

Final findings: Social Housing (fixed-term tenancies)

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SUZANNE FITZPATRICK and BETH WATTS

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 summarises the findings from a five-year longitudinal study assessing the effectiveness and ethical legitimacy of the use of fixed-term tenancies (FTTs) and others forms of conditionality in the social housing sphere in England.

Key findings

- There is little evidence that social tenants adjust their behaviour as a result of having a fixed-term rather than open-ended tenancy, other than in relatively minor ways (for example, some may be less likely to invest in home improvements).
- Most social tenants with FTTs were only mildly or moderately anxious about their tenancy status, in part because the termination date in all cases was at least two years away. But it was a cause of considerable distress for a minority, especially older tenants, those with a disability or health problems, and some families with children.
- Tenants generally had only a vague idea of the grounds upon which their fixed-term tenancies may be terminated, though most had formed the (probably accurate) impression that their tenancies would be renewed so long as they did not run up rent arrears or engage in serious anti-social behaviour.
- The prospect that people's fixed-term tenancies could be terminated on the grounds of a rise in income was disapproved of by most tenants, and only a small minority saw the idea of income-related rents (sometimes called 'pay to stay') as fair.
- There was likewise very little support for the notion that renewal of tenancies should be linked to job search or volunteering activities, even some shock that such a proposition should be entertained.
- There were considerably more mixed views on 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.

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Introduction

Social housing can operate as a [key site for conditional forms of welfare](#), wherein the prospect of losing one's home may be viewed as a [particularly powerful sanction](#) compelling desired behavioural patterns. The [erosion of the security of tenure of English social tenants](#) first began with the introduction, in 1996, of 'probationary' tenancies by the then Conservative Government, which meant that full security of tenure could be delayed for new social tenants (for up to 18 months), and then by the implementation of 'demoted' tenancies in 2003, by the then Labour Government, which reduced security for existing tenants subject to behavioural concerns. The Coalition Government's Localism Act 2011 [took this agenda much further](#) by enabling social landlords in England to offer fixed-term (renewable) tenancies (usually for a minimum of five years) to new social tenants, with the Government advising that income, employment status, under-occupancy and behaviour could all be taken into account in [tenancy \(non\)renewal](#).

However, [only 15% of new social tenancies](#) were let on a fixed term basis by 2014/2015. Unhappy with this position, the 2015 Conservative Government under David Cameron passed further legislation, in the [Housing and Planning Act 2016](#), which will – when brought into force – make FTTs mandatory for the vast majority of new local authority tenants. Concessions made during its passage through Parliament mean that the maximum fixed term was raised to 10 years (from 5 years) for some groups, and to cover the period that a child is in school education (up to age 19). The May Government, however, [abandoned plans](#) to mandate income-related rents ('pay to stay') for local authority tenants. Plans to mandate FTTs on most new housing associations lets as well were shelved in light of an official reclassification of associations as 'public corporations'; though this reclassification has since [been reversed](#). While back in 2012 there were proposals to introduce probationary (but not fixed-term) tenancies in Scotland, this agenda was [not pursued in the end](#).

Findings

Impacts on behaviour

There is little evidence that social tenants adjust their behaviour, either positively (for example, stepping up jobseeking) or negatively (for example reduced commitment to the neighbourhood) as a result of having a fixed-term rather than open-ended tenancy. As one tenant commented:

“I'm just the same. So not really, it hasn't changed my behaviour to think I've got to behave a certain way because I don't want my tenancy to be taken over. I know that whatever their rules is, it's not targeted on me.”

(FEMALE LONE PARENT WITH SIX CHILDREN, WAVE C)

The only relatively minor exception was that some (not all) interviewees said that they may be less likely to redecorate or improve their home as a result of having an FTT:

“You want to decorate but you don't know how far to go? You don't want to spend no vast amount of money decorating and then you might have to get up and leave it but, as I've said, I personally don't see no reason why I would not get another five years' tenancy. I don't like the fact of the five years' fixed tenancy.”

(FEMALE LONE PARENT WITH SIX CHILDREN, WAVE C)

Probationary tenancies had a similar impact, discouraging tenants from doing *'anything... too costly or expensive'* within the probationary term (female lone parent with one child, wave c). In just one case, knowledge that under-occupation may be a ground for tenancy non-renewal seems to have accounted in part for an interviewee's decision to take on a lodger.

