

# Approaches to tenancy management in the social housing sector:

## Exploring new models and changes in the tenant-landlord relationship

**Mary-Kathryn Rallings**

September 2014





Founded in 1960, but re-launched in 2012 with funding and support from a range of leading housing providers, HACT is a charity, social enterprise and industry-focused think/do tank established by the housing association sector.

Our aim is to work with the housing sector, government, civil society and communities to develop and share innovative approaches to meeting changing needs.

We seek to influence and innovate in ways which help all housing providers deliver more effectively within their communities.

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# Acknowledgments

Funding for this project was provided by Yarlington Housing Group and Trafford Housing Trust:



Yarlington Housing Group is a local housing charity and one of the leading affordable housing providers in Somerset with over 9,500 properties across South Somerset and neighbouring districts. The company has a commitment to enhance the lives of its residents and their neighbours, to provide communities in which people chose to live and work, and have the opportunity to improve themselves if they so choose. Yarlington is a Times Top 100 organisation, and has achieved Investors In People Gold Standard.



Trafford Housing Trust owns, manages and provides over 9,000 homes for people across Trafford, including homes and services for older and more vulnerable people. Trafford Housing Trust believe that by having meaningful engagement, listening to our customers, and understanding what really matters to them, will help us continually improve and develop the services we deliver and the homes we provide and maintain. Their vision is “to be at the heart of creating neighbourhoods that are safe, clean, with strong communities and are places that people choose to live in.”

**HACT would also like to thank the eight organisations and their tenants and staff that participated as case studies:**

- BPHA
- Bromford
- Derwent Living
- Moat
- North Hertfordshire Homes
- Poplar HARCA
- Trafford Housing Trust
- Yarlington

# Executive summary

**In the wake of the financial crisis, welfare reforms and cuts to local government funding, housing associations – organisations that provide social housing – are increasingly operating in a complex social, economic and political environment. In response to these challenges, housing providers are developing new and creative responses to handling how tenancies are allocated and how tenants are supported.**

The purpose of this report is to examine some of these new models of tenancy management. It is not intended to provide definitive answers or to assert that one model is correct, but to act as a starting point and to provoke debate. Some of the models have been implemented as pilots; the benefits and challenges are still being examined internally. In combining in-depth case studies at eight housing providers, an online survey of other housing providers, and interviews with tenants at the case study organisations, this report captures a breadth of perspectives from across the sector. It stimulates discussion on how these models have been implemented, their applicability in different organisations, and explores the practical, policy, social and business questions they prompt.

The content of this report focuses on models implemented in pilot programmes at three organisations:

1. **Bromford:** ‘the Bromford Deal’
2. **Moat:** ‘the Moat Promise’
3. **Yarlington:** ‘Household Ambition Plans’

In addition, case studies were conducted at five other organisations (**BPHA, Derwent Living, Poplar HARCA, North Hertfordshire Homes** and **Trafford Housing Trust**), some of which are considering implementing similar models or elements of these models, and some of which have made strategic decisions not to implement these models.

## Summary of findings

Responding to a lack of new housing supply, recognising that household circumstances may change over time and incorporating fresh thinking about the type of broader social impact new supply should generate, housing providers are increasingly opting to introduce **fixed-term tenancies**, rather than conventional lifetime/assured tenancies to social housing tenants. Data on new tenancies illustrates that a growing number of housing providers are now offering fixed-term tenancies, typically for a term of **two or five years**.<sup>1</sup>

- **43 of 48** housing providers that responded to an online survey indicated they have introduced **starter tenancies**.
- **15 of the 48** respondents have introduced fixed-term tenancies, with a further 9 considering doing so.

The case studies examined have implemented a variety of models of tenancy management (some in collaboration with elements of fixed-term tenancies, pre-tenancy training and/or pre-tenancy assessments):

<sup>1</sup> According to housing providers offering fixed-term tenancies of these lengths based on 2013-14 General Needs Strategic and Data Submission annual report to CORE (Continuous Recording of Lettings and Sales in Social Housing in England). Data on fixed-term tenancies has only been collected through CORE since 2012.

1. Some of these models are focused on **tiered service levels** – those tenants who comply with the terms of their tenancy agreements are eligible for an ‘upgrade’ in their service level, whilst those who breach their tenancy terms can be moved to a more basic level of service.
2. Other models are based on **intermittent incentives** – prize draws and membership schemes that reward and acknowledge good behaviour.
3. **Support-based models** aim to provide greater support in direct connection with the tenancy and with tenants’ broader ambitions (whether it is employment, education or home ownership), sometimes including conditions – generally speaking, that tenants agree to engage with the housing provider on a number of areas and that this engagement forms part of the tenancy agreement itself.

There is a significant **cultural shift** associated with managing tenancies and supporting tenants differently. Exploring this shift resulted in several key findings:

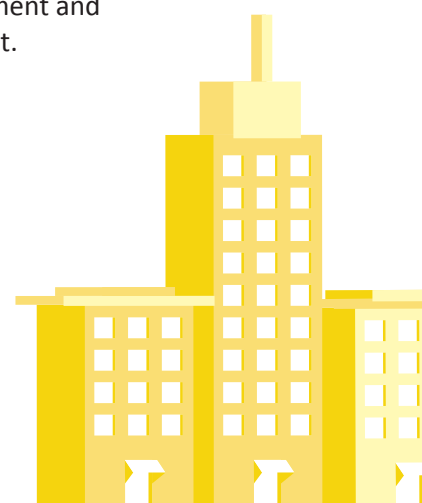
- Terms like ‘support’ and ‘independence’ are incredibly subjective terms in the context of tenancy management. **Defining key terms** is a central element of understanding how these models are formulated, implemented and understood.
- The models require both **proactive and reactive responses** from organisations in order to ensure the offer resonates with both staff and tenants.
- The case study organisations have used the implementation of new models to examine lettings procedures and **critically assess the timeline for new tenancies** to ensure tenants are absorbing important information.
- Some of these models (particularly the support-based models) require **additional expertise**. Housing providers are looking creatively at how to access this expertise and ensure they are well-equipped to meet tenant needs.
- There are **mixed feelings within the social housing sector** about whether some of these new models of tenancy management signify a shift away from the ethos of social housing and/or whether they are paternalistic.
- Despite mixed responses, these new models are gaining significant attention within the sector: 17 of the 48 online survey respondents indicated that their organisation is **considering implementing a new model** of tenancy management.

## Conclusions

**Promising practices must be adapted according to context**, with shared learning disseminated, but models not treated as blueprints. Housing associations employ a variety of staff members with diverse skills and can capitalise on existing expertise. It is also important to both recognise the importance of pre-tenancy work in the context of long-term tenancy sustainment and acknowledge the links between community investment and tenancy management.

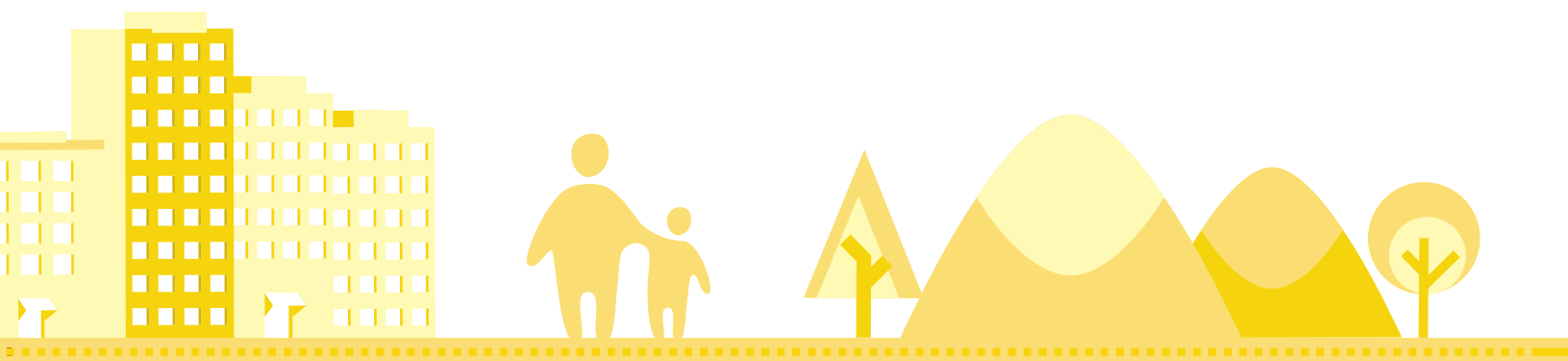
During this project, conversations have been happening between some of the organisations that participated. These ongoing conversations, along with further findings from the pilots and models, have resulted in agile models that are continuously adapting to learning. For the housing providers involved in this research, **reviewing the relationship between landlord and tenant is not static**.

The research findings suggest that housing associations could rely more on mutualist justifications for conditionality by directly advertising (and



capitalising on) the fact that these models are not only about providing support for individuals or about getting individuals to pay rents, but about a cultural shift – both for housing association staff and for tenants – that signifies collective responsibility.

New forms of tenancy management are clearly increasingly popular – the sector as a whole is aware of and talking about these models. However, further in-depth, longitudinal research is needed, **as these models are still relatively new and there is not significant evidence about how these models perform in the long run.**



# Introduction

Sixteen years on from the introduction of Irwell Valley's 'Gold Standard' scheme, social housing providers are still devising innovative models of tenancy management, with several focusing on close engagement with tenants to support them in developing the skills and behaviours that will help them to sustain tenancies and build successful lives. This research, conducted by HACT and funded by Yarlinton Housing Group and Trafford Housing Trust, is focused on exploring different models of tenancy management, ranging from light-touch approaches that simply enforce core tenancy conditions, through to those that are far more hands on.

These newer, more hands-on models can have a range of objectives, both for housing providers as businesses and for their tenants, including (but not limited to):

- tenancy enforcement;
- promoting tenancy sustainment;
- formalising community investment activities;
- encouraging interaction with the landlord;
- encouraging independence;
- examining elements of choice and consumerism; and/or
- providing further support for tenants to reach goals.<sup>2</sup>

As with all new approaches, key questions arise: What is the impetus for these models? What is the business case? What expertise is required? How have they been implemented?

The different models, procedures and interventions discussed in this research suggest that attitudes within the social housing sector (and beyond) are shifting, with a greater expectation that tenants engage, contribute and/or take responsibility. However, whilst some of these models apply this thinking to tenancy conditions that already exist (rent arrears, ASB, etc.), others are extending this attitude by making other behaviours part and parcel of tenancy conditions. The introduction of elements of conditionality into tenancies has prompted polarized opinions from housing staff, tenants, the broader social housing sector and academia.

Various housing providers have already introduced pre-tenancy training, fixed-term tenancies or other forms of tenancy management. There is also a significant number of housing providers considering these models and looking at how different elements of them might be applied in their own organisations. Although fixed-term tenancies and elements of tenancy conditionality are commonly discussed as ways to address the housing shortage and ensure social housing is reserved for those who need it, there are broader questions about what flexible tenure, tenancy conditionality and other methods of influencing behaviour (like rewards and incentives schemes and pre-tenancy training) will mean for tenants.

Will tenants be repeatedly moved as family circumstances and household size change? What will this mean for creating sustainable communities? Is it fair to introduce different levels of service, depending on the degree to which tenancy conditions are met? What about asking tenants to engage in employment, training or volunteering? Do these interventions, aimed at influencing resident behaviour, signify a shift away from the social ethos of housing providers? What does 'choice' mean for social housing tenants? How can housing providers offer more

<sup>2</sup> Whilst some housing providers refer to those for whom they provide housing as 'tenants,' other organisations opt for 'residents' and others 'customers.' In the interest of simplicity and to ensure consistency, 'tenants' is used throughout this report.



support and encourage independence without hand-holding tenants? Will these interventions change the relationship between landlord and tenant, putting greater responsibility on tenants to uphold tenancy agreements? Perhaps most importantly, what do these interventions say about the changing nature of the sector, both in the context of welfare reform and in the context of who is being housed by the sector?

This project set out to answer some of these questions, with methods that sought to capture both the breadth of the sector, through surveys and phone interviews with housing providers, as well as depth, through focused case studies with eight housing providers. There is certainly not enough evidence to suggest that one model should be held up as a beacon of good practice (nor was that the aim of this research).

The case studies and staff members that agreed to participate in this research were open and honest about the challenges of changing the ways in which tenancies are managed; they also acknowledged the learning process behind piloting new schemes. However, exploring how the sector as a whole is approaching these changes in tenancy management revealed significant shifts in how different organisations view the relationship between landlord and tenant.

## Methodology summary

Previous reviews of different schemes of tenancy management have been conducted and have largely focused on categorising schemes (for example, the Housing Quality Network 2006 review). By contrast, this project has implemented mixed methods in order to illuminate not only the broader sector perspectives using a survey, but also in depth case studies to examine different models of tenancy management operating in different environments.<sup>3</sup>

Case studies were conducted at eight organisations (BPHA, Bromford, Derwent Living, Moat, North Hertfordshire Homes, Poplar HARCA, Trafford Housing Trust and Yarlington), selected both to highlight new and creative approaches to tenancy management as well as the breadth of approaches across the sector. Methods at each case study included:

- Semi-structured interviews with staff;
- Focus groups with staff;
- Telephone interviews with staff; and/or
- Telephone/video conference interviews with tenants.

A survey of 48 other housing providers was conducted online, with respondents given the option to respond anonymously, and follow up telephone interviews with 12 of these organisations.

## Structure of the report

Following the introduction of the political, social and economic contexts in which new models of tenancy management have emerged (section I), this report details the case studies that took part (sections II and III), prior to introducing three 'types' of tenancy management models, based on the analysis of the models studied throughout the project (section IV). The remainder of the report is thematically focused on core elements of tenancy management (section V), the potential impacts of these models (section VI), challenges of implementation (section VII), the cultural shift required (section VIII), and objections and justifications for conditionality (section IX). The penultimate section (X) sets out some suggestions for ongoing and/or future research, followed by concluding remarks.

<sup>3</sup> See Appendix I for complete methodology.

# I. Context

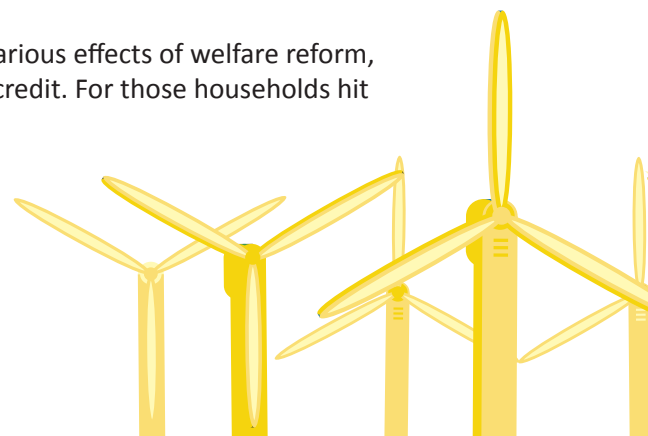
Martin Cave's (2007) review of housing recommended a new mode of regulation for social housing. The Housing and Regeneration Act 2008 (the result of various reviews, including Cave's) created a new organisational structure for regulation, based both in increased private sector involvement in development and a more 'tenant-oriented' approach in delivery. This prompted the creation of two new bodies: the Homes and Communities Agency (HCA) and the Tenant Services Authority (TSA) (Victory and Malpass 2011).

