



**Appendix A - The Southwark Tenancy Strategy
May 2024**

The Southwark Tenancy Strategy sets out the matters which Registered Providers (RP) that provide accommodation in Southwark must have regard to when deciding to offer particular types of tenancy, the length of fixed term tenancies, and the circumstances in which they will offer new fixed term tenancies upon expiry of the existing fixed term tenancy.

In addition, registered providers should act in accordance with the Charter for RPs and Affordable housing providers in Southwark which sets out the Council's requirements for positive partnership work.

<https://moderngov.southwark.gov.uk/documents/s92248/Report%20The%20Councils%20relationship%20with%20Housing%20Associations%20Cabinet%20Report.pdf>

The Southwark Council Tenancy Policy sets out how the council will apply the Tenancy Strategy to the tenancies used for stock owned or managed by Southwark Council.

The Localism Act 2011 placed a duty on every local housing authority to publish a tenancy strategy. The strategy sets out matters to which the registered providers of social housing for its district are to have regard in formulating policies relating to—

- a) The kinds of tenancies they grant,
- b) The circumstances in which they will grant a tenancy of a particular kind,
- c) Where they grant tenancies for a term certain, the lengths of the terms, and
- d) The circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

These four matters are set out in the sections below. The London Borough of Southwark Tenancy Strategy also includes a further section, namely:

- e) Housing options and financial advice where a new fixed term tenancy is not offered following expiry of the existing fixed term, and/or alternative accommodation is not provided.

Southwark has key strategic housing objectives which it expects its RP partners to support. This document sets out the Council's minimum requirements and as such the Council expects RPs to respond accordingly.

Southwark Council's key strategic objectives are set in the context of the extremely high level of need for affordable housing, and in particular larger social rented housing. Southwark Council is London's largest local authority landlord, managing a stock of approximately 37,000 tenanted properties, and there are a further 18,000 social rented properties in the borough (managed by about 45 registered providers). However market prices are beyond the reach of a significant proportion of our residents. Therefore for many residents, social housing is the only tenure which can provide the long term security for our residents which is so crucial to our successful and thriving communities.

Southwark Council has consistently set out concerns regarding the use of flexible tenancies and has committed to continue with the issuing of secure lifetime tenancies as the norm after successful completion of an introductory tenancy for council tenancies. This was set out in the previous version of the Southwark Tenancy Strategy. This updated Tenancy Strategy maintains this fundamental approach while also providing some additional information regarding intermediate rent, which has become more significant due to changes in national planning policy and changes to the rent standard for social housing.

This strategy will be reviewed over time as required in light of any changes made to other key council strategic policy documents including Southwark's Housing Strategy, Lettings Policy and Homelessness Strategy, as well as the Mayor's London Housing Strategy.

Southwark's latest Tenancy Strategy, Tenancy Policy and Intermediate Rent Policy can be located at www.southwark.gov.uk/housing/housing-strategy

a) The type of tenancies to grant

- a.1. The type of tenancies to grant is dependent on the circumstances. This is set out in section b below.

b) The circumstances in which to grant a tenancy of a particular kind

For social rented tenancies (this includes low-cost rented housing including Affordable Rent properties)

- b.1. For social rented tenancies Southwark Council advocates the use mainly of secure lifetime tenancies/assured tenancies after successful completion of 12 or 18 months as an Introductory Tenant for council and other social rented tenancies.

- b.2. Southwark Council welcomes the broad move away from fixed term tenancies by many registered providers over the past few years, and encourages other registered providers to consider moving back in this direction.
- b.3. Lifetime tenancies/assured tenancies provide stability and certainty for residents; they produce mixed communities and a sense of belonging which encourages resident involvement, the cornerstone of a settled and sustainable future.
- b.4. Residents who are invested in their tenancies are more likely to care for their properties and gardens; creating homes rather than just 'places to live'.
- b.5. For vulnerable residents the sense of stability and belonging is all the more important and can immeasurably improve quality of life.
- b.6. However, the council also acknowledges that there are a wide range of RPs operating in borough, who face a corresponding range of pressures. In certain circumstances it will not always be possible for RPs to issue lifetime/assured tenancies. Where RPs make a decision to issue flexible, rather than lifetime/assured tenancies, RPs should have regard to the following guidance.
- b.7. Where a household is transferring from, or relinquishing, an existing assured or secure lifetime/assured tenancy on the grounds outlined in b.7a, b.7b and b7.c the new tenancy offered should provide no less security than previously held.
 - b.7a) Decant
 - b.7b) Under occupation
 - b.7c) Fleeing violence, intimidation, harassment or hate crime
- b.8. In addition a lifetime/assured tenancy should normally be offered to:
 - a) Any person aged over 60 for whom there is no prospect of under occupation, for example, the tenancy is for a 1 bedroom property.
 - b) Any single person or couple who becomes a tenant of a wheelchair accessible property for whom the accessibility of the property will always be required and there is no prospect of under occupation in the future.