The disincentive effects of 'pay to stay' policies were, on the other hand, widely recognised, with tenants commenting for instance that *'it's like... penalising somebody for having a good job'* (older single man, wave c) and *'pushing people to be lazy'* (female tenant living with husband and two children, wave c).

Impacts on tenants' sense of security and stability

Most social tenants with FTTs who were interviewed were mildly to moderately anxious about their tenancy status (it 'played' at the back of their minds). An important point of context here was that, in almost all cases, the termination date for their tenancies was still at least two years away, even at the third wave interview:

“ I’m trying not to think too much about it [renewal date of FTT] at the minute. I think I’ll feel quite nervous but, at the same time, I don’t think I’ve really got anything to be nervous about... I just don’t think I’m a bad tenant. When I’ve been in arrears with my rent, I phone them up and always kept them in the loop about things.”

(FEMALE LONE PARENT WITH TWO CHILDREN, WAVE C)

For some, tenancy renewal was an issue of mild concern, but in the context of, for instance, caring responsibilities and other priorities, was *‘the last of my worries... at the moment. It would be something that I’d cross that bridge when I got to it’* (female lone parent with one child). For others, they felt considerably more secure – despite the fixed term nature of their tenancy – than in previous privately rented accommodation: *‘personally, [the FTT is] not negative... because at least I know it is not a private landlord... so it’s a bit more comfortable... a bit more homely than being in a private let’* (female lone parent with three children, wave c).

Other tenants who were more overtly anxious described themselves as ‘desperate’ when they accepted the housing offer and that they only afterwards started to worry about its fixed-term nature:

“ No, I didn’t think about it. I think it was a new place and I needed a place, so I just actually didn’t think about it until later.”

(FEMALE TENANT LIVING WITH HUSBAND AND TWO CHILDREN, WAVE C)

For some, however, especially older tenants, those with a disability or health problems, and some families with children, the lack of an open-ended tenancy was a source of considerable distress:

“ Yes, because then [with an open-ended tenancy] you know you have a place to be and it’s for life... Psychologically... I have my home, I’m here, unless something drastically – unless I can’t pay my rent or anything, no one is going to make me move... when you’re younger, you can see yourself moving and moving different places but as you get older, you need to be settled. Housing, a roof on top of your head, that should be something that really an older person doesn’t have to worry about.”

(OLDER TENANT LIVING WITH HUSBAND AND ELDERLY PARENT, WAVE C)

When this woman was asked what she would do if her tenancy was terminated she said:

“ If I did have to move, I have no idea at all. Maybe I’d go in – what is it called – homeless? Where would I find somewhere suitable especially when you read in the papers every day, there is no housing in London? I’m in the community here, the community around me and my friends, they’re all around here, I wouldn’t like to move from here, no.”

(OLDER TENANT LIVING WITH HUSBAND AND ELDERLY PARENT, WAVE C)

Others took comfort, though, from reassurances they had been given by their landlords that they would not be made homeless if their tenancy was terminated:

“ I think in their policy, from what I remember... They never make someone homeless. They’ll always find you somewhere else to go. They help you re-house. I think [housing association] are good in that way.”

(FEMALE TENANT LIVING WITH PARTNER AND ONE CHILD, WAVE C)

Or from the process safeguards that had been described to them:

“ Well, basically, he just said that when it’s near the five years, they will look into your situation. As I said, everything will be written down. Say, for instance, you get in rent arrears or you are a nuisance to your neighbours... then apparently they’ll let you know if they feel that they won’t extend your tenancy.... they said that they wouldn’t just get up and say to you, ‘You can’t have the tenancy’, because apparently they’ve got to give you a reason. You can also object against it if you think that they’re not right in the reasons why they’re not going to give it to you. You can object it and obviously they’d have to look into it. It doesn’t mean that they’re trying to say, ‘Okay, yes, we won’t take the tenancy away’, but they have to look at your points and see if it’s valid.”

(FEMALE LONE PARENT WITH SIX CHILDREN, WAVE C)

Tellingly, however, even those who professed themselves reasonably relaxed about their FTT generally expressed a preference for an open-ended tenancy and said that they would avoid taking another FTT if they could.

Tenant knowledge and understanding

Tenants generally had only a vague idea of the grounds upon which their FTTs may be terminated (indeed, some were not clear, especially in early waves of study, that they were on an FTT at all). Most tenants had formed the (probably accurate) impression that their tenancies would be renewed so long as they didn’t run up rent arrears or engage in serious anti-social behaviour:

“ No, I haven’t been told anything but, for me, I thought that if you are a good tenant and you’ve paid your rent in good time, you have the property until you don’t need it. That’s my understanding.”

