Assessing affordability and barriers to accessing social housing in Wales

Joint Welfare/Regeneration Strategic Delivery Group

18 July 2018

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Background

- In 2016 Shelter Cymru produced an influential report
  - 'Accessing and sustaining social tenancies: exploring barriers to homelessness prevention'
  - Identified two key issues
- How to address limitations of access to social housing on grounds that a prospective tenant
  - has unpaid arrears
  - is unable to afford a property.

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Background

- Community Housing Cymru (CHC), and Welsh Local Government Association (WLGA) commitment to work together and:

- Commission research to determine extent of issues raised and

- Share best practice on dealing with people excluded or suspended from waiting lists because of past arrears and

- Ensure that, where people are making a reasonable effort to pay off the debt, they are not excluded from access to housing.

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Methodology

- Contacted all social housing providers in Wales and supplied briefing paper on project.

- Received and analysed 44 survey responses, represented by
  - 11 local authorities,
  - 32 housing associations (including 8 stock transfer landlords)
  - 1 anonymous return

- Placed a FOI request to all local authorities relating to housing register and exclusions

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Methodology

- Spoke directly with 14 organisations and

- Connected with and gathered information from a further 8 local authorities and 9 housing associations

- Met with Shelter Cymru, TPAS, Cymorth and Tai Pawb

- Attended WLGA Homelessness Network Partnership and Housing Leadership Cymru meetings

- Undertook practical postcard exercises with practitioners – 'What is good and what needs improving'

- Contacted the National Independent Safeguarding board and all six-regional adult safeguarding boards

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Outcome

- Produced a detailed report of our findings

- Includes 39 recommendations

- Highlighted current and best practice and areas of excellence in Wales and across wider UK

- Produced a self assessment toolkit aimed at driving improvement

  - Centred around 14 key areas

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Findings

- Corporate responsibility
  - Re-inventing rent, rent campaigns
- Information management
  - Responsibility, regularly updated
- Access to housing
  - Credit referencing, supply v demand, effective triage
- Pre-tenancy assessment
  - Information gathering, pre tenancy training
- Assessing affordability
  - Effectively being used to inform choices

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Findings

- Furniture
  - Recycling schemes, low cost provision, service charge
- Employment and training
  - Opportunities for tenants, subsequent evaluation
- Assessing vulnerability
  - Mental health understanding, training for staff, safeguarding
- Exclusions and suspensions
  - Policy, proactive approach, FTA collection, monitoring,
- Housing & welfare benefits
  - Universal credit, use of DHP

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Findings

- Eviction
  - Level of authorisation, multi agency panels
- Interventions
  - Referrals, signposting, succession planning
- Tenant involvement
  - Designing service, champions
- Private rented sector
  - Partnership arrangements, landlord incentives

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Self assessment Toolkit

Assessment standards	Comment	Evidence to support this	Area for improvement	Priority	Progress (enter a 'y' in the appropriate box)		
					None	In progress	Done
Affordability							
Is there an affordability policy?							
Are affordability assessments undertaken to identify tenants who may have difficulty in meeting rent payments? Is the purpose of assessments clearly stated?							
Are the circumstances of when an offer may be withdrawn or overlooked clearly stated?							
Are credit reference agencies used to carry out a credit check to determine tenant's financial well-being and help to understand any risks?							
Are affordability assessments totally separate from any decision making process on making offers of accommodation?							

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Barriers to improvement

- Workshop
  - 20 minutes
- Examine toolkit
  - Section 1-4
  - Section 5-8
  - Section 9-14
- Feedback
  - Key areas and issues

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Recommendations

Corporate Responsibility

REC 01	Organisations should ensure there is sufficient Board and Executive commitment placed on the importance of rent collection and ideally appoint a board champion
REC 02	Organisations should produce a corporate income management strategy and subsequently ensure the detail is disseminated to all officers throughout the organisation in order to create a collective responsibility
REC 03	Front line officers should receive training on welfare benefit changes and identifying impacts on tenants and the role that they can play in this

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Recommendations

Re-inventing rent

REC 04	Organisations should ensure that they raise the importance of paying rent at first point of application for housing and routinely re-emphasise this throughout the allocation and letting process.

Rent at tenancy start

REC 05	Organisations should, where tenancy agreements allow for rent in advance, ensure a first payment is received prior to tenancy start

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Recommendations

Rent campaigns

REC 06	Organisations should carry out targeted rent campaigns including the use of text messaging and social media

Information management

REC 07	Organisations should identify someone within their organisation with overall responsibility for data management and ensure they comply with GDPR requirements.
REC 08	Organisations should ensure they have comprehensive and reliable tenant data which is refreshed at regular intervals as part of normal transactional business and is subject to a periodic major cleansing exercise

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Barriers to improvement

- Feedback
  - Rent in advance (Rec 05)
  - Rent campaigns (Rec 06)
  - Robust data (Rec 08-10)
  - Pre tenancy training (Rec 13)
  - Assessing affordability (Rec 11,14 & 15)
  - Mental health awareness training (Rec 22)
  - Exclusions (Rec 26-30)
  - Former tenant arrears collection (Rec 31-33)
  - Eviction (Rec 34-36)
  - Interventions (Rec 37)

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Recommendations

▌ Access to housing

REC 09	Organisations should ensure that common housing registers are based on robust data and clear protocols and procedures
REC 10	Applicants who are close to securing their bids or likely to be shortlisted for offers should be subject to additional data validation to avoid any potential delay in letting

▌ Credit checks

REC 11	Credit reference agencies should only be used to verify information and inform discussions about people's financial capacity and affordability and be totally separate from any decision on offering accommodation.

