

# FIRST WAVE FINDINGS: Social tenants

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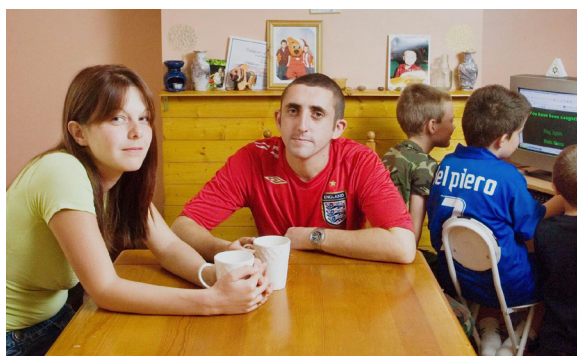
## Key points

Social housing has been argued to be a key arena for various forms of conditionality aimed at regulating the conduct of low-income populations. This paper outlines interim findings from the initial stages of a five-year longitudinal study assessing the effectiveness and ethicality of welfare conditionality in the social housing sphere in England and Scotland.

- The use of 'probationary' social tenancies is now widespread in England, and the Localism Act 2011 introduced further 'flexibilities' enabling social landlords to offer fixed-term, renewable tenancies (FTTs) to all new social tenants, with a statutory minimum term of two years.
- The current UK Government has now amended the Housing and Planning Bill to require FTTs

of between two and five years to be offered to all new council tenants, and may also extend mandatory FTTs to new housing association tenants.

- This extension of FTTs, together with the proposed 'Pay to Stay' policy for 'higher income' council tenants, appears to imply a 'welfarist' vision of social housing catering only for the very poorest on a temporary basis. But planned benefit cuts will make it increasingly difficult for some of the lowest income families to access social housing.
- A small number of highly 'interventionist' housing associations in England view FTTs as an important mechanism in their broader attempts to recalibrate their relationship with tenants and 'nudge' them towards more socially and economically engaged lifestyles.
- Other 'early adopters' of FTTs now appear disillusioned about their merits, particularly with regard to the scope for using them to generate additional social lettings in high demand areas. There is likewise scepticism about the efficacy of FTTs as a tool to promote social mobility or to encourage positive tenant conduct, as well as concerns about administrative cost and complexity and the potential for community destabilisation.
- Some social tenants with FTTs or probationary tenancies were unaware or unconcerned about their tenancy status, but it was a cause of considerable anxiety for some tenants, especially those with a disability or health problems and for families with children.



- Despite the practical difficulties surrounding FTTs, there is clearly a strong momentum in England to move away from the use of ‘lifetime’ tenancies in social housing, justified mainly on equity grounds in the context of acute shortfalls in supply in London and elsewhere.
- The policy landscape in Scotland is entirely different. The Scottish Government decided not to proceed with proposals to introduce an initial (probationary) tenancy for all new social housing tenants, and there appears to be no appetite for the introduction of FTTs from any quarter.

## Introduction

Social housing has been argued to be an important arena for various forms of conditionality aimed at regulating the conduct of low-income populations. This paper outlines key policy developments affecting social tenants, before providing an overview of interim findings from the Welfare Conditionality Study, which assesses the effectiveness and ethicality of arrangements that aim to shape the behaviour of social tenants in various ways. It draws upon data from key informant interviews, practitioner focus groups, and wave one interviews from a three-stage qualitative longitudinal study involving social tenants affected by welfare conditionality (see end for full details).

## Policy background: key developments

“Social housing [in the UK] is highly targeted on people with low incomes and has been shown to be the most ‘pro-poor’ and redistributive major aspect of the entire welfare state.” (Tunstall et al, 2013, p.2)

Security of tenure has been ‘considered an essential element of social housing’ since it was introduced in 1980 (Bradshaw et al, 2009). Nonetheless, successive governments have sought to utilise enhanced conditionality within social housing tenancies to influence the behaviour of social tenants considered ‘anti-social’, ‘welfare dependent’ or otherwise ‘deviant’ (Flint & Nixon, 2006), with Ministers periodically raising the



prospect of linking social housing tenancies to community and voluntary activities or work-seeking behaviour (see, for example, Caroline Flint (2008)).

