



Private Rented
Sector Offer
(Discharge) Policy
2018

#### 1. Background

- **1.1.** The Housing Act 1996, Part 7 ('the Act') sets out the statutory obligations relating to the prevention of homelessness and the assistance to be given to persons threatened with or actually homeless. From the 3 April 2018, additional obligations came into force<sup>1</sup>.
- **1.2.** Solihull MBC ('the Council') fulfils its duties regarding housing and homelessness through its Arm's Length Management Organisation, Solihull Community Housing.
- 1.3. The additional duties in place from April 2018 are intended to enhance the prevention of homelessness. They include a requirement to provide more extensive housing advice and, where someone is actually homeless or threatened with homelessness, duties to 'prevent' or 'relieve' homelessness, using personal housing plans developed from detailed assessments of the individual circumstances of each applicant.
- 1.4. Where prevention or relief activity has failed, a decision will be made as to the extent of any advice, assistance and / or accommodation duty owed to the applicant. Where an applicant is unintentionally homeless, eligible, has a priority need and has a local connection with Solihull, the 'main housing duty' to make available suitable accommodation will be owed. The main housing duty will continue until one of the events specified in the Act brings it to an end.
- 1.5. The Act makes provision to use private rented sector accommodation as one way in which to discharge the prevention, relief and main housing duties. Accommodation must be suitable in all cases where the Council has secured it or helped to secure it and, in certain circumstances, must meet additional suitability requirements set out in the Homelessness (Suitability of Accommodation) (England) Order 2012.
- **1.6.** Private rented sector accommodation will not be suitable for everyone and the circumstances of individual households will be carefully considered before pursuing this option to discharge a duty.
- 1.7. This policy sets out how Solihull Community Housing, acting on behalf of the Council, will make use of the private rented sector (PRS) when securing accommodation to discharge the statutory homelessness functions outlined above.
- **1.8.** This policy operates alongside the following strategies and policies of Solihull Metropolitan Borough Council:
  - Homelessness Strategy
  - Allocations Policy
  - Tenancy Policy

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<sup>&</sup>lt;sup>1</sup> Introduced by the Homelessness Reduction Act 2017

- 1.9. This policy complies with:
  - Part 7 of the Housing Act 1996
  - Homelessness Code of Guidance for Local Authorities (2018)
  - Homelessness (Suitability of Accommodation) (England) Order 2012
  - The Homelessness (Suitability of Accommodation) Order 1996
  - Equality Act 2010

#### 2. Private Rented Sector Offers

- **2.1.** Private rented accommodation can be used to prevent or relieve homelessness, or to bring the main housing duty to an end.
- **2.2.** SCH has developed a private rented sector access service ('Solihome') which aims to provide opportunities for all applicants, including those who do not have a priority need, to access private rented accommodation.
- 2.3. Any accommodation that the Council secures for an applicant to discharge a homelessness function must be suitable. This means that a range of factors including affordability, size, condition and location of accommodation must be considered in determining suitability for the applicant's household. However, there are additional suitability requirements that apply to private rented sector accommodation that is offered:
  - (a) To bring to an end the section 193(2) main housing duty (section 193(7F))
  - (b) As a final accommodation offer made in the 189B relief stage (sections 193A(6) and 193C(9))
  - (c) To an applicant who has priority need, in order to prevent or relieve their homelessness
- **2.4.** These additional suitability requirements are set out in Article 3 of the Homelessness (Suitability of Accommodation) (England) Order 2012 (see section 5)

#### An offer to bring to an end the main housing duty

- **2.5.** An offer to end the main housing duty is defined by section 193(7AC) Housing Act 1996 as an offer of an assured shorthold tenancy made by a private landlord to an applicant in relation to any accommodation which:
  - (a) has been made available for the applicant's occupation by arrangements made by the Council with a private landlord or
  - (b) is made with the approval of the Council, in pursuance of arrangements made by the authority with the landlord with a view to bringing the section 193(2) of the Housing Act 1996 duty to an end, and

- (c) is a fixed term Assured Shorthold Tenancy for a period of at least 12 months.
- 2.6. If the applicant accepts or refuses a private rented sector offer the Council will consider its main housing duty to have ended, subject to the applicant having been informed in writing of the following matters (as mentioned in section 193(7AB) Housing Act 1996):
  - (a) the possible consequence of refusal or acceptance of the offer
  - (b) that the applicant has the right to request a review of the suitability of the accommodation, and
  - (c) in a case which is not a restricted case, the effect under new section 195A of a further application to the authority within two years of acceptance of the offer (the 'reapplication duty') (see section 4),

The Council must also be satisfied that the offer:

- (i) is suitable for the applicant and other household members, and
- (ii) that the applicant is not under contractual or other obligations in respect of his or her existing accommodation or, that if he or she is, they must be able to bring those obligations to an end before being required to take up the offer.

