

North Yorkshire Tenancy Strategy

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Introduction

The Tenancy Strategy is a high-level framework of shared objectives and principles relating to tenancy issues which will provide guidance for North Yorkshire Council (NYC) and partners who manage Affordable Housing (Social Rent, Affordable rent and Intermediate housing) across North Yorkshire.

It is sufficiently adaptable to enable us to respond to local variations across the different Housing Market Areas within North Yorkshire and sets out North Yorkshire Council's position on the use and management of tenancies and the use of flexible tenancies.

Background

The North Yorkshire Housing Strategy 2024-29 outlines the Council's vision for housing across the area; *good quality, affordable, healthy, and sustainable homes that meet the present and future needs of all of our communities*.

With a population of 619,542, which is a growth by 2.85% since 2011 with an estimated growth to 636,161¹ by 2030 (a 2.9% increase), across a geographical area of over 8,000 square kilometres - housing of the right type and in the right place is a crucial part of supporting sustainable growth.

Across North Yorkshire there are approximately 305,798² homes and tenures are split as follows:



Tenure	Number of homes	%
Owner Occupied	268,771	88%
Social Rented	8,499	3.5%
Private registered providers	26,086	8.5%

Affordable homes are split across the geography, based on previous Borough/District boundaries in the following way.

Lower and Single Tier Authority Data	Local Authority (incl. owned by other LAs)	Private Registered Provider	Other public sector ²	Private sector (P) ¹	Total (P) ¹
Craven	49	2,635	0	26,577	29,798
Hambleton	0	5,954	851	37,871	44,676
Harrogate	3,935	3,790	0	69,993	77,718
Richmondshire	1,470	936	1,587	19,776	23,769
Ryedale	14	3,468	4	24,496	27,982
Scarborough	0	7,164	0	53,145	60,309
Selby	3,031	2,139	0	36,913	42,083
North Yorkshire	8,499	26,086	2,442	268,771	305,798

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1074203/LT_100.ods

¹<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/localauthoritiesinenglandtable2>

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1074203/LT_100.ods

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As the table below demonstrates, demand for affordable housing across North Yorkshire is high and continues to outstrip the supply, housing developments alone cannot fill the gap. To help address this, there must be; an efficient use of social housing, work to increase the delivery of affordable housing and continued support provided to vulnerable households.

	NYHC (North Yorkshire Home Choice)	Harrogate	Total
Active Applications (26/07/2024)	6764	2287	9051
New Lettings 2023/24	1426	884	2310
New Lettings 2022/23	1546	683	2229
New Lettings 2021/22	1685	512	2197
New Lettings 2020/21	1711	540	2251
New Lettings 2019/20	1927	658	2585

Table 1 Lettings via North Yorkshire Home Choice and Harrogate Borough Council 2019-2024

Of these applicants, around one third are already tenants of a social housing provider.

Statutory and Regulatory Requirements

This new Tenancy Strategy is drafted in line with Section 150 of the Localism Act 2011 which says that:

(1) A local housing authority in England must prepare and publish a strategy (a “tenancy strategy”) setting out the matters to which the registered providers of social housing for its district are to have regard to 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 certain term, 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
- (2) The tenancy strategy must summarise those policies or explain where they may be found.

The Social Housing Regulation Act 2023 introduced revised both Economic and Consumer Standards to be introduced alongside a new Statutory Code of Practice from April 2024. All registered housing providers are expected to adhere to these. The standards relevant to this strategy are:

- Rent standard
- Transparency, Influence and Accountability standard (information about landlord services)
- Tenancy standard (Tenancy sustainment and evictions)
- Tenancy standard (Tenure)

This Strategy document outlines the tenancies offered by Registered Providers in North Yorkshire and replaces the previous Tenancy Strategies of the former North Yorkshire Districts and Boroughs.

Strategic Links

National context

There are some key issues which make it necessary to examine the local use of social/affordable housing.

Welfare Reform: The Government has introduced various reforms to the welfare system, meaning that Local Housing Allowance (LHA) is often considerably lower than market rents, and the Single Room Subsidy and the Shared Room Allowance for under 35s restricts access to the private rented sector for this age group.

Local Housing Allowance: The Valuation Office Agency Rent Officers determine Local Housing Allowance (LHA) rates used to calculate housing benefit for tenants renting from private landlords. LHA rates are based on private market rents being paid by tenants in the broad rental market area (BRMA). This is the area within which a person might reasonably be expected to live. Many households find that the rent is not covered by LHA, which leaves them having to pay the difference from another source, or else accrue arrears which can quickly increase if the shortfall between rent and LHA is significant.

>>For instance: the difference between rent and LHA of a 2-bed house in Harrogate would be £201.37 per month compared to Richmond and Hambleton which is significantly less at £149.59 per month⁴<<

Universal Credit: Universal Credit is a payment to help with households with their living costs. It is paid monthly and is aimed at people on a low income or out of work. It brings six benefits, including Housing Benefit, together into the one payment.