During this period, reviews were being undertaken simultaneously to examine the role of and supply of social housing, including Kate Barker's (2004) review of housing supply, resulting in the Housing Green Paper in 2007 establishing targets. The Key Lines of Enquiry (KLOE) investigations into housing management noted that organisations delivering excellent service 'provide a mix of incentives and sanctions to encourage service users to stay out of debt or reduce their arrears, e.g. discounts for advance payments' (Audit Commission, 2004). Then, in 2007, John Hills' review of the role of housing recommended that social housing could do more to support people into work and that social housing could offer alternative tenure types, beyond the standard assured tenancy. As Murie (2012: 1033) states, by 2010, '[h]ousing allocations throughout the social rented sector were based on housing need rather than income, and once a tenancy was granted the tenants' rights were not conditional on any continuing test of need, income or capacity to access alternative housing.'

These suggestions about supporting tenants into work, offering alternative tenure types and considering allocation procedures and tenancy terms signalled a shift, with the social housing sector beginning to look more systematically not only at the supply and allocation of housing, but also examining, fundamentally, who social housing is for. At the same time, the financial crisis meant that all of these previous reviews of housing were being examined in the context of various welfare reforms and reductions in public expenditure introduced by the post-2010 Coalition government and significant changes in the structures and regulation surrounding social housing.

Following the 2010 announcement that the Audit Commission (the watchdog for public spending by councils and some health organisations) would close, the TSA also closed in 2012 as the HCA took over responsibility for the regulation of social housing in 2012. Whilst the regulatory and policy frameworks refocused on economic viability and demanded greater value for money in the social housing sector, there has also been a significant reduction in investment (Murie 2012), with the Localism Act forcing local authorities and housing associations to become more effective with less funding. Alongside these changes came the introduction of affordable rent, allowing social housing providers to charge a maximum of 80% of the local market rent – a scheme designed to respond to the diverse range of people accessing social housing. Perhaps most importantly, all of this is now occurring in a sector in which housing demand vastly outstrips supply.

Housing associations and their tenants are also dealing with various effects of welfare reform, including under-occupation and the introduction of universal credit. For those households hit

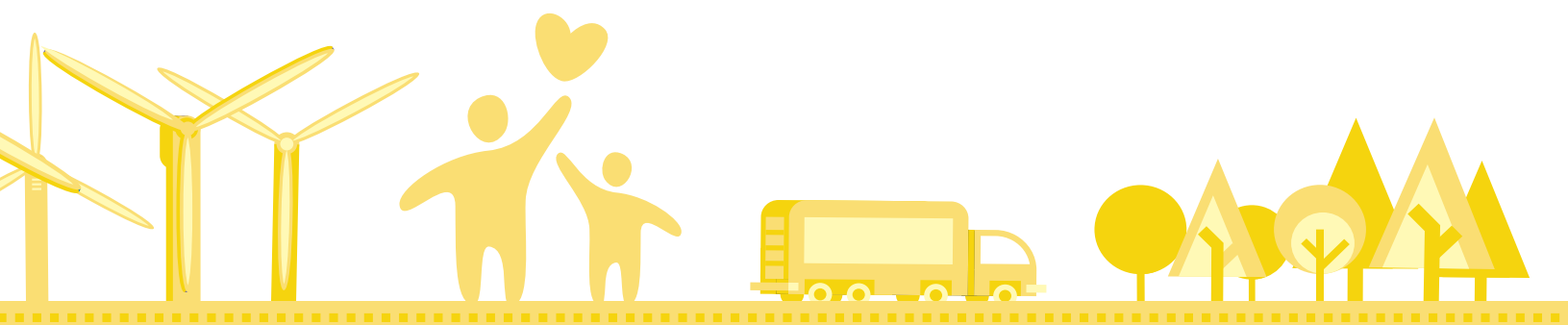


by both, they are not only trying to come up with the funds needed to cover the social size reduction (known as the 'Bedroom Tax'), but they also need to start budgeting monthly for a single benefits payment coming directly to them, including the housing element, rather than housing benefit being paid to the landlord. Alongside this, increasing cuts to local authority and other public sector funding means that housing associations are increasingly left to fill gaps left in service provision.

The KLOE investigations prompted housing associations to look at the ways in which their actions could encourage tenants to pay rents, whilst other reviews of housing were encouraging housing associations to look at their role in helping tenants into work. These changes caused housing providers to think about driving stronger and broader social outcomes from the investments they make, with increasing pressure on social housing providers to support the most vulnerable. New tenancy management schemes are undoubtedly informed not only by the complex changes prompted by welfare reform, but also by the changes in the regulatory environment and the introduction of affordable rent, alongside different ways of thinking about how to best support tenants.

*The responsible and responsive tenant becomes an increasingly central figure in the organising mechanisms of housing governance...we are witnessing a deepening of tenant responsibility, through increasing individual agency and accountability in relation to housing allocation, rent payments and maintenance of properties. (Flint 2004: 907)*

All of these elements are reflected in the foci of the social housing sector. The case study organisations are approaching these elements in different combinations and through different means; housing associations now have greater scope and flexibility to move away from past patterns and to deliver services in innovative ways.



## II. Case study contexts and organisation profiles

Organisation	Region	Stock and concentration	Fixed-term tenancy (FTT) and length?	Model?	Informed by?	Voluntary/ mandatory?	Pre-tenancy training? Voluntary/ mandatory?
BPHA	East	17,000. Bedfordshire and surrounding counties	5 years for specialist/ larger properties	Exploring options – how to offer support to those who need it.	Desire to offer additional support.	N/A	Yes – Just started pre-tenancy work. Voluntary.
Bromford	Midlands	30,000 45 local authority areas, but with concentrated estates	2 years; 5 years	'Bromford Deal'	Strategic reflection to reposition purpose of social housing	Mandatory. But looking at potential Deal 'levels'	Yes – 'Tenancy Ready' self-assessment. Mandatory.
Derwent Living	Midlands, Yorkshire, Southeast	20,000 35-40 local authority areas	Assured only.	None	Did look at Irwell Valley model previously	N/A	No – Do conduct pre-tenancy assessments.
Moat	Southeast	20,000 Relatively concentrated	Assured. Considering FTT.	'Moat Promise'	Irwell Valley	Mandatory	No – Did explore, but often offered by local authority.
North Hertfordshire Homes	Southeast	9,000 Relatively concentrated	5 years.	'Privilege', but looking at Moat model	Moat and Chelmer Housing Partnership	Voluntary	Yes. Voluntary.
Poplar HARCA	London	9,000 Concentrated	Assured, with FTT in limited circumstances.	None, but informed by own experience since a 2011 restructure	Looking at other models around rewarding good behaviour	N/A	No.
Trafford Housing Trust	Northwest	9,000 Relatively concentrated	Yes - Variable terms.	None currently, exploring options		N/A	Yes – 'Positive Starts' tenancy assessment. Mandatory.
Yarlington Housing Group	Southwest	9,500 Rural, somewhat concentrated	7 years.	'Household Ambition Plans'	Some discussions with Bromford	Mandatory (currently, but could be split into different levels)	No – Pre-tenancy visit and post-tenancy verification, but not pre-tenancy training.

## BPHA

BPHA operates in the East of England, with 17,000 properties in Bedfordshire and the surrounding counties. Fixed-term tenancies of five years are being implemented specifically for larger and specially-adapted properties. BPHA has also introduced a mandatory 'one week rent in advance' policy for new tenants.

BPHA is interested in exploring options around new ways of managing tenancies. Specifically, having found that there is a small percentage of tenants with a high level of support needs, BPHA is exploring a model that will help deliver support by potentially introducing a service fee to cover this time and enable resource to continue to be spread to other tenants. There are concerns amongst staff that they are being told to look at income recovery and are therefore not able to spend the amount of time supporting other tenants. BPHA want to be able to provide the same service to everyone, but also recognise that some tenants may require further support through enhanced service. They are therefore asking whether those who require an enhanced service should pay for it.

## Bromford

Bromford has 30,000 homes across Central England, with concentrations in the West Midlands and Gloucestershire. Whilst it has a presence in forty-five local authority areas, 75% of its stock is within seven local authority areas; it is the largest social landlord in two local authority areas.

The Bromford Deal began three to four years ago as the organisation thought about its service offer, its role in supporting aspirations and its desire to stop being passive with interventions. The fundamental ethos is to support aspiration, to help tenants be the best that they can be, to recognize the change in the operational environment both for housing providers and for customers in the context of the financial crisis, and to challenge itself as a business. The Bromford Deal is a two-way relationship between tenant and landlord with a mutual agreement that the home is a platform for aspirations. New tenants sign up to a property with a commitment to help Bromford reduce costs (through reducing missed contacts, maintaining property standards and making a contribution through work or volunteering) so that Bromford can do more to support aspirations. Likewise, Bromford aims to use starter tenancies (and subsequent fixed-term tenancies) as a way to structure tenant engagement, using the introductory tenancy term as the foundation of the Deal's ethos of mutual commitment.

## Derwent Living

Derwent Living has 20,000 properties across 35-40 Local Authority areas in the Midlands, Yorkshire and the Southeast. Peter McCormack, Chief Executive, noted that Derwent Living is 'not community-based' due to this dispersal of stock, with its biggest 'estate' comprised of 190 homes. Derwent Living advocates a traditional, bricks and mortar approach; Peter argues that building new homes not only addresses the housing shortage, but also promotes employment by providing opportunities. It does not see itself in the space of running community investment programmes, choosing instead to invest its entire surplus in new homes. Peter described this business model as one centred on 'efficiency of investment.' Derwent Living's agenda is focused and simple and the social side of the business has been streamlined. Whilst it previously had some internal posts focused on community investment, it found this was a 'plaster over structural problems.' Housing Officers do work with tenants to provide support, signposting to services and providing advice, rather than engaging in direct interventions. Derwent Living also engages in substantial pre-tenancy work to determine tenants' needs and ensure tenancy sustainability. Derwent Living did explore the Irwell Valley model a few years ago, but decided

instead to put resources into making sure people understand their tenancies and more extensive pre-tenancy work.

## Moat

Moat is based in Southeast England with 20,000 homes over relatively concentrated areas. The 'Moat Promise' model is a scheme of rewards/penalties based on three tiers of service: a 'four star' standard service level, a 'five star' enhanced service level and a 'three star' basic service level. Tenants can be downgraded to three star service (for behaviour including rent arrears and ASB), wherein only health and safety repairs are carried out and tenants are not eligible for planned works. Likewise, tenants who do not engage in ASB, keep a clear rent account for twelve months and meet other tenancy agreement conditions can be upgraded to 'five star' service, wherein they are eligible for upgraded planned works, an enhanced repairs booking service and entry into prize draws.

Hugh Fenn, the Executive Director of Housing and Customer Services, explained that historically Moat had a 'paternalistic relationship' with tenants and that if the responsibility of a housing provider is to take people on a journey, it should encourage independence. The Moat Promise is therefore strongly intertwined with the 'independence agenda' at Moat. In May 2012, a report to the Board suggested presenting the landlord-tenant relationship differently and rebalancing the agenda as part of a defensive plan to combat the effects of welfare reform and drive behavioural change to create a culture of personal responsibility and repayment. A strategy team, comprised of staff from across the organisation, was responsible for developing a model. Schemes at Irwell Valley, North Hertfordshire Homes and Orbit were examined during the early stages. Significant legal consultation took place alongside a 'rigorous' consultation with tenants. Some changes were made based on the feedback (e.g. removal of payment of rent by direct debit as a prerequisite for 'five star' service level). The launch was split with a 'soft' launch in Medway in February 2013, with a launch for the rest of tenants in April 2013. Current tenants were notified of their star rating and had three months to rectify any outstanding issues.

## North Hertfordshire Homes

North Hertfordshire Homes is a stock transfer organisation, with 9,000 homes in the East of England. They are relatively geographically gathered, with five local offices. Neighbourhood Services was set up to change the management of tenancy services eight years ago. At NHH, fixed-term tenancies were driven by high levels of under-occupation and, to a lesser extent, tenancy sustainment. (Thirty per cent of properties were under-occupied by one room and twenty-five per cent by two rooms.)

A 'Privilege' rewards scheme for tenants was developed (five-six years ago) to recognise good behaviour, to act as an incentive and to change the landlord-tenant relationship to one based on membership – good tenants become members, who are then eligible for extras. Privilege members sign a Good Tenant Charter, are entered into quarterly prize draws, etc. David Smith, Head of Neighbourhood Services, explained that the scheme was not about rent arrears or welfare reform. David did note that if NHH launched a rewards scheme now, it would look very different in the climate of welfare reform. Likewise, any new model would need to address issues around under-occupation and the high level of NEETs (young people who are not in employment, education or training). David explained that NHH did look at the Irwell Valley model of tiered service levels, but found it too focused on rent arrears, which is not a significant concern for NHH. NHH is interested in the Moat Promise as a model, as it is looking at models not linked to ambitions, but to those elements that will help manage a tenancy. NHH might look at integrating pre-tenancy support into such a scheme.



NHH staff also discussed some of the anticipated benefits of a more in-depth rewards scheme, including taking the pressure off Neighbourhood Officers and making the points of customer contact more consistent. However, staff also noted some potential disadvantages, including the bureaucracy of making decisions about who is 'in' and who is 'out' (the criteria for categories) and the complications tiered service levels might present to investment in stock (if kitchens and bathrooms are not refurbished in certain homes at a given time, they will just need to be refurbished later in order to keep standards consistent for new tenants, who cannot be penalized because of the behaviour of a previous tenant).

## Poplar HARCA

Poplar HARCA has 9,000 homes in East London, operating in a concentrated area. Its well-established support offer is strongly focused on employment, training and volunteering opportunities with local people referred (or self-referred) receiving an assessment of needs and an action plan based on those needs. In addition to ongoing projects, its Raising Aspirations programme is a new project with Skills Match, the Family Intervention Service and Job Centre Plus. This multi-agency approach will pilot whether the organisations can work together to reach those furthest from the job market.

The Communities and Neighbourhoods (CaN) Team, which has been offering this type of support since the organisation was first established in 1998, noted that Poplar HARCA's thinking is aligned with rewarding good behaviours (perhaps more like the Irwell Valley model, discussed in more depth in section V). Furthermore, the team emphasized that Poplar HARCA's support for tenants is based on support of the community – most of the people it works with are tenants, but others are non-tenants who live locally in the same communities. Its focus is on improving and creating sustainable communities. The CaN team suggested that a rewards or incentives model at Poplar HARCA would combine elements of tenancy compliance with elements of community contribution. With tenancies, Poplar HARCA normally offers assured shorthold starter tenancies which revert to assured after a year without a breach, but do offer fixed-term tenancies in very limited circumstances linked to specific projects where move-on is necessary.

