



NEW PERSPECTIVES ON HOUSING

April 2019



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ABOUT US

The Young Foundation's mission is to develop better connected and more sustainable communities across the UK. As a UKRI accredited Independent Research Organisation, social investor and community development practitioner, we combine all our skills and expertise, to further that mission.

We amplify the stories and lived experiences of people in our communities; using this as a spur to drive locally-led community action and enterprise. And we use what we learn across different communities to spot national patterns of need and opportunity; working with national partners to support new ideas to tackle those shared, national challenges.

Bringing together our own – and other people's – work, we are building a shared body of evidence, tools and insight about how communities are taking action on the issues that affect them.

We have created and supported over 80 organisations including: Which?, The Open University, Language Line, Social Innovation Exchange, School for Social Entrepreneurs, Uprising and Action for Happiness.

Find out more at youngfoundation.org

ABOUT REIMAGINING RENT

The Young Foundation believes innovation can play an increasingly significant role in making the private rented sector work better.

Inspired by initiatives like Dot Dot Dot and Homes for Good, in 2017 we launched Reimagining Rent, a unique accelerator programme supporting innovative initiatives tackling many of the challenges presented by the Private Rented Sector.

The programme offers a 6 month course of free workshops, consultancy and access to experts, enabling participants to strengthen their model, demonstrate social impact and explore opportunities to scale. At the same time we continue to build alliances across the housing sector to increase attention on innovation and attract investment so that more people can have access to secure and affordable homes.

Since 2017, we've supported a diverse group of 13 ventures through Reimagining Rent and we're pleased to announce that applications are now being accepted to join our third cohort.

Apply here: youngfoundation.org/projects/reimaginingrent/


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BY HELEN GOULDEN

INTRODUCTION



The private rental sector has doubled since 2002, and by 2021 some research suggests that a quarter of households will be renting their home. Five million households currently privately rent and a quarter of those are families. There's increasing awareness and evidence that a secure place to call home is a key determinant in a child's well-being, health and education.

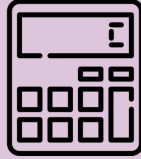
In 2017, Young Foundation research highlighted many issues facing low income or vulnerable renters. Affordability, insecurity of tenure, the experiences of families in the rental sector, empty homes, the practices of intermediaries and some landlords, are all increasingly coming under scrutiny and regularly make the headlines.

Over the last eighteen months, The Young Foundation has been working with The Nationwide Foundation to support new ideas and ventures to tackle some of these challenges; and a collection of those are highlighted in this short report. What becomes increasingly clear, is that this is a system in which there is a continued need for innovation which supports change across the system. No one policy, regulation or initiative or enterprise will shift some of the entrenched challenges facing housing in this country. It requires new ideas and ventures, innovative ways to implement regulation, new intermediaries, policies and commitment to socially responsible renting by landlords of all kinds.

New Perspectives represents one, initial way of bringing 'the system' together in one room. Property developers, landlords, young people, tenants, central and local government, charities, housing associations, key thought leaders and social innovators, all engaged in one conversation – how to improve the security, supply, quality and affordability of homes for everyone; a home as a right – regardless of who you are, or what region of the country.

This report sets out five housing challenges that we're putting under the microscope as part of the New Perspectives project, to be explored in London on 24th April 2019. Through bringing together and exchanging very different perspectives on the nature of some of our challenges within the private rental sector, we expect new forms of innovation to emerge; innovation which is systemic in nature; that encourages different actors to work together, in concert, using the different levers and resources at their disposal to effect positive change together.

Helen Goulden
Chief Executive, The Young Foundation



AFFORD ABILITY

BY JOSH RYAN COLLINS

**HEAD OF RESEARCH
INSTITUTE FOR INNOVATION AND PUBLIC PURPOSE**

Shoreditch's Boundary Estate is arguably the world's first social housing estate. Built in 1900 it replaced the old Nichol slum, as a model of how the lives of the poor could be transformed by healthy accommodation and amenities. Today around 1/3 of the homes are owned privately, with a two bedroom flat costing in the region of £700,000. Using a conventional ratio that banks will lend a maximum three times the value of your income, not even the UK Prime Minister's salary would secure enough for such a flat.

Rising house prices are a particular challenge for young people and are driving up intergenerational inequality. Recent research from the Institute of Fiscal Studies and Resolution Foundation found that:

- In 1996 two-thirds of 25–35 year-olds on middle incomes owned a home; but by 2016, this had fallen to just a quarter.
- The 'Bank of Mum and Dad' is now equivalent to being the ninth biggest mortgage lender, supporting more than 25% of UK property purchases.
- The millennial generation—aged 18–36—typically spend over a third of their post-tax income on rent compared with 5–10% of income spent by their grandparents in the 1960s and 70s.

So how did we get here? The explanation you will most likely hear in the media and many politicians is that we are not building enough homes. The culprits are usually the planning system, the construction sector or excessive immigration. While these are certainly relevant factors in many countries, they are not so useful in explaining the housing affordability crisis of the last few decades in the U.K. Planning systems did not suddenly become more restrictive at the turn of the century or construction firms more monopolistic, and house prices have been rising even in cities with stable populations.

My work at IIPP, and the New Economics Foundation has led me to believe that to satisfactorily understand today's housing crisis, we must go beyond just looking at the supply of housing and examine demand, in particular the demand for housing as a financial asset and land as a form of collateral. And looking at the demand for housing and the land underneath it leads us to consider much bigger questions about the social and economic structure of our economy.