Affordable Rent: An Affordable Rent is set at up to 80% of the market rent (the average rent for local private lettings) inclusive of any service charges, so it costs less than renting privately but is always more than other types of social housing rent.

Tenure Reform: In 2012 Flexible Tenancies were introduced. The rationale for tenure reform was that some households' income can rise through tax and benefit assistance, and as job seeking leads to employment. This can change between households or within the same household over time as circumstances change. Therefore, the reason a household was allocated a home may no longer exist, resulting in properties which are under-occupied, or occupied by households able to afford to rent privately, or even to purchase on the open market.

Cost of Living Crisis: The UK cost of living crisis started in 2021 in which prices for many essential goods (including costs for energy, food, furniture, household items, electricity, and clothing) in the country began increasing faster than household income, resulting in a fall in real income. This is caused in part by a rise in inflation in the UK. While all in the UK are affected by rising prices, it most substantially affects low-income persons. The direction and speed at which the crisis develops is going to put enormous pressure on our residents and communities and in turn our housing services, budgets and waiting lists.

Policy Statement on Rents for Social Housing: Chapter 4 of the policy statement (last updated in December 2022) allows Registered Providers to charge higher rents to households earning over £60K per year.

Regional Context

As of May 2024, the Combined Authority of York and North Yorkshire has a Mayor to replace the York North Yorkshire LEP. One of the aims for the Mayor is to improve the supply and quality of housing and secure the development of land or infrastructure.

Housing is central to this plan, and achieving a balanced, well-functioning housing, flexible market will be essential if North Yorkshire is to meet the changing needs of existing residents, those skilled workers and their families looking to migrate in to take advantage of the employment opportunities on offer, and of those (mostly young) households looking to out-migrate for employment and training opportunities.

This includes working with the market to develop homes that are attractive and affordable to younger and older people, digitally connected and energy efficient.

The devolution deal recently agreed for the region allows over £22.6 million to support the building of new homes on brownfield land, deliver affordable homes, and drive green economic growth across York and North Yorkshire.

Local Context

North Yorkshire is increasing the supply of affordable housing to support economic growth and development in the area, along with a determination to see the best use of the area's existing housing stock. However, annual affordable

⁴ [Local Housing Allowance Rates for the Harrogate Local Authority : DirectGov - LHA Rates \(voa.gov.uk\)](#)

housing completion targets are not currently being met. North Yorkshire Council works in partnership with the York North Yorkshire Housing Partnership which aims to work with the region's new Mayor and North Yorkshire Council to deliver high quality, low carbon, affordable homes.⁵

The approved Allocations Policy underpins the ability of people who are in housing need to move to appropriate social and affordable rent housing. With approximately 9050 households currently registered on our waiting lists and only an average of 2177 properties available annually, it is vital the policy strikes the balance between supporting sustainable, settled neighbourhoods, whilst giving priority to those people who are in urgent housing need.

This Tenancy Strategy will underpin that.

Previously, across North Yorkshire, local tenancy strategies have differed, with locally preferred approaches to the types of tenancies offered. This new Tenancy Strategy outlines North Yorkshire Council's position on tenancies and how they should be used.

There are 28 Registered Providers operating in North Yorkshire alongside the Council which is a stockholder.

In addition, Registered Providers should have due regard to the following policies and strategies: -

- North Yorkshire Council Homelessness and Rough Sleeper Strategy (currently under review)
- NYC Tenancy Policy
- NYC Allocations Policy
- NYC Housing Strategy

Diposals - in the spirit of partnership working housing providers will be expected to inform and discuss proposals for disposals of affordable housing stock with North Yorkshire Council.

Strategy

Aim

The aim of the Tenancy Strategy is:

To provide affordable housing tenancies for customers which meet local housing needs, provide support to those who need it, improve choice, and contribute to sustainable communities and economic growth and recovery.

This is a high-level framework against which Registered Providers will likely formulate their own, individual tenancy policies.

Objectives

The objectives of the Tenancy Strategy are:

- Affordability
- Sustainability
- Accessibility

These objectives mirror those contained within the Councils' wider Housing Strategy.

Affordability

This Strategy adopts the definition of Affordable Housing that is set out in the National Planning Policy Framework:

“Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)”

To ensure that our homes are affordable to those who need them we favour rents and service charges that are not in excess of Local Housing Allowance levels.

⁵ [York North Yorkshire Housing Partnership | Yorkshire Housing](#)

Registered Providers should also have regard to Council policies on affordability and any requirements of S106 agreements.

We will use information from the North Yorkshire Strategic Housing Market Assessment and local intelligence to better understand local housing markets and to help us to influence tenure decisions.