## Trafford Housing Trust

Trafford Housing Trust has 9,000 homes, primarily within the Trafford area. Trafford does not have a scheme like those at Bromford, Moat or Yarlinton. Trafford is aware of other incentives schemes, but as Trafford is the most affluent borough in Greater Manchester, there were concerns about how, as an organisation operating in this context, tenants could be supported to meet aspirations such as home ownership. Trafford has, however, implemented fixed-term tenancies and does engage in pre-tenancy training.

Once tenants are successful in bidding for a property, an offer is made to the prospective tenant, who comes for an interview, and is then shown the property. A standard pack is given to tenants at sign up. The 'Positive Start' programme and affordability check identifies agencies with whom the tenant is already working. New tenants are given a twelve month starter tenancy; subsequently, a tenancy can be offered on an assured basis or a fixed-term basis (flexible, and tenants can be offered a fixed-term tenancy until their youngest child is eighteen), the starter tenancy can be extended, or the tenancy can be terminated. Tenancy term appeals are processed by a resident-only panel, with a staff member present to act as a scribe only, in order to increase accountability.

## Yarlington

Yarlington Housing Group has 9,500 homes across Southwest England. Stock is predominantly rural and dispersed. A three-year strategic focus on Community Investment coincided with the introduction of fixed-term tenancies, which were introduced partially to support people and partially to fulfil organisational aims – by helping people ‘migrate through social housing,’ Yarlington is supporting people in their ambitions, but also helping to alleviate local housing need.

Yarlington transitioned from a traditional neighbourhood planning model in 2012 (with community investment focused on fun days) towards a focus on building interventions into their work and on achieving impact. The pilot for ‘Household Ambition Plans’ (HAPs) was launched in December 2012 in two areas (Yeovil and Chard) and was mandatory for new, general needs tenants in those areas. HAPs set out the goals of the tenant and household in an agreement between the tenant and Yarlington, with Yarlington offering support around those areas identified by the tenant. HAPs are first discussed with prospective tenants during verification of the tenancy (with staff in the Lettings team asking questions and opening up discussion at this point) and are then decided with Community Coordinators at the six-week visit. Whilst pre-tenancy training was not discussed by staff explicitly, Executive Director Phyllida Culpin explained that Yarlington’s ‘robust approach’ to verification allows for discussion around tenancy sustainment at this stage. Yarlington had some discussions with Bromford during the development and implementation of HAPs.

HAPs were at least partially in response to changes in the sector, including the need to address the housing shortage. There are different approaches within the sector of how to address the housing shortage and how housing associations can deliver on their social purpose. In contrast to the Derwent Living approach, Yarlington Chief Executive Gary Orr explained,

*...the default is that the solution is purely one of “build more houses.” And I’m not convinced that that is the solution to some of the many challenges that our communities face and...I think it is too simplistic and I think it is about developing a different skill set and a different – or having a broader discussion with people within our communities, which is about saying, “What are your hopes and dreams for your future? What are your hopes and dreams for your children’s futures?”*

Thus, according to Yarlington, the housing shortage cannot be addressed by building homes alone; in addition, housing providers should be supporting people to meet their ambitions and helping people migrate through social housing.



### III. Stated approaches provided by case studies

Yarlington, Bromford and Moat have already implemented models through pilot schemes that are evolving and changing with their organisational needs and responding to resident needs. Consequently, each of these three organisations was asked to provide a corporate statement about the impetus for the model and other factors. The statements within this section were provided by each organisation in response to these questions:

- Why did you implement this model?
- What was the cost of implementation?
- How has this model changed the organisation?
- In terms of expertise, what was required/how did you do this as a business?
- Was any restructuring required?

#### Bromford – ‘the Bromford Deal’

*‘The Bromford Deal is about our rationale and right to exist – to radically challenge the purpose of social housing providers. So from the Bromford perspective, does the UK need more affordable homes? Emphatically yes. The case has been well proven that a decent home for everyone is fundamental to delivering better outcomes in education, health and the economy. Will maximising the number of affordable homes solve the problem? No, not alone. Not if that is seen by landlords and tenants alike as the endgame. Providing an affordable home is a huge investment in both capital costs and housing benefit subsidy, so we must maximise the benefits of that investment. A great affordable home has to be the start, not the end. The rationing of scarce social housing based on greatest need and vulnerability has led to a ‘race to the bottom’ and a focus on what customers can’t do rather than what they can do – a negative dependency spiral that causes deep damage to society and that UK PLC cannot afford in the long term.*

*That’s why we introduced the Bromford Deal – an approach that requires and helps our customers to use their tenancy and relationship with us as a springboard, to take personal responsibility, to build their own local networks and if they are not working or training, to take steps, with our support, on that personal journey. This emphasis on what people can do, rather than on what they can’t, has helped uncover hidden abilities that can be channelled into strengthening local communities as people gain the confidence to help themselves and each other. As a result of the development of the Deal we have redefined Bromford’s strategic purpose as **inspiring people to be the best they can be**. This now underpins all of our strategic choices as a business.*

*The Bromford Deal is predominantly delivered through reorientation of existing colleagues in their job roles. A range of enhanced services are provided around employment and skills, money management and tenancy support. We have also invested in a bespoke “Deal Training Academy” to develop cultural awareness and handling customer relationships with a coaching emphasis. Likewise, we have invested in “Connect,” our social networking site enabling customers’ self-development. At this stage, we have seen an annual increase of circa £500k in operating costs – overall, a fairly minimal cost. In return, we are tracking the benefits of building customers’ control over their lives on reducing reactive service costs around engaging with us when requested, rent collection, repairs, and handling neighbour relationships.*

*The Bromford Deal provided game changing thinking around why we exist, strategic impact expectations, and measures of business success around social return on investment. The Bromford Deal is acting as a passionately believed-in cultural “glue,” bonding the purpose of all colleagues in the business and “joining up the planks.” As an example, everyone working in our New Homes (Development team) now thinks in terms of every new home acting as a platform for customers to get the support and encouragement to use that valuable asset as a means to help themselves and their families to be the very best they can be. In turn, that should ensure that both our individual customers and wider society get maximum value from every pound we invest in new homes. Over the course of the last two years, the Deal has become the basis of the way that we deliver all of our service to customers, not as an add-on to supplement traditional housing management, but as the core of what we do and how we do it. This is central to what everyone across Bromford talks about and values.*

*Moving the core service offer to one based on our colleagues being enablers rather than what might euphemistically be termed “rescuers” in more traditional landlord relationships has required us to have a major rethink about the skill sets we need throughout our operational delivery teams. As an example, moving the role of Housing Managers to the role we now require as “Deal Coaches” is a major journey of service transformation and remains a work in progress after two years. Focused senior leadership around development and deployment of the Deal has been and continues to be integral, with close involvement of the CEO, senior leadership team and commitment from the Board as well. Improving our core customer insight skills around focusing on the problems we are trying to fix for customers has also been challenging around the type of capabilities we need as a business moving forward, as we know the need exists to further diversify the kind of Deal “choices” different customer segments would derive the most value from.*

*We have developed much more fluid relationships between staff resources and achieved much more seamless working practices across the business. For example, with our core “general needs” and “supported housing” teams, the core competencies that exist from having a sector-leading Support business in terms of customer outcomes has been invaluable in cross learning and transferable skills in delivering the Deal.’*

## Moat – ‘the Moat Promise’

*‘The Moat Promise grew out of our independence agenda. Moat wants to drive individual responsibility and change behaviour, creating a culture of payment and rewarding good tenants. This approach isn’t about quick wins; changing behaviour takes time.*

*Moat has separated its service into 3, 4 and 5 star levels based on adherence to tenancy agreements, including rent payments and behaving with respect towards homes and communities. The Moat Promise addresses those breaches that can be hard to deal with like low level arrears and sticking to agreements, nuisance, home maintenance, and not allowing access to Moat staff and contractors.*

*A project group, led by an experienced manager who had worked across Moat for over 12 years, led on the development of the Moat Promise. The Steering Group, which was comprised from across the business, worked with an operational team to implement the Moat Promise. Enhancements to IT in the main were done internally, ensuring the costs of implementing the service were kept to a minimum. There is just one full time member of Moat Promise staff, an operational coordinator.*

*Moat’s staff and residents were fully involved from the beginning, and helped design practical elements of the service. This meant they felt part of the new service, understood*

*its workings and ethos and had a stake in its success. Staff feel empowered by the Moat Promise. They see it as a fair and straightforward service, as do the residents. The key to delivering the new service was to make sure it did not cost hundreds of thousands to run, as many enhancements services do. The Five Star market place is cost neutral, and whilst there are costs associated with the planned works enhancements and quarterly prize draws, for the first year, these have been less than £50k.*

*The Neighbourhood teams speak very highly of the new service. "It used to take numerous letters, phone calls and visits to get gardens cleared; now, with one letter, we are seeing nearly 80% of residents responding, saving both time and money." "Residents are reporting issues to the team, as there is a standard being set that they all want to adhere to."*

*The Moat Promise has given Moat a tool to tackle low level tenancy breaches. It is working for our residents and for our people.'*

## Yarlington – 'Household Ambition Plans'

*'In 2011, Yarlington instigated a strategic review of its core activities. This resulted in our vision and mission of "Building Communities." The customers and communities we work with face many challenges and a significant part of our response was the development of a "Household Ambition Plan." This was designed to formalise the support for households to achieve ambitions, hopes and dreams for themselves and their children, in a variety of fields and to use Fixed Term Tenancies to assist people in migrating (if possible) through social housing.*

*We have achieved the initially desired outcomes with limited additional resources and through our effective use of partner organisations. We had already shifted the focus of our Housing Officers from tenancy compliance to become Community Coordinators – to gain greater understanding of communities and to develop appropriate responses. The Coordinators received bespoke training to assist them to respond to our broader remit including heightening their skills in respect of both coaching and behavioural economics. The programme to date has been delivered within our current budgets including some realignment of our community investment towards employment, e.g. the creation of an Employment Coordinator post.*

*In our first year, we have assisted over 100 people back into employment. The shape of our employment offer is subject to further development as we see this as the central contribution that we can make to our residents' desired ambitions. We are working up a number of "pathways" which residents will enter at different points depending on their needs, aspirations and what is available locally. This will start at the point of a property being offered and not only include existing residents who request the service, but also those who are in arrears or other breach of tenancy conditions.*

*For some, the pathway could lead to home ownership or to enhanced education opportunities for family members. For others, it may be acquiring skills and confidence building to get into employment or acquiring skills to manage a budget and tenancy and then further training and support towards the longer term goal of securing work. We are also creating a pathway to enterprise to help our residents start a business or micro enterprise. We also recognise that, for some a change in their circumstances can trigger other issues such as difficulties in managing money when gaining employment or moving to Universal Credit and we will offer opportunities for financial management support when needed.*

*The pilot has encouraged Yarlington to review and learn from the feedback from staff, residents and partner organisations. We are increasing our focus on employment and training as a result – we will be employing another Employment Coordinator and putting investment into support for business start-ups including loans. We are also introducing new ways of capturing data about progress and reviewing how success is determined. It has been necessary to adapt our performance and governance reporting and at the same time, increase our levels of thinking in order to drive opportunities out of procurement processes.*

*The pilot has encouraged debate about what our response should be to issues faced by our customer and communities and we are looking forward to the next stage of delivery and our ongoing learning.'*



## IV. Typology of models

### Type 1 – Sustained incentives

#### Rewards/incentives schemes based on tiered service levels

Irwell Valley was the first housing association to gain attention for its scheme of enhanced services and repairs for responsible tenants, the 'Gold Standard' scheme launched in 1998 ('Diamond Service' was launched in 2012). The scheme has garnered widespread interest (HQN 2006, ODPM2003, Jacobs et al. 2006) and Chief Executive Tom Manion, writing about the scheme, explains:

*The hallmark of a just society is its compassion and support for people who are genuinely unable to help themselves. But what about those who can help themselves, but don't? ...It is wrong to reward lifestyles which undermine social cohesion. To get the society you want, you need to reward the behaviours you want. (Manion, Guardian Professional, 15 Aug 2012)*

This is the sentiment behind many rewards schemes that have followed – a 'meritocratic philosophy which rewards good behaviour rather than penalising bad performance' (Manion, Guardian Professional, 15 Aug 2012).

However, Moat has instead opted for a model that does both; the system is based on encouraging good behaviour, but also dissuading bad behaviours, providing both a carrot and a stick. NHH and Poplar HARCA are both looking at the Moat model as a possibility. However, Andrea Baker, Director of Housing at Poplar HARCA, noted that whilst they are interested in learning from other housing providers, they are also interested in learning from other sectors about how they can more effectively influence behaviour and improve satisfaction. Poplar HARCA is focusing on rewarding and/or acknowledging tenants' good behaviours, rather than punishing bad behaviours. Whilst they are only exploring other options at this stage, any changes in service levels at Poplar HARCA would likely reflect this ethos, which is strongly informed by residents.

Similarly, DWP research has suggested that sanctions reducing award or benefit amounts can encourage people to move into work. Hall (Guardian Professional, 5 Feb 2013) asks whether similar sanctions might be able to be applied in terms of compliance in paying rent. Nottingham City Homes is considering adopting a rent credit scheme, with £100 credit to accounts of 'responsible tenants' at the end of the calendar year (designed to offset rent increases for responsible tenants). So, rather than sanctions for those who fail to pay rents as Hall suggests, social housing providers might also consider direct credits for those who do pay rents. (Such a scheme might be considered a combination of type 1 and type 2 models.)

Clearly, incentives/rewards-based models with tiered service levels are being considered by various organisations, but often in different ways depending on a variety of factors, from organisational ethos to the aim, which can include rewarding good behaviours, using it as a tool to address low level arrears, and/or trying to encourage engagement.

## Type 2 – Intermittent incentives

Rewards schemes and prize draws are largely operated on a basis whereby responsible tenants (those without arrears and not engaging in ASB) are either automatically entered or sign up to a package of membership.<sup>4</sup> They then become eligible for prize draws and other voucher schemes.

A prize draw at Circle 33 was withdrawn after an audit questioned the effectiveness of results. Likewise, L&Q's prize draw was ended after resident feedback (Hall, Guardian Professional, 5 Feb 2013). After piloting an incentives scheme, Charter Housing Association decided against full implementation upon discovering that a small proportion of tenants decided to opt in, and those who were most likely to do so were also the least likely to engage in behaviours the scheme was designed to dissuade (Jacobs et al. 2006). Similarly, whilst one NHH tenant explained that she thought the rewards system was good because 'It's positive to reward tenants doing what they should be doing,' another NHH tenant explained, 'Rewards are good, but we have not ever used it.'

Whilst intermittent incentives schemes (entry into prize draws, voucher schemes, discount codes) offer a relatively low return, models like those at Irwell Valley and Moat are designed to offer sustained rewards, with benefits tangibly linked to tenants' homes and their tenancy agreements. With many intermittent rewards-based schemes being withdrawn, models offering sustained incentives therefore might be considered as part of a 'wider, strategic and cultural approach' that may lead to schemes being more successful (Hall, Guardian Professional, 5 Feb 2013). However, these sustained incentives schemes are not the only models looking to change the tenant-landlord relationship, both strategically and culturally. Models signalling a broader cultural shift are being trialled at organisations like Bromford and Yarlington.