#### A final accommodation offer made in the 189B relief stage

- 2.7 An offer is a "final accommodation offer" if -
  - (a) it is an offer of an assured shorthold tenancy made by a private landlord to the applicant in relation to any accommodation which is, or may become available for the applicant's occupation
  - (b) it is made with the approval of the authority, in pursuance of arrangements made by the authority in the discharge of their duty under section 189B(2), and
  - (c) the tenancy being offered is a fixed term tenancy within the meaning of Part 1 of the Housing Act 1988 for a period of at least 6 months.
- 2.8 The authority's duty to the applicant under section 189B(2) comes to an end if the applicant accepts or refuses a final accommodation offer, subject to the applicant having been informed of the consequences of refusal and the applicant's right to request a review of the suitability of accommodation.

The Council must also be satisfied that:

- (i) the offer is suitable for the applicant and other household members, and
- (ii) the applicant is not under contractual or other obligations in respect of his or her existing accommodation or, that if he or she is, they must be able to bring those obligations to an end before being required to take up the offer.

The refusal of a final accommodation offer precludes the applicant from subsequently being owed the main housing duty.

In cases where the section 189B(2) duty ceases as a consequence of the applicant's deliberate and unreasonable refusal to co-operate the main (section 193) housing duty will not apply, but the Council are obliged to secure that accommodation is made available to the applicant (section 193C(4)). This duty will cease if the applicant accepts or refuses a final accommodation offer.

## An offer to an applicant who has priority need in order to prevent or relieve their homelessness

2.9 An offer of private sector accommodation to an applicant who has priority need in order to prevent or relieve homelessness must meet the additional suitability requirements of Article 3 (Homelessness (Suitability of Accommodation) (England) Order 2012).

#### Households that will be considered for a private rented sector offer

- 2.10 It is acknowledged that a tenancy in the PRS may not be suitable for all households to whom a statutory duty is owed. Therefore, the Council will consider each household's individual circumstances as to whether a private rented sector offer could be appropriate.
- 2.11 This will include consideration of the general suitability factors applicable to all accommodation used to secure accommodation under Part 7 of the HA 1996, including any medical, physical and / or support needs identified in personalised housing plans.
- 2.12 The factors taken into consideration when determining whether a private rented sector offer is suitable or is not suitable for an applicant household will be recorded in decision letters.
- 2.13 A Fair Treatment Assessment was undertaken, and will be reviewed periodically, to ensure that this policy will not discriminate on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy, race, religion and belief, gender, or sexual orientation.
- **2.14** The Council's Housing Allocations Scheme (Solihull Home Options) sets out the eligibility and qualification criteria necessary to be considered for the allocation of a social housing tenancy. Eligible and qualifying homeless households are given reasonable preference for an offer of social housing as detailed in the Scheme.

#### **Private Rented Sector Offer Allocation Process**

**2.15** When a property becomes available for a private rented sector offer, it will normally be offered to the household that has the earliest section 184 decision date<sup>2</sup> and for whom

<sup>&</sup>lt;sup>2</sup> For this purpose, this will be the date of the initial decision confirming that the applicant is eligible and homeless or threatened with homelessness

the property is suitable. There shall be four exceptions to this procedure applied in the following order of priority:

- 2.15.1.1 In some instances it may be possible to convert a property that has been leased from a private landlord for use as temporary accommodation into a private rented sector offer. In this case, the household that has been most recently accommodated in this property shall receive a private rented sector offer for this property.
- 2.15.1.2 A private sector offer may be made for a household that has a later date of a homeless decision than other households for whom the property would be suitable in the case that the property would meet a particular need (for example, location or property type), where that need would be unlikely to be met through a Part 6 offer through the Housing Allocations Scheme. Where more than one household falls into this category and the level of need is equal, the household with the earliest decision date shall be made the offer. The decision to make an offer under these circumstances would be at the discretion of the Housing Options Manager and be made on the basis of benefit to the household.
- **2.15.1.3** Where the offer discharges the Council's duty to a 'restricted case' (see 2.19)
- **2.15.1.4** Where an applicant is owed the main housing duty, assessed as suitable for a private rented sector offer and is occupying interim accommodation
- 2.16 All applicants being considered for a private rented sector offer of a specific property will undergo an affordability assessment, which will take into account income, expenditure and costs. A property will be judged to be affordable if a household would be able to meet their priority debts as they fall due, taking into account their necessary or reasonable living expenses. Applicants will not be made a private rented sector offer that is not affordable for them at the time of the offer.
- **2.17** A private rented sector offer is made with the approval of the local authority. However, the landlord of the property will have the final decision on whether a particular household will be accepted into the property.
- 2.18 Households may continue their registration on the Housing Allocations Scheme following the acceptance or rejection of a private rented sector offer. The application will be assessed in light of their new circumstances as per the Council's Allocations policy.

