



# Housing Research Summary

## Evaluating the Use of Introductory and Starter Tenancies

### Background

Rowan Associates were commissioned by the Welsh Assembly Government to carry out an evaluation of the use of introductory and starter tenancies by local authorities and housing associations.

The main aim of the research was to examine the extent to which, and how, introductory/starter tenancies are being used by Welsh local authorities and housing associations. The research also aimed to develop good practice guidance suitable for issue by the Welsh Assembly Government to Welsh social landlords.

Specifically the research set out to:

- assess the effects of introductory/starter tenancies on the way that landlords provide the housing management service
- assess their effect on the behaviour of tenants and the wider community
- highlight good practice to advise on the further development, implementation and management of introductory/starter tenancy schemes

The research did not cover the use by housing associations of assured shorthold tenancies as an alternative to excluding individual applicants from rehousing. However, it did cover the use, by a small number of housing associations, of assured shorthold tenancies as 'starter tenancies' targeted on certain geographical areas or for certain client groups.

The research involved:

- a literature review and sourcing of examples of positive practice from validated sources of good practice

- a telephone survey to identify which local authorities and housing associations were using introductory/starter tenancies
- interviews with four landlords not using introductory/starter tenancies
- eight case studies in landlord organisations using introductory/starter tenancies
- two mini case studies of housing associations using assured shorthold tenancies as starter tenancies in a targeted way
- discussions with eight national organisations

#### Note on terminology

The term introductory tenancy is used to indicate an introductory tenancy regime operated by a local authority.

The term starter tenancy is used to denote the use by housing associations of assured shorthold tenancies as introductory tenancy regimes.

Where assured shorthold tenancies are used as starter tenancies in a targeted way rather than for all new tenants, these tenancies are referred to as assured shortholds.

In addition:

- the term housing association is used rather than registered social landlord
- the term social landlord is used as a collective term for local authorities and housing associations

#### Main findings

The main findings of the research were that:

- As at August 2003, 14 local authorities and 18 housing associations were using introductory/starter tenancies and another five social landlords had taken a decision to use them
- The majority of possession orders against, and evictions of, introductory/starter tenants by all Welsh social landlords and the eight case study landlords were for rent arrears
- The majority of tenants were in favour of using introductory/starter tenancies for all new tenants. All the case study landlords wanted to continue using introductory/starter tenancies in the future. In contrast to the views of tenants and case study landlords, some national organisations were opposed to the use of introductory/starter tenancies in principle and questioned their effectiveness
- Some landlords were not using introductory/starter tenancies because they considered that they were not necessary due to the rural nature of the area, low level of anti-social behaviour and/or the design and size of estates
- Landlords consulted with tenants and staff when considering introducing introductory/starter tenancies. They did not generally consult with non-landlord/advice organisations
- The majority of tenants said that introductory/starter tenancies had had an effect on how they acted in their home, and that they were more anxious

not to cause a nuisance to neighbours. Some tenants said that this had had a lasting effect on their behaviour after the end of the introductory/starter period. This contrasted with the perceptions of the majority of staff, who felt that introductory/starter tenancies did not have an overall impact on the behaviour of most tenants

- Most staff felt that introductory/starter tenancies were effective as one of many tools available to prevent and tackle anti-social behaviour
- There was evidence that introductory/starter tenancies can be used successfully as part of an overall strategy to improve problem estates
- The majority of tenants had a good understanding of what an introductory/starter tenancy was and of their rights and responsibilities. However, tenants in a quarter of the case studies did not know that they held an introductory/starter tenancy until they were told in the focus groups. The research found no evidence to suggest that introductory/starter tenants were at risk of losing their tenancy due to unfair complaints by other tenants
- The majority of tenants received no information from their landlord during the introductory period on how the tenancy was progressing. Most said that they would have welcomed feedback during the introductory/starter period. This was supported by the finding that the majority of landlords taking part in the research did not monitor tenancies during the introductory/starter period
- The majority of tenants were not sure about what would happen at the end of their tenancy. They did not know about the procedures for deciding whether the tenancy would be made permanent or terminated. The majority of tenants said that they would have liked a letter of confirmation that their tenancy had been made permanent. However, the majority of landlords did not have procedures for informing tenants that they had successfully completed the introductory/starter period. In cases where tenancies were not to be made permanent, review procedures were in place, were used by tenants and resulted in decisions to end tenancies being changed
- The way in which introductory/starter tenancies were being used by the case study landlords varied. Not all tenancy agreements used by the case study landlords clearly set out the date on which the tenancy will become secure/assured. In most of the case study organisations, complaints about anti-social behaviour of introductory/starter tenants were dealt with in the same way as those against secure/assured tenants. There were significant differences amongst the eight case study landlords in the use of introductory/starter tenancies for rent arrears. All four local authorities used them for rent arrears compared to only one housing association
- The case study landlords had different processes for deciding how to make introductory/starter tenancies permanent. Three of the eight landlords, all housing associations, would not end an introductory/starter tenancy for rent arrears. Three case study landlords

marked the tenancy becoming permanent, one did so inconsistently and four did not

