

**Meeting:** Housing Sub Committee

**Date:** 26<sup>th</sup> June 2017

**Title:** Creating Sustainable Tenancies Update

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**Author:** Ian Rice, Welfare Reform and Income Manager

**Service:** Housing

**Directorate:** Environment, Housing and Leisure

**Wards affected:** All

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## **1. Purpose of Report**

- 1.1** To update members on the Tenancy Sustainment project outcomes to date. To inform members of the proposals for future service improvements.

## **2. Recommendations**

- 2.1** To note the information provided and to consider whether members wish to undertake a review of the Tenancy Sustainment project outcomes during 2017-18 as part of the Housing Sub-Committee scrutiny role.

## **3. Background**

- 3.1** Housing Sub-Committee received a report and presentation on the rationale and aims of the Sustainable Tenancies Project prior to the service being set up in March 2015.
- 3.2** A further report in July 2016 updated members on the progress to date. Staff from Housing committed to providing a more comprehensive report on the service outcomes once we had enough data to evaluate the effectiveness of the new service.
- 3.3** This report updates members on the impact of the service so far and highlights learning points and areas for improvement identified.

## **4. Detail**

- 4.1** The rationale for developing the Creating Sustainable Tenancies Project was to ensure that we allocate our homes to the right person at the right time.

- 4.2 To help facilitate the above we developed new procedures to enable housing staff to identify applicants who may be potentially vulnerable (financially, socially, digitally etc.) at an earlier stage in the allocation process. Thus enabling staff to work with applicants prior to allocation and sign up to help then access support if required.
- 4.3 The Tenancy Sustainment Team was set up as part of the restructure of Housing Services in March 2015. This team was then amalgamated into the Neighbourhood Service as part of the restructure in March 2016. Bringing the Tenancy Sustainment Officers into the Neighbourhood Team enables closer working relationships and collaborative working with Neighbourhood Housing Officers to ensure that those tenants in most need of support are identified and provided with the help appropriate to their needs.
- 4.4 The key to our approach to sustaining tenancies is to ensure we are able to accurately assess the needs of customers. And, have a clear understanding of what we can and will do for each potential assessment outcome.
- 4.5 To ensure that we maximise staff resources and focus our efforts on those that need help the process requires an initial 'triage' assessment to be undertaken by the Homefinder Team. This assessment identifies those applicants that require a more in depth assessment of their needs.

## **5. Triage Assessments**

- 5.1 At the end of November 2016 a system enhancement was completed allowing us to identify and monitor those who were assessed as needing help and support more effectively. From the end of November every new tenant has an indicator showing if they were assessed as being in low, medium or high need of help and support.
- 5.2 Between the end of November 2016 and April 2017 a total of 966 initial Triage assessments were completed by the Homefinder Team. Of these 469 were assessed as not being in need of more in depth assessment of their needs, i.e. they provided sufficient information to prove that they were able to sustain a tenancy without additional support. These applicants, if they decide to accept and sign for a tenancy, are recorded as low need on the system.
- 5.3 There were 497 that were identified as needing a more in depth assessment of their needs. In these cases tenancy sustainment officers contact the applicant to discuss their circumstances, income and expenditure, their entitlement to benefits and other issues that relate to the individual circumstances of the applicant and any potential issues they may have or experience if they were to accept and move into a new tenancy. Any specific needs are identified and applicants are either referred / signposted for applicable support or if support is already in place their support provider is contacted to advise them of the potential change in circumstances and how it may impact on the individual.
- 5.4 When applicants who have been assessed as being in medium or high need of help and support accept and sign up for a new tenancy a bespoke 'Tenant commitment' detailing their help and support requirements and what has been agreed with them regarding accessing and engaging with the support networks is completed and signed by the new tenant. A copy is given to the tenant and we keep a copy on the house file so the Neighbourhood team are fully aware of what has been agreed.