## Type 3 – Support-based models

Whilst types 1 and 2 are based around classifications of 'responsible' and 'irresponsible' tenants, with rewards (whether prizes or enhanced service levels) based on adherence to tenancy terms, the third type of model endeavours to change behaviour with direct support interventions for tenants and/or requirements for tenants to engage with the landlord, (with support offered) and/or with the broader community in certain ways. The models at Bromford and Yarlington could both be categorised in this way, as they are based on signing up to a tenancy and effectively signing up to a package of support designed around tenant needs. Whilst types 1 and 2 are based on behaviour change in direct relation to tenancy conditions, type 3 is interested in broader behavioural change around employment, training and volunteering, largely with the idea that these changes will have knock-on effects about the ability to pay rent and sustain tenancies, and even potentially migrate through social housing.

<sup>4</sup> There are also other models based on offering rewards to encourage tenants to leave properties in a good state by offering rewards and models that reward tenants for completing minor repairs themselves.

## Summary of case study typologies

	Type 1	Type 2	Type 3	Exploring options	No plans considered
BPHA	o		o		
Bromford			x		
Derwent Living					x
Moat	x				
NHH	o	x			
Poplar HARCA	o				
THT				x	
Yarlington			x		

x = current model

o = potential plans

## Online survey responses

In addition to the case studies, the online survey revealed that a number of the responding organisations are considering implementing such models. In fact, 17 of the 48 organisations that responded indicated they are aware that their organisation is considering a new model. A further few used the 'other' response to indicate that they are undertaking research to inform decisions or that implementation of a new model is imminent. Responses (aggregated from open-ended responses) included:

<b>'To your knowledge, is your organisation considering implementing a new model of tenancy management (whether similar or dissimilar to those mentioned in this survey)? If yes, please specify.' (Open response format.)</b>	
Response	# of respondents
Rewards/incentives schemes (NB 1 explicitly mentions discounts/prize draws rather than tiered service levels)	7
Exploring options and legal considerations	3
Pre-tenancy/tenancy support	2
Using nudge theory	2
Employment support	1
Support for home ownership	1
Support for tenants with greatest needs as a focus	1

*(14 respondents omitted this question, percentages as a proportion of n=34)*



For those organisations that indicated they were considering a new model, they were also asked to indicate reasons or rationale behind the decision (respondents could select multiple choices):

<b>'If yes, please indicate your organisation's reasons behind implementing a new model of tenancy management. Please indicate all that apply.'</b>		
<b>Answer choice</b>	<b>Response</b>	<b># of respondents</b>
To offer additional support to tenants	44%	15
Not applicable/not considering a new model	41%	14
To encourage tenants' independence	38%	13
To meet core business goals/KPIs	38%	13
Response to welfare reform	32%	11
To reduce arrears	26%	9
To rebalance the landlord/tenant relationship	24%	8
Alongside/to manage fixed-term tenancies	9%	3
Other (please specify)	9%	3

*(14 respondents omitted this question, percentages as a proportion of n=34)<sup>5</sup>*

'Other' responses included statements about reducing turnover and helping tenants understand tenancy agreements as a two-way contract.

#### **Follow up interview responses**

Likewise, in telephone interviews conducted to follow up the online survey responses, there were a number of further responses to what models different organisations are considering and why:

- 'Reviewing our offer to tenants.'
- 'Embarking on a community resilience project,' looking at how tenants can be supported to becoming more independent.
- 'Considering the level of support required for the management of tenancies' and considering specialist teams for intensive support.
- 'Investigating a package of incentives/disincentives.'
- Considering the Moat model because it 'made a lot of sense.'
- A 'main focus on the community' and wellbeing of tenants, but with a view towards sustainability.

<sup>5</sup> Where responses are represented as percentages, they have been rounded to the nearest whole number. Some respondents omitted/skipped questions throughout the survey; this is clarified in presenting the results.



## V. Core elements of tenancy agreement

There are a number of elements the research identified as core to these models and, to some extent, to tenancy management/sustainment more generally.

### Fixed-term tenancies

The post-2010 Coalition government legislated for fixed-term tenancies in 2011, based on a view that the tendency towards assured tenancies ignores the fact that household circumstances change and mean that property size and even social housing itself may not be appropriate in a number of years (Murie 2012). (Australia and New Zealand have followed suit and also introduced fixed-term tenancies.) In response to a lack of new housing supply, many social landlords have opted to introduce fixed-term tenancies as one way for landlords to manage tenancies and to have a greater degree of control over stock and tenancy allocation. Fixed-term tenancies are often implemented alongside or following starter or introductory tenancies, with the introductory tenancy acting as the basis for tenant-landlord engagement.

Of the three organisations involved as case studies that are piloting new models (Bromford, Moat and Yarlington), Bromford and Yarlington have introduced fixed-term tenancies. Moat is considering doing so and mentioned that this will be a discussion for the upcoming financial year. (If it did introduce fixed-term tenancies, a tenant's Moat Promise star rating could be used to inform future tenancy decisions.) North Hertfordshire Homes and Trafford both offer fixed-term tenancies as well. Whilst Poplar HARCA usually offers lifetime assured tenancies, they do offer fixed-term tenancies for specific initiatives where move-on is necessary. There is data available on fixed-term tenancy lengths nationally.

#### CORE data

Length	2012-2013	2013-2014
1 year	0.0%	0.0%
2 years	28.2%	18.1%
3 years	0.3%	0.2%
4 years	0.3%	0.3%
5 years	50.4%	60.3%
6 years	8.4%	10.2%
7 years	8.0%	7.2%
8 years	0.0%	0.1%
9 years	0.4%	0.3%
10 years	1.4%	1.7%
11+ years	2.6%	1.6%

This data, based on CORE (Continuous Recording of Lettings and Sales in Social Housing in England) submissions on general needs tenants, illustrates that the majority of tenancies categorised as fixed-term tenancies are for terms of two years (18.1% in 2013-14) or five years (60.3% in 2013-14).<sup>6</sup> This data demonstrates that organisations are moving from offering fixed

<sup>6</sup> These percentages represent the proportion of tenancies classified as fixed-term tenancies and granted for these terms, based on housing providers' submissions, contained within the 2012-13 and 2013-14 General Needs Strategic and Data Submission annual reports via CORE (Continuous Recording of Lettings and Sales in Social Housing in England). This data has only been collected since 2012.

-term tenancies of two years (a 10.1% decrease from 2012-13 to 2013-14) to five years (a 9.9% increase from 2012-13 to 2013-14).

In the online survey, 91% of respondents (n=47) indicated they have introduced introductory/ starter tenancies, with a further 4% considering doing so – an overwhelming majority. Fixed-term tenancies have been introduced by 32% of respondents and a further 19% are considering doing so (n=47). Follow-up phone interviews indicated that there are a range of reasons for implementing fixed-term tenancies. Some organisations have implemented them only for specific types of properties (larger properties, properties with substantial specialist modifications, student lets, etc.). Within the survey, there were also a range of reported rationales, from mitigating risk (30%) to policy recommendations about fixed-term tenancies (18%) and building in a timeframe for tenant interaction (18%) (n=44).

Three of the organisations indicated in follow-up phone interviews that whilst they do not have fixed-term tenancies, they had considered implementation, but decided against it after discussions with tenants and amongst senior management revealed that there were concerns about creating sustainable communities. These responses indicate that there are broader questions about what fixed-term tenancies will mean for tenants. Will they be repeatedly moved? What will this increase in mobility mean for creating sustainable communities? What will this mean for creating socially and economically diverse communities? (Murie 2012).

Some have advanced an 'equity' argument, suggesting that fixed-term tenancies are one way to address the housing shortage and to ensure social housing is reserved for those who need it. However, some theorists question whether the potential negative effects outweigh the benefits, and 'the growing insecurity experienced by those at the periphery of the labour market reinforces, rather than undermines, the case for housing security as a stabilising "anchor point" in lives otherwise characterised by high degrees of uncertainty' (Fitzpatrick and Pawson 2013: 15).

Whilst the HCA guidance sets five years as the initial term of a fixed-term tenancy, some of the organisations that have implemented fixed-term tenancies have decided that they should be for greater than five years (though sixteen survey respondents indicated that they are/would be for five years, which is also supported by the data from CORE in the table above detailing national averages for fixed-term tenancy lengths). Yarlinton's fixed-term tenancies are for seven years, some organisations have opted for nine years, and Trafford's can be offered at variable rates, even offering a secure property until the youngest child turns eighteen.

Several housing providers noted that although five years is suggested by the HCA, people's life circumstances (including the need for more or less bedrooms or a different type of property) may vary considerably, prompting some to offer longer terms, like Yarlinton, and others to offer terms based on given circumstances, like Trafford. (Tenants' responses to fixed-term tenancies are included in 'Conditionality and consumer choice' within 'Potential impacts' – the following section of this report.)

### **Pre-tenancy training/assessments**

There were a variety of questions that emerged during the research around the topic of tenancy sustainment. What activities promote tenancy sustainment? Should pre-tenancy training be mandatory? Are pre-tenancy assessments conducted and what is the purpose of these assessments?

## Online survey responses

Question	Yes	No
Do you offer pre-tenancy training? This might include setting up utilities, how to pay rents, setting up a home, finding furniture, etc.	53%	45%
If you conduct pre-tenancy training, is this a mandatory activity?	9%	32%
Do you conduct pre-tenancy assessments?	89%	11%

*(1 respondent omitted this question, percentages a a proportion of n=47)*

NHH trialled pre-tenancy training on a pilot basis, but had difficulty getting people to take part as it was a suggested, but not mandatory, activity. NHH staff were generally supportive of making the pre-tenancy training a prerequisite for new tenants, but did note that the combination of the choice-based lettings system and internal KPIs (key performance indicators) around voids make the delivery of pre-tenancy training difficult. New tenants often view properties, sign up and move in within one week. Pre-tenancy training could be required for any individuals bidding for NHH properties, but again, not all tenants bidding through choice-based lettings will necessarily be allocated a NHH property. Conversely, there can be significant time between bidding and move in, thereby risking information being lost in the ensuing gap. Staff did note, however, that pre-tenancy training could instead be labelled ‘new tenant training’ and be made a requirement by the three week visit conducted by Housing Officers. (NHH also have a dedicated staff member who can take on cases where there is a higher level of need and where the tenancy is in danger of breaking down. They will offer engagement and support, particularly around finances.)

As the table above suggests, most organisations that responded to the survey have not made pre-tenancy training a mandatory activity, reflecting NHH’s perspective that making training mandatory is complex. There were also 9 (19%) respondents that indicated ‘Other’ in response to this question, with respondents qualifying that pre-tenancy training is mandatory only in certain circumstances – if tenants are considered high risk, for new builds, for large properties or for properties with complex technology, for under 25s and/or for first-time tenants. Likewise, follow-up phone interviews indicated that maintaining the waiting list is difficult and that where it is mandatory, it is generally mandatory for a subsection of tenants, which is justified on the basis that the intervention yields the greatest impact for those who would otherwise have difficulty managing their tenancy and their household. Discussions with tenants revealed that they were likewise supportive of the provision of training, but that this should be reserved for particular tenants who need this intervention.

Whilst Derwent Living does not offer fixed-term tenancies, is not pursuing any rewards scheme and most of its community investment activity is offered through external partners, the Chief Executive, Peter McCormack, and another colleague explained that it does substantial pre-tenancy work, with a full investigation into what tenants need, an extensive assessment around affordability, maximising benefits, in-work benefits and ensuring sustainability of tenancy.

Trafford has pre-tenancy work in place through ‘Positive Starts.’ New tenants go through ‘Positive Starts’ at the start of the tenancy – an affordability check with the money support team and are assigned a risk number during the process (around the risk of not paying rents). This assessment then affects how many contacts the tenant will have and for how long (e.g. 4 week visit, 6-9-12 month visits). This helps identify risks and puts in place support in a proactive way, rather than waiting for problems to occur. Similarly, 60% of respondents indicated that pre-tenancy assessments are about both mitigating risk (17% of respondents) and forming a new relationship with tenants (15% of respondents) (n=47).

## Tenancy allocation

There is also an ethical question around the allocation and sustainment of tenancies raised by some housing providers: what do you do if an affordability assessment reveals that a prospective tenant cannot afford the property? These fundamental questions around the raison d'être of social housing providers will continue to pose a challenge to tenancy management.

As indicated in the table above, survey respondents were asked about whether or not they conduct pre-tenancy assessments. These assessments often include an affordability check, an identification of support needs, a benefits assessment, and a risk assessment.

## Online survey responses

<b>'Do you conduct pre-tenancy assessments? If yes, what elements are included? (Please select all that apply.)</b>		
<b>Answer choice</b>	<b>Response</b>	<b># of respondents</b>
Affordability check	81%	38
Identification of support needs	77%	36
Benefits assessment	74%	35
Risk assessment (which might determine number of contacts with tenants)	47%	22
Other	17%	8
Do not conduct pre-tenancy assessment	11%	5

*(1 respondent omitted this question, percentages as a proportion of n=47)*

This question was followed by asking respondents whether they also reject tenants on the basis of assessments – 53% (n=25) responded yes, 43% (n=20) responded no. For those tenants who responded yes, they were asked about the basis for rejection.

## Online survey responses

<b>'Do you ever reject tenants on the basis of a pre-tenancy assessment or affordability check? If yes, please indicate in what circumstances a tenant would be rejected.' (Open response format.)</b>	
<b>Basis for rejection</b>	<b># of respondents</b>
Affordability and/or income/expenditure assessment	16
Failure to disclose suspension criteria and/or breach of selection and allocations policy	4
Incorrect property match	2
Support needs where they cannot be met by the housing association	2
History of rent arrears	1
Financially stable applicant (social housing not appropriate)	1

*(1 respondent omitted this question, percentages as a proportion of n=47)*

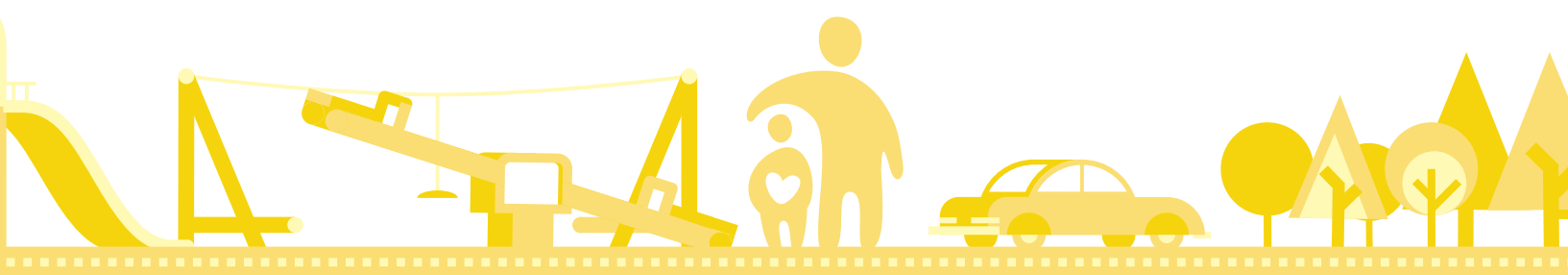


For those respondents who indicated that an income/expenditure assessment could be grounds for rejection, several qualified this with a statement that this would not result in automatic refusal, but that they would generally work with applicants to find a smaller property or a property in a different location.