Finance

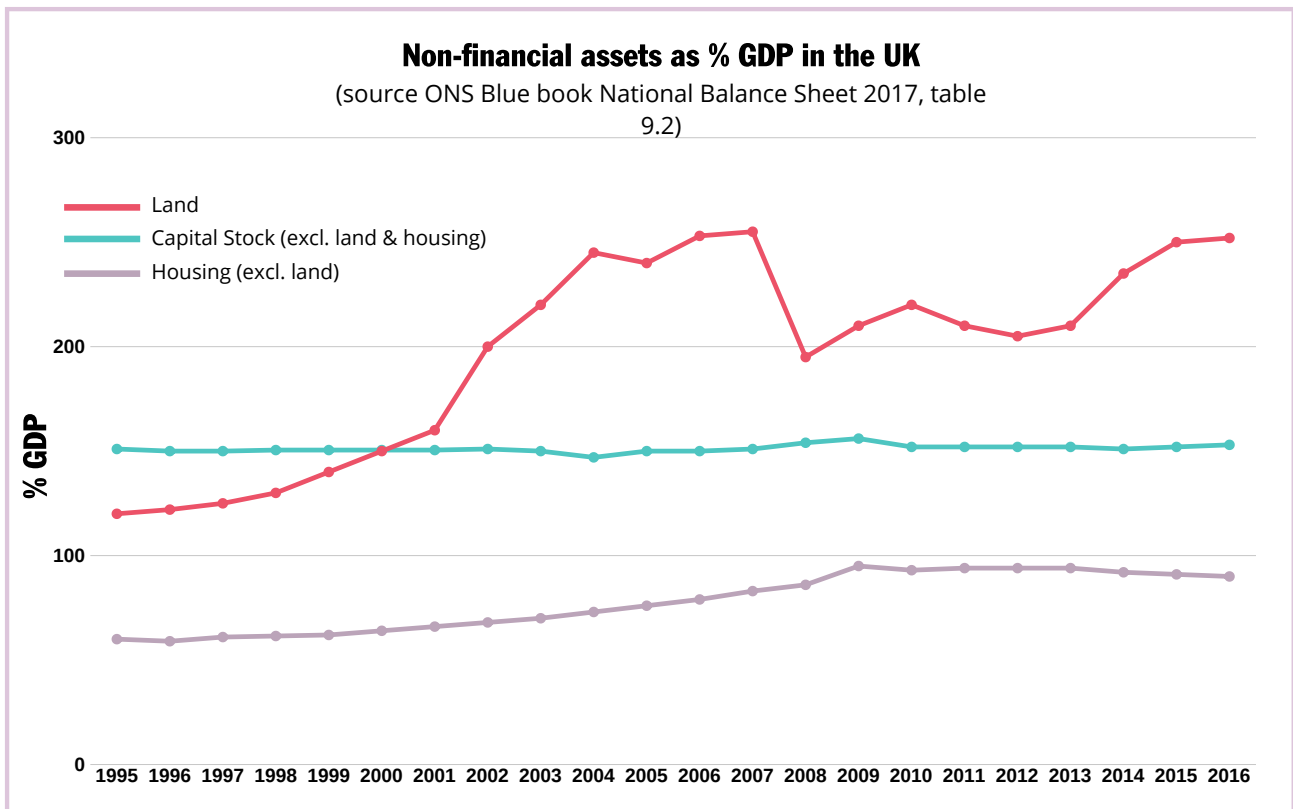
In standard economic theory, an increase in the supply of goods should eventually lead to a fall in prices. An 'equilibrium' price will be reached at the point when the quantity of goods supplied exactly matches the demand for them. But with bank credit and land, we have two phenomena that are quite unlike standard commodities. Bank credit is highly elastic and essentially infinite. Land in contrast is inherently inelastic due to its scarcity.

This scarcity of land initiated a positive feedback cycle where accessible mortgage debt led to an increase in house prices, which in turn sparked more mortgage debt being issued, further inflating prices as citizens started seeing housing as a financial investment, not just a place to live.

At the same time, housing is a highly attractive form of collateral for banks. If a loan defaults, the bank can reclaim the property and property is virtually impossible to hide. Securitisation – a key financial innovation the 1990s – enabled banks to package up mortgage credit portfolios and sell on these assets to other financial actors, such as pensions funds and insurance companies. As a result, finance has become addicted to property just as our citizens have come to expect to own a home.

Land

Since 1995 the value of land has increased by two and a half times to 250% of our GDP (£5 trillion in market prices), while housing (the buildings on top of land) has only increased gently from about 60% to 90% and capital stock has flat-lined at 150% of GDP (see chart 1). In other words, the biggest increases in wealth in the UK are flowing in to something that itself is inherently scarce, unreplicable, unproductive and regressively distributed: land. This is an inherently unsustainable economic model and should raise serious questions for policy makers across government.



A key cause of this is a speculative development model whereby land is traded based on the maximum imagined possible future sale price (such as building exclusively luxury flats). This causes developers to take on considerable risk when they purchase the land, whilst also negotiating with public bodies who try and use the planning system to maximise 'public value', such as by requiring the provision of affordable housing and decent infrastructure.

This arrangement also encourages land hoarding and 'strategic land banking' whereby developers or investors buy up land with a view to future capital gains appreciation with little interest in actually bringing it in to use.

Possible solutions

With 'residential capitalism' no longer a long-term sustainable path for our economy, deep systemic reforms will be required to break free of the housing-finance feedback cycle. But we are not starting from scratch. A number of economically successful advanced economies such as Germany, Austria and Switzerland have kept house prices at more manageable levels relative to incomes. Key to this has been maintaining tighter control over mortgage credit creation. Countries with more flexible mortgage markets, high levels of securitisation, variable interest rates and high levels of equity withdrawal tend to have high and more volatile house prices. The more liberalised the financial system, the stronger the feedback between house prices, consumption and the wider economy.

Perhaps we should also abandon our dream of a 'home-owning democracy' in favour of more balanced tenure mixes. The Western European countries mentioned above have not experienced the rapid house price increases of the UK, but all have home ownership levels at or below 50% and enjoy generous provision of rental and social housing. The UK could follow suit by properly funding the private renting, public and cooperative housing systems, but our political leaders must be brave enough to stand up to vested interests by making the case for housing to be primarily a source of shelter, not a financial asset.

I believe there are two very important next steps, both of which are ripe for collaborative shaping and innovation from all parties involved in housing. The first is in finding a way of de-linking our financial system and wider economy from where we live without causing financial havoc, and the second is establishing a new national narrative focused on secure, affordable housing for all citizens as a right, as opposed to housing being used as a means to securing financial wealth.

Finally it's worth noting that although these may seem like overwhelming macro-economic issues with unattainable solutions, small scale innovation and collaboration is a crucial place to start, and can be embarked upon now by the diverse group of New Perspectives attendees.

A PLACE TO CALL HOME

Young people are among those facing the most acute challenges in finding affordable housing. The story of Alex, is one of a young man who lives and works in London. Like many others he has been forced into homelessness because he cannot meet the costs needed to move into a privately rented flat. Across the UK there are some exciting ventures attempting to find creative ways to address this problem. Fat Macy's and Sharing Solutions are projects taking different routes - and tackling different barriers - to help the private rented sector become a more affordable and accessible option for low-income young people.



WORKING PART-TIME, YET UNABLE TO AFFORD A HOME - ALEX'S STORY

Alex (34) started living at a hostel in North London around one year ago. He had previously been renting a flat with his girlfriend but when they broke up he had to move out. His options were limited. Alex's view is that while families and 'vulnerable' people still have the opportunity to claim social housing, as an able-bodied single man that route is unavailable to him, so private rental is his only option. However, he couldn't afford a deposit for a new place, which would have been around £2000 or equivalent to one or two month's rent plus agency fees. Despite being in employment he only earned £1000-£1600 per month from his job as a bar man and he didn't have any savings as he had been in and out of work. He says he would have been looking at monthly rent of around £800-£900 per month for a studio flat, with bills on top, which would have equated to over half of his monthly income. As a short-term solution he moved back in with his mum, albeit both of them felt this was only a short-term solution as their relationship was already strained. Alex had previously experienced street-homelessness and wanted to avoid falling into this situation again.

Unable to afford to rent privately or to access social housing, and having exhausted his mum's hospitality, he decided to move into the hostel as a stop-gap until he could pay the deposit for his own place. However, this plan proved more challenging than he anticipated. As he is currently working part-time for 27 hours per week, which exceeds the 16 hour work limit for housing benefit eligibility, two-thirds of his monthly income goes to pay rent at the hostel. This is making it very hard for him to save for a deposit.

"It is very difficult for people on low incomes or benefits to access housing in London. I don't want to fall into the cycle of homelessness again."

While Alex prefers the hostel to being homeless, he wants to move on. He feels stigmatised having to live in temporary accommodation, and as such he doesn't disclose where he lives to his family, friends or professional network, which makes him more socially isolated.