- 5.5** It should be noted that not all those who have a more in depth assessment end up being finally assessed as in medium or high need of support. In many instances the help and advice provided by the Tenancy Sustainment Officer during the review process can be sufficient to help the applicant and the assessment is changed to low need. Those who are assessed either at Triage stage or the follow on assessment as being low level need of help and support still complete a bespoke Tenant Commitment but it will include less detailed information. The Tenant Commitment is a record that Housing can use to show that specific needs are discussed and agreed with applicants at the commencement of every tenancy.
- 5.6** Of those 497 needing a more in depth assessment of needs 333 subsequently became tenants, 316 are still tenants. The remaining 164 decided not to accept the tenancy they were offered.

The following figures are the outcomes we have seen to date.

### **Low level of need**

148 (44%) of the 333 were found to be in low level need of help and support once the full assessment was concluded. 144 of them are still tenants. Of those that are no longer tenants 2 terminated due to relationship breakdowns, 1 moved in to supported accommodation and the other purchased the property via the Right To Buy.

77 (52%) of those still tenants are currently in arrears with an average value of £336.52

### **Medium level of need**

183 (55%) of the 333 were found to be in medium level need of help and support once the full assessment was concluded. 170 of them are still tenants. Of the 13 tenants who have left their tenancy 3 terminated due to relationship breakdowns, 2 returned home to live with family, 5 moved out as they wanted to be nearer family and friends, 2 left due to ASB or fear of ASB and 1 absconded. 7 left with arrears averaging £407.88

113 (66%) of those still tenants are currently in arrears with an average value of £254.58

### **High level of need**

2 (1%) of the 333 were found to be in high level need of help and support once the full assessment was concluded. Both of them are still tenants.

1 (50%) of them is currently in arrears of £52.10

- 5.7** The outcomes we are seeing are showing us that the beneficial impact of the work we are doing with applicants prior to starting a tenancy is helping those who are in need of additional help and support. More of them are sustaining tenancies than in the past and where they do fall into arrears the monetary levels are lower and therefore more manageable than we have seen previously. Providing advice, help and support to those who need it is having a beneficial impact.
- 5.8** However, we are seeing that those that are presenting as in low need of support are the ones that are subsequently struggling. We need to consider this as we review how best to utilise the resources we have available. We need to do more work to understand the reasons for this. We do know that in some cases it is linked to none disclosure of vital

information during the assessment stage; this links to the need to continue to develop trust amongst our communities and will take time.

**5.9** Others who have struggled have done so as a result of a change in circumstances, such as losing a job or developing a health issue, after the initial assessments have been completed. We need to develop capacity to enable us to respond effectively when circumstances change for our tenants regardless of how long they have been in their tenancy.

