of reference for the Committee would also allow reviews regarding Introductory Tenancies to be considered.
- 5.5 The Introductory Tenancy Scheme would apply to Council owned HRA properties let from the Housing Register and not temporary accommodation. Tenants of temporary accommodation are provided with that as a result of a homelessness duty and as such the tenure is not secure nor included within this scheme.

6. Other Implications

- Asset Management - None
- Community Safety - Introductory Tenancies would assist us in tackling antisocial behaviour and reducing the fear of crime which negatively impacts upon tenants quality of life.
- Human Resources - None.
- Social Exclusion - Increased visits during the first 12 months of Introductory Tenancies would help to identify clients who may be at risk of social exclusion and sign post them to appropriate Support Agencies.

7. **Lessons Learnt**

- 7.1 The introduction of Housing Options following a scrutiny review has highlighted the importance of early intervention in the prevention of homelessness. In adopting an Introductory Tenancy Scheme the Council would be introducing a more robust and stringent procedure for managing tenancies in the first year. This will result in a greater proportion of Housing Officer time being given to proactively engaging with and supporting new tenants, rather than enforcing tenancy conditions through legal processes.

8. **Background Papers**

Housing Act 1985

Housing Act 1996

Housing Act 2004

Introductory Tenancies (Review of Decisions to Extend a Trial Period) (England) Regulations (SI 2006/1077).

R .v Bracknell Forest Borough Council, ex p. McLellan (2001), the Court of Appeal

DoE Circular 02/97

9. **Consultation**

- 9.1 Guidance from the Department of the Environment (DoE) and the Local Government Association advises that it is good practice to consult with existing tenants regarding proposals to adopt an Introductory Tenancy Scheme especially where it forms part of a wider anti-social behaviour policy. In the case of R .v Bracknell Forest Borough Council, ex p. McLellan (2001), the Court of Appeal assumed that authorities were obliged to consult with existing tenants on such proposals.
- 9.2 We have undertaken consultation with all existing secure Council tenants about introducing Introductory Tenancies. The views of the Borough Tenants Panel, Community Forum and the Housing Advisory panel have also been taken into account when considering adopting the scheme.

10. **Author of Report**

The author of this report is Elise Hopkins, Housing Options Manager who can be contacted on extension 3510 (elise.hopkins@redditchbc.gov.uk) for more information.

11. **Appendices**

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None.