To pursue his career goal of becoming a professional counsellor, Alex needs stability and a productive place to live, which he doesn't feel the hostel can offer him. As such, he hopes to be able to move out in May.

"I am accepting of living in temporary accommodation. It isn't forever. I am working part-time and studying counselling part time. But I need stability and this hostel is not always a stable, creative or productive place to be."

Alex explains that Fat Macy's, a catering social enterprise based at the hostel he lives in, is supporting him to access private rental accommodation. He was trained by Fat Macy's and works voluntarily for them as a chef and waiter. Rather than paying him directly, Fat Macy's save the money they would have paid him into a fund of up to £2000. Once he's completed 200 hours with them, Fat Macy's will pay it directly as a rental deposit when he needs it. This arrangement means that Alex can effectively save for a deposit without having his hostel rent increased as he is not technically earning from the volunteering he is doing for Fat Macy's. For other people, this arrangement means they can avoid having their housing benefit reduced and are therefore better able to save for a deposit. He appreciates the opportunity to work with Fat Macy's, including participating in the boot camp they organise with daily cooking, learning about health and safety, and confidence training amongst other activities. However, he mentions that in general, and at the hostel, there is a lack of opportunities for people to get back into the private rental sector, with some people having been 'trapped' in the hostel for several years or more with no route out.

FINDING WAYS OF MAKING SHARED HOUSING AN AFFORDABLE OPTION FOR PEOPLE ON LOW INCOMES – THE WORK OF SHARING SOLUTIONS

Increasingly the only way many young professionals can afford to live in the South East is by sharing a home. However, many vulnerable groups, especially those in receipt of housing benefit are excluded from this option. As people under 35 without children are not prioritised in waiting lists for social housing, their only option is to rent in the private rented sector. As Housing Benefit rates are uncoupled from median rents and were frozen in 2016, there is an ever increasing gap between rent levels and housing benefit received; in many areas of London no more than 5% of private rented homes are affordable to this group.

This issue, combined with many landlords being nervous about accepting people in receipt of housing benefit, has led to many single people under 35- many of whom are working – living in temporary accommodation or relying on others, as we saw with Alex's story.

Since 2015 Crisis and Lewisham Council have been partnering on Sharing Solutions, a project which aims to tackle the aforementioned issues. Targeting the build-to-rent market, Sharing Solution's goal is to make shared housing accessible to young people on housing benefit, by allowing them to pool their housing benefit to rent a built-to-rent home, offering an alternative to relocating out on London or potentially having to rely on criminal landlords.

The project builds on previous work by Crisis which, from 2013-2015 ran eight pilot projects across England to test different models of shared housing in the PRS¹, which led to this specific model for sharing housing to be developed.

Sharing Solutions play the intermediary role which pools tenants' rental payments and provides additional support and encouragement to both renters and landlords, supporting both the supply and demand of shared housing. In terms of demand, tenancy training workshops are given to potential tenants where they learn independent living skills and can meet and match with people to form a group who are happy to share together. On the supply side, Sharing Solutions works with landlords and developers to clarify the security they have through the Sharing Solutions programme, as many have a misconception of the risks of letting property to groups of low income individuals.

While Sharing Solutions is still in pilot stage, it is hoped that the programme will result in: tenants gaining skills needed for independent living and tenancy maintenance and increased confidence; tenants' having the 'safety net' of their rent being fully supported by housing benefit; benefits for landlords as tenants have been supported and trained and therefore more likely to pay rent, look after their properties and maintain a good relationship with their landlord.

This model could potentially work in around half of London boroughs where pooled rental income at housing benefit levels is sufficient to cover the costs of a shared build-to-rent accommodation, and many other local authorities around the UK.

¹ <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/services-and-interventions/evaluation-of-the-sharing-solutions-programme-2015/>



INSECURITY OF TENURE

BY LINDA LESLIE

**HEAD OF PRIVATE RENTED SECTOR POLICY
THE SCOTTISH GOVERNMENT**

Eviction from a private rental tenancy remains the single biggest cause of homelessness in England. Shelter reported that 18,750 households became homeless after an eviction from a private rented tenancy in 2016, with evictions from private rented tenancies accounting for 78% of the rise in homelessness since 2011.²

This might come as less of a surprise when we understand that the Private Rented Sector (PRS) has more than doubled to 4.7 Million households in 2017, up from only 2 million in 1997. Much of this increase can be attributed to the shrinking social housing sector, with many people in receipt of housing benefit now relying on the PRS as their only option.

There is still the perception that the PRS is mainly used by those seeking greater flexibility over home ownership or social housing, but in reality more and more people are resigned to it being their medium to long term housing option. They are often trapped in insecure tenancies which last on average 20 months, compared to 11 years in Germany.

The effect of this insecurity is widespread, causing children to move schools, frequent moving costs, poor community cohesion and loneliness, with the most vulnerable in our society often the worst affected. If the PRS is to continue to house over 1/5 of the population, the regulation and services associated with it must reflect the need for safe, secure, long term accommodation.

The introduction of the fixed term Assured Shorthold Tenancy (AST) in 1988, with its section 21 clause (which allows a tenancy to be ended through no fault of the tenant) has played a significant role in the instability of PRS tenancies in England. However, as explored here, there are also other factors at play.

The Scottish Government's Approach

I thought it would be helpful for New Perspectives attendees to hear about the journey the Scottish Government has made in tackling security of tenure issues. , Especially the process of designing a solution that aims to work for all parties involved, and the role other organisations and actors outside of government played in the process.

Successive Scottish administrations have tried to tackle PRS issues by introducing mandatory landlord registration, a repairing standard for rented properties and registration and regulation of letting agents. Realising that just regulating the standard of housing and its management wasn't going to fix security of tenure problems, the Scottish Government committed to a Tenancy Review as part of its 2013 PRS strategy. This was carried out by an independent body with stakeholders representing the whole system, including interests of landlords, tenants, advice bodies, developers, academics and lawyers.

This Review Group concluded:

“The real problem is that so few people fully understand the contractual terms they may or may not have signed up to, and that fact alone surely makes the linchpin of private renting a somewhat peculiar instrument on which to base a business”.

The Group recommended developing a modernised tenancy that would clearly set out tenants' rights and security of tenure under law, and landlords' responsibilities and rights to repossession of their property.

What did we learn from the Tenancy Review?

Much like in England, the vast majority of landlords in Scotland are individuals or couples investing for capital growth. They relied on the initial fixed term of the tenancy to operate a viable business. They were broadly happy with the existing tenancy terms but had concerns over regaining possession where problems arose. Tenants had split views. Many were happy with the flexibility their current tenancy gave them, particularly if they needed to make a work-related move or to buy property. Long term tenants had serious concerns over property condition and repairs, along with the lack of security of tenure for those with few options. All tenants felt they were not in a position to challenge landlords over poor conditions or breaches of legislation.

² https://england.shelter.org.uk/media/press_releases/articles/eviction_from_a_private_tenancy_accounts_for_78_of_the_rise_in_homelessness_since_2011



What did this mean for developing policy and legislation?

