

Tenancy Policy

(North East Derbyshire District Council's Tenancy Policy)

November 2025

CONTROL SHEET FOR TENANCY POLICY

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1. Introduction

The Localism Act 2011 placed a new duty on local housing authorities to prepare and publish a Tenancy Policy; these provisions came into force on 15 January 2012.

The Policy must set out the matters to which Registered Providers of social housing are to have regard in formulating their tenancy policies. These tenancy policies will explain how Registered Providers (RPs) intend to implement the range of new flexibilities introduced through the Localism Act 2011.

2. Scope

Registered Providers of social housing should have due regard to the framework provided by this policy when formulating their own, so that we can work in partnership to provide the best housing options and outcomes for our residents.

3. Principles

The production of a tenancy policy is a legal requirement for local authorities under the Localism Act 2011. It will link to the council's Homelessness Strategy and Allocations Policy in terms of providing a framework for how social and affordable rented housing is provided in the district.

The Allocations Policy is reviewed separately to take account of the freedoms for local authorities to decide their own priorities, which are set out in the Localism Act 2011 and the Code of Guidance on the Allocation of Accommodation.

This policy has been developed through consultation with Elected Members, Registered Providers and partner local authorities. This has included a scoping questionnaire to all Registered Providers, face to face consultation at the sub-regional Registered Provider Forum, and through circulation of the Policy for comment.

4. Statement

4.1 Objective

The overall objective of this Tenancy Policy is to ensure that our Registered Provider partners work with us to deliver neighbourhoods that are sustainable and provide our residents with settled and stable homes.

4.2 Local Context

Housing Stock within the district

	Number
Total households Source : Housing Needs Study 2023	47,475
Local Authority Housing Stock at 1st April 2023 Source: LAHS 2025	7,500
Register Provider housing stock in NEDDC Source: ONS Subnational estimates of dwellings by tenure 2021	1,216

There are 7,500 (2025) homes owned by the Council, and approximately 1,216 (2021) rented homes owned by Registered Providers. This equates to 19% of the total number of households in the North East Derbyshire district.

Housing Register and Allocations

	Number
Number of applicants on the Housing Register as at 1 April 2025	1,667
Number of lettings 2024/25	400
Number of nominations to Registered Providers	97

Source: LAHS 2025

The Local Authority Housing Statistics (LAHS) shows as at 1 April 2025 the Council's Housing Register has 1,667 applicants. 400 lettings were made during the year 2024/25, together with approximately 97 nominations to Registered Providers (all Housing Associations).

Housing Need

A Housing Needs Study was carried out for the council by Iceni in 2024, the study concluded that, in order to meet all housing need in the district 290 new social/affordable rented homes and 66 for Affordable Home Ownership should be provided each year up to 2044. The Council's Local Plan sets out a requirement to provide at least 30% affordable housing within high value areas, and at least 20% in the remaining area of the district.

Average House Prices

The Housing Needs Study states, as of March 2023, the overall median house price across all property types in the district of North East Derbyshire was £240,000, this is higher than the surrounding local authorities and East Midlands, but lower than England.

The median house prices for each property type is as follows:

Flats: £119,500

Terraced houses: £150,000

Semi-detached houses: £200,000

Detached houses: £320,000

Source: Incini Housing Needs Study

Weekly Rental Prices in the District

The table below shows the average rent levels in the District for social and affordable rents compared with lower quartile market rents. This highlights that social rents are significantly lower than affordable rents and that affordable rents are below lower quartile market rents.

Average Rents Per Calendar Month

5	Social rent	Affordable rent	Lower quartile (LQ)	
		(AR)	market rent	
1-bedroom	£337	£409	£525	
2-bedrooms	£368	£476	£725	
3-bedrooms	£375	£545	£850	
4-bedrooms	£406	£625	£1,200	
All	£365	£485	£750	

Source: Incini Housing Needs Study

Market Housing Affordability

Assessing whether a household can afford home ownership – A household is considered able to afford to buy a home if the residual cost is no more than 4 times the gross household income. The residual cost is calculated by deducting any capital that is available for use towards home ownership (e.g. savings or equity) from the overall cost of the home.