In England the introduction of starter, introductory and demoted tenancies, from 1996 onwards, meant that full security of tenure could be delayed for new social tenants pending satisfactory completion of a ‘probationary’ period, or reduced for those subject to behavioural concerns (Carr et al, 2010). The Coalition government (2010-2015) took this agenda considerably further, with the Localism Act 2011 and associated regulatory changes introducing new ‘flexibilities’ that enabled social landlords in England to offer fixed-term (renewable) tenancies (FTTs) to all new social tenants, subject to a statutory minimum period of 2 years. The government’s stated policy aim was to ensure that “... this scarce public resource can be focused on those who need it most, for as long as they need it.” (Department for Communities and Local Government (DCLG), 2010, p.2). While no national guidance was issued on tenancy renewal, the government indicated that income,

employment status, under-occupancy and behaviour could all be taken into account (Garvie, 2012). FTTs were part of a package of radical policy measures which also included the introduction of ‘affordable rent’, wherein social landlords can charge up to 80% of market rents for their properties, and new powers for local authorities to impose restrictions on eligibility for access to social housing.

Seemingly disappointed with social landlords’ lukewarm response to FTTs (see further below), the incoming Conservative government in 2015 signalled its intention to review and limit the use of so-called ‘lifetime’ tenancies (Spurr, 2015). An amendment to the Housing and Planning Bill sees the government seeking to compel the use of FTTs in virtually all new council house lettings (Apps, 2015c). A decision on the extension of mandatory FTTs to housing associations has been delayed, in light of the government’s commitment to ‘deregulate’ housing associations, in a bid to reverse their recent ONS reclassification as ‘public corporations’ (Apps, 2015a). The government had also proposed that, as from April 2017, all social landlords would be required to charge tenants with household incomes above £30,000 (£40,000 in London) up to market rent, on a tapered scale (Apps, 2015b). However, they have subsequently announced that this ‘Pay to Stay’ policy will be voluntary for housing associations, again in light of the deregulatory imperative (Barnes, 2015).

The government’s aim with Pay to Stay, as with FTTs, is to ensure that “housing at subsidised rents [is] going to people who genuinely need it” (DCLG, 2015, p.6), and both policies can be interpreted as implying an increasingly conditional ‘welfarist’ model of social housing along US or Australian lines (Paris et al, 1985; Fitzpatrick & Pawson, 2013). In other words, as moves towards high residualised social rented sector catering only for the very poorest, and those with additional social ‘vulnerabilities’, on a short-term ‘ambulance’ basis (Stephens et al, 2002). Other policies, such as the switch of almost all central government capital subsidies from rental housing (both social and affordable) to low cost home ownership by the end of this Parliament, alongside the forced sale

of high-value council houses and the expansion of the Right to Buy to housing association tenants, also seem consistent with this notion of a radically smaller and (even more) targeted sector (Fitzpatrick et al, 2016).

However, the interaction of the government’s rent-setting and welfare policies run directly counter to their stated ambition for this (diminished) social rented stock to be targeted on those in the greatest need, (Fitzpatrick et al, 2016). In particular, the planned lowering of the total benefit cap has prompted concerns that benefit-reliant families with more than two children may find social as well as ‘affordable’ rented housing beyond their means in large swathes of the country (Peaker, 2015). There are already concerns that ‘business’ orientated housing associations, particularly larger associations operating in the pressurised markets in the south of England, are becoming increasingly risk averse with respect to accommodating low-income households dependent on benefits (Clarke et al, 2015).

The policy landscape on social housing is quite different in Scotland, with the imminent abolition of Right to Buy, ongoing investment in social rented housing, and the establishment of a strengthened set of legal entitlements for homeless households (Fitzpatrick et al, 2015). There are no plans to introduce a general fixed-term regime or rent increases of the order emerging under the English ‘affordable rent’ model, and allocations policies remain more tightly regulated by national legislation, with a requirement that housing lists must be open to all over 16s. While there was some (largely uncontroversial) liberalisation of the allocations criteria allowed for in the Housing (Scotland) Act 2014, the Scottish Government decided not to proceed with its proposal to use this legislation to introduce probationary tenancies for all new social tenants (Shelter Scotland, 2013).

### Interim findings: key issues

The primary research questions that the social housing strand of the project was designed to answer were as follows:



- Are we seeing increased levels of conditionality in the social housing sphere?
- How is this manifesting?
- To what extent is intensifying conditionality intended to bring about behavioural change on the part of tenants?
- What are the prime motivating factors lying behind any such behavioural change agenda?
- Is there a difference emerging between England and Scotland?

The findings thus far indicate that, yes, there are increased levels of conditionality emerging in the social housing sphere, but this is mainly confined to England, and the extent to which these developments are linked to behavioural change ambitions, at least from the landlord perspective, is highly variable.