#### **5.10 The impact so far**

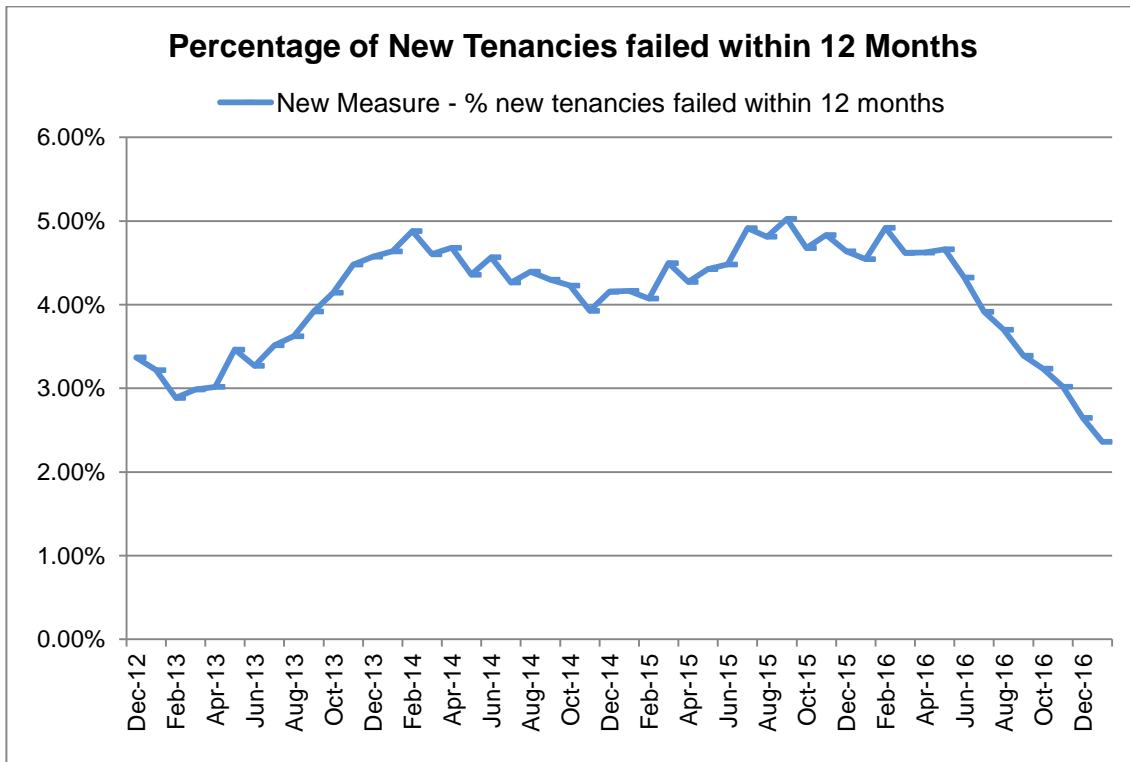
**5.11** In 2013/14 performance monitoring showed us that 63% of new tenants, in the first 12 months of their tenancy, were in arrears totalling £236,000. This figure has now reduced to 47.9% of new tenants in arrears, totalling £204,000. This is despite the introduction of Universal Credit in our borough in November 2015 and other Welfare Reforms that have impacted on the ability of tenants to pay their rent.

**5.12** We measure tenancy failure rates; these are tenancies that terminate during the first 12 months of the tenancy, to ensure an accurate picture we do not include tenancies that terminate as a result of right to buy sales, moves to supported accommodation, or where the tenant has died.

**5.13** During 2012/13, prior to the introduction of most of the Welfare Reforms, 1272 tenancies were created and the tenancy failures rate was 2.99%; During 2013/14, 1651 new tenancies were created and the tenancy failure rate increased to 4.60%. The tenancy failure rate remained between 4% and 5% during 2014/15.

**5.14** In March 2015 the Tenancy Sustainment Team and process was introduced. As reported in the last update the team had a six month training and development programme. We therefore anticipated that the benefits we were aiming for would not be realised immediately.

