



Department for
Communities and
Local Government

SECURE TENANCIES (VICTIMS OF DOMESTIC ABUSE) BILL 2017 - 19

Note of impacts

January 2018
Department for Communities and Local Government

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NOTE OF IMPACTS

Policy

The Government wants to ensure that when in future local authorities are generally required to grant fixed term tenancies, they will continue to grant victims of domestic abuse who have a lifetime tenancy a further lifetime tenancy if it is unsafe for them to remain in their current social home.

Problem under consideration

The secure tenancy provisions in Schedule 7 to the Housing and Planning Act 2016 (the HPA 2016), once in force, will require all new local authority tenancies to be for a fixed term of between 2 and 10 years, or longer where there is a child in the household. Fixed term tenancies will be mandatory with the following exceptions:

- where existing lifetime tenants are obliged to move to a new property at the landlord's request (for example, to undertake estate regeneration). In these circumstances, local authorities will be required to grant a further lifetime tenancy
- in other circumstances prescribed in regulations, where local authorities will have discretion to grant a lifetime tenancy

During passage of the HPA 2016, concerns were expressed in relation to the position of lifetime tenants who need to move to escape domestic abuse, who might be discouraged from moving for fear of losing their security of tenure.

The Government therefore committed to make a further mandatory exception in relation to existing lifetime tenants fleeing domestic abuse. This commitment was reiterated in the Conservative Party Manifesto 2017.

To deliver on this commitment, the Secure Tenancies (Victims of Domestic Abuse) Bill will require local authorities in England, when re-housing an existing lifetime tenant who needs to move or has recently moved from their social home to escape domestic abuse, to grant such tenant a lifetime tenancy in their new home. The Bill will apply to tenants of local authorities and Private Registered Providers of social housing (housing associations) in England.

Rationale for intervention

These measures will ensure that the move to fixed term tenancies is not a disincentive to prevent those who suffer domestic abuse from leaving their abusive partner; and that they and their families are provided with stability and security in their new home.

Impact of intervention

Local authorities

The main impact will be on stock holding local authorities as they will be required to offer a further lifetime tenancy to social tenants forced to flee their home to escape domestic abuse. This measure does not create a new requirement for local authorities to re-house lifetime tenants who are victims of domestic abuse but will simply ensure that, where a lifetime tenant is re-housed in these circumstances, they do not lose their security of tenure.

Since 1 April 2012, local authorities have had discretion to offer flexible tenancies (with a fixed term of 5 years or more, or 2 years exceptionally) alongside lifetime tenancies. In 2015/16, only 8% of council tenancies were granted on a fixed term basis¹.

Currently, the rules determining whether existing lifetime tenants are to be given a further lifetime tenancy if they move are different for tenancies granted before and after April 2012. The Homes and Communities Agency's Tenancy Standard currently requires all social landlords to provide those who were social tenants on or before 1 April 2012 a tenancy with no less security where they choose to move to another social rented home (but not a home on an Affordable Rent).

In 2015/16, only 1.64% of social lettings were to existing social tenants who gave 'domestic violence' as the main reason they left their previous social home².

Social tenants

The policy will impact primarily on prospective new local authority tenants, and existing social tenants with a lifetime tenancy wishing to transfer to a new local authority home.

It will not directly affect existing lifetime local authority tenants who stay in their home or those who are required to move by their local authority (who must be granted a further lifetime tenancy in their new social home).

Summary of Benefits and Costs

Domestic abuse

The main expected impact of this policy is that there will be a reduction in the amount of domestic violence.

Domestic abuse impacts on the everyday lives of victims and their children. For example, domestic violence is identified as a factor affecting half of Children in Need assessed by children's social care services³. Research by Sylvia Walby (2009) estimated that in 2008 the overall cost of domestic abuse to both victims and society

¹ CORE lettings data 2015/16

² CORE lettings data 2015/16

³ Department for Education (2017). Characteristics of children in need: 2016-2017 (Table C3).

is approximately £16 billion annually. This includes an estimated cost to UK employers of £1.9 billion per year, due to absences resulting from injury.⁴

This policy removes a potential barrier to victims leaving their home (the disincentive to lose your lifetime tenancy). We would expect a marginal increase in the number of victims moving out, and therefore a reduction in the amount of domestic violence and the costs associated with this. It only applies to a small caseload of social tenants who are victims of domestic abuse, and who would otherwise not have moved.