Increased conditionality in the social landlord-tenant relationship in England manifests in a number of ways, including non-binding measures such as Good Neighbour Agreements (Croucher et al, 2007); tenant reward and incentive schemes; and pre-tenancy training, including mandatory workshops, in some areas (Rallings, 2014). However, by far the most significant development in recent years relates to the changes in social tenants' tenure conditions as noted above:

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*“...the whole move away from lifetime tenancies is, to me, one of the most obvious examples of conditionality. I think that takes two forms. One is, there's just a sense of you get this house while you get yourself stable and on your feet [and] once you take away lifetime tenancy there must be an unspoken degree of conditionality that creeps in, that I've only got this for five years and if I don't keep my nose clean it might not be for as long as that.”*

*(PS15, Senior housing representative, England)*

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Approximately two thirds of both housing association (67%) and local authority (64%) lettings are now offered with a probationary

period, but FTTs are still far less widespread, with only 13% of new general needs social rent lettings made on a fixed-term basis in 2014/15 (DCLG, 2015). When FTTs were first introduced, the government advised that these should generally be let on a minimum period of five years, with a two year term used in 'exceptional circumstances' (Homes and Communities Agency, 2012). In fact, in 2014/15, 61% of FTTs at social rent levels, and 69% of FTTs at affordable rent levels, were for 3-5 years, while 18% of social rent and 3% of affordable rent FTTs were for 2 years. In the current Housing and Planning Bill, the government proposes that mandatory FTTs should be let for between 2 and 5 years, so that 5 years will effectively become the maximum rather than the (usual) minimum fixed term.

The contrast with Scotland could hardly be starker: as noted above, neither general probationary nor FTTs are permitted, and though the Housing (Scotland) Act 2001 introduced short Scottish Secure Tenancies (SSSTs) in limited circumstances (e.g. a history of anti-social behaviour, homeless accommodation), these are barely used at all outside of specialist projects (604 SSSTs were granted in 2014/15, 1.3% of all new general needs lets). While there remains support for probationary tenancies in certain quarters in Scotland, including amongst some of our key informants, FTTs were universally described as “...just not on the agenda” (National stakeholder, Scotland).

In England only, therefore, probationary and FTTs could be argued to be a potentially powerful new tool for “disciplining the poor” (Marsh, 2013). However, as noted in our previous briefing paper (Fitzpatrick et al, 2014), under the current permissive regime much depends on the extent to which social landlords decide to adopt the FTT regime in practice, and their reasons for doing so, including how ‘behaviourally-focused’ the tenancy renewal criteria adopted at local level turn out to be. It has also been argued that, given the likely time and resource implications, aggressive deployment of the new powers may seem unattractive to social landlords at the point when detailed tenancy review procedures needed to be

devised and implemented (Fitzpatrick & Pawson, 2014).

Our fieldwork to date has indicated that housing associations in England can be divided into three main ‘camps’ with regard to their approach to the deployment of FTTs and the relationship, if any, with a behavioural change agenda on the part of landlords. We have given these broad groupings the shorthand names of ‘The Interventionists’, ‘The Utility Maximisers’ and ‘The Place Makers’.

## 1. The ‘Interventionists’

There are some well-publicised examples of housing associations in England which are seeking to carve out a broader role for themselves in incentivising or ‘nudging’ tenants towards healthier, more socially engaged and economically independent lives (Rallings, 2014; Priest-Stephens, 2014). Intervention in the lifestyle choices of tenants and their families may appear reminiscent of an earlier tradition of ‘paternalism’ in social housing (Deacon, 2004; Gregory, 2015), but this was disputed by some of our interviewees:

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*“...it’s harder nosed than paternalism... [it’s] about saying, ‘We will do some things for you, in return we expect you to do some things for us... old fashioned paternalism was... oh these people just don’t know any better... so we’ll ... help them to do better... That’s quite different from a system of behavioural incentives, large or small.”*

*(PS33, National stakeholder, England)*

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These interventions were therefore instead viewed via a reciprocal ‘contractualist’ prism, with a strong emphasis on the ‘responsibilisation’ of tenants (Flint, 2004; Clarke, 2005). In this context, the current lack of self-reliance amongst some social tenants was perceived as a key concern being addressed by the use of FTTs and other ‘interventionist’ mechanisms:

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*“We’re not having an adult-to-adult relationship with people; it’s more of a*

*parent/child relationship.”*

*(PS40, Community-based housing association)*

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These housing associations consider ‘enabling’ their tenants to meet their broader aspirations, particularly by supporting them into employment (see above), and also in some cases by encouraging them to ‘migrate’ through social housing onto home ownership or shared ownership, as an essential part of their broader ‘social mission’ (Rallings, 2014). The latter objective is also seen to help support their mission to maximise the availability of larger properties in particular (which are in high demand) to families in need.