(OLDER TENANT LIVING WITH HUSBAND AND ELDERLY PARENT, WAVE C).

Asked about reasons for non-renewal, another woman commented:

“ I think bad behaviour to neighbours and stuff like that and not paying your rent, maybe.”

(SINGLE FEMALE TENANT, WAVE C)

As some pointed out, they could be evicted on those grounds in any case, so they were a bit perplexed as to the purpose of FTTs:

“ I don’t see what difference it makes if you’re a nuisance or you’re not paying your rent or whatever, then obviously even without the five years’ tenancy, you can get evicted just the same, even if it’s a lifetime tenancy, you still can get evicted. So, I don’t really see the point of it but it’s not really up to me.”

(FEMALE LONE PARENT WITH SIX CHILDREN, WAVE C)

The whole point in FTTs is, of course, that at least in theory you can find your tenancy ended on grounds such as under-occupation or increased income, even if you have not breached your tenancy agreement. This seemed to be understood by only a minority of interviewees, and thus most of the discussion with regard to these ‘other’ grounds for non-renewal was pursued in the context of probing interviewees’ perceptions of their ethical legitimacy (or not) in principle.

The ethics of conditionality

We explored tenants’ views on a spectrum of potential grounds for tenancy non-renewal. We found that views on these issues were stable between waves of interviews, and often fairly consistent across the sample. On some specific issues there was considerable disagreement, however.

To begin with, the prospect that people’s FTTs could be terminated on the grounds of a rise in income was disapproved of by almost all participants:

“ Actually, I think there should be more buildings, social housing, because if you work very hard and to better yourself, why should you be removed from your home?... So, I think there should be more building instead of penalising people because they are better off.”

(FEMALE TENANT, WAVE C)

‘Pay to stay’ was similarly viewed by a clear majority as ‘punishing’ people for working hard:

“ No, I don’t think that’s fair. I just think that whatever their rent is set, as long as you pay it, that should be it. Sometimes you can be earning a bit. I know of people who do earn X amount and they still can’t make ends meet. They still can’t even pay a mortgage. They can’t even work towards a deposit because of how the cost of living is now on childcare and everything like that. You hear these big figures and that people earning but it doesn’t mean that things are all dandy with them, so, no.”

(FEMALE TENANT, WAVE C)

One concern raised in this context related to the insecure nature of many of the jobs that social tenants may access:

“ Because someone, they can lose their job... you don’t know what’s going to happen tomorrow. What if that person loses his work tomorrow and being told they’re to move out, what happens to that person? No.”

(FEMALE TENANT LIVING WITH HUSBAND AND TWO CHILDREN, WAVE C)

A small number of tenants saw ‘Pay to stay’ policies as fair or a good thing, because higher rents would be re-invested by the landlord for wider benefit or would ‘make more people go and buy their own property... if you didn’t, people would stay in social housing all their lives’ (female lone parent with one child, wave c).

While some interviewees expressed a degree of sympathy with the principle of asking people to move

on to make way for those in greater need, by and large, people were reluctant to accept the notion that they or others should be *required* to leave their social rented homes on this basis:

“ Five years is quite a long time. You get attached to your home and having to move on and then private renting nowadays, you don’t know how long you’re going to be there, especially as I’ve got children and stuff like that, I don’t want to keep upping and moving with them.”

(FEMALE LONE PARENT WITH TWO CHILDREN, WAVE C)

One tenant in London diverged from the weight of opinion here, however, arguing that:

“ Having that lifetime tenancy is depriving other people who really need. On that basis, I think it’s not fair to still use the lifetime tenancy because nothing stays the same. We have to go with the economic situation; everything. Life changes, situations change, so if you keep on using the lifetime tenancy, it wouldn’t fit the current situation we are in, so I believe it’s fair, in a way.”

(FEMALE LONE PARENT WITH THREE CHILDREN, WAVE C)

Of relevance here is that this person saw her social tenancy as a ‘stepping stone’ while she gained qualifications and sought higher paying work, rather than as a ‘home for life’.