We introduced the new Private Residential Tenancy (PRT), which improved security, stability and predictability for tenants and introduced safeguards for landlords, lenders and investors. We also reformed the system for redress, introducing a free specialist housing tribunal (Housing & Property Chamber), and put in place a widespread education campaign in partnership with other organisations.

The PRT has the following characteristics:

- Completely open-ended. Compared to the fixed term (often 6 months) Assured Shorthold Tenancy in England, it can only be ended by the tenant giving 28 days' notice or the landlord using one of 18 modernised grounds for eviction.
- Rents can only increase once in 12 months (compared to 6 months in England), with 3 months' notice and tenants can refer unfair increases to the Rent Officer for adjudication.
- Landlords must give a tenant, who has lived in a property for more than 6 months, 84 days' notice of eviction, (unless the ground being used is a breach of the tenancy) compared to 28 days in England. Under 6 months, the notice period is still 28 days.
- A free Digital Model Tenancy Agreement supported by "easy read notes" was made available

The third party education campaign included:

- Shelter Scotland's New House Rules website, which set out the new tenancy rights, provides , interactive help through the 'bot Ailsa, together with free online training for housing advisers, landlords and letting agents.
- YoungScot's New Digs information campaign for 16-25 year olds.
- The Scottish Association of Landlords educational events and "how to" videos.

What have we learned from designing a solution that caters to different perspectives?

It takes a long time, a lot of effort and a willingness from all sides to engage constructively but it is possible for the final outcome to reflect elements from all parties, with no "side" having "won".

Acknowledging the huge changes to everyone involved and catering to them is incredibly important. For us, putting in place tools like the Digital Model Tenancy Agreement, free on-line training and the specialist Tribunal service have played a major part in getting buy-in from landlords.

It was evident to us that government intervention alone wouldn't be enough to provide the change we needed. Various other third sector and private sector organisations made huge contributions, especially during the education process.

How can innovation play a role?

Whilst overhaul of the Assured Shorthold Tenancy and the court system would help both landlords and tenants, it will take considerable time. There is room for improving security of tenure now, by putting in place simple and straightforward measures to ensure both tenants and landlords understand each other's needs, have open, honest communication and fully understand what's expected of each them during the tenancy. Producing a standardised tenancy agreement with plain language notes, providing online information and training can all be done without the need for legislation.

Equally important is to build on the learning from existing projects. There has been great recorded small scale success³ providing tenancy support services for those who fall behind on rent payments or are vulnerable, allowing conversations with landlords to be opened up again and enabling the tenancy to be sustained. Both of these areas have great potential for further innovation which could allow these services to be provided at the scale required.

³ Examples include: Kineara, Your Own Place, and Settle

SAFE AND SOUND?

As highlighted in the introduction to this report, insecurity of tenure can have significant ramifications for the wellbeing of renters and, in the case of families, their children too. Susy's story highlights the experience of a working family who have experienced multiple insecure tenancies, and the impact this has had on the family. However, as with the affordability challenge, young people are also particularly likely to be living in a situation of precarity and uncertainty. Your Own Place is a venture working with more vulnerable people, often young people, to help them manage and maintain secure tenancies.

THREE TENANCIES IN LESS THAN THREE YEARS: DISRUPTIONS TO FAMILY LIFE: SUSY'S STORY

Susy is 35 and lives with her husband, his two children from a previous relationship and their child. Together the five of them rent a four bedroom house in Staines, Surrey. They previously owned a flat in Ashford but sold it when they moved to the area, thinking that after an initial trial to see if they liked it there, they could buy a property. However, despite both of them working what they describe as "well paid" jobs, they cannot afford to buy a suitable property in the area.

Over the last few years of renting, Susy has found herself and her family exposed to insecure rental tenures. They like their current home as it is in good condition and they would like to stay there. However, past experience has taught her not to get too settled. Since moving to Staines two and a half years ago, this is the third home they have rented; the previous two tenancies were short lived and the homes were in poor condition with the landlords unwilling to make improvements. The situation became dramatic when they were forced to leave the first house they lived in:

"Eventually, the landlord evicted us shortly before Christmas, which was a problem. At least he gave us the deposit back."

This was not the case for their second house, which they left because the landlord was selling the house, and where the family had to fight to get at least part of their deposit back.

During this tenancy, smoke detectors became a legal requirement and the landlord eventually did the necessary rewiring.

The family had to move out for one week and when they came back, the walls had been plastered but not repainted. Susy felt especially disappointed when the landlord was offended that she asked him to finish the painting work. When the family left the house, the landlord withheld £300 of their deposit, which they felt was unjustified.

Susy says that the insecurity of their tenancies is deeply unsettling for her family:

"It's the time and stress of moving. It's exhausting. Every time you have to take off time of work and you never know what the landlords' plans are. It is just frustrating how the landlords have all the power."

As well as impacting on her family's wellbeing and sense of security, each move has incurred additional costs in estate agent fees and lost deposits, all of which undermine their capacity to save for a mortgage deposit.

Susy would like to see tenants' rights strengthened and clearer control of landlords' practices. She also believes that there should be a policy restricting rent rises. She says that especially as a family, you are helplessly exposed to the landlords' exploitation of your situation:

"As a tenant, you can't do much if the landlord raises the rent. They know that especially when you have a family, you try to stay because it's not easy to move. At the moment, landlords can name the price and because there is so much demand, you can't do anything against it."

SUPPORTING PEOPLE TO SUSTAIN TENANCIES – THE WORK OF YOUR OWN PLACE

Five years ago, Rebecca White set up Your Own Place, a small social enterprise that supports individuals to acquire the necessary skills to find and sustain rental tenancies. The aim of Your Own Place is the prevention of homelessness and they achieve this by empowering those who are in danger of losing their home. Whilst most of the participants are young people, Your Own Place supports individuals of all ages through a training and mentoring programme which provides navigable pathways to secure housing and employment.

Rebecca says that one of the main challenges young people face when trying to secure their tenancy, is a lack of skills and employment. This particularly applies to young care leavers, who are likely to have had little exposure to tenancy or household management skills. The proportion of care leavers who have experienced homelessness is striking: 25% have sofa surfed and 14% have slept rough⁴. In the social housing sector, many care leavers, and young people more broadly, are evicted within the first 12 months of their tenancy and then treated as deliberately homeless and unable to re-apply for social housing for five years.

As Rebecca explains:

“In Norwich, 20% of 18-year-olds lose their tenancy within one year. They've never had one before and they don't have the skills or employment or income. We work with a lot of people leaving care - if you've been institutionalised - for many it's an absolute revelation that they have to pay for water and council tax.”

Your Own Place gives these young tenants a voice and supports them to secure and maintain a tenancy. They do so by matching individuals with mentors, training them in tenancy and independent living skills and providing them with employment support. Their courses are interactive and focus on the practical aspects of tenure, such as finances, tenant rights and responsibilities, and digital skills. The organisation's approach in all of their activities is to treat participants as equals and makes use of peer learning approaches.

“The best groups are the mixed groups with different ages where peer learning can take place. We see ourselves as facilitators and they are the experts in the room – recently there were some lovely 17 to 70 year olds in a course. They were moving into properties around the corner from each other and immediately built relationships. Nothing is more powerful than a 45 year old who had been homeless and a younger person supporting him with his digital skills - intergenerational peer learning can work brilliantly.”