It was also more specifically argued that, by encouraging tenants to be more self-reliant and economically independent, associations could help to protect their income stream and ‘bottom line’, in the context of acute concerns about the forthcoming introduction of Universal Credit and a move away from the routine direct payment of housing costs to social landlords (see Fitzpatrick et al, 2016):

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*“...you’ve got the FTTs as an incentive to try and change tenants’ behaviour by making them more responsible... [so] they don’t have to rely on us to do everything for them. The Universal Credit, obviously not being too far away with all the housing costs lumped in to the rest of their benefits...”*

*(PS41a, Communities and Neighbourhoods Manager, regional housing association)*

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## 2. The ‘Utility Maximisers’

This ‘camp’ comprises the ‘early adopters’ of FTTs in England, mainly larger housing associations operating in London and the South. There had been initial enthusiasm for FTTs amongst some of these housing associations, in the main because the fixed-term model sounded like a

good opportunity to reduce under-occupation, enhance efficient stock management, and increase throughput in high demand properties:

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*“There is an advantage with saying to people, ‘This is not necessarily a home for life. This is a home for when you need it’, because that’s really what we are saying now, so it’s what you need at the time you need it and then when it’s no longer what you need, then we have a conversation about what is the next thing for you. Partly that is about you taking care of what we give to you because it’s a scarce resource.”*  
 (PS38, Senior housing association stakeholder, South of England)

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However, it became clear in our interviews that the overriding reason for the adoption of FTTs, in London at least, was the link made with the ‘affordable rent’ programme, given the imperative to generate new rental supply in contexts of acute shortfall:

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*“Very much for housing associations, especially in London, the use of fixed term tenancies was linked to the affordable rent programme. There was an incentive from the GLA, an expectation from the GLA that if you went into the affordable rent programme that you use fixed term tenancies.”*  
 (FG7, Social housing, England)

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Behavioural objectives were not to the fore:

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*“...it’s a crazy assumption, isn’t it, that somehow tenure length is going to [laughs] - you’re going to link that to getting a job and it’s as though people don’t want a job or don’t want to work, that we’ve somehow got to force them to work by offering them less of a tenancy?”*  
 (FG7, Social housing, England)

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That said, some interviewees from relevant housing associations, while being clear that this was not the primary motivation for the adoption of FTTs, did express the view that the new tenure model had enabled their housing management colleagues to have a ‘better conversation’ with tenants at the point of sign up:

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*“It was more powerful to be able to have that conversation and say, ‘And this is how we will know whether or not this is working, this is what we will go to’, so definitely, from a tenancy management perspective... it was definitely important ... that... they were able to have that conversation and know that it was something that they could follow through on.”*  
 (FG7, Social housing, England)

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However, by the time of our fieldwork, in the first half of 2015, considerable disillusionment appeared to be setting in amongst these early adopter associations at policy manager/frontline practitioner level. This was in part because the arguments in favour of FTTs no longer appeared convincing. In particular, the critical lack of supply in pressured markets like London meant that there was seldom anywhere appropriate to move under-occupiers onto and, as associations were unprepared to make these households homeless at the expiry of their fixed term, the scope for using FTTs to ‘make the best use of stock’ was minimal. Likewise, contrary to recent claims by government ministers (Mason, 2015), social mobility was viewed as more likely to be undermined than enhanced by income-related renewal criteria: “You’re in employment, you have to go!” (Senior housing manager, London). Equally, scepticism was expressed about the potential of FTTs to encourage better tenant conduct: “...if [you are] only there for 5 years, there’s less reason to make sure that you get on with your neighbours, improve your property” (Senior housing manager, London).

There were also strong practical arguments against the use of FTTs beginning to emerge. In particular, the costs and complexity

involved in managing FTTs were increasingly viewed as administratively burdensome and disproportionate to any feasible gain. Housing officers were reported to feel that FTTs were a ‘hassle’ not a ‘helpful tool’ in managing stock and tenants. While FTTs, when used in conjunction with affordable rent, have been posited as a means of maximising revenue for development (Chartered Institute for Housing, 2014), internal financial analysis by some of our interviewees had established that the potential for increased income from rebasing rents at the expiry of FTTs did not compensate for the additional costs of their administration.

Moreover, by early 2015, the early confusion about the relationship between the affordable rent and FTT policies had been cleared up (Chartered Institute for Housing, 2014), and associations now realised that they could be ‘de-coupled’. As a result, some landlords expressed the desire to revert entirely to open-ended tenancies before the first wave of their FTTs came up for renewal - in most cases this was at the end of 2017, at the expiry of five year tenancies let in 2012 - and in so doing avoid the need to develop detailed renewal policies and procedures (see also Fitzpatrick & Pawson (2013) above). These associations may thus abandon FTTs if the government elects in the end not to make them mandatory for housing associations.