#### **Restricted Cases**

- **2.19** There are some households who are assessed as being statutorily homeless but are defined as a 'restricted' case. A restricted case occurs when:
  - **2.19.1** The main applicant is an eligible person; and

- **2.19.2** The applicants household contains a 'restricted person' (someone who is subject to immigration control with no recourse to public funds); and
- 2.19.3 It is the presence in the household of the restricted person that has led to the main housing duty having been accepted (i.e. the presence of the restricted person denotes that the household has a priority need)
- **2.20** In the event of a 'restricted case' local authorities must bring the section 193(2) main housing duty to an end by making the applicant a private rented sector offer so far as is reasonably practicable. The Council will use the private rented sector to discharge this duty to 'restricted case' households.

#### 3 Support for Tenants and Landlords

- **3.1** Landlords will be reminded of their responsibilities towards their tenants, including those relating to the Equalities Act 2010.
- **3.2** Landlords will be required to provide evidence of the placement of deposits in a deposit protection scheme, where a cash deposit has been paid.
- **3.3** Landlords that have taken a private rented sector offer tenant will be eligible for advice and support from the Solihome service.
- **3.4** Applicants accepting a private rented sector offer will receive a wide range of support to help manage and maintain their tenancy.

#### 4 Reapplication duty

- 4.1 If the household becomes unintentionally homeless within two years of accepting a private rented sector tenancy which the Council has secured for them to end the main housing duty (s.193(7AA)), then the reapplication duty (section195A(1) Housing Act 1996) applies.
- **4.2** Under new section 195A(1), the section 193(2) Housing Act 1996 duty will apply regardless of whether the applicant has a priority need where:
  - (a) a person makes a re-application for assistance within two years of accepting a private rented sector offer
  - (b) the applicant is eligible for assistance and has become homeless unintentionally
- **4.3** Similarly under section 195A(3) Housing Act 1996, the section 195(2) Housing Act 1996 duty, owed to eligible applicants in priority need and threatened with homelessness, will apply regardless of whether the applicant has a priority need where:
  - (a) a person makes a re-application for assistance within two years of accepting a private rented sector offer
  - (b) the applicant is eligible for assistance and is threatened with homelessness unintentionally

- **4.4** If, following the expiry of the initial 12 month assured shorthold tenancy, an applicant secures their own accommodation and then subsequently becomes homeless within two years of accepting the original private rented sector offer then the re-application duty will still apply.
- **4.5** The re-application duty does not apply in a restricted case (see sections 2.19 and 2.20).
- 4.6 An applicant can only be owed the re-application duty once following each private rented sector offer. If an applicant becomes become unintentionally homeless again within the two year limit and have already been assisted under the re-application duty, then they must make a fresh homelessness application.

#### **Referrals to Other Local Authorities**

- 4.7 The section 193(2) duty on re-application within two years will apply regardless of whether or not the Council is the same authority that arranged the private rented sector offer. The Council will first carry out investigations to determine whether the applicant is homeless through no fault of their own, under sections 195A and 195(2) Housing Act 1996. Once it has been established that the applicant is unintentionally homeless and eligible for assistance, the Council may refer the applicant to the authority that made the private rented sector offer. The authority which made the private rented sector offer will owe the reapplication duty and it will be their responsibility to secure accommodation is available for occupation by the applicant.
- 4.8 Referrals to another local housing authority will only be made if there would be no risk of domestic violence to either the applicant, or anyone who might reasonably be expected to reside with the applicant, in the district of the other authority. Also, referrals will not be made if either the applicant, or anyone who might reasonably be expected to reside with the applicant, has suffered violence (not limited to domestic violence) in the district of the other authority and it is probable that return to that district would lead to further violence against them.