Intermediate rent lettings (this does not include affordable rent properties)

- b.9. There has been a growth in the number of intermediate rent homes which are being built. These are distinctly different housing products to social

rented housing. In most cases the aim is to provide a lower rent compared to open market prices to allow the resident to save up a deposit to either buy the property, or an alternative property. These housing products should be let to households following the priorities as set out in Southwark's Intermediate Rent Policy (please see www.southwark.gov.uk/houing-strategy)

b.10. For intermediate rent homes the council recommends a fixed term tenancy. Landlords can also consider the addition of a 12 month introductory tenancy probationary period (which is extendable up to 18 months) where applicable. In these cases the landlord will need to clearly notify the tenant at the start that the tenancy will become a flexible fixed term tenancy after the probationary period, to avoid them inadvertently coming secure lifetime tenancies.

b.11. There should be strict rules regarding the process of tenancy reviews to provide additional security for the tenant (as set out later in this document).

c) The lengths of terms for flexible fixed term tenancies

For social rented tenancies (this includes low-cost rented housing (including Affordable Rent properties))

c.1. Southwark Council advocates the issuing of secure lifetime/assured tenancies as the norm after successful completion of an Introductory Tenancy for council and other social rented tenancies.

c.2. Where a flexible fixed term tenancy is issued (under the circumstances set out in section b) the council expects providers to offer the minimum fixed term for a tenancy of five years, in addition to an introductory tenancy probationary period of one year (extendable to up to 18 months) where applicable.

c.3. Any exceptions (fixed term tenancies of between two and five years) should derive from the characteristics of the property (e.g. due for demolition) rather than the characteristics of the household.

For intermediate rented lettings (this does not include affordable rent properties)

c.4. Where a flexible fixed term tenancy is issued (under the circumstances set out in section b) the council expects providers to offer the minimum fixed term for a tenancy of five years, in addition to an introductory tenancy probationary period of one year (extendable to up to 18 months) where applicable.

- c.5. The fixed term period is to help encourage households to save up to buy an alternative property to maximise the use of the property for those who would benefit from this type of property.
- c.6. In the exceptional case of intermediate rented homes specifically for keyworkers, the fixed term for an intermediate rent tenancy can be set at two years rather than five years. This is to help ensure the property continues to support the recruitment and retention of Southwark keyworkers.
- c.7. Other exceptions should derive from the characteristics of the property (e.g. due for demolition, funding restrictions) rather than the characteristics of the household.

d) The circumstances in which to grant a further tenancy on the coming to an end of an existing tenancy, or to end the tenancy

For social rented tenancies (this includes low-cost rented housing (including Affordable Rent properties))

- d.1. Where a flexible fixed term tenancy is used, it is assumed that a further term will normally be granted if there are no significant changes of circumstances. However exceptions to this may include:
 - a) Where the tenant has breached the terms of their tenancy and has failed to reach or maintain an agreement to remedy this breach. For example, there are rent arrears and the tenant has not agreed or maintained an agreement to clear these.
 - b) Cases of under occupation (In which case, landlords will need to have made an offer of suitable alternative accommodation at least 6 months before the end of the fixed term).
 - c) Where there is no further need for purpose built wheelchair accessible accommodation or for accommodation to which substantial adaptations have been carried out.
- d.2. Where an RP intends not to offer a new fixed term tenancy for reasons other than those outlined in 4.1, the RP should inform Southwark Council on a case by case basis by emailing the Housing Solutions Service.
<https://www.southwark.gov.uk/finding-a-new-home/about-the-housing-solutions-service>

Intermediate rent lettings (this does not include affordable rent properties)

- d.3. For intermediate rent lettings, tenants will be expected to start saving towards a deposit to buy an alternative property (though this will not be required to be monitored).
- d.4. Nine months before the end of a fixed term, the landlord should conduct a review of household circumstances including household finances, suitability of the property and if the occupant no longer meets the current Southwark keyworker definition. The landlord should discuss the options with the tenant including:
- a) Suggesting shared ownership opportunities, and/or other purchase options and private renting
 - b) Letting the tenancy expire at the end of the fixed term, if there has been a significant change in household circumstances such as an increased income to significantly above the threshold in the intermediate rent policy (initially £60k). In the case of keyworker housing this could include if the occupant no longer meets the current Southwark keyworker definition
 - c) Offering a new flexible fixed term tenancy if homelessness would otherwise be unpreventable through any other housing option.

d.5. Tenants must be informed of this decision no later than six months prior to the end of the fixed term tenancy. The household has the right to review this decision in line with the regulatory framework for social housing in England, as set by the Regulator of Social Housing.

d.6. The tenancy could also be ended where the tenant has breached the terms of their tenancy and has failed to reach or maintain an agreement to remedy this breach. For example, where there are rent arrears and the tenant has not agreed or maintained an agreement to clear these. Providers are advised to ensure appropriate break clauses and forfeiture clauses are included in the tenancy agreement and clearly explained to the applicant.

e) Housing options and financial advice where the tenancy is not renewed and/or alternative accommodation is not provided.

e.1. As per the regulatory framework for social housing in England, responsibility for housing options and financial advice lies with the landlord, though for priority cases where a tenancy will not be renewed and/or alternative accommodation will not be provided, early notification should be given to Southwark Council.

e.2. An RPs decision not to offer a new fixed term tenancy and the resulting housing options advice should not adversely financially impact Southwark Council.