### 3. The ‘Place Makers’

Finally, there appears to be another set of housing associations which have been antipathetic to FTTs from the start. It was suggested that these may often be smaller ‘traditional’ social landlords, possibly operating in lower demand areas, who see themselves as ‘place makers’ not ‘people shapers’, aside from managing the ‘core business’ of dealing with anti-social behaviour and rent arrears. One key informant drew attention to the structural factors that may mean that FTTs ‘play out’ differently in varying housing market contexts, particularly with regard to their potential for destabilising communities:

*“ Part of the reason that they’re conceptualising it differently may be because the experience of the area is different. So lots of places in London have got a very rapid turnover, that isn’t perceived as being a particular problem, it hasn’t produced, necessarily, massive area and management of behaviour consequences. The same is not true of some of the low demand areas in the north-west and north-east, where just a failure to maintain a kind of stable population of households has been a real problem. So if you introduce short-term tenancies in to that environment you might find that, you may not, but you could find that it exacerbated the problems that you’ve got and you’d choose a different tactic... ”*

*(PS33, Senior representative, Social housing sector, UK)*

There may also be an important ideological component to decision-making on FTTs, whereby some associations in England may share the ‘philosophical’ attachment to social housing as providing ‘a secure home for life’ that we found amongst our Scottish interviewees (see below). Certainly an early survey by Inside Housing (2013) found that Labour-led local authorities in England had largely rejected the use of FTTs. A key priority in the next stage of our fieldwork will be to investigate further the reasoning of both housing associations and local authorities in England who have elected not to use FTTs under the current optional regime.

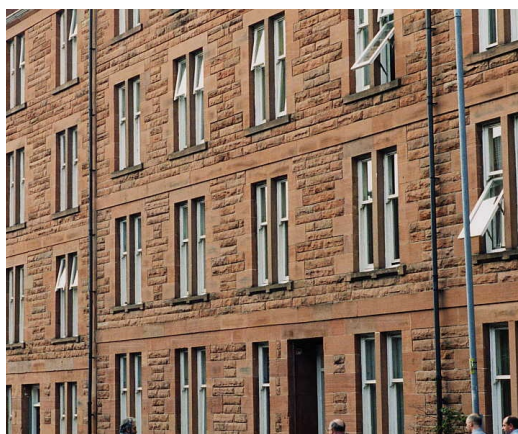
### Experiences and impacts of welfare conditionality

Almost half of the total sample of welfare service users in the wave one of the study (n=214) were social tenants, interviewed about a range of aspects of welfare conditionality that might affect their lives. Of these, 49 were on some form of non-permanent tenancy - an FTT, probationary tenancy, or short Scottish Secure Tenancy. All those with FTTs had a five year tenancy, while the



**-KEY-**

PS refers to policy stakeholder  
 FG refers to focus group  
 WSU refers to welfare service user



majority of those with a probationary tenancy had 12 month lease, though some were for 18 months. Our interim analysis is suggestive of three broad groupings with respect to tenant attitudes to the non-permanent status of their tenancy: 'The Unaware'; 'The Unconcerned'; and the 'The Anxious'. These are discussed in ascending order of size within our achieved sample.

## 1. The Unaware

A small number of tenants we interviewed whom we knew to have FTTs, or who were currently on a probationary tenancy and were shortly to move on to an FTT, appeared to be under the misapprehension that they had, or would be given, open-ended tenancies:

*“As far as I know, I’m on a year’s probation and then after that I can rent it for as long as I want to stay there.”*  
 (Lone parent with one child)

Others seemed not be able to distinguish between FTTs and open-ended ones:

*“...it’s a permanent thing. But they say, you know, if your neighbours get on with you... No complaints and everything, and they said they’ll come back and review you in another five years or something, or another year. I don’t know, something like that.”*  
 (Lone parent with three children, aged 40)

## 2. The Unconcerned

A rather larger group were aware of their non-permanent tenure status, but were unconcerned by it. A number of this group were young people, who had moved straight into their tenancy from the family home, or having previous experience only of short-term private rented sector lets, by comparison to which a five year tenancy with a housing association felt relatively secure:

*“I was quite shocked that they offered me it [the five year fixed term tenancy]... to be fair. It was nice that... I was pleased that they’d offered me it... [because] for five years I haven’t to worry again... being in private [rented] you never know what’s going to happen.”*  
 (Lone parent with four children)

Other interviewees, having come through a period of homelessness, were grateful to have their own accommodation on whatever terms it was offered:

*“...I didn’t really take that much notice to tell the truth, because it was - like I said, I was so grateful to have a roof over my head, especially after being there so long... I didn’t really think that much of it because knowing that I needed a roof over my head I just accepted, right, what was on the plate as such.”*  
 (Older ex-homeless woman)