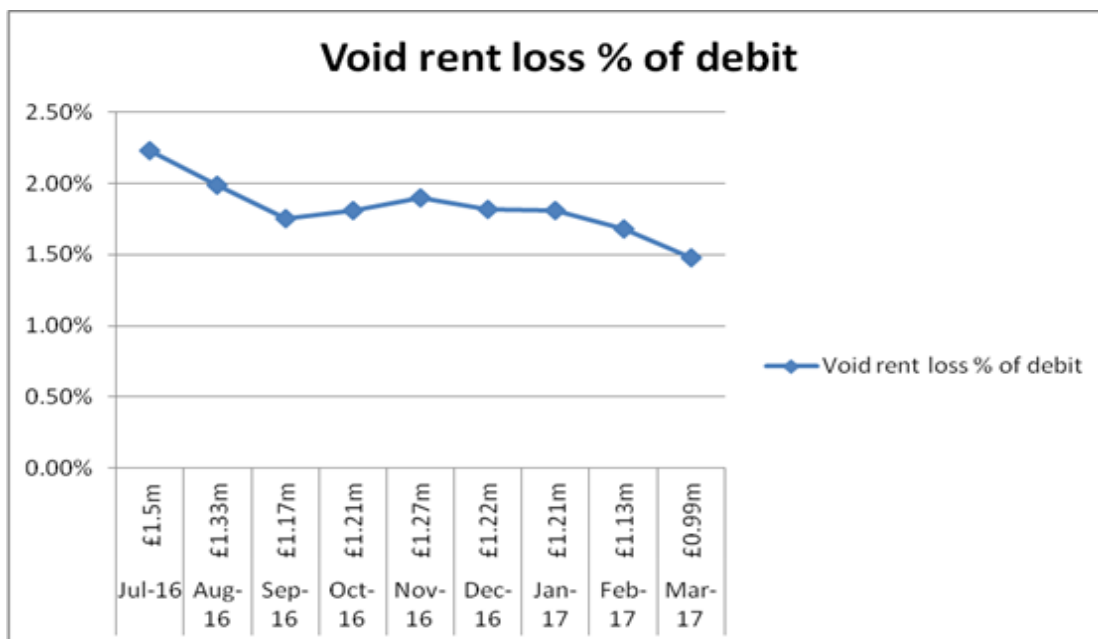
**5.15** At the end of March 2015/16 the tenancy failure rate was at to 4.62%. The tenancy failure rate increased again for the following 2 months, but has subsequently reduced significantly month on month from 4.66% in May 2016 to 2.11% at the end of March 2017. We are starting to see the beneficial impact of the changes that have been made.



## 5.16 Impact on Void Rent Loss

When properties are empty (void) we do not collect the rent. We call this Void Rent Loss. We measure the Void Rent Loss every week and report it as a percentage of the overall debit. It is another measure of the impact of our efforts to improve tenancy sustainability because it is directly affected by the number of empty properties we have.

Since July 2016 we have seen the monthly void rent loss reduce from 2.23% of the debit to 1.48% of the debit.



## **6. Current Position – what does this tell us**

- 6.1** The outcomes that we have seen to date have been encouraging. Despite the continuing impact of Welfare Reforms and the introduction of Universal Credit for single benefit recipients in the Borough the proportion of new tenants in arrears is reducing, the rate of tenancy failure is reducing and the amount of money we are losing as a result of empty properties is also showing a reduction.
- 6.2** However, we are still seeing increases in the average levels of arrears for those tenants that are in arrears, and increases in the average levels of arrears that tenants have when they terminate.
- 6.3** As indicated above we know that we need to develop capacity within the service to be able to identify, at the earliest possible stage, when tenant circumstances change in a way that could adversely impact on their ability to sustain their tenancy. And, crucially we need to develop our capacity to be able to respond to those changes and provide help, support and appropriate interventions in a more timely manner.
- 6.4** We also know that there are more reforms proposed that will further impact on our tenants and applicants.

## **7. Next steps**

- 7.1** As we develop our understanding of the outcomes and impacts, and we improve our understanding of the potential impacts of the proposed further welfare reforms and other changes (including the new legislative requirements around homeless prevention) we need to respond to the challenges we are facing. We are seeing a greater need to support current tenants to sustain their homes and we need to focus on this.
- 7.2** Taking account of regulatory changes and changes in homeless legislation tenancy sustainment is likely to continue to change the way in which we deliver services. We have to be clear about our tenant insight and make sure their resources are targeted in the right places. It is key, that we that we continue to work closely with health, social care and other providers.
- 7.3** We are reviewing of needs by neighbourhood areas and officer patches to access the need to sustain tenancies. Once this review is completed it may be necessary to redefine these patches based on the amount of time housing officers actually need to spend with their tenants and target tenancy sustainment resource to those that are high need.
- 7.4** By taking a flexible approach and actively exchanging positive experiences and best practice, we will work with our tenants to meet the ongoing challenge of tenancy sustainment and to achieve positive outcomes.