And their courses have an impact: 65% have increased their knowledge of how to be a good tenant after taking part in the course and 74% show an increased understanding of managing bills.⁵

⁴ <https://centrepoinpoint.org.uk/about-us/blog/from-care-to-where/>

⁵ <http://www.yourownplace.org.uk/wp-content/uploads/2018/10/2017-2018-Impact-Report.pdf>



FAMILIES WITH DEPENDENT CHILDREN IN THE PRS

BY KATHY EVANS

**CHIEF EXECUTIVE
CHILDREN ENGLAND**

Since 2001 the percentage of UK households with dependent children has stayed consistent at 29%. In the private rented sector however, the number of households with dependent children has grown by more than a third, from 24% to 34%.⁶ With reform of the private rented sector firmly on the political agenda, it seems paramount to ask ourselves, what would housing policy and the private rented sector look like if they worked for all children?

This is the question – one of many similar questions – that Children England has been exploring in our ChildFair State Inquiry. Some management of readers’ expectations is required from the outset – firstly, I am no expert on housing policy, law or practice, and certainly don’t pretend to be; secondly, we don’t have neat policy calls or solutions from the Inquiry yet. But the approach we are adopting to reviewing and redesigning the welfare state and the perception of social housing, is one that I’d love to share, along with my initial thoughts on the kind of bold directions it might lead us down in terms of reform.

In these first decades of the 21st Century the term ‘welfare state’ carries very different connotations for most people from the ambitions and shape that the welfare state took back in the 1940s. To many people now it only refers to benefits and welfare for the poor and unemployed, rather than the universal guarantees of protection for all from hunger and destitution, and a state pension for everyone.

To some the welfare state is still represented by the NHS, without a wider understanding that the welfare state also meant a free education to degree level, and the promise of social care for every child or adult in need of it. Perhaps the most markedly absent element of discussions about the welfare state today is public (or ‘social’) housing – the building and management of rental housing by public authorities for anyone and everyone who wants it – but public housing was a major, essential pillar in the creation of the welfare state too.

Today, housing is framed and discussed as if it is in essence and ‘by nature’ a private [free] market, on the margins of which some council and housing association housing (now called ‘social housing’) is maintained as a means-tested and rationed resource.

Every single child in the country needs a home – of that there can be no serious doubt or question from any political point of the spectrum. Equally obviously, because of their age and status, no child can choose to meet their own housing needs either. In the ‘fend for yourself’ free/private market the child isn’t just fending for themselves without any power or agency of their own, they are quite simply non-existent. Invisible. No housing authorities or developers have any special duty to ensure, plan or build sufficient and suitable housing stock for children, starkly conveyed by 88.8% of London new builds being flats.⁷

Children are invisible in public housing policy generally, the requirements of family life and varied size of growing families are far too rarely planned and built for. And in the private rental sector children are often positioned in a way which is worse than ‘invisible’, they can be the unwanted arrival or the ‘noisy, messy’ appendage to a tenancy that private landlords are free to decide should trigger eviction or exclusion from eligibility as new tenants. Children suffer all the same direct impacts of the poor housing conditions, no-fault evictions, homelessness and exorbitant rents that their parents are at risk of, along with every other adult being failed by the current housing system and, in particular, the unregulated private rental sector.

⁶ <http://www.nationwidefoundation.org.uk/wp-content/uploads/2018/09/Vulnerability-report.pdf> page 31

⁷ <https://www.statslife.org.uk/economics-and-business/2360-too-many-flats-not-enough-houses-the-geography-of-london-s-new-housing>



Abraham Maslow's famous 'Hierarchy of Human Needs' should have forced us to rethink the complete absence of children from public housing policy many decades ago, and still should today. Shelter, warmth, safety and security, decent sleep and good nutrition are the foundational needs of every child – every human being – in order for them to be able to develop healthily and go on to explore and fulfil their potential (as people, as citizens, as productive members of the economy). Without those most basic needs being met throughout their childhood, the loving relationships and sense of belonging that form the emotional basis for curiosity, purposeful learning, or productive work, can't develop properly either.

The most fundamental and lasting damage we can do to any child is to knowingly make them cope and survive without their basic human needs being met. Yet public housing policy to tackle the acknowledged housing crisis is still framed fundamentally as a 'demand and supply' issue, a marketplace problem – all bricks and mortar, and terms and tenures and prices and land values – with no real sense of it being about the nature of and need for homes not just properties, or of it being a matter of human rights and children's rights with lifelong consequences.

Our work suggests that the following ideas may help us to move towards a housing system which works for all families and every child from birth, as they grow to adulthood (and, possibly, in turn to parenthood themselves):

- The creation of a homes policy, rather than a housing policy – and legal housing duties expressed towards children themselves.
- Reinvestment in public housing for private rental as an acceptable 'norm', not the pathologized deficiency option.

- Robust regulation of landlords and all rental properties for habitability standards and 'customer' rights and protections.
- The 'lodestar' of public policy should be for anyone on a Living Wage income (whether a parent yet or not) to be able to afford to rent a home throughout their life, without being expected or encouraged to go into giant personal debt.
- 'Personalised' or at least banded rents set by reference to personal/family income (and their changes over time).
- German-style long-term secure tenure rights
- Create a navigable 'system' and options for how to find and get into first homes as young people move out from parents, as highlighted by Your Own Place's work.
- The creation of family rental housing developments which are designed around family needs, in the same way that developments are created for older people and retirees.

These are, as I warned, non-specialist and perhaps wildly utopian. I hope though, that at least thinking about the child as the 'indicator species' for both housing policy and innovation, the invisible tenant for whom radical reform must bring change, might prove the thought-provoking lens it already is for Children England.

FAMILY LIFE

While many of the challenges faced by families in the PRS – such as insecure or unaffordable housing – are often shared by renters without children, they can have particular consequences for those who do. Lisa's experience shows the challenges of juggling work, childcare and household finances while renting, with implications for her children's wellbeing. And the work of Kineara highlights how intensive holistic support can prevent homelessness amongst families who are in rent arrears.

FALLING INTO POVERTY BECAUSE OF HIGH RENTS - LISA'S EXPERIENCE

Lisa, 37, lives with her husband and three children in a 3-bedroom house in Bristol. She is currently pregnant with their fourth child and has decided to stay at home and raise their children, while her husband manages a local bike shop. She says that the lack of societal and governmental acknowledgement of the care work she does and high local rents – a 3-bedroom house in Bristol costs £1,260 per month on average – are the main reasons why they are in a state of constant financial precarity:

“It's not easy, renting is expensive. It takes up most of my husband's wage, because I stay at home to take care of our children and he works full time. We get some benefit but it just doesn't meet the rent. We have no savings, we live from hand to mouth. How are we supposed to pay to move house? Even buying food and clothing for my children is an issue.”

To make matters worse, the family waited for over a year to receive their deposit of over £1000 back from their previous landlord. As a result of these factors, the family cannot afford activities such as going to the zoo. Lisa is worried that she is unable to offer her children the lifestyle they deserve and that they have to grow up with a constantly stressed and worried mother. She says that her children already show signs of suffering from the insecurity of their home and understand that their home is not quite their own.