Yet another subgroup saw their social housing, or at least their current property, as a short-term option – a “stepping stone” – often because they wanted to buy in the longer term:

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*“ To be honest, I’m not bothered at all [by being on a fixed term tenancy]. I’m not looking to stay here for five years... it’s just to save some money and get out of here. ”*

*(Couple with one child)*

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### 3. The Anxious

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However, the majority of those we interviewed on FTTs, or due to move on to them from probationary tenancies, came into the anxious category, expressing some level of concern about their sense of housing insecurity. There was a spectrum here, ranging from those who expressed some slight worry, to a more pressing concern, to those who seemed genuinely preoccupied about the ‘fixed’ nature of their tenancy.

Older people, people with health or disability issues, and families with children, tended to be the most concerned, though more pronounced anxiety was not confined to those groups:

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*“ When you’ve got this [FTT] you’re always apprehensive because you don’t know what is going to happen. You can’t really sit back and enjoy the place like - because you always feel like you’re on borrowed time, so you’re always on edge about - when you get like those who initially had the lifetime, they can relax and see it as their home. ”*

*(Lone parent with three children)*

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*“ ...my question was, ‘Can a fixed-period tenancy be changed into an open-ended tenancy?’ Because that’s what I would like. So that I’m at a par with the other tenants.... They said ...most probably it would be another six years, if there were no problems with the tenancy. ...but... I’m already a pensioner; so is my husband. Of*

*course, Mum is disabled, and she’s in the pension age as well. So if you add our years to six years, you can see at what point we are going to be when this one is coming at an end. And when one is at an advanced age, it’s psychologically, emotionally... It’s the feeling knowing that, okay, like now, we’ve already... done five months, okay? And five months, that has come off - six times twelve: 72. ...For me, I’m looking at it as having a bank balance, and you’re not able to credit anything, but you’re just minusing and in the end it comes to a zero, when you have nowhere. ”*

*(Older couple living with elderly mother)*

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A number of people who were prompted to move from a permanent tenancy to a FTT as a result of the ‘bedroom tax’ were particularly unhappy:

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*“ ...not that we actually wanted to move but we felt as though we were slightly pushed...by the bedroom tax yes... for 17 years we were secure tenants.... and suddenly we’re a five year contract... I don’t think it’s fair at all... the way that I look at it what will be will be, but my husband is living on his nerves now thinking what’s going to happen at the end of the five years? He doesn’t need the stress or the pressure. ”*

*(Older couple with serious health problems)*

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Some who had given up open-ended tenancies for FTTs for other reasons similarly conveyed a sense of having ‘lost’ something that was valuable to them:

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*“ ...this tenancy is a five year fixed tenancy, which as my other one wasn’t. So I’ve taken a big chance giving up my assured tenancy... there was nothing I could do about it, just have to hope after five years they extend it... I didn’t feel good about it... I needed to move from where I was, my children needed space, we were*

*- it's like we were suffocated in there. So I had to take the risk and I just have to hope it pays off because sometimes you have to take risks in life. ”*

*(Lone parent with six children)*

Several tenants expressed anxiety about having spent (in some cases substantial sums) on white goods, new flooring and decorating, only to be concerned about whether these investments would be wasted if they had to leave after the initial term, while others had held back on ‘making the property their own’ for the same reason:

*“ ... you invest a lot in that house already... on carpeting, the flooring, the vinyl. The lights, the curtains... So, I want to live there for like a lifetime because, you know, it's like me housing and I do everything. ”*

*(Couple with two children)*

The efficacy of increased conditionality in social housing as a behavioural change tool

While behavioural change was not the main motivation for introducing FTTs for most of the landlords we spoke to, some elements of a behaviour change agenda are clearly detectable in national policy and some landlord practice. At this relatively early stage in the implementation of FTTs, the social landlords and key informants we interviewed felt that it was simply too early to judge definitely what, if any, behavioural impact they would have. This is therefore an area of the study where the scope for longitudinal tracking of effects will be particularly valuable.

Nonetheless, our preliminary analysis suggests that FTTs are likely to elicit a wide variety of responses from tenants, ranging from no response at all amongst those who are unaware or unconcerned about the non-permanent nature of their tenancy, to those who are both aware and exceedingly anxious about this. While one would naturally expect the anxious group to most readily moderate their behaviour in light of the insecurity of their tenure, we might also speculate that

they may well be the group most likely to be ‘rule followers’ in any case and so least likely to engage in the sort of problematic behaviours that FTTs might be hoped to deal with.

