

Appendix 2 – Termination of Assured Shorthold Tenancies by the ALMO _ Illustration of some the risks.

Reason	Option (s)	Mechanism	Risk	Mitigation
Breach of tenancy for example as a result of non payment of rent or anti-social behaviour.	Terminate tenancy by service of a notice, obtain a court order, apply for a warrant and obtain possession of the property	Terminate tenancy by service of a Housing Act 1998 section 21 notice.	As tenancy can be terminated by serving a notice only and possession is mandatory. The tenant may dispute allegations and argue public law grounds that the decision to take possession is that which no reasonable authority would take).	<p>Ensure all prospective tenants are aware of the purposes of the scheme and limitation within which it will work.</p> <p>Ensure that decisions to terminate on breach of the tenancy agreement are taken having considered all the relevant facts.</p> <p>Consider having a review procedure prior to taking possession action.</p>
<p>Tenant unable to purchase within 5 year timeframe</p> <ul style="list-style-type: none"> - chooses not to purchase - loss of job - unable to secure mortgage 	1. Tenancy ended by service of a notice, obtain a court order, apply for a warrant and obtain possession of the property	ASTs offer protection for the first 6 months as a possession order cannot be made to take effect. It then becomes a	<p>Tenant may claim the authority has a duty to rehouse under the homelessness legislation.</p> <p>If tenant has complied with</p>	<p>The product is marketed as a rent to mortgage product which would be made clear at the point of accepting the tenancy.</p> <p>Annual review meetings</p>

		<p>periodic tenancy capable of being ended by service of s21 notice</p>	<p>tenancy terms but cannot afford to buy then likely that homeless duties owed particularly if children involved and/or an vulnerability issues.</p> <p>Tenant may raise arguments under the public law as outlined above</p>	<p>will be held with the tenants to review ability to purchase.</p> <p>Consider having a review procedure prior to taking possession action.</p> <p>Any homeless application considered in line with the relevant legislation.</p>
	<p>2. Allow tenant to remain in the property on a periodic AST for upto a maximum period of 12 months in exceptional circumstances where there is a reasonable prospect (supported by evidence) of the tenants circumstances changing in order to allow them to proceed with purchase .</p>	<p>Allow the AST simply to continue to run as a periodic AST.</p>	<p>Tenant wishes to stay in the property for a considerable period over and above that specified under the scheme.</p> <p>Tenant may raise arguments under the public law as outlined above</p>	<p>Ensure that each case considered on its merits and that discretion to allow an extension is taken in only in exceptional circumstances and where supported by appropriate evidence. The maximum period for an extension would be upto 12 months.</p>