In addition, Lisa's daughter has autism which means she has particular housing needs. Because of her condition, she cannot share a room and needs clear space.

Lisa says that this is not considered in any housing support and that in general, the process to get any kind of government support is lengthy and feels demeaning:

“At every stage of the process to access benefits, there are so many barriers holding you away from actually doing and pursuing it. I cannot wait for several hours in a queue with my children. The process of getting support should be easier.”

The family receive some housing benefits, but it is insufficient when faced with the reality of local housing costs. In addition, she finds such support stigmatising and does not declare it to their landlord, as she is worried that he would evict the family if he knew.

Lisa says her aspiration was never to own a home. However, she now believes that owning can be cheaper than renting which makes her frustrated about the culture of owning a home in Britain:

“Until now in my life I never wanted to own, but now at this stage over the course of the last year I am really fed up because of all the insecurity and hassle. But there's no way out for us. If you're a stable but lower income family, there's no chance to get out of this situation. We probably have to stay in the renting market for all of our lives and it looks like the market doesn't get any better.”

While the family are just about getting by, living 'from hand to mouth', Lisa fears that they will get into debt or rent arrears if they encounter unexpected expenses; this leaves her and her husband feeling stressed and anxious.



TACKLING THE CAUSES OF RENT ARREARS TO PROVIDE LONG-LASTING SOLUTIONS – THE WORK OF KINEARA

Kineara was founded by Maria Morgan in 2012 with the aim of supporting households, and in particular families, that are facing the problem of rent arrears, unemployment or mental health issues. The Rent Support Programme is Kineara's first and flagship programme, which is delivered in partnership with housing associations in East London. It specialises in addressing the issue holistically, looking at the multiple factors that lead to situations of rent arrears.

The organisation's model is based on family intervention practice, which Maria previously delivered for about ten years in East London. However, the lengthy interventions were not financially sustainable, so Maria and colleagues decided to focus specifically on rent arrears which appeared to be a major trigger for other issues. From that observation, Kineara's programmes were designed:

“We piloted the programme for a year and it was really successful; people engaged with the service, and we prevented eviction. We tried it with 500 people experiencing different stages of rent arrears. We knew that the bedroom tax was coming - so we looked at the smallest amount of income that someone would have to manage on minimum benefits. That's how Kineara came about - we had a model”

Many of Kineara's clients are affected by various difficulties, such as a lack of communication with the landlord, single-parent households, and challenges with juggling childcare, work and finances. Insecure housing and the experience of eviction can be even more traumatic for families or for people with multiple and complex needs:

“You don't feel safe. It impacts your physical health, your confidence, relationships, employment, mental health and ability to move forwards. Maslow's hierarchy of needs shows that shelter is the foundation for any growth and development, especially for children and young people.”

The programme works with the whole family, as well as 1:1 with individuals, to explore wellbeing and coping strategies, parenting support and advice. It also addresses practical challenges in partnership, such as access to employment, benefits or household chores. Kineara works with the wider system by capitalising on effective communication between different stakeholders – the landlord, the service user and the local authority – to create a level of support between families and the housing officers, who sometimes oversee up to 1000 households.

Kineara has supported 194 households to date with a 92% success rate in preventing evictions. The programme is beneficial for landlords, too, with 91% of users agreeing to a rent repayment plan and 92% of households already having paid back some or all arrears.



THE ROLE OF INTERMEDIARY ORGANISATIONS

BY TESSA GOODING

**DIRECTOR
URBAN PATCHWORK**

Intermediaries of all kinds across industries have been having a tricky time over the last decade. Digital platforms have changed the ways in which people can connect and transact with each other, challenging many of the business models of brokers and ‘middle men’. We have seen digital technology change the ways in which we can access finance (e.g. Funding Circle), holiday homes (e.g. AirBnB), transport (e.g. Uber) and of course, dramatically change the ways in which we shop (e.g. Amazon).

Letting agents and estate agents have not been immune from this disruption, with the rise of platforms like OpenRent and Purple Bricks beginning to challenge more traditional shop front lettings agencies.

However, it is important to note that lettings agents have a somewhat different role from brokers like Airbnb, Uber or Amazon. Because, they are not only facilitating the exchange of a short holiday let, a car journey or consumer product but the exchange of an investment property from a landlord to a home for a tenant.

Then, often, they are also managing the relationship between a tenant and landlord, who have very different needs but the same bricks and mortar in common. They could potentially both become easily stressed when communicating or negotiating about the property. For a tenant, it's their home (and foundation for a healthy and fulfilling life), which probably uses up a significant amount of their monthly income, and for a landlord, it could be one of their biggest assets and possibly their pension plan.

So there are many challenges to effectively negotiating this relationship in a mutually beneficial way that is also of benefit to society more broadly. And this is particularly case in an industry that often encourages a dog-eat-dog competitive culture where the bottom line dominates, often overriding concerns of operating with a level of integrity that respects that housing is also someone's home.

And from June 2019, we will see more change within the sector when the Tenant Fees Act comes into force. This will effectively curb the opportunities for lettings agents to charge fees for anything but rent, deposits, changes to the tenancy requested by the tenant and fines for late payment or things like lost keys.

We are already seeing how innovations like MyHome Passport, an organisation that enables tenants to pre-qualify themselves could transform referencing and accessibility to the PRS from June. Despite success in Portugal this was not previously a viable model in the UK due to agencies' reliance on tenant referencing fees. We are also likely to see further automation and digitisation of the lettings market, driven by the end users: tenants and landlords, rather than perverse agent incentives.

Regulating landlords becomes even more difficult in a digital platform economy without explicit agreements with platforms and (as we have seen with research into racial discrimination on AirBnB) it can be far easier to accept or reject tenants without reason through a digital platform, than through a traditional brokering agent.

Meanwhile, another kind of intermediary has been growing over recent years; the ethical lettings agency. These include lettings agencies who offer security and guarantees for landlords and provide safe, secure, quality homes for people who are often on low incomes. We see the rise of ethical lettings agencies across the UK, usually in places of high need like Redcar, Northampton, Southwark and the East End of Glasgow. These agencies, which are usually asset-locked social enterprises, are committed to providing a service for both landlords and tenants.

In the third sector, charity St Mungo's co-developed an impact investment property fund with social investor Resonance. This fund has sourced, purchased and refurbished over 250 properties, which are then leased by the St Mungo's Real Lettings agency. The real lettings team then let these properties at affordable rates to homeless families and individuals who are ready for independent living but struggle to access private rented accommodation, whilst providing support where required throughout the tenancy.



At the same time, housing associations such as Notting Hill Genesis are setting up their own lettings agencies (in their case, Folio London) to market both their own build-to-rent open market properties and other landlords' properties, to set new standards in the agency sector and use surpluses to meet more housing need.

In the public sector, there has been talk of setting up a London-wide non-profit social lettings agency to place vulnerable tenants usually in receipt of housing benefit into cheaper PRS properties.

Many local authorities already take this approach on a small scale, as it works out substantially cheaper than paying the nightly temporary accommodation rates.