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Recommendations

Pre tenancy assessment

REC 12	Organisations should routinely gather information from prospective tenants to identify any support needs.

Pre tenancy training

REC 13	Organisations should provide pre-tenancy training for all new tenants outlining the responsibilities and costs associated with setting up a home.

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Recommendations

Assessing affordability

REC 14	All new tenants should be assessed pre-tenancy to identify their ability to afford to pay rent and provide appropriate assistance in maximising tenants income to minimise risk of arrears.
REC 15	Organisations should ensure openness and transparency in their affordability policies. Housing providers should clearly state the purpose of undertaking affordability assessments and outline the exact circumstances of when an offer may be withdrawn or overlooked.

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Recommendations

Furniture

REC 16	Organisations should ensure that they are able to provide assistance with acquiring basic furniture and white goods and signpost tenants to community furniture projects where necessary.

Employment and training

REC 17	Organisations should look to provide pre-employment, volunteering, training and employment opportunities for tenants either through direct employment or through its contract supply chains.
REC 18	A formal approach to monitoring the impact of employment and training initiatives should be developed.

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Recommendations

▌▌ Assessing vulnerability

REC 19	Organisations should consider producing and adopting a corporate vulnerability strategy
REC 20	Customer profiling and equality impact assessments should be carried out to target those most likely to be in need of support or be affected by changes

▌▌ Safeguarding

REC 21	Housing providers should try to be represented on and influence adult safeguarding boards

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Recommendations

Mental health

REC 22	Everyone involved in the planning and provision of social housing should have a basic understanding and awareness of the causes and impact of mental health.
REC 23	All frontline staff, housing officers, caretakers, wardens, maintenance teams should receive training so that they are able to notice when a tenant or prospective tenant may be experiencing poor mental health.
REC 24	Local authorities and local health boards should develop mental health joint working and information sharing protocols with social housing providers.
REC 25	Social housing providers should consider implementing policies that explicitly state that they will not sanction, evict or exclude anyone for events that happened during a time when a person lacked legal capacity.

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Recommendations

▌ Exclusions

REC 26	Organisations should apply the Welsh Government Code of Practice three stage test before applying any suspension or exclusion to a housing application.
REC 27	Organisations should review their policies to ensure statute barred cases are not used as a reason for exclusion.
REC 28	Organisations should record all exclusions and suspensions and routinely review cases at least once every six months.
REC 29	Organisations should monitor all exclusions and suspensions by established equality and diversity characteristics.
REC 30	Organisations should be required to provide details of all exclusions and suspensions as part of local authority core data requirements.

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Recommendations

■▌ Former tenant arrears collection

REC 31	Organisations should actively pursue former tenancy arrears and other associated housing debt immediately after a tenancy has ended.
REC 32	Organisations should adopt a pragmatic approach to former tenancy arrears collection and offer payment incentives and full and final settlements.
REC 33	Organisations should consider establishing hardship funds to support tenants in financial difficulty.

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Recommendations

▌ Eviction

REC 34	Requests for court action should be thoroughly scrutinised by a manager before authorisation is given.
REC 35	Housing providers should be represented at and attend court user forums.
REC 36	Organisations should consider setting up a multi–agency panel as a final opportunity to review cases prior to eviction.

▌ Interventions

REC 37	Organisations should develop succession planning or suitable exit strategies for any temporary positions so as to minimise disruption to support services.

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Recommendations

■ Private rented sector

REC 38	Further research is undertaken into how best to form effective long term partnerships with private landlords to increase the availability of good quality affordable housing.
REC 39	Welsh Government should look at ways to address 'no fault evictions' and reduce homelessness due to section 21 notices.

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Self assessment Toolkit

Assessment standards	Comment	Evidence to support this	Area for improvement	Priority	Progress (enter a 'y' in the appropriate box)		
					None	In progress	Done
Corporate responsibility							
Is there a high-level document which sets out your pre-tenancy involvement/engagement policy?							
Is there a nominated senior executive with responsibility for reporting to the board on rent collection and rent arrears recovery?							
Is there a nominated board champion with specific responsibility for ensuring rent collection and arrears recovery is a corporate priority?							
Does the organisation have a lead operational officer for rent collection and arrears recovery?							

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Further support from HQN

Contact Mark Henderson on 07493 308716 or email
henderson1960@googlemail.com

Contact Keith Edwards on 07949 443039 or email
keith.edwardscihcm@gmail.com

Contact HQN on 0845 4747 004 or email
helpmeout@hqnetwork.co.uk

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