## Longer-term tenancy management

How the number of subsequent visits with tenants is determined and the frequency of these visits is another element. Although pre-tenancy support was not an element discussed extensively by Bromford, Moat or Yarlington, it was alluded to by staff both at Yarlington and at Bromford in suggestions that tenants should perhaps be categorised according to level of support required and those tenants identified as higher need could perhaps then be offered pre-tenancy or early tenancy support. For example, the verification process at Yarlington also involves some work around tenancy sustainment. Moat also undertook a piece of work in which they profiled 'types' of tenants, including risk of arrears, preferred mode of communication, etc.

Bromford has an extensive online assessment for new tenants, 'Tenancy Ready,' which allows Bromford to see a full report before someone becomes a tenant. This covers information around their situation, other occupants of the home, work life, income, and asks tenants to rate themselves out of ten in everything from cooking to do-it-yourself capability and ability to set up direct debits. A spider diagram output rates customers on a red-amber-green basis, which allows frontline staff to start a conversation on the basis of the tenant's self-assessment. The tool moves away from looking at need and begins the conversation with a discussion about ambition, asking tenants to identify their skills and their aspirations for the future.



## VI. Potential impacts

### Rebalancing the landlord-tenant relationship

The majority of staff discussed how tenancy management models have been (at least in part) influenced by a shift in the understanding of the tenant-landlord relationship. At Moat, it was about 'independence,' at Yarlinton it was about 'rights and responsibilities' and at Bromford, it was about a 'something for something relationship.' Likewise, Laretta Rothery from Trafford noted that although accountability is being pushed back towards the tenants, this can be 'uncomfortable for staff.'

The Office of the Deputy Prime Minister's (2003) review of the Irwell Valley 'Gold service' scheme noted that the main benefit was how the scheme made 'responsible tenants' feel valued and that they were being recognised for adhering to the terms of their tenancy agreements. In some of these models, rebalancing the relationship in terms of rights and responsibilities was about perceptions of/encouraging equity between landlord and tenant. For example, where tenants were previously given £20 if a contractor missed a repairs appointment, under the Moat Promise, if tenants miss an appointment, they are charged £20.

### Attitudes towards rent arrears

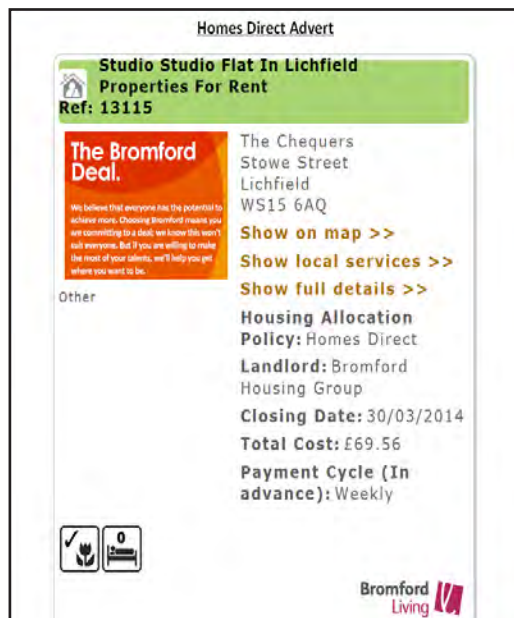
Some respondents also commented on the need to address some of the attitudes of social housing tenants. Staff at Moat, North Hertfordshire Homes and Bromford mentioned that rent is not viewed as the highest priority debt by some tenants. One respondent said that a 'significant minority' of tenants view rent as 'an interest-free loan.' Likewise, respondents who have frontline duties mentioned how a lot of their time can revolve around convincing tenants that rent should be prioritized over other debts, because without a home, many of their other debts (furniture, electrical goods, etc.) are irrelevant.

For staff at Moat, the issue is that some tenants do not view rent arrears as a tenancy breach. One staff member explained that when these tenants receive a letter warning them that they will be put on three star service (a decrease in the service level provided), they phone back exasperated, telling staff that they think ASB is a tenancy breach, but being in rent arrears is not. For most of the organisations involved, this is a core reason for implementing new models: the need to ensure tenancy conditions are clear and that tenants fully understand what is expected of them. A Housing Officer with BPHA noted that 'historically, they [tenants] don't see paying for things to do with their house as their responsibility.'

So, what can be done to change attitudes? At NHH, they found that tenants 'play the game' – they wait to get an eviction notice to then clear their accounts. NHH tenants are now issued simple fact sheets detailing what a court order means and what happens if they do get into rent arrears, in order to illustrate more clearly that paying rent is a key responsibility. Likewise, if a tenant had outstanding arrears with another social landlord, they would previously have been ineligible for a Bromford tenancy. However, they found that some people were able to clear a few thousand pounds in arrears and then apply for a new tenancy with a different landlord, whilst those tenants engaging in payment plans were precluded, as they did still have arrears on their account. Bromford have now opted to reconsider these criteria, to ensure they do not exclude those who are making an effort to engage.

## Conditionality and consumer choice

Part of the ethos of the Bromford Deal is about changing the way tenants understand the landlord from the very start and introducing the Deal at the first point of contact. Bromford aims to more firmly connect the Bromford Deal with the property itself. One staff member involved in implementation of the Deal explained that in future, they will advertise properties differently, with a belief statement rather than a photo of the property (see Figure 1, below).



**Figure 1.** Example of advertisement for a Bromford home on Homes Direct. Once the prospective tenant clicks through to the Bromford website, photos of the property are available in place of the Bromford Deal statement. Inset: 'The Bromford Deal. We believe that everyone has the potential to achieve more. Choosing Bromford means you are committing to a deal; we know this won't suit everyone. But if you are willing to make the most of your talents, we'll help you get where you want to be.'

Prospective tenants who are not interested in Bromford as a landlord can then opt to bid on other properties. If the aim is for tenants to understand Bromford as a landlord prior to moving into a property, ideally they can ensure that tenants understand the landlord's expectations around engagement. Whilst some might argue that this is 'cherry picking' tenants, frontline officers at Bromford explained, 'customers can also deselect us' – those prospective tenants to whom the Bromford Deal does not appeal can opt to bid on properties owned by other landlords.

Likewise, Yarlington's 'Guide for customers' that relates to their HAPs notes,

*Some people may feel uncomfortable about committing to a HAP. If, after discussing it with Yarlington staff, you decide that you do not want to take advantage of this opportunity, you will be able to bid for homes offered by other housing providers who do not have a similar scheme.*

From Bromford's perspective, if tenants are encouraged to think about whether their landlord appeals to them as an organisation, rather than solely on the basis of the property, this could enable more informed choice on the part of the tenant.

So, what *do* tenants think about consumer choice when it comes to new models and the implementation of fixed-term tenancies? There were a range of tenant responses to fixed-term tenancies. Whilst several commented that it made 'no difference' or 'I didn't mind' when asked about fixed-term tenancies, there were also other perspectives. For example, when asked whether fixed-term tenancies were a deterrent to bidding for a property or whether it affected their decision, tenants responded:



- 'No difference – we were in private rented accommodation previously, so anything was good. We needed to get out of there.'
- 'I don't agree with fixed-term tenancies – everyone should be offered assured/lifetime tenancies because they offer more security.'
- 'It's ok, but I haven't got options. I would prefer an assured or lifetime tenancy.'
- 'I was in temporary housing and nine months pregnant, living on the other side of town from family, so I was willing to take it. But I would have preferred assured.'
- 'No, but I needed somewhere to stay as I was in temporary accommodation.'
- 'Before I took it on, I was homeless for 17 months. I got offered a flat and would have jumped through any hoops to get to it.' (Specifically in response to the model at Bromford, rather than to fixed-term tenancies.)

These responses suggest that the justification of new models of tenancy management on the basis of consumer choice for social tenants does perhaps need more attention. Likewise, in phone interviews the housing providers that completed the online survey suggested the broader sector has a range of views in response to the question, 'Are tenants consumers? Can landlords implement these models on this basis?' (9/12 respondents answered this question.)

- 'I agree with it – advertising it as such – and have no problem with it.'
- 'Yes, should be about a consumer who has a choice.'
- 'It's easy to say you can bid for properties with other landlords, but in certain areas, this significantly limits the choice when they are the primary landlord. Tenants need the right to say if they don't want to take up the offer.'
- 'People allegedly have choice, but in practice, we know that this is impractical, with the lack of supply and lack of properties available.' This route 'seems disingenuous.'
- 'Consumer choice is ok principle, but in practice, it is difficult.'
- 'Customers may not have a choice if they are the landlord with a monopoly on stock, so does that contradict what consumer choice is about?'
- 'Yes, but tenants can't just "return" things like other consumers. Mobility of tenants just isn't there. Tenants can't just purchase a new form of housing.'
- 'I don't agree. It's fine to say residents are free to find another landlord, but the reality is that the bidding system doesn't work in favour of residents in this way – people don't have that much of a choice. When you make things conditional, this dilutes the purpose of what you're doing.'
- 'Not all tenants do have a choice. They do have a choice to go to private rented sector or to go to a different landlord. They have the choice about whether to accept an offer, but this can be restrictive.'

Marie Taylor, Head of Housing Management Services at BPHA argued that housing is 'slow to change and in short supply.' However, one Yarlinton frontline staff member explained that this is not being forced upon tenants:

*In essence, [consumer choice is] a really good idea – we are trying to protect a large percentage of income through rent. Want to ensure tenants are clued up on what they're able to claim and how they can better their own lives. We can't force their hand, we can only signpost and guide.*



Another Yarlinton staff member explained,

*If someone really doesn't want much involvement, I respect that and work with them, taking it on a case to case basis. Some people want more help and others don't.*

Paul Taylor, Innovation Coach at Bromford, explained,

*This to me is less about consumerism and more about moving to a relationship based on mutual collaboration. The default position in social housing has been, 'Sign here, anyone can apply,' something that has to shift to, 'Sign here, if this is something that sounds right for you.' You can't shift to a more mutualised relationship unless you are willing to deal with this up front.*

As discussed in the policy contexts section above, demand far outstrips supply in the social housing sector, so to justify models on the basis that tenants are consumers who can go elsewhere perhaps needs to recognise this reality. Again, tenant responses may be a result of the lack of a representative or statistically significant sample size of tenants, but they do merit attention, as these were tenants who seemed generally satisfied with the service provided. (A baseline question was asked at the start of the phone interview about general feelings towards the landlord and whether communication with the landlord had been positive.) Likewise, responses from other housing associations seem to generally indicate that whilst consumer choice is fine in principle, applying it in the context of a product in high demand becomes difficult. (Section IX of this report sets out a potential framework for addressing criticisms and justifying models.)

One of the remaining questions is what choice fundamentally means for social housing tenants. If tenants need a supported housing product, this comes at a premium charge and access to supported housing is even more limited than access to general needs housing. Likewise, some housing providers mentioned considering the possibility of rent differentials, with rents determined at least partially by property condition. Liz Hall from BPHA suggested that tenants may require different levels of service and that there may be a need to look at costing service levels differently, prompting a question as to whether there is a need to explore the type of housing products offered and to look at the selection of these products as a choice.

## Observable effects/business benefits

There are a variety of ways that these models have proved beneficial to the business. These include reducing rent arrears, resolution of tenant issues, improvement in overall engagement with tenants, addressing under-occupancy, recognising tenant needs and providing appropriate support, improving consistency in tenant contact and/or improving negotiations with developers.

The Moat Promise stemmed directly from the desire to promote independence and tenant engagement. At Moat, a senior staff member commented that once the Moat Promise was introduced, the volume and length of calls did increase, but the number of calls resolved the first time also increased. Likewise, income calls are outstripping repairs calls. Moat projected that 800-1000 tenants would be affected by the bedroom tax. However, they have 687 tenants under-occupying currently. Arrears are on a downward trend, despite the projected difference in arrears of £600,000. In week one of the 2013/14 year, the eight-week rolling arrear was 5.33%. The Moat Promise was introduced in week two of 2013/14. By week 51, arrears had reduced to 4.95%. Whilst Moat recognises that the Moat Promise is not the only reason for the reduction, it believes that it is certainly a factor.

Similarly, the psychology behind the Moat Promise prompted swift reaction from tenants. In the ten day period preceding the launch, a huge volume of calls were received from tenants at risk of moving to a three star rating. (Roughly fifty per cent of those whose star rating was at risk made contact.) With the onus on tenants to contact Moat, this frees up valuable resource and encourages engagement from the tenant, rather than the landlord constantly issuing letters.

In Australian research examining tenant incentive schemes (including both type 1 and type 2 rewards schemes), interviewees raised questions about how these schemes may reinforce the dichotomy between tenants deemed 'good' and 'bad' and alienate those tenants not eligible (Jacobs et al. 2006). This is one point that did not feature prominently in our research and only arose in the context of the fact that 'bad' tenants do not want to be perceived as such and, in the case of Moat, an impending 'downgrade' often prompted engagement. (Though, having not spoken to any tenants who were actually downgraded, it is impossible to speak to whether the housing officers' anxieties were justified.)

There have also been outcomes that, whilst unanticipated, are still beneficial to the business. Arrears reduction is one such example. Whilst the aim of the Moat Promise was not directly about arrears, as noted above, the organisation has observed a fall in arrears. Likewise, whilst neither the Moat Promise nor Yarlington's HAPs were introduced to aid with the development side of the business, they have observed that these new models give them an extra card to play when speaking with developers. Likewise, Yarlington's Chief Executive, Gary Orr, noted that there have been some benefits to the business around risk mitigation (e.g. those with jobs being more likely to be able to pay their rents).

## VII. Challenges of implementation

### Monitoring and evaluation

Monitoring and evaluation of these models is a significant challenge for several organisations, including Yarlington. Yarlington has been monitoring the progress of pilots through an extensive database. One staff member involved in the implementation of HAPs noted that although the pilot has given them significant information about where the gaps are and what they need to collect, ‘we’re not quite there yet.’

Likewise, other staff noted that measurement and evaluation is a concern, with the need for decisions on measures of success (which criteria are applied and whether these criteria are business-based, tenant-based or based on the success of the HAPs themselves) and a more accessible means of accessing the data. There is also the challenge of the increase in staff time required not only in delivering the HAPs, but in inputting information. However, a new IT system was mentioned and staff hope that this will facilitate measurement in a more cohesive way.

At Moat, measurement was also mentioned, with evaluation around KPIs, arrears reduction, levels of tenant engagement, etc. (e.g. mainly quantitative measures). However, one staff member highlighted the need to more fully measure what makes a successful tenancy. Moat will continue to measure outcomes around the proportion of tenants within each star rating and potential costs/savings in terms of refurbishment costs.

At Bromford, one of the most significant challenges has been around the cultural shift required to make the model work – encouraging more active interventions and fewer second and third chances, along with shifting from the traditional role as ‘enforcer’ to the new role as ‘coach.’ Staff at Trafford also mentioned the cultural shift (towards putting the onus on tenants) as a difficult transition and also mentioned that although they are considering other schemes, they feel they need to ensure any model is based on an understanding of their own customer base.