Assessing whether a household can afford market renting – A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than 30% of gross income.

The table below shows households unable to afford market housing (to buy OR rent) by household type. This is the theoretical affordability of households as the analysis considers all households in the District and does not take into account their intention to move home.

Household type	Number of each household type unable to afford market housing	Total number of each household type in NED	% of households of each household type unable to afford market
			housing
Single pensioners	2,918	8,571	34.0%
2 or more pensioners	711	6,170	11.5%
Single non-pensioners	2,493	5,979	41.7%
Childless couple	1,312	9,932	13.2%
Other multi-adult	1,679	7,295	23.0%
Lone parent	751	1,329	56.5%
2+ adults 1 child	556	4,301	12.9%
2+ adults 2+ children	805	3,899	20.6%
Total	11,224	47,475	23.6%

Source: Incini Housing Needs Study

4.3 Social Housing Reforms and Guidance to Registered Providers

The Government introduced a number of reforms to allocations and social housing tenure that offer new flexibilities to social landlords. The following sections provide guidance to Registered Providers and set out the Council's position in relation to the reforms.

Affordable Rent

Affordable Rent was introduced as the model for financing new social homes in the Homes and Community Agency's Affordable Homes Programme 2011-2015. The Government launched the Affordable Homes Programme for 2016–21, and at that time announced at Autumn Statement new funding and greater flexibility so that it now funds a range of affordable homes for rent as well as home ownership. The government announced a new, larger, £11.5bn Affordable Homes Programme 2021-26 (AHP), including funding for social rent, supported housing, and a renewed commitment to delivering homes using modern methods of construction (MMC).

Affordable Rents can be set up to a maximum of 80% and providers should set rents in accordance with the requirements of the Welfare Reform and Work Act 2016 and any subsequent amendments. The additional income generated by Affordable Rents is to be used for reinvestment in new affordable housing. Since April 2012 local authorities and Registered Providers have been able to let properties on an Affordable Rent basis if they wish to do so. The Council will adopt Affordable Rent to properties where it is a viable option to do so.

Affordability must be considered when setting Affordable Rents that are based on private rental prices. 80% of market rent in the more expensive parts of the district, such as some rural villages, could make Affordable

Rents too expensive for those on a low income. The average rent prices shows that the larger the property, the wider the gap between social and private rents.

Conversions of social rented properties to Affordable Rent by Registered Providers should be carried out with care, taking into account the above points and also the tenure mix within the area concerned. We would like to be notified in advance of any proposed conversions to Affordable Rent.

Fixed Term Tenancies

Since the revised Tenancy Standard April 2011, Registered Providers have had the option of offering tenancies for a fixed period of time instead of the traditional lifetime tenancies. Registered Providers can determine the length of tenancy that they offer to new tenants, although the Government has specified that the minimum period of a fixed term tenancy should be at least five years, except in exceptional circumstances. Details of a Registered Provider's position in relation to fixed term tenancies must be set out in their tenancy policy.

Through the Localism Act 2011, since April 2012 local authorities and all Registered Providers can also use flexible tenancies for new tenants if they wish to do so. Existing tenants will not be affected by this change.

The aim of the reform is to ensure that those in most need are able to access social housing and that if a tenant's circumstances change to enable them to access private housing, they can move on and free up a social rented property for others.

The Council piloted a scheme to grant 2 or 5 year Flexible Tenancies to a small number of applicants, such as, to prevent homelessness, financial hardship and/or help with their health and wellbeing at a time when they are in most need. However, from 2025 the Council will not be issuing Flexible Tenancies as a tenancy option.

The withdrawal of Flexible Tenancies by the Council is largely due to the lack of need for this type of tenancy and the legislative changes for settled accommodation, for example the Domestic Abuse Act 2021.