#### **Section 21 Notices**

- **4.9** As a consequence of the introduction of the re-application duty, the Council is required to treat section 21 notices differently.
- **4.10** Section 195(4) Housing Act 1996 provides that, for the purpose of section 195A(3) Housing Act 1996, where an applicant has been given a notice under section 21 Housing Act 1988, the applicant must be treated as threatened with homelessness from the date the notice is issued. This means that the Council must take reasonable steps to secure that accommodation does not cease to be available for their occupancy.
- **4.11** Section 195A(2) provides that, for the purpose of section 195A(1) Housing Act 1996, where an applicant has been given a notice under section 21 Housing Act 1988, the applicant must be treated as homeless from the date the notice expires. It is not necessary for a possession order to have been sought by the landlord for the applicant to be considered homeless.

#### 5 Suitability

- 5.1 Where SCH has secured accommodation to discharge a prevention, relief or main housing duty, the accommodation must meet the suitability considerations set out in the Act, relevant case law, and the Homelessness Code of Guidance 2018.
- Where a private rented sector offer is made to discharge duties under section 2.3 (a), (b) or (c) above, the accommodation must also comply with Article 3 of the Homelessness (Suitability of Accommodation) (England) Order 2012.
- 5.3 The suitability of the location for all the members of the household must be considered. Particular consideration must be made of the employment, caring responsibilities and educational needs of the household. Where possible the Council will try to seek to secure accommodation close to where the applicant was previously living in order to retain established links with schools, doctors, social workers and other key services and support and close to any persons for whom the applicant is a registered carer.
- 5.4 Properties will be inspected by a suitably qualified officer who must be satisfied that it is in a reasonable condition and free from any Category 1 hazards under the Housing Health & Safety Rating System. In determining whether the property is in reasonable physical condition attentions should be paid to signs of damp, mould, indications that the property would be cold, for example cracked windows, and any other physical signs that would indicate the property is not in good physical condition.
- 5.5 The Council will require a copy of a written tenancy agreement specifying the terms of the tenancy and will review whether it is adequate. An adequate agreement sets out in a clear and comprehensible way the tenant's obligations. For example, a clear statement of the rent and other charges, and also the responsibilities of the landlord. Acceptable agreements will not contain unfair or unreasonable terms, such as call-out charges for repairs or professional cleaning at the end of the tenancy unless in the instance that wilful damage has been caused.
- **5.6** The tenant will be given a copy of this agreement and the Council will hold a copy on file.
- **5.7** All 12 month tenancy agreements made under private rented sector offers to end the main housing duty should include an option for the renewal of the tenancy for a further 12 months if agreed upon by both the landlord and the tenant.
- **5.8** Where private rented sector offers are used to discharge a prevention or relief duty, the Council encourages the use of tenancies for longer than 6 months wherever possible.
- **5.9** A property will not be considered suitable if the landlord cannot provide evidence of the following:
  - **5.9.1** All electrical equipment in the property is safe, meeting the requirements of regulations 5 and 7 of the Electrical Equipment (Safety) Regulations 1994
  - **5.9.2** Furniture and furnishings supplied must comply with the Furniture and Furnishings (Fire) (Safety) Regulations 1988 (as amended)

- **5.9.3** That reasonable precautions have been taken to prevent the possibility of carbon monoxide poisoning, where such a risk exists, for example the installation of a carbon monoxide alarm
- 5.9.4 A valid, current, energy performance certificate as required by the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007
- **5.9.5** A current Gas Safety certificate in accordance with the Gas Safety (Installation and Use) Regulations 1994
- **5.9.6** A House of Multiple Occupation (HMO) Licence for properties subject to sections 55 and 56 of the Housing Act 2004
- **5.9.7** Also for properties subject to HMO licencing, a fire risk assessment of the common or shared parts of the building leading to adequate and appropriate fire safety measures
- **5.10** A written record will be kept of the officer that inspected the property, the date, copies of relevant documentation and instructions for any works to be undertaken (as per 5.4 above).
- **5.11** Applicants will only be offered accommodation owned by persons that the Council is satisfied are 'fit and proper' to act in the capacity of a landlord. Local authorities are required to consider any convictions in relation to:
  - housing and landlord and tenant law
  - fraud or other dishonesty
  - violence or drugs
  - discrimination and/or sexual offences
  - management failures
  - harassment or illegal eviction
  - the Equality Act 2010

In order to investigate the above, the Council will check its own records and conduct appropriate and proportionate checks, on all landlords whose properties are being used for private rented sector offer. This will include checking the database of rogue landlords or letting agents. In cases where any problems are flagged, the Council may make checks with local police and probation services through the existing Information Sharing Protocol and may also do a credit check.