Likewise, for NHH, the challenge is engaging tenants in a consultation to better understand what tenants want, which services are important and what services tenants would pay for. There are also concerns about the capability of IT systems. Whilst the Moat Promise and its star ratings were set up internally and much of the required activity is automated, NHH is unsure about whether a similar system is viable for them.

Monitoring and evaluation of these schemes is complex, both in terms of staff resource required and in terms of methods of data collection and recording. Until these models have been in place for a more significant period of time, agreeing on measurement and evaluation protocols that are appropriate will be difficult. However, clearly defining factors for the success of these models is key and there is perhaps a broader discussion to take place about what ‘success’ will look like.

### Communicating with stakeholders

#### Managing the media and broader sector responses

There was a mixed response when Yarlington announced its Household Ambition Plans, with some negative attention from the housing press. The media response largely focused on the healthy living aspects of HAPs, insinuating that Yarlington staff were telling new tenants that

they needed to stop smoking or lose weight – and that these were conditions of their fixed-term tenancies. In the opinion of some staff, the negative response to the announcement of HAPs from the media and the public came not from social housing tenants themselves and instead came from people who ‘elected themselves spokespersons on behalf of a sector they didn’t actually need.’

However, there was some discrepancy at Yarlington about whether the media response was expected. Generally, office-based staff responded that they were alarmed when asked whether they were surprised at the media response; in contrast, frontline staff were less surprised in general. Some frontline staff commented that the media response could have been expected – not necessarily because Yarlington was fundamentally wrong, but because of the nature of the media. (Likewise, staff at Moat and at Trafford both commented that they were not surprised, with one staff member commenting that they were not surprised, ‘because the media tends to be sensationalist.’)

Some frontline staff thought it was important to be very careful about how the scheme is framed and publicised, both internally and externally, and that they should be cautious about anything that seems to ‘dictate’ to tenants. However, the staff were generally supportive of HAPs. One Yarlington staff member commented,

*I think we should make our decisions based on what’s best for our residents....I just think, good change doesn’t actually happen unless you buck the trend a bit.*

Senior staff recognized that the media response was a lesson in the need for clarity and consistency of message. A senior staff member reflected, ‘it taught us a lesson.’ He continued to explain that press releases could have been ‘scrutinised a little bit more’ to ensure that the main objectives were clear, ‘without giving the ability of the press to pick up on something that was a minor part of the scheme.’

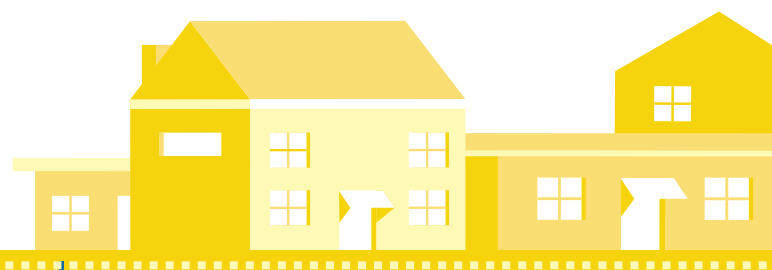
### **Clarity and consistency with tenants**

Likewise, frontline staff charged with delivery suggested that the process of talking to tenants about HAPs could be streamlined and made more consistent. (Several staff commented on a simpler ‘HAP Folder’ for tenants, with targeted information and key points.) There were two main elements of communication with tenants: firstly, ensuring that tenants understand the HAP itself, and secondly, ensuring that the whole process is consistent.

One staff member commented that the HAP did not seem clear and that the message may have been lost. The respondent explained,

*I think when I first sort of heard about it, when it was first sort of introduced, I didn’t have enough information about it...*

When there are further conditions associated with a tenancy agreement and/or substantive changes to tenancy management, some staff members explained that it is important to understand how changes will be perceived both by the broader housing sector and by tenants. A frontline staff member at Yarlington explained that with tenants, it is crucial that the discussion is part of a dialogue and that tenants understand, by saying, ‘if you want this support, then it is there for you...we can give you advice, we can give you guidance’ and that



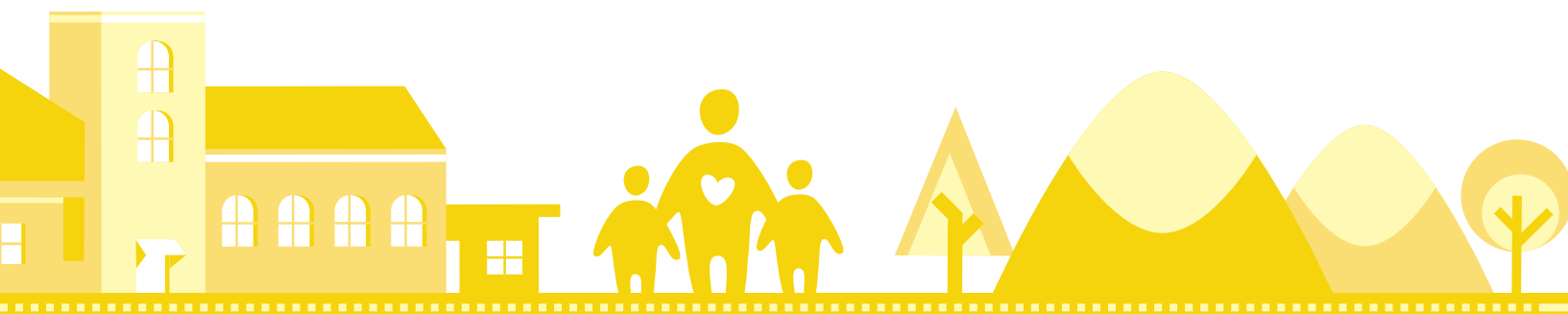
it is clear to tenants that they are not entering into a dictatorship. Another staff member explained that, rather than HAPs being 'ambiguous,' it needs to be

*...a formalised, robust project that we can consistently deliver to all of our tenants. I think we all need to be delivering this in the same, consistent way, with the same, consistent method. Because if you've got somebody who has one view on – like one of the questions on health and fitness – that can be a very contentious issue.*

Other staff at Yarlington in various roles likewise commented on the importance of ensuring that nothing is being dictated to tenants and that they do not feel patronised. Whilst staff reported that tenants have broadly responded positively to the introduction of HAPs, the information about a clear message and consistent delivery remains important.

A discussion with a Bromford tenant revealed that at the start of his tenancy, he did not realise he had been signed up to any 'Deal' and explained that he was angry and annoyed when he was then made aware because he 'felt cheated.' He explained, 'if I could have got off it, I would have done anything, apart from losing the tenancy.' However, this same tenant went on to explain that although not keen at first, he did engage with the Deal and ultimately had a very positive experience. This in itself signifies the degree to which tenancies offer security and the value tenants place on that security, as well as the opportunity for housing providers to utilise their relationship with tenants as a vehicle to encourage engagement. Likewise, a small number of Yarlington tenants said they did not know what a HAP was or were unsure about whether they had one. (All Yarlington tenants who were phoned were part of the pilot and did have HAPs.)

However, most Yarlington tenants were relatively positive about HAPs, with some commenting that they were surprised their housing association was managing tenancies in this way, but that it was a 'good surprise' and both the Bromford and Moat tenants interviewed were supportive of the new schemes.



## VIII. Exploring the cultural shift

Marie Taylor from BPHA explained that she thinks it needs to change as an organisation and recognise that housing associations, in general, have been quite paternalistic. 'If through universal credit, they are handing cash over to us, in that transaction is a customer relationship.' Marie suggested that change is about having more adult conversations and recognizing that this relationship is changing. She noted that housing associations previously listened to customers because it is a regulatory requirement. She feels that now, they should listen to customers because they value the home they live in as a product and if people love where they live and value where they live, they will make an effort to ensure their priority is paying their rent. What considerations are there in exploring this cultural shift and recognizing that the nature of the relationship between landlord and tenant is changing? If the aim is to rebalance the landlord-tenant relationship through new models of tenancy management – whether through tiered service levels, rewards/incentives or a support-based model, how does this cultural shift occur? What expertise is required? Does this shift affect the fundamental ethos of the sector?

### Reconciling the provision of 'support' and encouraging 'independence'

One of the key aspects of the ways in which staff discussed these models was the terminology used – 'support,' 'independence,' 'coaching.' These terms were revisited throughout the project with staff, as well as with some tenants, and in follow-up interviews with the online survey respondents.

Moat preface all prospective activity with the question 'does it encourage independence?' Likewise, staff at North Hertfordshire Homes, Yarlinton, Bromford and Trafford all mentioned 'independence' to some degree in the course of explaining motivations for models of tenancy management. However, there seems to be a tension between encouraging independence by putting the onus on tenants to recognize their responsibilities and offering support by asking about ambitions. For example, staff at some organisations felt that models like Yarlinton's HAPs are somewhat counter-intuitive. If the aim is to change the landlord-tenant relationship and acknowledge rights and responsibilities by getting tenants to take responsibility themselves, why walk them through it?

However, this perspective is representative of a broader question about where these models sit on the spectrum from 'hand-holding' to 'encouraging independence'. At Trafford, Loretta Rothery described offering both a 'safety net and springboard.' Bromford staff noted that whilst there may be a danger of 'hand-holding' tenants too much when offering support, this is about a 'coaching' model – somewhere between 'enforcer' and 'hand-holder,' according to Executive Director Nick Cummins. However, frontline staff explained the spectrum from 'independence' to 'support' with 'support' tailored to the individual. They noted that whilst the aim is to get people signed off of support, 'there are always some you will hand hold, if that's what it takes.'

There were a variety of discussions about 'independence,' but very little explanation from respondents about what is meant by 'independence.' Even when probed to elaborate further, respondents mentioned independence 'from the landlord' or independence 'from benefits.' But what does an 'independent' tenant look like? What is the aim? What are an 'independent' tenant's behaviours or characteristics? Again, there was a spectrum of responses.

One Bromford staff member explained that they were previously in a 'nanny state,' with Housing Officers constantly trying to encourage customers to do things themselves, but with customers still phoning the housing association for everything. Likewise, another staff member

suggested that independence is something you build up to progressively, particularly in the instance of a young person who has never held a tenancy before. Housing professionals have to make a judgment about when people are ready: when they understand their tenancy, their responsibilities within their tenancy, what their rights are.

A senior staff member at Bromford argued that 'independence' is about helping customers, over time, to solve more of their own issues. Broadly, an independent tenant knows where to go for help. However, Bromford staff noted that their thinking about 'independence' has progressed: the ultimate goal is not necessarily about self-reliance or independence, but about better connected customer relationships. Similarly, Marie Taylor from BPHA explained that a tenant who is more independent might make different choices – joining a credit union and borrowing money from there, rather than taking out a payday loan. This comes from fostering tenants' abilities to make better choices because they are more informed; for housing associations to assume this role, staff have to both be more proactive and encourage tenants to be more proactive. Another BPHA staff member noted that the 'total separation' tenants have about paying their rent and not taking responsibility for it or prioritising it is a key characteristic of a *lack* of independence and awareness: 'It's training for tenants in helping them make the right decision to keep their home and keep heads above water. But it's a mammoth task to change mind-sets!'

Whilst independence was defined slightly differently by everyone, the general consensus from staff at all organisations was that there is indeed a fine line between providing support and hand-holding when trying to advance an ambition for independent tenants. This debate was framed in an interesting way by a number of respondents. BPHA, Moat and Yarlinton staff all mentioned explicitly that part of the role of social housing should be in encouraging people to move into other forms of tenure if and when they are ready. Likewise, Andrea Baker from Poplar HARCA mentioned that move-on can be a goal when signing-up new tenants to projects where time-limited support is offered. A Housing Officer at BPHA explained that if the ultimate goal is encouraging tenants towards home ownership or shared ownership, and if too much support is provided, housing associations are not preparing tenants for this overall objective. For this particular staff member, this is not just about getting tenants to pay rents on time or knowing when to phone the landlord, but about preparing tenants for relationships that will be fundamentally more contractual and transactional.

However, a recent report suggested that in the wake of welfare reforms, tenants and landlords are becoming more *interdependent*. Welfare reforms have forced behavioural changes for both tenants and landlords; landlords have reacted by trying to prepare tenants and part of this preparation is about encouraging tenants to become more independent, as staff from various organisations noted. 'There is more tenant training, advice on finances and more interaction between tenants and social landlords' (Power et al. 2014).

Likewise, a staff member at Poplar HARCA suggested that perhaps conditionality in tenancies should be turned around – making conditionality about the offer from the landlord, with the 'condition' for engagement about the landlord's responsibility and what the landlord does to engage tenants. There may be a reframing of the 'independence' agenda by considering that whilst social landlords are encouraging independence, many are at the same time encouraging greater interaction and providing additional services. The two are not incompatible, but perhaps the fine line between providing support and handholding within the independence agenda is recognition of this *interdependence*. Finally, whilst defining terminology is important, it may be more important to define desired outcomes, rather than becoming mired in discussions about terminology.



## Refining the offer in response to pilots

One of the major factors for organisations implementing or considering implementing new models is the need to respond to change. At Moat, the requirement for payment of rent through direct debit in order to qualify for five star service was quashed after tenant consultation. Likewise, Yarlington has recognised that the broad remit of Household Ambition Plans is challenging in terms of both implementation and measurement.

One frontline staff member at Yarlington reported feeling that in asking such a broad range of questions about ambitions, they were actually encouraging unrealistic ambitions – from her perspective, if you're going to ask about it and engage in discussion, you need to be able to follow up with support. (Similarly, staff at other organisations questioned whether they would have the skills, expertise and resources to be able to provide this support in their own roles if a similar model were implemented.) A Yarlington staff member explained,

*It does go back to the original concept of a HAP as opening gateways. We haven't lost that. We just need to understand what those gateways are. What's realistic for us?*

Another staff member noted that HAPs should be more directed towards employment, as this is where they have seen the greatest returns and where they seem to be most useful. Consequently, Yarlington is now recruiting for another Employment Co-ordinator. Having recently created the post, they have received an overwhelming response from colleagues referring tenants who are looking for opportunities – 550 referrals to be exact. Using the information and reflecting on the experiences of the pilot to inform decisions moving forward means that these organisations can respond not only to areas of tenant need, but also that they can achieve greater social impact through focused approaches.

Both Yarlington and Bromford are considering how HAPs and the Deal, respectively, could potentially be more effective by either offering a different level of support based on individual tenants' circumstances. This was one important issue respondents continuously discussed: the type, quantity and quality of tenant-landlord engagement. Is the ideal arrangement that tenants move in, pay their rents and you never hear from them? Generally, the answer was that as long as they are upholding their responsibilities as outlined in their tenancy agreement, tenants should expect some degree of being 'left to it,' but that they should also know that their landlord is there to support them should they require help.

However, the tension for many respondents was focused on the timeline for engagement and whether fixed points of contact are appropriate or not. From one perspective, a blanket approach is best: all tenants should have points of contact that will help ensure they are receiving the appropriate support and that they are getting on with their tenancy, as well as helping the landlord to identify any issues arising in the interim. For Bromford, this might mean regular tenancy reviews. In the case of Yarlington, this might mean every tenant signing up to a HAP.