If Registered Providers decide to use fixed term tenancies they should have regard to the following:

- Tenancies of five years (or more) should be awarded and 2 years in exceptional circumstances
- Vulnerable people in need of settled or stable accommodation, where their situation is unlikely to change, should be granted permanent tenancies.
- Fixed term tenancies should not generally be used to control rent arrears or anti-social behaviour; the normal possession grounds should be used to tackle these issues

Review and Renewal of Fixed Term Tenancies

Where Registered Providers decide to introduce fixed term tenancies they are asked to have regard to the following:

- When carrying out a tenancy review there should be a presumption of renewal of the tenancy on terms at least equivalent to that which is currently held, unless the specified reasons for not granting another tenancy are met. Registered Providers should show good reason for not renewing the fixed term tenancy, and these reasons should be clearly explained to the tenant
- At least six months notice must be given to the tenant before the tenancy is due to end. The tenant should be advised of their right to request a review of the proposal and of the time within which this request needs to be made
- Where a new tenancy is not being offered, advice and assistance should be given to the tenant at the earliest opportunity to help them to find suitable alternative accommodation. The local authority should be notified as soon as possible if homelessness could potentially arise, but it is expected that the Registered Provider will take all steps necessary to avoid this outcome

Discharge of homelessness duty by offer in the private rented sector

The Localism Act 2011 allows a local authority to discharge its homelessness duty by making an offer of accommodation in the private rented sector; the Homeless Reduction Act 2017 and the Homeless Code of Guidance states that under the 'relief duty' the Local Authority is required to help people who are homeless to secure accommodation, this can be in the private sector with a minimum 6 months tenancy. However local authorities are to have regard to the suitability of accommodation in line with the Homelessness (Suitability of Accommodation) (England) Order 2012, and that the property's minimum requirements are adhered to in respect of health and safety and that the Landlord is a fit and proper person to act in that capacity.

One of the strategic priorities in our Homelessness Strategy is to prevent homelessness by maximising available accommodation across all sectors. We will continue to work with landlords in the private rented sector to provide accommodation for applicants who are homeless, but will ensure that landlords are fit and proper, properties are of a satisfactory standard and meet health and safety standards, properties are in the right location to meets the needs of the household, and that rent payments can be covered.

Housing Register and Allocations

The Localism Act 2011 introduced new freedoms for local authorities to determine how they allocate social housing. Local authorities can set their own priorities for allocations taking into account local needs and objectives, whilst continuing to give priority to those in the 'reasonable preference' categories.

North East Derbyshire District Council reviews its Allocations Policy to take on an annual basis to ensure the policy is fit for purpose for the districts changing needs and economic climate.

Succession

Changes have been made to succession rights on new tenancies so that only the spouse or civil partner who occupies the property as their only or principal home at the time of the tenant's death can automatically succeed to the tenancy, and the tenancy can only be passed on once. Alternative properties can be offered for the succession to free up family accommodation or make best use of housing stock. Local authorities and Registered Providers are able to include additional contractual succession rights within their tenancy terms if they wish to do so.

The Council will be flexible in its approach to succession rights, and the needs of any remaining family relation living in the property for at least 12 months, each case will be assessed in its own right.

4.4 Monitoring and Reviewing the Tenancy Policy

We will consider the content of the Tenancy Policy and the effect on tenants in the district by monitoring:

- the number of Affordable Rent properties in the district, and the level of rent charged
- homelessness offers into the private rented sector
- housing market changes and affordability
- rent levels across different tenures
- the impact of the economy and cost of living

The Tenancy Policy will be reviewed at least every five years in line with the requirements of the Localism Act 2011. The Tenancy Policy may be reviewed more frequently than this as a result of monitoring, further consultation and any changes in legislation.

4.5 Registered Provider Tenancy Policies

The Tenancy Policies produced by Registered Providers will be found on their website, or on application.

Please contact the Strategic Housing Team at North East Derbyshire District Council, telephone 01246 231111, for contact details of Registered Providers with stock in the district.

5. Responsibility for Implementation

The Council's Housing strategy team.