Finally, in the private sector there are organisations like us, Urban Patchwork. We are a self-funded social enterprise estate and lettings agency in Southwark, providing a friendly residential sales and lettings service, and will use the majority of profits to support homeless housing and support projects. In a similar vein, other private sector social enterprise lettings agencies, like Homes for Good in Glasgow, use the surplus from their core business to provide support services to their most vulnerable tenants, helping them sustain their tenancies, often with incredible results.

These are all examples of a break from the now normalised letting agent model where there is a focus on profit, often seemingly above all else. This model is now being increasingly questioned by customers wondering what value they are getting for their money – from both sides, landlords and tenants.

Organisations like ours aim to encourage a return to the agency sector's roots, where local independent agencies provided value to their community by supporting local events and projects on top of sales and lettings services. We also have the unique position to review practice and influence positive change in the agency sector from the inside out.

More broadly, social innovations across intermediaries in the PRS also tend to have another aim in common; to challenge the trading of property at its current exchange value (where it is seen as an asset/investment) in situations where it undermines its primary use as a home.

When this situation happens, people are often priced out of the housing market or excluded from it for other reasons, such as failing referencing due to being in receipt of housing benefits, or having children, a pet or accessibility needs.

To round up, the role of digital technologies and the potential of new, socially responsible intermediaries presents both challenges and opportunities. Some particularly interesting points to consider are:

- As a conservative estimate between 2013/14 and 2017/18, local councils spent £3.87bn on temporary accommodation, £937m in the last year alone, driven by a combination of increases in homeless people and a reduction in affordable rental accommodation for low income workers.⁸ How do we simultaneously work with the symptoms of this problem, as well as the root causes? What role can new intermediaries play in increasing the volume of affordable homes in the short term?
- With increasing calls to regulate the lettings market, but little to no resource to implement regulation, how can digital technologies work towards achieving the intended outcomes of regulation?
- How can we determine the extent to which digital intermediaries may exacerbate issues of exclusion or discrimination of low income and vulnerable people seeking a home to rent?
- What role do ratings platforms (such as MarksOutOfTenancy) play in improving the quality and security of rental homes?
- Social and Ethical Lettings agencies are currently operating at a small scale. What's required to take them from the margins to the mainstream?

⁸ <https://www.insidehousing.co.uk/news/news/councils-temporary-accommodation-spend-nears-1bn-57695>

THE MIDDLE MEN

In the private rental sector, letting agencies are a major intermediary – both in terms of their role in connecting landlords and their properties with prospective tenants, and in terms of their role as property managers. All too often, both sides are frustrated with the outcome. Hannah is a young tenant who went from experiencing a rental nightmare in Brighton to renting what she feels is a home in London and explores the key role that letting agents played in determining this experience. On the other side of the equation, Karen is a landlord who feels that landlords are unfairly tarnished with the same brush and that the letting agents they work with vary hugely in terms of quality of service. Trying to change this dynamic is Urban Patchwork, a letting agent which aims to reconcile the social and commercial value of rental properties through their work.

FROM RENTAL NIGHTMARES TO RENTAL HOME – HANNAH’S STORY

Hannah, 25, is a Project Manager and lives with four friends in a flat in New Cross Gate, London. Hannah has been living in the private rental sector for the past seven years since she was a student in Brighton.

At University in Brighton she had consistently poor experiences of renting and, in particular, of working with letting agencies, who managed the properties she lived in. Several of her former letting agents were unwilling to do necessary repairs, such as fixing a leaking shower, removing woodlice, or addressing serious damp.

“People don’t care about your welfare as a tenant. It was the same for everyone that I knew. Only one person I knew had a good experience through a private landlord.”

Getting her deposit back was also often an issue – she lost hundreds of pounds from deposits paid to her Brighton landlords despite taking good care of the properties. On one occasion, simply because she and her housemates hadn’t used the cleaners recommended by the letting agent when they were moving out, and had instead used a cheaper alternative professional cleaning service, they were fined over £300. Hannah believes that some letting agents see students as an “easy market” because when “you’re 18 or 19 you have no idea”.

Hannah’s first positive experience of renting has been living in her current home which she found through, and which is managed by, a local letting agency. Hannah feels respected as a tenant for the first time and says that, **“I was almost suspicious because the service was so different”**.

For example, while a few things have needed fixing, these have always been addressed quickly and they have regularly communicated progress to Hannah and her housemates.

“It feels like we can live a real normal life in this house. Previously we felt so insignificant. I feel like I’m being treated like an adult instead of like a child. It’s more humanising.”

She says that her current letting agents have always been very responsive and aren’t as “robotic” as other agencies.

This is positive for the landlord and letting agent as well, as Hannah explains:

“I have more respect for the property - I want to make it my home”

Hannah thinks there is a need to demystify the jargon in the rented sector, especially for younger tenants and **“have a middle man to help you out when you’re clueless”**.

Urban Patchwork

NOT ALL LANDLORDS OR LETTING AGENTS ARE THE SAME – KAREN’S STORY

Karen is a retired lawyer who bought her first rental flat in London 19 years ago, which her husband and daughter both lived in initially. She now owns three flats, two of which are in London and one is in Bedford.

Over the last ten years, Karen has had experience with different large estate agents and whilst they were very quick in finding new tenants for her flats, she did not like the fact that they discouraged her from direct communication or information sharing with the tenants. Her background in legal property allowed her to negotiate a lower fee for the estate agents as she did much of the work, such as tenancy agreements and deposits, by herself. However, her overall experience was far from great.

Her recent experience of working with the estate agents Urban Patchwork has been different and she says that:

“They are not comparable to other agents. They are a new and family business. They are lean and hungry which makes them very different to the large and complacent agents we’ve worked with previously.”

She decided to work with them as their office is next door to one of her London properties. The fact that they are a social enterprise was of less concern to her, than her perception that they would be reliable and competent.

Karen is convinced she does a good job as a landlord and cares personally about her properties being well-maintained, each of which she says she knows inside-out. Negative perceptions of landlords frustrate her and she is worried about the new regulation and taxation being introduced:

“I find the whole situation is as though all landlords are bad people and we all need to be punished. Regulation and taxation are such that I won't be able to afford to carry on. I've been a landlord for 10 years and don't have much of a pension. It's a bit cruel. I'm a good landlord. I do everything required but I feel I am tarnished with the same brush as all of them.”



USE OF EXISTING HOUSING STOCK

BY ANNA MINTON

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According to the Department for Communities and Local Government's English Housing Survey 2014-15, 51% of owner-occupied homes – amounting to 7.3 million households - in the UK are under-occupied, which means that homes have at least two bedrooms that are not regularly occupied. This compares with an equivalent figure of 39% in 1995-6, an increase of 2 million underused homes in 20 years.

Similarly, 2011 census data reveals that there are 1.2 bedrooms per capita and even 1.01 in London, more than ever before, leading to the conclusion that the housing crisis is not caused by a lack of supply as much as an inefficient use of existing housing stock. As the Economic Affairs Committee of the House of Lords (2016) concluded:

“The existing stock of housing in England is not used particularly efficiently.”

A number of negative social consequences arise from this affecting both the older owners of under-utilised homes and the younger people at the sharp end of the housing crisis, often living in unaffordable, poor quality and overcrowded accommodation.