- Case study landlords considered that there was room for improvement in the way that the outcomes and impact of introductory/starter tenancies are monitored. From the information available, it is clear that significant numbers of tenants with introductory/starter tenancies and assured shorthold tenancies used as starter tenancies are not progressing to permanent tenancies for a variety of reasons. National organisations considered that robust monitoring is vital

## Recommendations

### Recommendations for the Welsh Assembly Government

The Assembly Government should:

- clearly set out its expectations on the use of introductory/starter tenancies, including guidance on whether/when it is appropriate to use them as a tool to tackle rent arrears. The majority of tenants involved in the research considered that it is not appropriate to use introductory/starter tenancies for rent arrears
- produce and disseminate a good practice note to clarify how, and in what circumstances, introductory/starter tenancies should be used
- ensure that inspection and regulatory activity examines the use of introductory/starter tenancies and consider appropriate action if organisations do not use them in the

way set out by the Assembly Government

- include the requirement to provide clear information about the sort of tenancy that applicants will get from a housing association, in the information the Assembly Government is considering producing for housing association applicants
- ensure that the **Tenants' Guarantee for Housing Association Residents** sets out guidelines which address the issue of provision of information to starter tenants at the beginning and during the tenancy, as well as at the point that the tenancy is made permanent or ended
- extend the requirement to provide information to housing association applicants, to local authorities

### Recommendations for social landlords

Social landlords should:

- consult with tenants and other stakeholders to consider whether there would be benefits from using introductory/starter tenancies for all new tenants. Stakeholders consulted should include staff, other landlords in the locality, local advice agencies and support providers
- once a decision has been taken to use introductory/starter tenancies, identify the resource implications, e.g. staffing, monitoring, etc., and build any costs into the budget
- where a decision is, or has been, taken not to use introductory/starter tenancies, review this regularly in

consultation with tenants and stakeholders

- use introductory/starter tenancies for all new tenants, if they are used at all, to ensure equality of treatment in accordance with the law and **Regulatory Requirements.** This does not refer to the use of assured shorthold tenancies as an alternative to excluding individual tenants
- draw up housing management procedures to ensure that introductory/starter tenancies are used as part of an overall strategy to combat anti-social behaviour. These should include visits to all new tenants and an immediate and strong response to any problems during the introductory/starter period
- ensure that clear information and reassurance is given to tenants at the lettings stage, about the reasons and procedures for making/not making a tenancy permanent
- ensure that letting procedures include providing clear information to all new tenants explaining their rights, under the tenancy agreement, to receive the same service from their landlord as permanent tenants. Information should include an explanation of the organisation's policies on responding to any complaints made about an introductory/starter tenant
- provide clear information to all introductory/starter tenants, both at the start of the tenancy and on a subsequent visit during the introductory/starter period, about:

- the rights and responsibilities of an introductory/starter tenant
- the reasons for having an introductory/starter tenancy
- the reasons for not making introductory/starter tenancies permanent
- what happens at the end of the introductory/starter period including procedures for deciding whether the tenancy will be made permanent or terminated
- the tenant's rights to review and independent advice if a tenancy is not made permanent
- ensure that the agreements used for introductory/starter tenancies clearly state on what date the tenancy will become permanent, unless any action is taken to end the tenancy
- include information about introductory/starter tenancies in tenant newsletters and other regular forms of communication with tenants on:
  - the numbers of introductory/starter tenancies issued
  - the overall outcomes for introductory/starter tenancies issued during the period
  - in cases where introductory/starter tenancies were not made permanent, a breakdown of the reasons for this
- through regular monitoring during the introductory/starter period, identify any support needs of tenants. Landlords should ensure that these are met adequately, to enable introductory/starter tenants to resolve problems and sustain their tenancies

- ensure that effective procedures and adequate staff resources are put in place to regularly monitor the tenancy during the introductory/starter period. Landlords should feed back to tenants on problems and/or progress, and support tenants who are experiencing problems, to enable them to sustain their tenancy
- ensure that at the end of the introductory/starter period, each tenant whose tenancy is to be converted to a permanent one receives a letter of confirmation which also states the date on which this will happen
- ensure that relevant advice is provided to introductory/starter tenants who hand in their notice or against whom possession is being considered, including the provision of contact details for sources of independent advice
- ensure that effective links are in place with local advice agencies to enable tenants experiencing problems with their tenancy to be provided with independent advice
- ensure that effective links are in place with local support providers to enable tenants experiencing problems with their tenancy to access floating support or supported housing accommodation, as appropriate to their needs
- monitor the outcome of all introductory/starter tenancies
- ensure that monitoring includes gathering feedback from both existing introductory/starter tenants and those whose tenancies have been made permanent. This feedback should focus on whether having an introductory/starter tenancy affects how they live in their homes
- provide induction and refresher training for staff on the use of introductory/starter tenancies, including how to use them correctly
- explore possibilities of building links with the courts to ensure that the correct procedures are followed in relation to introductory/starter tenancies, e.g. through court user groups

### **Recommendations for other organisations**

- all advice agencies and support providers should ensure that training for advisers and support staff includes information on introductory/starter tenancies, their implications and what advice tenants may need.





The report [Evaluating the Use of Introductory and Starter Tenancies](#) and further copies of this summary can be obtained from:

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