The remarks of some tenants gave support to the view that non-permanent tenancies may be effective in encouraging ‘good behaviour’ on the part of certain tenants:

*“ ...it makes you behave, because you know it's like a conditional tenancy, based on - because if you're given a lifetime, that's it. Apart from you being in extreme situation, you don't have any issue with being evicted, but with this fixed term it's a fixed term based on the conditions, if you miss on rent arrears, if there's some complaints from the neighbours, and all that. So it's conditional, so you always have to be very careful. It's very difficult to really relax, because you know you've got a term coming up, and you have to stay within a borderline so that you're in term with getting a renewal, because if you go against the terms then it's a different ballgame. ”*

*(Lone parent with three children)*

Others were more sceptical, seeing people's behaviour as largely determined by factors other than the nature of their tenancy, or as one tenant put it “...it just depends on the individual” (Lone parent with six children). Another agreed:

*“ I think some people just wouldn't behave in that way anyway, so that doesn't really worry them. But maybe some people behave all right because they think they might be evicted or sanctioned. And then some people just don't care and that's why they are sanctioned or evicted. So it depends, I think, on the person. ”*

*(Lone parent with one child)*

Much may depend on the development of social landlord practice in this area: if non-renewal for

behavioural reasons becomes commonplace and well known amongst social tenants, it is conceivable that the behavioural impacts of this approach will increase. But for now, amongst our sample of tenants with non-permanent tenures at least, there seemed relatively little knowledge or understanding of the circumstances in which their tenancies would or would not be renewed. This is unsurprising given that many landlords had yet to develop detailed policies on tenancy renewal, and for most tenants the renewal point still lay some years away. However, insofar as tenants formed a view on these issues, they generally perceived that:

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***“...[so long as] you don’t have any bad arrears, or things like that, or you’re a good tenant and good neighbour then there’s nothing really you should worry about.”***  
*(Lone parent with one child)*

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But the whole point in FTTs is that they can be ended without the occurrence of the sort of breach of tenancy conditions implied in this quote. Those who understood this well were all in ‘The Anxious’ group, with under-occupation, an increase in income, and ‘not getting on with your neighbours’ (a notably vague and potentially much lower bar than anti-social behaviour) mentioned as possible grounds for ending their tenancies by those who were most ‘clued up’. One landlord involved in this study had explicitly informed tenants that at the end of their FTT that whether they had ‘positively engaged with [their] neighbours and... community’ would be taken into account. The potential implications of such criteria were recognised by a small number of tenants:

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***“...one of the reasons for them not to extent it for another five years would be like if you didn’t get on with your fellow tenants and things like that... I was kind of shocked that they feel that they needed to do that...”***  
*(Lone parent with six children)*

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Even these ‘Anxious’ tenants still largely presumed that, so long as they paid their rent and ‘behaved’, their tenancy would in all likelihood be renewed. De facto, they are probably right, given the evidence from New South Wales in Australia, which the UK approach is modelled on, which indicates that in practice almost all FTTs are renewed (see Fitzpatrick & Pawson, 2014). However, it was evident that, whatever happened in practice, the de jure loss of security of tenure for those in ‘The Anxious’ group was detrimental to their sense of security, stability and belonging and in some cases a substantial source of stress and uncertainty to tenants already struggling on low incomes, with mental health problems and/or caring responsibilities.

Such a loss of security might be considered justifiable if FTTs can be shown to be effective at achieving other legitimate aims, such as increasing the availability of social homes to those in need, tackling under-occupation, promoting social mobility, etc. However, at present, evidence on their efficacy in these other regards remains scant, as noted above. This raises important questions with regard to the ethicality of FTTs, discussed next.

## **Views on the ethicality of increased conditionality in social housing**

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As noted in our previous briefing (Fitzpatrick et al, 2014), proponents of increased conditionality in social housing focus on two key normative arguments: the welfare dependency argument, which holds that security of tenure undercuts personal responsibility, particularly with respect to job seeking (Greenhalgh & Moss, 2009; Mason, 2015); and the equity argument, central to which is the notion that social housing is a subsidised ‘welfare service’ (Paris et al., 1985), and those whose circumstances improve should be required to leave to free up this scarce resource for others in greater need (DCLG, 2010).

For ‘The Interventionist’ housing associations, who were most obviously behavioural in their orientation, the welfare dependency argument was clearly influential in shaping their thinking

and efforts to intervene in the lifestyles of their tenants. However, by their own admission, this group appear to be a small minority of housing associations in England. Moreover, as has been previously argued (Fitzpatrick & Pawson, 2013), while welfare dependency arguments may be prominent in the rhetoric of some advocates of limiting the security of tenure of social tenants, in reality the equity case appears to predominate.