There are a number of reasons for under-occupation, including:

- Empty bedrooms in large inner city areas.
- Investment property left empty.
- Distribution of housing in relation to employment.

I will focus on the first issue as it seems most ripe for disruptive innovation. From a financial point of view, over the last 40 years, it has been a much more profitable investment to keep money in an appreciating property than downsize and put it in the bank or in many other investments. The central role of housing as an investment and a store of wealth is a primary driver of under-occupation, buttressed by relevant property taxes. In addition to stamp duty, capital gains and inheritance taxes, council tax acts as an incentive for older people on their own to remain in large properties, rather than rent out rooms or share with others, as people who live alone receive a 25% council tax discount, regardless of the size of their property.

Equity release mortgages, allowing homeowners to free up capital based on the ever increasing value of their home, have also undoubtedly had an impact.

The under occupation of housing has already been the focus of government policy, with under-occupation in the social housing sector targeted by the government with the introduction of the controversial 'Bedroom Tax' in 2013, which cut housing benefit by 14% for one spare bedroom and by 25% for two or more spare bedrooms. Social housing only accounts for less than a fifth of the total housing stock, but the tax affected more than half a million people, according to figures from the first year following its introduction.

The 'Bedroom Tax', was introduced as part of the Coalition government's Welfare Reform Bill and was accompanied by a political narrative which emphasised that it was not fair that the taxpayer should have to subsidise social housing residents to have extra rooms. Conversely, the political and media narrative has simultaneously valorised rising house prices, despite the worsening housing crisis, and policies to expand home ownership, such as the Help to Buy scheme, remain one of the government's favoured approaches to tackling the issue of housing affordability.

For the debate around the use of existing stock to gain traction, it needs to be framed around a new narrative, which could open the Overton Window⁹ to a consideration of changes to relevant property taxes and to alternative ways of utilising the spare space in larger homes. To gain political credibility it is vital this narrative is not seen as punitive to older people in large underused homes, who are often core voters, but rather as life enhancing for older as well as younger people.

⁹ The Overton window is “the range of policies voters will find acceptable”, named after Joseph P. Overton who coined the phrase and its usage.

While financial and tax incentives to encourage older homeowners to downsize are clearly of vital importance, psychological and cultural factors also inhibit downsizing. The 4 bedroom family home I grew up in is one of these underused homes, with my mother reluctant to move although the house – with its four bedrooms - is too big for her and increasingly difficult to maintain. For many older people, they are deeply attached to their homes and neighbourhoods which can provide a source of ontological security – that is a sense of order and continuity - in a changing world. These emotional and psychological factors are often more important to home-owners than the knowledge that the property is an appreciating investment, or the tax advantages they may gain by staying-put. Nevertheless, whatever the reason for people choosing not to down-size or share, we know that living alone is associated with feeling lonely, which is in turn detrimental to people's wellbeing and health, as well as often excluding habitable bedrooms from the housing market.

For those who do not wish to move, regardless of tax inducements, an expansion and reframing of the existing 'Homeshare' scheme, as explored in the following case studies, could be considered. Homeshare matches older people in need of some help with independent living with younger people who contribute 10 hours a week of assistance, from shopping to gardening, in return for low rent. However, a great many older people in larger homes do not need help and would balk at being identified in such a way; similarly many older people may not wish to identify as lonely. However, a new narrative around lower cost renting in larger underutilised homes, accompanied by tax breaks, may start to alter perceptions.



SHARING IS CARING

One solution to the increasing challenge (or perhaps opportunity) of under-occupancy of existing housing in the UK is the idea of inter-generational home-sharing. The work of Homeshare UK demonstrates that it is possible to make better use of existing housing stock in a way which has real benefits for both home-owners and tenants. The story of Andy and George shows how far it goes beyond just efficient use of bricks and mortar, and how intergenerational living can simultaneously address other social issues such as loneliness.



“WHY NOT FIGHT TWO PRESSING ISSUES AT ONCE?” THE WORK OF HOMESHARE UK

Homeshare UK has existed for over 20 years but only recently started to grow into a large scale social enterprise. It operates under the umbrella of Shared Lives Plus, a larger membership organisation, which is the network for both Homeshare and Shared Lives, where a care giver is matched with a person in need of care. The concept of Homeshare UK is simple: it brings two people to live together and support each other for mutual benefit. A householder (with a spare room) is matched with a person in need of housing who, in return for low cost accommodation, offers a minimum of 10 hours weekly support, for example by helping with cooking, shopping or cleaning but also companionship. In most cases, the householder is an older person needing support to continue living in their own home. Homesharers are mainly younger people who would otherwise struggle to afford housing where they study or work.

Under occupation of homes is a growing issue, with a total of 51% of owner-occupied homes in England having at least two bedrooms not regularly occupied in 2014/15, compared to 39% only ten years earlier. Deborah Fox, Policy and Development Officer at Shared Lives Plus explains that:

“Most people don’t think housing is an issue. Some people live in huge houses but are not aware about the issue that others need housing. People don’t understand that this is a big problem in the country. Similarly to how people started to talk about isolation and loneliness, people should talk more about the problem of lack of housing.”

Homeshare helps to use private housing stock more efficiently and, in doing so, simultaneously tackles two social problems: loneliness and isolation among elderly people, and unaffordability of housing. The organisation has grown from six programmes in the UK that match people, to 23 in the past two and a half years. Currently, there are 357 Homeshare matches, with a constantly increasing number of homesharers.

Deborah believes that Homeshare alone cannot solve the issue of lack of housing availability. She thinks it is necessary for different social innovators to work together, for planners and architects to think ahead and plan homes tailored to future demographics, and for policy makers to be more supportive of social innovations.



SHARING A HOME, SHARING FRIENDSHIP: ANDY AND GEORGE'S HOMESHARE STORY ¹⁰

Before George moved in, Andy (68) had lived alone for 14 years. The former army engineer had travelled the world but after retiring, he found himself in the situation of being socially isolated, **"sat in front of the box all day"**, and in a home which was bigger than he needed with a spare bedroom.

This changed drastically when George, who came to the UK from Romania, moved in. The two were matched by PossAbilities Homeshare, Homeshare UK's partner in Heywood. PossAbilities cleared George through a DBS and application process and, after a skype conversation to get to know each other and to see if they were compatible, George moved in.

George pays Andy £9 a week plus £150 a month to Homeshare. This is much cheaper than George would pay for private rental which would be on average £427 a month for a one bedroom apartment in the region.¹¹

George says:

"My colleagues at Argos are jealous at how little I pay".

He spends at least 10 hours a week with Andy and sleeps a minimum of five nights a week at the home to give Andy peace of mind that he is not alone.

This home-sharing arrangement is not only financially beneficial for George; he also enjoys the companionship it provides, since he only moved to the country recently and didn't know many people locally. The two of them enjoy watching the American war comedy-drama MASH together and going bowling. The only point of contention has been cooking; they each prefer their own food. But that doesn't matter too much, because they still enjoy the company during dinner and George enjoys practising speaking English.

¹⁰ Homeshare UK Annual report 2017-18

¹¹ https://www.home.co.uk/for_rent/heywood/current_rents?location=heywood





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