5.12 The particular requirements of Article 3 do not apply to accommodation secured for households that do not have a priority need, or to accommodation that the authority helped the applicant to secure but the applicant identified for themselves. This is in accordance with homelessness legislation and the Homelessness Code of Guidance 2018. However, reasonable efforts will be made to ensure that private rented sector accommodation secured for applicants who do not have a priority need is safe, and in reasonable condition. All applicants looking for their own accommodation will be provided with sufficient guidance to enable them to consider standards.

#### 6 Location

- **6.1** Section 208(1) of the 1996 Act requires that authorities shall, in discharging their housing functions under Part 7 of the 1996 Act, in so far as is reasonably practicable, secure accommodation within the authority's own district.
- 6.2 Where this is not possible a private rented sector offer may be made outside Solihull and the relevant local authority will be notified. When using accommodation outside Solihull, wherever possible, the accommodation will be in the nearest practicable local authority area.
- 6.3 There may be clear benefits for some households in being made an offer outside of the Borough, for example where a member of the household is at risk of violence or where ex-offenders or drug/ alcohol users would benefit from being accommodated outside of Solihull to break links with previous negative contacts.
- **6.4** When considering the suitability of location of accommodation, the authority will take into account:
  - distance of accommodation from the applicant's previous home
  - disruption to the employment, caring responsibilities, or education of members of the household
  - access to amenities such as transport, shops and other necessary facilities; and established links with schools, doctors, social workers and other key services and support essential to the wellbeing of the household
- 6.5 Where a placement is made outside of the District, notice shall be given within 14 days to the receiving local housing authority in whose district the accommodation is situated.

#### 7 Review process

- **7.1** Applicants will be advised of their rights in relation to Council decisions that are reviewable (section 202 of the Act). This includes decisions as to the suitability of relevant offers in the private rented sector.
- **7.2** Applicants can request a review of suitability within 21 days of the offer. This can be done by writing or verbally.
- **7.3** Once a review request has been received, the Council will write to the applicant to acknowledge the request and to provide details of the review procedure.
- 7.4 The Council will complete the review in line with the Allocation of Housing and Homelessness (Review Procedures) Regulations 1999. This will be normally be within 8 weeks of the request for the review. However, if both the applicant and the Council agree in writing, this period can be longer.

#### **7.5** The review outcome can be:

• Upheld – in this situation the offer of accommodation will have been deemed to be suitable and the decision to discharge the homelessness duty will still apply.

- Overturned in this situation the Council will revisit the offer of accommodation and will make a further offer of suitable accommodation with consideration for the reasons that the previous offer of accommodation was unsuitable. The homelessness duty will not be discharged until a further offer of suitable accommodation is made.
- 7.6 Once a review decision is made, the Council will write to the applicant informing them of the decision. The letter will explain the review decision, how the Council came to the decision and the right to appeal the review decision to the County Court on a point of law. An appeal must be made within 21 days of being notified of the review decision.
- 7.7 The Council is not legally obligated to provide the applicant with temporary accommodation pending the outcome of the review. Applicants will be advised of the consequences of accepting or rejecting the offer whilst the review is being considered.
- 7.8 An applicant can appeal to the County Court on a point of law. All appeals must be made to the County Court within 21 days of the review decision. Applicants considering an appeal to the County Court are advised to obtain independent legal advice. The Local Authority is not legally obligated to provide the applicant with temporary accommodation pending appeal process.

#### 8 Monitoring and Review

- **8.1** Details of households for whom a duty is discharged through a private rented sector offer will be reported:
  - **8.1.1** Quarterly to the SCH Housing Operations Committee and the Council's Client Officer
  - **8.1.2** Quarterly returns to the Ministry of Housing, Communities and Local Government on the H-CLIC data collection system

These details will include data regarding the different characteristic groups as defined in the Equalities Act 2010.

**8.2** The policy will be reviewed in the first instance after 12 months of operation and subsequently ever three years and, in exceptional circumstances, in response to significant changes in supply or demand conditions. It will also be reviewed in line with any significant change in legislation, guidance issued by the Ministry of Housing, Communities & Local Government or significant case law.

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