On the other hand, a tailored approach might work better, as some tenants need more support and some less; therefore, tailoring the offer is a more efficient use of resources. Home Living Officers from Trafford explained how action plans need to be developed with individual tenants. Likewise, Yarlington is considering three levels of support (those tenants with highest need, those with low need, and those with medium need – with the latter of these groups perhaps benefitting the most from a HAP) and Bromford are looking at three 'types' of Bromford Deal with varying levels of support offered.



The question here is whether staff may miss potentially vulnerable tenants by tailoring the approach. However, frontline staff regularly commented that they feel confident enough in early visits and that they generally have a 'sense' of the tenant and the support they are likely to need very early in the tenancy.

## What can we learn about the timeline for new tenants?

Various staff – from management positions through to frontline staff – at multiple organisations commented on the amount of information disseminated to tenants at the start of the tenancy. In particular, respondents observed that valuable information is probably being lost when it is distributed to tenants during the sign-up process, as tenants are concerned primarily with getting their keys and moving in to their homes.

Yarlington staff observed that, with the addition of the questions to ask and information to distribute around their Household Ambition Plans, tenants appear overwhelmed by the amount of information. Lettings Officers and other frontline staff commented that they fear tenants are just responding affirmatively to any offers of support/advice and simply saying what they think staff want to hear in order to get their keys, thus defeating the purpose of tailoring support and potentially wasting staff time and resources following up on these offers of support.

Similarly, staff at Moat mentioned the necessity of the sign-up process being 'quick and sharp' and North Hertfordshire Homes is in the process of revising their lettings process for new tenants. NHH is reviewing the information that is absolutely necessary to communicate at sign up and the information that could potentially be communicated instead at new tenant visits, which occur at three weeks and at six months. NHH has already pared back the information delivered at sign up and is continuing to review sign up procedures in an effort to streamline the process.

There seems to be a general consensus amongst staff across these organisations that by asking the right questions and delivering distilled information, tenants would be more likely to engage in community investment activities, to absorb vital information and to be aware of support available to help with tenancy sustainment.

## Recognising required expertise

The consideration of tenant-landlord engagement, the exploration of the timeline for new tenants/dissemination of information to tenants and the question about balancing the provision of support with encouraging independence all signify a broader question about expertise. What expertise do frontline staff need to be able to engage positively with tenants, build rapport, appropriately assess their needs and plan support accordingly?

In the online survey, over 69% of respondents agreed or strongly agreed that support-based models ('type 3' models) require additional expertise. Whilst over 42% agreed that models based on tiered service levels ('type 1' models) required additional expertise, this margin was less convincing, given that 29% of respondents indicated they neither agreed nor disagreed, 26% disagreed and 3% strongly disagreed.

<b>'These models require additional expertise'</b>						
	<b>Strongly agree</b>	<b>Agree</b>	<b>Neither agree nor disagree</b>	<b>Disagree</b>	<b>Strongly disagree</b>	<b>N/A</b>
Type 1 models (Tiered service levels)	6%	37%	29%	26%	3%	0%
Type 3 models (support-based)	19%	63%	7%	0%	0%	11%

*(10 respondents omitted this question, percentages as a proportion of n=38)*

Staff from Yarlington, NHH, Trafford and Bromford mentioned the role of Housing Officers as generally a good cop/bad cop dichotomy and, where the support and enforcement activities are carried out by the same person, this can require a unique skill set, as evidenced in the following exchange during a focus group with Yarlington staff.

One staff member explained, *'It's always difficult where in one hand you're trying to get them a job and on the other hand you're threatening to evict them.'*

Her colleague asked, *'Do you think it's a confusing line then?'*

She responded, *'I think we are able to do both, providing you don't get that conflict of interest... it's just hard. One minute you're trying to get them to trust in you. But you're trying to do that anyway as part of the general housing role, before the communities stuff came in. You'd still need to have their trust. And you'd still be helping and guiding them.'*

### **Online survey responses**

<b>'Do you think that Housing Officers holding responsibility for both tenancy enforcement and support (e.g. around engaging in education, employment, training, etc.) is...' (Please tick all that apply.)</b>	
Positive – it encourages rapport between Housing Officers and tenants and encourages engagement	36%
Challenging – it requires Housing Officers to be both 'good cop' and 'bad cop'	36%
Negative – it confuses tenants and makes them less likely to engage	26%
None of the above – it is simply part of the skill set required	13%
Other (please specify)	13%

*(1 respondent omitted this question, percentages as a proportion of n=47)*

Most of the 'other' responses included statements that requiring a Housing Officer to do both tenancy enforcement and tenancy support is unrealistic due to the different skill sets required and/or that they prefer to have specialist posts. Likewise, there was a relatively even split between those organisations that responded that their Housing Officers are responsible for both (43%) and those that are not (38%). However, there was also a fairly high number of 'other' responses. Organisations also explained that Housing Officers may have a generic role, but there is overlap with other roles. At Poplar HARCA for example, there is a separation in roles, with a specialist team handling tenancy enforcement.

There were various discussions specifically about the role of the Housing Officer and there are divergent perspectives on the remit of this role – some landlords have restructured and moved towards specialisation of roles, whilst others have opted for moving back to a more generic

role, where the Housing Officer is covering a broad range of functions. Housing Officers at various organisations seemed to accept that whilst a more generic role is challenging, it does allow them to build relationships with tenants. Likewise, the tenants who were interviewed all said that they would rather have one Housing Officer be responsible for both tenancy enforcement as well as support functions. One tenant explained that this was not just about having one point of contact. She explained that, should issues arise with the tenancy, she would feel more comfortable discussing this with someone she who already knows her and her family situation.

Whilst the role of Housing Officers is complex, Yarlington and Bromford both recognised through piloting support-based models that these models require some changes in the roles of Housing Officers and other frontline staff. Fundamentally, then, what expertise is required to drive delivery of these models? One of the main things staff commented on was the possibility of both capitalizing on existing internal expertise and providing staff with training. One staff member commented,

*It's about looking at what skills would we require to be able to deliver some of the ambitions in the HAP, and then seeing how we can invest in our own staff for people who would like to do that and would like to learn.*

Another Yarlington colleague reflected on the existing pool of expertise and the people within Yarlington 'that have got transferrable skills,' as well as those that might be interested in learning more about counselling.

Engaging with tenants on more sensitive issues can be a delicate matter and one that most staff recognise as a particular skill developed over time. Likewise, when implementing a model that includes more extensive support, determining when and how often to engage with tenants is a structural question that requires an approach based not only on quantitative measures (as discussed below in regards to tenancy sustainment), but also on a degree of 'gut instinct' and knowledge of the tenants, based largely on the relationship between staff and tenants (as discussed above). For example, at Bromford, there is the notion of 'coaching' tenants, which requires a twofold approach: firstly, frontline staff to be the coaches and secondly, front line supervisors to not only support this approach, but also to ensure consistency.

However, Bromford is also looking directly at how it can use the existing expertise of its supported housing staff to help its frontline staff in delivery of the Deal. A senior staff member explained that there is a 'real blurring of the lines here between the support approach and the coaching model.' Particularly with the introduction of universal credit, knowing tenants and knowing about potential barriers to paying rent is crucial – asking what they need to do to manage tenant behaviours and what services they need to deliver. At Bromford, training for Housing Managers in the trial areas on the 'coaching model' is being delivered by an internal staff member from Bromford Support. Supported housing staff are already versed in delivering support in this way; drawing on this expertise is one way of dealing with the perceived difficulties of staff needing to navigate both enforcement and support roles within these new models of tenancy management.

There is, therefore, recognition that these schemes require expertise beyond a traditional housing model and that some of these skills can come from other parts of the existing business. Additionally, there is potentially knowledge that can be imported from nudge theory (which several survey respondents and interviewees mentioned explicitly), as well as from the NICE public health guidance on using concepts from psychological models for behaviour change at population, community and individual levels and how these concepts could be used to inform interventions.

## Do 'tiered' service levels signify a shift away from the social ethos of housing?

Staff at Moat recognised that some housing providers engage in rewards systems, but are reticent to engage in penalties. David Smith of NHH explained that tiered service levels raises the question about the purpose of social housing, as well as concerns about changes in the environment and the regulatory focus. Staff at other organisations also questioned the danger of tiered service systems in potentially wavering from the ethos of social housing. Similarly, Andrea Baker mentioned that Poplar HARCA was contemplating an approach focusing on passing-back the reduced costs associated with managing the tenancies of those that do not breach, pay by direct debit etc. as other sectors do, rather than penalties. There has also been substantial discussion about the need for tenancy management to be sensitive to tenants – identifying the 'can't pay's' versus the 'won't pay's' – and the need to recognise that people fall into debt (and arrears) for a variety of reasons and the inequity of penalising those who would like to pay and are willing to engage, but who are in financial difficulty. (Likewise, a clear distinction with those tenants considered vulnerable.)

### Online survey responses

<b>'These models signify a shift away from the social ethos of housing providers'</b>					
	<b>Strongly agree</b>	<b>Agree</b>	<b>Neither agree nor disagree</b>	<b>Disagree</b>	<b>Strongly disagree</b>
Type 1 models (Tiered service levels)	11%	22%	19%	43%	5%
Type 3 models (support-based)	0%	19%	19%	41%	9%

*(10 respondents omitted this question, percentages as a proportion of n=38)*

When asked about whether these models signify a shift away from the social ethos of housing providers, in relation to support-based (type 3) models, 41% of online survey respondents indicated 'Disagree' and 9% indicated 'Strongly disagree.' The same statement was posed regarding models based on tiered service levels (type 1), to which 43% of respondents disagreed and 5% of respondents strongly disagreed. Thus, other housing associations do not seem to feel that these models pose a particular threat to the social ethos of housing. (Responses to tiered service level models do indicate that people feel that these models signify more of a shift away from the social ethos of housing providers, with 32% of respondents choosing 'strongly agree' or 'agree'.)

However, there has also been significant media attention given to the debate around welfare reform, which has prompted public response at both ends of the political (and socio-economic) spectrum. David Smith of NHH explained some of this media coverage (mentioning Channel 4's 'Benefits Street' in particular) as 'scaremongering,' but commented that it seems that tenants have got the message. Those working in the social housing sector that have participated in this research reiterated that the majority of tenants want to engage, discussing the 'eighty/twenty' rule, with eighty per cent of staff time spent on twenty per cent of tenants. Given this relative minority who breach the terms of their tenancies and present problems for staff, the vilification and stereotyping of all social housing tenants – fuelled by welfare reform and programmes like 'Benefits Street' – seems unfair.

Some respondents asked if, as has happened at Moat, tiered service levels prompt the ‘can pay but aren’t paying’ (or, as one respondent described it, ‘lazy payers’) to engage with staff and to arrange a repayment schedule, whether this could highlight that the typical tenant (perhaps with a bit of prompting) will endeavour to be a ‘responsible tenant’? So, are tiered service levels moving away from the purpose of social housing, or could they be used as a tool to highlight reality and combat bias, championing the people that social housing exists to help?

Aside from the ‘social ethos’ element, there remains a practical equality issue in tiered service levels: both at North Hertfordshire Homes and at Moat, tenants eligible to participate in the rewards schemes must apply to take part. However, tenants are automatically downgraded to a three star rating at Moat if they fall foul of requirements. Staff at various organisations commented that this seemed to be a structural inequality of the system and that if a tenant can be downgraded automatically, they should be upgraded automatically when they have resolved any outstanding issues.



## IX. Conditionality: Objections and justifications

Deacon (2004: 911) suggests that ‘New Labour’s response to anti-social behaviour should also be seen in the context of a broad and far-reaching shift towards greater conditionality in welfare.’ (Although his analysis is based specifically on New Labour’s focus on addressing anti-social behaviour, the arguments are centralised about conditionality more generally.) Some theorists, academics, housing professionals and members of the public have criticised conditionality in social housing, arguing that it is paternalistic, dictatorial and outside the scope of a housing association’s role, implying that in implementing conditions, housing associations are moving away from their social ethos. The survey responses indicate a lack of consensus on this issue from housing providers (though no respondents indicated that they strongly disagreed).

### Online survey responses

‘These models are paternalistic’					
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Support-based models	15%	22%	22%	30%	0%
Tiered service models	9%	34%	34%	23%	0%

(10 respondents omitted this question, percentages as a proportion of n=38)

These results suggest that more than a third (37% for support-based models and 43% for tiered service models) of respondents view these models as paternalistic. However, conditionality is not incompatible with ‘measures to widen opportunities for self-fulfilment and reduce social exclusion’ and can instead ‘be seen as two sides of the same coin’ (Deacon 2004: 912).

Two *objections* to conditionality are presented:

1. Conditionality is a further burden on those already affected by socio-economic injustices.
2. Conditionality will worsen, rather than mitigate, the behaviours it is attempting to change (and adversely affect those not responsible, e.g. children of people who fail to meet conditions). (Amended from Deacon 2004)

A few Bromford tenants were asked whether they feel further ‘burdened’ by conditionality. One Bromford tenant explained that after he moved in, people started turning up at the door asking what he had done to find a job. He couldn’t understand why they were asking, until they explained it was part of this Deal. He was initially completely set against it, but did engage, though reluctantly at first. Bromford said there was a role at a community centre looking for a chef to help out for a breakfast club. The tenant explained,

*It’s not the highlight of my week, but it gets me out of my flat...gives me a bit of self-esteem. Gives me some value to my life rather than just being ill and wrote off.*

He explained that it means a lot to still be viable and to still be part of the community and, having had such a positive experience, he is now one of the Deal’s biggest advocates.

Secondly, again, it is important to turn to tenants – not only in how their behaviours have changed in response to these models, but also in the communication of the model to them. In the implementation of the Moat Promise, it has already been noted that arrears have decreased because people have engaged with Moat. Likewise, as stated, Moat has been cautious about differentiating between the ‘can’t pays’ and the ‘won’t pays.’

Both of these objections are more about the implementation of the conditions, rather than the conditions themselves; conditions, implemented in the wrong way, can obviously have negative effects. In implementing models as pilots, Bromford, Moat and Yarlinton have each engaged in a process whereby schemes can be adjusted to ensure that this is not the case.

In response to these criticisms, there are three justifications for conditionality:

1. Contractualist – use of conditionality to enforce obligations as part of a contract between the housing association and the tenant.
2. Paternalist – use of conditionality because it is in the best interest of tenants.
3. Mutualist – use of conditionality to promote behavioural change through social norms enforced via collective responsibility. (Amended from Deacon 2004)

If these justifications are coordinated with the arguments behind implementation discussed by the case study respondents, there are several interesting comparisons, as well as a number of observations about the key elements for successfully justifying models by these means.

### **1. Contractualist – the ‘rights and responsibilities’ argument.**

In exploring the implementation of such models in Australia, research revealed that some housing officers were resistant to reward tenants for meeting their legal obligations by adhering to tenancy agreements (Jacobs et al. 2006). This may be so, but as long as some tenants fall into arrears and engage in ASB, housing providers will be looking for innovative solutions, particularly in the context of welfare reform. Several of the schemes discussed here have been focused around the ‘rights and responsibilities’ of tenants and landlords and encouraging tenants to recognise rent as a priority debt, to adhere to the terms of tenancy agreements and, in some cases, to contribute in some way to the community or engage in support with the housing provider as an element of exchange for services received.