Sustainability

When considering the number of properties which will be re-let at an Affordable Rent Registered Providers have regard to the following;

- The pattern of re-lets by location, property size and type
- The need to ensure that under-occupiers wishing to downsize are not discouraged to do so
- The need to ensure a reasonable supply of family-sized accommodation at social rents
- The need to ensure that properties in rural areas can be let to those working locally on low incomes
- The shortage of wheelchair accessible accommodation

Whilst we do not expect Registered Providers to consult NYC on each conversion, an overall approach should be agreed.

Length of Tenancy

Key to the sustainability of a tenancy is security of tenure. Where it is appropriate in local circumstances, we will support the use of some or all of the following tools to sustain tenancies:

Introductory Tenancies – Introductory Tenancies allow landlords a trial period to assess the suitability of the tenancy. The trial period lasts for 12 months from the date the tenancy starts. Introductory Tenancies can be extended for a further 6 months.

Secure tenancies – We recognise that these may be appropriate for particular client groups- notably householders that are over retirement age and those who are considered to be vulnerable due to illness, disability, or another specified reason. Secure tenancies are therefore likely to be appropriate for sheltered accommodation/warden assisted housing, and other restricted housing e.g. bungalows.

Flexible tenancies - North Yorkshire Council acknowledges that, in some scenarios, Flexible Tenancies, where tenancies are fixed for a number of years rather than Secure tenancies, may help to respond to local circumstances and pressures, enabling ourselves and Registered providers to make the best use of their stock whilst taking care of the most vulnerable households.

The Council realises that Registered providers may wish to offer fixed term secure tenancies for new tenants. In order to ensure lettings, remain sustainable and support households with families it is proposed that five-year tenancies should be the minimum, with two year fixed term tenancies being offered in exceptional circumstances. All Registered providers operating in North Yorkshire will continue to give Secure tenancies to occupants aged 60 years or over and to tenants of permanent supported accommodation.

At the end of a fixed tenancy period housing providers can choose whether to renew the tenancy and there are various issues/circumstances housing providers may wish to consider when making a decision not to renew a tenancy.

Downsizing To encourage the best use of our scarce affordable housing stock we will encourage tenants to downsize from a home that they are currently under-occupying to a smaller home that better meets their housing needs and household makeup. Traditionally such clients have been older people whose families have grown up and left homes but, in the future, this is likely to change because of the impact of Housing Benefit changes.

Adapted Homes Providers will also encourage existing tenants who themselves, or a member of their households, no longer require an adapted home to move voluntarily to a more appropriate home.

Good Tenant Scheme

This is an incentive scheme for the current tenants of partner and participating landlords who live in the North Yorkshire Home Choice partnership (this does not include the former Harrogate locality, which operates its own housing register at this time). To qualify, tenants must meet all the following criteria:

- lived in their current property for 3 years
- have not been in breach of their tenancy agreement
- have had no rent arrears in the last 3 years
- the property must be in a good state of repair & decoration and suitable to let without any additional work (over and above the required safety checks)
- give permission to their landlord to show their property to prospective tenants prior to them moving out.

Tenants who meet the criteria will be awarded additional priority of one band above their assessed housing need up to a maximum of Gold band.

Accessibility

As part of this Strategy, we are also striving to improve our support, advice, access, and equality for customers. We will achieve this through the following:

Through North Yorkshire Home Choice we aim to deliver a single housing register with all homes allocated according to a new allocations policy. This policy is predicated on a number of principles - including to promote flexibility and fairness in the allocation of scarce affordable housing.

Through North Yorkshire Home Choice we will continue to enable mobility to allow people to access employment, training and to give or receive care. Housing providers will also participate in national arrangements for home swap services. (E.g. Homewapper).

We will seek to provide vulnerable people with more sustainable housing options.

Landlords should have policies and procedures in place to ensure that their services are tailored to meet the needs of vulnerable groups. Through North Yorkshire Home Choice and the allocation policies of other providers we will seek to ensure that processes and allocations policies are accessible to vulnerable people.

We will champion the proper linking of advice and assistance at any tenancy reviews with Adult Social Care Assessment processes.

We will encourage the provision of properties to meet the needs of specific groups such as older people, victims of domestic violence, mental health, learning difficulties and physical disabilities.

Registered Provider Policies

Registered providers are asked to have regard to the policy framework established in this Strategy in reviewing their own Tenancy Policies.

In addition, the Council requests that it is consulted on regarding the development of Tenancy Policies which guide social lettings in North Yorkshire.

The Council requests that Registered Providers publish their latest Tenancy Policy on their webpages

Strategy Review

The Tenancy Strategy will be monitored annually and reviewed on a five-year cycle unless monitoring demonstrates the need for an earlier review and/or other matters (such as a shift in national policy) necessitate an earlier change.

For example, at the time of publication, the strategy is likely to require further revision should the Renters' Rights Bill receive Parliamentary approval.