This was certainly the case for the national stakeholders whom we interviewed who were supportive of social landlords having the power to issue FTTs (none were in favour of these being made mandatory by government), and the 'Utility Maximising' housing associations, attempting to make the best use of their stock within very pressured housing markets:

*"... I'm not convinced that it makes sense to say to someone, 'Because you were in pretty acute need when you were 23, you're entitled to a social-rented home for the rest of your life, and the rest of your children's lives'... private-rented tenants don't have a home for life."*

*(PS18, Senior housing key informant)*

Despite the practical concerns surrounding FTTs, as evidenced by many of the early adopter associations above, it was clear that there was a strong momentum in England to move away from 'lifetime' tenancies, even before the government's recent amendment to the Housing and Planning Bill, albeit still strongly resisted in certain quarters:

*"I think if we'd been trying to have this conversation in the 1960s and '70s people would have looked at us a bit confused and said, 'But I thought the purpose of social housing was a long-term investment in the stability of a household that they live in.' ... Now, typically, there's much more engagement with a discussion that is about, 'But is that really what social housing is for, or is it about short-term, time limited targeted intervention of people's lives, that they're then floated*

*off the minute that they don't need it?' So I think there's a competing vision out there now..."*

*(PS33, Senior representative, Social housing sector, UK)*

In Scotland, on the other hand, there was overwhelming opposition to FTTs amongst those we interviewed:

*"...it's called the Scottish secure tenancy and somehow that signals a different sense that the house is a home. And once you've been allocated that house who is to come along and say, 'You earn too much to live in that house, go away.'"*

*(PS16, Senior representative, social housing sector, Scotland)*

Amongst tenants, there were mixed views on the legitimacy on the weakening of social tenants' security of tenure. They generally felt less concern about probationary tenancies, agreeing that landlords were justified in 'testing out' new tenants:

*"if somebody's not going to look after their flat it's not fair for them to stay in a block... they ruin the whole building for everybody else. If they take drugs and all that kind of stuff it's not nice, is it? So I think a year's probation is a good thing so if someone isn't going to care for their flat, they shouldn't be there. That's how I see it."*

*(Lone parent with one child)*

Having completed a probationary term, however, many felt that tenants should be given secure of tenure:

*"...if you're like a terrible neighbour then I suppose that you could be evicted from your house because you're disturbing everybody else. But I suppose if you're not awful then I do think that you should have that sense of security, just because you're*



*a social tenant I don't think you should sort of have to - not prove yourself but like I think everybody has that sort of - I know private housing is a bit different, say if you're in your own house you've got that security and things like that. So I think as long as you're not an awful neighbour I think you should be able to assume that you should, you can keep your tenancy. ”*  
(Lone parent with one child)

It is worth emphasising that, insofar as tenants had a grasp of the potential tenancy renewal criteria, there was some sympathy for the notion that, in a context of acute pressure on the housing stock, under-occupation could be a legitimate reason for non-renewal where alternative suitable accommodation could be made available:

*“ ... I thought that was reasonable because for me to stay there, occupying a massive house and not using it, a family out there who needs a bigger property, I thought it was justified that we moved and let somebody else have it basically. ”*  
(Couple with health problems and disabled child)

However, the reaction to income-based renewal criteria being used was, in sharp contrast, almost entirely negative:

*“ I could land myself a relatively decent-paying job tomorrow. For them to then say to me, ‘Right, you’re earning, I don’t know, X, Y, Z so you’re quite capable of private renting so you’ve got to get out’, I would be distraught... it would be defeating the object of getting a higher-paying job, really... I think if they were going to start measuring people by their income, I think that’s what would happen; people would just not take more higher-paying jobs if they’re going to be forced out of their homes to have to private rent because in*

*London private renting is not cheap. ”*  
(Lone parent with one child)

This last point is clearly relevant to the current debate over the government’s Pay to Stay policy (especially in light of the low proposed income thresholds), the reaction to which we will be exploring in waves two and three of WSU interviews and in ongoing consultation with social housing stakeholders.

## Data sources

This paper draws upon data from interviews with 12 national-level key informant interviews with social housing policymakers and other senior stakeholders (England=8, Scotland=4); four focus groups with 33 social housing managers and frontline practitioners (England = 23, Scotland =10); and 49 qualitative interviews with social tenants (England = 35, Scotland = 14).

## About the study

NB. Please note this paper was prepared and published prior to the passage of the Housing and Planning Bill through Parliament during 2016. Descriptors for WSUs cited differ from other papers. Further details about the study, including first wave findings regarding the experiences of other welfare recipient groups and an overview paper, may be found at <http://www.welfareconditionality.ac.uk/publications>.

## About the authors

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