There is a need for clear, concise communication that is presented as non-threatening. Responsible tenants are generally supportive of sanctions for tenancy breaches and appreciate recognition for upholding the terms of tenancy agreements, but how can housing providers also frame models aimed at supporting tenants in a way that seems positive, rather than an extra burden on tenants? In the case of Bromford, it was suggested that tenants who have received support can evangelise for the models not only in terms of galvanising public opinion, but in working with new tenants as first-hand examples that the models work and can achieve positive results.

### **2. Paternalist – the ‘helping tenants reach their aspirations’ argument.**

These models may be perceived as paternalistic, but they have been implemented with good intent and there are tenants willing to evangelise their merits:

*People really do need to be pushed. I was happy to write myself off and take the dog for a walk. That would have been my life. I didn’t want to be forced, but I’m glad they did.*

-Bromford tenant



Although some survey respondents indicated that they do find some of the new models of tenancy management paternalistic, a follow-up discussion with one survey respondent revealed something interesting: that paternalism is not necessarily a bad thing. Instead, it is about communicating clearly that these are standards that are expected, but that tenants are being given an extra service in the support they receive. One Bromford tenant explained that when she first visited her skills coach, she felt quite patronized and had a bad attitude. But, once she got to know her, the tenant became more comfortable and ended up volunteering.

There is additional expertise required to make these models work (possibility with a focus on engaging more with the expertise from supported housing). In order to demonstrate that the models are genuinely in the interest of the tenant, housing associations need to be able to demonstrate that there is appropriate expertise available to help tenants meet the goals discussed.

### **3. *Mutualist* – the ‘encouraging tenants to contribute to their communities’ argument.**

The research findings suggest that housing associations could more directly advertise (and capitalise on) the fact that these models are not only about providing support for individuals to meet their goals or supporting them into employment (in the case of Bromford and Yarlington) or about getting individuals to pay rents, but about a cultural shift – both for housing association staff and for tenants – that signifies collective responsibility. In the case of the Moat Promise, the psychological implications of the model meant that ‘good’ behaviours were reinforced, and are therefore becoming *normative*, primarily because tenants were anxious that their neighbours would perceive them differently.

The way these models are discussed sometimes seems to rely too heavily on the support for individuals and the goal to get individuals to engage. Whilst the provision of bespoke support is clearly positive, it is important to also discuss the ways in which individual behavioural change can stimulate broader community-based behavioural changes and attitudes.

## X. Further research

There are a number of areas to consider for further research:

### 1. Evaluation of models.

Sustained programmes and processes around managing tenancies and sustaining tenancies are clearly important to social landlords. However, there is not a significant amount of data about how the different models, processes and interventions perform in the long term. Whilst there was some data available – numbers of referrals, some data on arrears levels – there was not significant information to facilitate an evaluation of these models, many of which were only in pilot stage. However, by agreeing on a number of domains of major impact (e.g. rent arrears, tenancy sustainment levels, etc.), a longitudinal evaluation of these models could take place and a framework for measuring impact/success could be developed.

### 2. Tenant perspectives.

Whilst the housing providers were cooperative in requests to speak with tenants, the limited time and scope on the project meant that the researcher spoke with a small number of tenants, relative to the number of staff members who participated. In order to gauge how these models are perceived by tenants en masse and whether there are differences in these perceptions between the models (and/or potentially differences in perceptions amongst different tenants characterised by different demographics), a larger scale survey of tenants is required.

### 3. Other questions.

There are a number of other questions that remain:

- What do tenancy allocation procedures mean for tenants and how, if at all, do these models affect allocation procedures?
- What, if any, are the effects of using tiered service levels to encourage tenants to view rent as a priority debt? Does this have any effects on other financial responsibilities? How do broader programmes of financial inclusion/financial literacy deal with these questions?

# Conclusion

There are a range of perspectives about which models are effective and, until they have been implemented for a significant amount of time and robustly evaluated, the observable effects and real impacts, both on the business and on tenants, will remain uncertain. However, what can be said with certainty is that these new models of managing tenancies are gaining attention in the housing sector – 84% of survey respondents indicated that they were aware of them – and, more importantly, 17 of 48 survey respondents indicated that they are aware that their organisation is considering a new model. Given that these models are becoming more popular and other social landlords are approaching these case study organisations to discuss their approaches, there are a few final points to consider.

## Shared learning, not blueprints

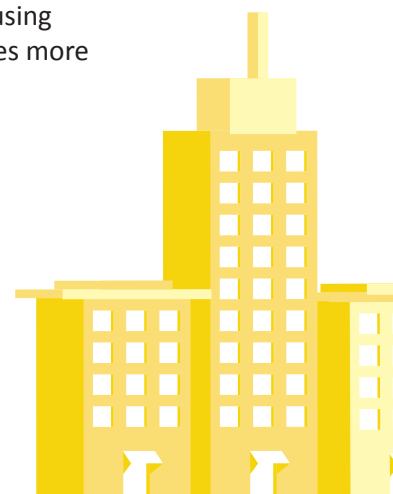
In a review of the Irwell Valley ‘Gold service’ scheme, other landlords who expressed an interest in the scheme noted that transferring the model directly would be problematic, with differences in size, stock type, etc. (ODPM 2003). Similarly, it is not recommended that any of the models explored here be used as a ‘blueprint.’ As Trafford, NHH, Poplar HARCA and others mentioned, any model implemented must reflect the needs and demographic characteristics of tenants and take into account issues like stock concentration. For example, in London, a more direct discount on rents may be more applicable (and effective) as an incentive (ODPM 2003), whereas areas with low rent arrears but high rates of unemployment may consider implementing models like those of Bromford or Yarlinton.

## Capitalising on existing expertise

There is vast potential to capitalise on the expertise that exists within organisations, particularly within the skill set of supported housing officers. Type 3 models that are based on providing additional support can be resource intensive to deliver, so where training can be conducted internally to help with the delivery of these models, this offers efficiency with the transfer of knowledge. Whilst this is about importing knowledge into these models, there is also potential to export knowledge about encouraging engagement to other areas of housing (e.g. working with tenants in sheltered housing and encouraging them to become more involved in the community).

## Pre-tenancy work

Increasing numbers of housing providers are engaging in more in-depth pre-tenancy work, including profiling tenants to determine those most likely to be at risk in terms of tenancy sustainment, more in depth pre-tenancy assessments and/or pre-tenancy training courses. From a purely business perspective, these elements are clearly beneficial to the housing provider. However, these elements also help ensure that tenants start their tenancies more aware of the support that is available.

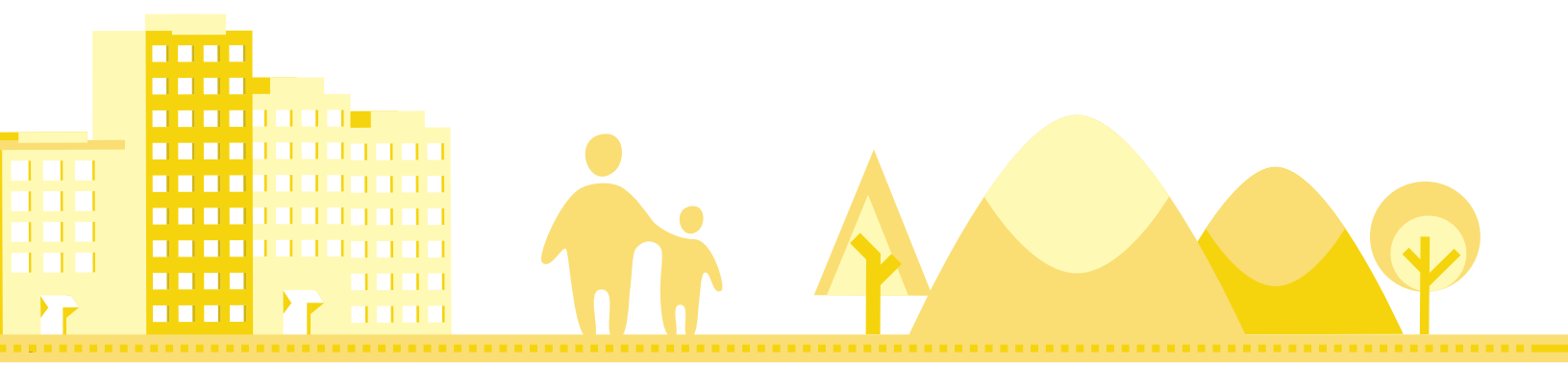


## Links between community investment and tenancy management

Housing management is often seen as divorced from community investment. The models at Yarlinton, Bromford and Moat demonstrate that the two are not incompatible. On the contrary, by linking those areas of community investment that are most relevant to tenancy management and sustainment (elements like employment, financial inclusion, and education/training) with the tenancy agreement and providing support, the community investment offer becomes more formalised. This approach not only offers the potential for more accurate measurement of these activities for housing providers, but also helps to formalise the offer for tenants – landlords are offering more, so they have to deliver more. Tenancy management models could be framed and communicated in a way that reflects this interdependence and equal conditionality on the landlord to deliver additional support.

This project revealed many interesting findings as a starting point for exploring some of the ways that housing providers are attempting to manage tenancies differently, to encourage their tenants to engage with opportunities, and to meet both business goals and social aims through both incentives and support. The organisations that participated in the research are engaged in ongoing discussions and are continuously developing their approaches internally, along with further exploration of the relationship between landlord and tenant.

Both HACT and the project funders, Yarlinton Housing Group and Trafford Housing Trust, would like to thank the housing providers that took part (along with their staff members and tenants) and hope that this research, along with future research, stimulates debate and discussion on these issues.



# Appendix I. Methodology

Previous reviews of different schemes of tenancy management have been conducted and have largely focused on categorising schemes (for example, the Housing Quality Network 2006 review). By contrast, this project has implemented mixed methods in order to illuminate not only the broader sector perspectives using a survey, but also in depth case studies to examine different models of tenancy management operating in different environments.

## Methods

### Survey

Conducted in online format, survey responses were received anonymously. The survey was distributed to ninety-seven organisations that are members of the HACT 100 Club – HACT’s networking group consisting of circa 100 social housing providers across England and Wales, which meets periodically to share good practice – and the response rate was approximately 50 per cent (48/97).<sup>7</sup> Whilst the survey was conducted anonymously, respondents could elect to identify themselves if they indicated they would be willing to participate in a follow-up phone conversation. A quarter of respondents (12/48) then participated in telephone interviews.

The survey and follow-up phone interviews covered topics including:

- Tenancy terms;
- Elements of pre-tenancy assessments and pre-tenancy training;
- Structure of Housing Officer role and areas of responsibility;
- Degree of familiarity with models being piloted at Bromford, Moat and Yarlinton specifically (and Likert scale responses to attitudinal statements about these models);
- Whether similar or other models are being/have been considered at respondent’s organisation.

### Case studies

Organisation	Named respondent(s)
BPHA <sup>8</sup>	Liz Hall, Head of Policy and Projects Marie Taylor, Head of Housing Management Services
Bromford	Nick Cummins, Executive Director, Group Operations
Derwent Living	Peter McCormack, Chief Executive
Moat	Hugh Fenn, Executive Director, Housing and Customer Services
North Hertfordshire Homes (NHH)	David Smith, Head of Neighbourhood Services
Poplar HARCA	Andrea Baker, Director of Housing
Trafford Housing Trust	Lauretta Rothery, Service Lead, Business Development and Improvement
Yarlinton Housing Group	Phyllida Culpin, Executive Director, Customer and Community Services

<sup>7</sup>As Bromford, Moat, North Hertfordshire Homes and Yarlinton were already case studies, they were not sent the survey, despite membership in the HACT 100 Club.

<sup>8</sup>BPHA became a case study through completion of the 100 Club survey.

These organisations participated in the project in various capacities – some as more in depth case studies and others consisting of a few interviews with key individuals. All case study organisations were given the option of being featured anonymously, but opted to be identified by name. At least one person at each organisation is treated as spokesperson for the case study material, whilst the names of other staff members have been omitted. Each case study was given the opportunity to review the material related to their organisation prior to publication of this report for accuracy.

### **Case study selection**

Several of the case study organisations are representative of the shift in the social and economic environment, some came on board because we knew they were interested in the models being implemented elsewhere, and others because they were decidedly against implementing such models. The selection of case studies is therefore designed to highlight models that stand out from the traditional housing approach, as well as to gain a broad perspective of how the sector is approaching tenancy management and how other housing associations perceive these new models, with varied stock sizes, regions of operation and stock characteristics.

### **Interview methods**

Semi-structured interviews and semi-structured telephone interviews with staff at eight organisations and semi-structured phone interviews with tenants at Bromford (via video conference), Moat, North Hertfordshire Homes and Yarlinton were conducted.

With the exception of BPHA, all case study research began with a field visit and interviews with key individuals. (BPHA became a case study later in the process. It was therefore deemed appropriate to conduct telephone interviews in this instance, as arranging a field visit at short notice was problematic.) After initial field visits, follow-up research was conducted with a mix of telephone interviews, email correspondence and video conferences.

Semi-structured interviews and focus groups were carried out with sixty-six respondents. Interview questions were formulated directly from the research questions in the original project specification. Whilst the questions were modified to be relevant to both the individual respondent and the organisations, they were generally focused on a number of thematic areas.

#### *Contextual information*

- Respondent's role and areas of responsibility
- Respondent's scope of involvement in model (where applicable) both in terms of time and in role (e.g. strategic vs. delivery/implementation)

#### *Processes around tenancies*

- Process and timeline for new tenants
- Types of tenancies offered

#### *Elements of tenancy conditionality*

- Nature of model implemented
- Impetus and business case, etc.

- Consideration of other models
- Timeline (pilot stage, full implementation, etc.)
- How (or if) implementation is monitored
- Challenges of implementation
- Response (or anticipated response) of tenants and internal staff
- Language used and definitions of key terms

#### *Awareness of debate in the sector*

- Awareness of models at other organisations and perspectives towards these models, where applicable
- Attitudes towards media and broader sector response
- Attitudes generally towards tiered service levels, rewards/penalties and/or connecting education, employment, training, health/well-being or other community investment activities with a tenancy
- Attitudes towards pre-tenancy training

#### *Perspectives on tenancy conditionality and a number of other issues*

- Tenant-landlord relationship and engagement
- Tenancy sustainment
- Responses to tenant attitudes following tenant interviews, where applicable

## Tenant interviews

In order to capture the perspective of tenants, semi-structured telephone interviews took place with tenants at Bromford (via video conference), Moat, NHH and Yarlinton. There is an inherent sampling bias in the selection of tenants for phone interviews. As the researcher did not have access to tenants and required the housing associations to act as 'gatekeepers,' tenants were selected by the case study organisations. The researcher therefore cannot state that this sample was necessarily objective or representative. (However, it should be noted that achieving a truly representative, random sample of tenants would require substantially more time and resource than was allocated, so was therefore outside the scope of the project.) Likewise, given the scope and time limitations, the number of tenants interviewed (n = 11) was relatively small in comparison to the staff members interviewed. This is recognised as a limitation in the researcher's ability to analyse overall tenant perspectives and is suggested as an area for further research (see section X).



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