Local authorities

There will be a potential impact on how local authorities use their stock as more of it will be tied up in lifetime tenancies. There may be some impact on landlords' ability to achieve a better match between tenants and properties, where for example landlords grant a victim of domestic abuse a lifetime tenancy in family sized accommodation that is likely to be under-occupied after a number of years. However, as the number of beneficiaries is likely to be very small, and it is expected that most local authorities would exercise their discretion to grant transferring tenants a further lifetime tenancy in domestic abuse situations, any impact is likely to be minimal. Any such impact may potentially be offset by subsequent eviction of the perpetrator.

This potential disadvantage to local authority landlords is not considered to create a disincentive to offer the victim a new tenancy. Tenancies will continue to be offered in line with the local authority's allocation policies; the length of the tenancy does not affect this.

Local authorities may make some very small administrative savings as a result of not having to carry out a tenancy review at the end of the tenancy term.

It is expected that any potential disadvantages for local authority landlords will be outweighed by the positive benefits for victims of domestic abuse and their dependants who may otherwise feel constrained to remain with the perpetrator for fear that they might lose their security of tenure.

Social tenants

Social tenants who are victims of domestic abuse will benefit directly from the policy. While it is expected that most local authorities would exercise a discretion to grant a further lifetime tenancy in the case of domestic abuse (the circumstances in which local authorities will have discretion to continue to grant lifetime tenancies will be prescribed in regulations), without a clear guarantee that this is the case some victims may choose to remain with the perpetrator rather than risk losing their security of tenure.

For other existing lifetime tenants who choose to transfer, whether or not they are granted a further lifetime tenancy will depend on whether they fall within the

⁴ Sylvia Walby (2009). Cost of domestic violence: Up-date 2009. Available at: http://www.lancaster.ac.uk/fass/doc_library/sociology/Cost_of_domestic_violence_update.doc

categories to be specified in regulations and how local authorities exercise their discretion in relation to these categories.

There may be some negative impact on prospective tenants. This is because guaranteeing that all tenants who are re-housed on the grounds of domestic abuse are offered a further lifetime tenancy could limit the increased headroom in the social rented sector that would otherwise be created by fixed term tenancies. However, the impact is likely to be very small given the limited number of tenants who are likely to benefit from the provision.

Any potential disadvantages for prospective tenants will be outweighed by the positive benefits for victims of domestic abuse and their dependants who may otherwise feel constrained to remain with the perpetrator for fear that they might lose their security of tenure.

Behaviour responses

It is expected that victims of domestic abuse are more likely to leave an abusive situation, if they are guaranteed that they will not lose their security of tenure by doing so, than they would be if this was a matter for local authority discretion.

There is a small risk that some tenants may seek to abuse the provision. However, the risk should be limited by the fact that:

- the Bill does not create a new obligation on local authorities to re-house existing lifetime tenants who are moving out of their existing accommodation to escape domestic abuse. Simply, its purpose is to ensure that where a lifetime tenant is being rehoused in such circumstances, the local housing authority is obliged to ensure they do not lose their security of tenure.
- local authorities must be satisfied that there has been domestic abuse and that granting a further tenancy will reduce that risk.

Housing benefit and publicly subsidised housing

There may be some cost implications if publicly subsidised social housing is provided on a lifetime basis to two households as a result of this provision: to the tenants who has escaped domestic abuse and to the perpetrator who is left in the original tenancy. However, social landlords have a power to seek possession against the perpetrator in these circumstances and we would expect them to use this power in appropriate circumstances⁵.

Low income households living in privately rented accommodation who are currently unable to access social housing may be reliant on housing benefit in order to cover their housing costs. These changes may restrict local authorities' ability to support some needy households on the waiting list with a consequent impact on the housing benefit bill.

⁵ Ground 2A of Schedule 2 to the Housing Act 1985, and Ground 14A of Schedule 2 to the Housing Act 1988

Any potential cost implications are likely to be very small, however, given the limited number of lettings affected, and would be expected to be outweighed by the positive benefits for victims of domestic abuse and their dependants.

Conclusion

Over the longer term any potential disadvantages that might result from restricting the use of fixed term tenancies are likely to be far outweighed by the benefits from reducing the impact of domestic abuse on victims and their families.