

# Tenancy Strategies – A Housing Association Perspective

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Family Mosaic

## Caveat!

- We don't have a strategy yet .....

..... so it's my perspective.

## How have we got here?

- Development driven
- Thinking on tenancies is tactical, not strategic
- How many homes can we build?
- Contracts about to be signed

## Issues

- Rent levels – new homes & relets
- Tenancy length
- Providing advice and assistance – when and what?
- Tailored approach for different tenants
- Tenancy policy

## Stakeholder views

- Local Authorities – strategic tenancy policies (2012). Significant variation in views
- Government – tied to a contract. Single development portfolio
- Our tenants:
  - Consulted on rent levels
  - Consulting on tenancy length
  - One approach across all our homes
- How do we reconcile tensions?

## Rent levels

- Stay as close to 'policy' rent as possible – it's affordable & reasonable
- Had to negotiate on the basis of AR
- Scheme appraisal – what do we need to add to policy rent to make it work?
- More subsidy from sales = bigger risk = smaller development programme
- One policy for all our homes:
  - Conflict with LA policies?
  - Family homes and one beds?
  - Different market values?

## Relets

- As few as possible
- 30% of 1 and 2 beds (our contract)
- Maybe fewer
- No homes over 2-bed converted
- Not starting yet – probably not this year

## Fixed tenancies

- Hills report: social housing encourages poverty & benefit dependency.
  - Physical environment? (Hills view)
  - Relationship with landlord; lifetime tenancies & focus on need?
- If the housing we provide encourages poverty, we need to deal with it

## Research

- Lessons from abroad
- Analysis of lettings and terminations
- What do our tenants think?
- 'Class of 2006'

## Research findings – what happens around the world?

- Wide international variation
- The Australian experiment
- Can we learn anything from abroad?

## Research findings – where are tenants after five years?

- 'Class of 2006'
  - Analysis of tenants entering social housing 5 years ago
  - Current financial circumstances
  - Current attitudes
- Findings
  - Up to 20% could afford to (part) own
  - Most have no realistic prospect of 'moving on'
  - Like being tenants; ambition to own is not huge

## Research findings – Do tenants want to move on?

- Analysis of tenants who are not benefit dependent
  - Research By Design conducted focus groups and quantitative survey
  - Tenants think they HAVE moved on
  - Don't consider that their housing is subsidised; they pay a 'fair' rent & the PS rips tenants off
  - Don't want a particularly close relationship with the landlord; their financial circumstances are none of our business
  - Don't especially like our LCHO products

## Research conclusions?

- Fixed term requires a wider, different relationship with tenants
- Can't just offer advice at the end of the tenancy
- Need to align services
- Need new LCHO products

## Working together

- Rents: realism and understanding on all sides
  - zero-sum game: new homes & affordability
  - HA's have to serve many masters
  - LA's have to ensure coherent social policy through tenancy strategies
- Fixed term tenancies
  - There may be a case for them
  - Needs a strategic, research-based evaluation
  - Can we align support services? Can tenancy strategies help to clarify what support should be provided? What expectations we can place on tenants? Who should get a fixed term tenancy?