Approaches to Promoting Tenancy Sustainment

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Presentation Structure

• Why tenancy sustainment matters
• Tenancy sustainment interventions
• Social landlord perspective
• Impact of choice-based lettings on tenancy sustainment
• Conclusions

Presentation draws on:
• Investigating Tenancy Sustainment in Glasgow (GHA)
• Evaluating Homelessness Prevention Activities (Scottish Exec)
• Monitoring the Longer-term impact of CBL (ODPM/CLG)
Tenancy sustainment: why does it matter?

• Potentially important contribution to preventing homelessness

• Waste of resources invested in the lettings process

• Efficiency considerations for social landlords because every additional property falling vacant generates additional costs through:
  – Rent loss during void period
  – Costs incurred in preparing property for reletting (repairs, cleaning)
  – Staff costs associated with lettings processes
Defining ‘tenancy failure’

- ‘Premature’ end of tenancy
- ‘Disorderly’ end of tenancy
- Early termination=tenancy ended within 12 months
- Audit Scotland propose to add to LA statutory PI's from 2008/09
Tenancy support schemes

- Support schemes to promote tenancy sustainment rated by Scottish LAs as the single ‘most significant’ and ‘effective’ form of homelessness prevention
- Operated in most LAs for LA tenants, often involving substantial staff resources
- Both in-house and contracted out approaches
- Often funded through Supporting People
- Often seen as primarily relevant to people rehoused via the ‘homeless route’
- Referrals usually made by housing officers
- Particular emphasis on preventing ‘early tenancy terminations’
- Hence, stress on newly rehoused tenants identified as ‘potentially at risk’ – e.g. those needing help to access essential furniture
- Referrals also sometimes triggered by tenancy management problem – e.g. rising arrears
Assessing effectiveness

- Faith in ‘service effectiveness’ rarely evidenced
- LAs in our study did not appear to have clear criteria for ‘success’
- Not straightforward because need to be able to compare actual ‘sustainment rates’ against what *would have happened without intervention*
- As for any ‘precautionary’ service, the accurate identification of those at substantial risk is crucial to assuring cost-effectiveness
- Future prospect of services needing to justify their relatively heavy demands on limited funding due to abolition of SP ring-fencing
Tenancy sustainment from a social landlord perspective

- Overall GHA tenancy failure rate: 20%
- Failure rate modest for transfers but identical for homeless and waiting list
- Approx half of new tenancies terminated within 2 years
- Decay rate appears steady over first 18 months
- Since GHA waiting list lets are double those to homeless the latter account for only 1/3 of tenancy failures
Lettings at high risk

- Two-way analysis suggests lets at greatest risk of tenancy failure
- But...need to isolate effects of explanatory factors
- Are ‘regeneration’ properties implicated only because disproportionately occupied by high risk group?

<table>
<thead>
<tr>
<th>Stock class: homes for regeneration</th>
<th>34</th>
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</thead>
<tbody>
<tr>
<td>Hhld type: single adults aged 18-25</td>
<td>34</td>
</tr>
<tr>
<td>Hhld type: single adults aged 16-17</td>
<td>32</td>
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<tr>
<td>Housing market area: Easterhouse</td>
<td>27</td>
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<tr>
<td>Property type: multi-storey flats</td>
<td>25</td>
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<tr>
<td>Access queue: waiting list</td>
<td>25</td>
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<tr>
<td>Access queue: homelessness</td>
<td>25</td>
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<tr>
<td>GHA-wide norm</td>
<td>20</td>
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</tbody>
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Tenancy failure causal factors implicated from ex-tenant testimony

- Being allocated a home in an unwanted area
- Inability to secure adequate furniture and equipment
- Dissatisfaction with property condition
- Debt problems resulting from poverty and an inability to maximise income and/or manage money
- Social isolation
- Anti-social behaviour (being a victim or being accused of perpetrating ASB) – cited by at least half of ex-tenants
Tenancy sustainment and mainstream housing management

• Promoting tenancy sustainment not just about tenancy support schemes
• ‘Prematurely failing tenancies’ to some extent a function of ‘effective housing management’
• The problem can therefore be addressed through:
  – Lettings policies which are customer-focused rather than bureaucratic and inflexible
  – Effective tenancy sign-up and ‘settling-in’ procedures
  – Early, supportive intervention on rent arrears
  – Responsive, sympathetic handling of ASB complaints
• Recommendations taken on board by GHA (see report on website) addressed all these issues
Can choice help? - Impact of CBL on tenancy sustainment

- Claimed prospects of improved tenancy sustainment a major justification for CBL
- Most direct measure: % of lets terminated within 12 months
- General – though not universal – tendency for significant reductions in ‘early termination’ rates after CBL launch
- Non-CBL LA ‘early termination’ rates generally falling by about 3% p.a.
- Improved tenancy sustainment generally recorded for tenants across all ethnic backgrounds
Conclusions

• There is a need for greater focus on judging ‘risk factors’ which justify the relatively substantial resources typically involved in tenancy support

• Similarly, more clearly defined objectives and measurement of impacts are needed

• Promoting tenancy sustainment not just about ‘homelessness prevention’ interventions

• Need to recognise that ‘tenancy failure’ reflects assumptions about proper role of sector and aspirations of those moving into it