There was very little support for the notion that renewal of tenancies, or indeed initial allocations, should be linked to job search or volunteering activities. This notion even seemed to shock some interviewees, with one suggesting ‘*that’s a bit deep*’ (female lone parent with six children, wave c). Another commented:

“ I just don’t agree with forcing people into volunteering, I think especially volunteering for jobs and things like that, I don’t really think it’s the landlord’s place or anything to do with your tenancy. I think it’s more the Jobcentre, if you know what I mean, rather than your landlord.”

(FEMALE LONE PARENT WITH TWO CHILDREN, WAVE C)

Participants tended to draw a very sharp distinction between the legitimacy of sanctioning social security benefits to encourage job search, and the use of ending someone's tenancy for this purpose. While the former was largely seen as fair, the latter tended to be seen as patently unjustifiable. Objections included that 'it doesn't help' (in encouraging job search) (older female single tenant, wave c) and that it's not fair:

“ That’s not fair, definitely not... I don’t think it’s a reason to end someone’s tenancy, if they’re not looking for work. I don’t think it’s a valid reason. I think it’s daft.”

(FEMALE LONE PARENT WITH ONE CHILD, WAVE C)

“ Regardless of you not looking for work, at the end of the day, I don’t think anybody, because I’ve been there, I don’t think anybody should be thrown out on the streets... regardless of what the situation is.”

(OLDER SINGLE MAN WITH EXPERIENCE OF HOMELESSNESS, WAVE C)

There were considerably more mixed views on 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. The ambivalence of interviewees' feelings on this point were summed up by this lone parent with a grown-up daughter at university:

“ It’s a really, really big thing to move and your home is your security and it can make you very vulnerable to have to move... I don’t know whether you would have a choice about where you moved to. But I also understand that it’s only fair that you... I understand that this would be also a good house for a family and if I was just one person here, then it could house a whole family.”

(SINGLE FEMALE TENANT, WAVE C)

Asked whether ending a tenancy due to under-occupation is fair, another tenant was clearly very conflicted, though ultimately concluding 'yes':

“ That’s a really tough one. It depends... My sister’s got six children, okay, so they’ve always been over-occupied but they’re all getting on. So eventually she’s going to be where she’s got too many bedrooms. I think, you know, she’s... decorated. She’s got it all nice. Should she be forced to move because of it? Even though part of me wants to say no, I do think yes. I do think they should because – but saying that, I don’t think they should be told that they need to move somewhere out the area. They should be rehoused round about where they’ve been to a smaller premises... You need to be reasonable with people and... So the question, yes. Yes, I do think it’s right!”

(FEMALE LONE PARENT WITH ONE CHILD, WAVE C)

While there was therefore some recognition of the arguments in favour of this policy, the idea that this was someone's 'home' you were potentially taking away loomed large:

“ I don’t know, sometimes the person can say they have had their memories and years of living there and you know the person, she has known neighbours and then you know it would be hard for them to move to a new area.”

(FEMALE TENANT LIVING WITH HUSBAND AND TWO CHILDREN, WAVE C)

A resolution to these conflicting intuitions and priorities seized upon by a number of people was that a social landlord should ask and encourage but not compel tenants to move in these circumstances:

“ I think in that circumstances, maybe talk to them about downsizing. I don’t think they should end the tenancy. I think they should say, ‘There are people who have got family that could benefit from...’. It’s just like with me, I would be glad if there was a five-bedroom house and there could be somebody out there who’s got a five-bedroom house and they’re not using all the bedrooms. So, I think telling them, ‘We need your property because there’s a family who needs your property, I would like you to downsize’. I don’t think there’s anything wrong with that.”

(FEMALE LONE PARENT WITH SIX CHILDREN, WAVE C)

Conclusions

Germane to this highly contested debate is evidence from the [government's own projections](#), as well as more recent [qualitative testimony from 'early adopters' of FTTs](#), that they are unlikely to generate substantial dividends in terms of freeing up stock, at least in the short term.

More broadly, the lack of equity between tenants was an issue for some, given the mix of FTTs and open-ended tenancies that pertain in some landlords:

“ I think really it's not fair because you have people who moved into these other houses before the rules, the so-called law change, and they have the property for life. Why shouldn't it be across for everybody, across the board? ”

(OLDER TENANT LIVING WITH HUSBAND AND ELDERLY PARENT, WAVE C)

NOTE ON METHODS

This briefing draws on qualitative longitudinal interview data with social tenants with experience of fixed-term and/or probationary tenancies. Interviews with 49 social tenants (England = 35, Scotland = 14) were conducted at wave a of the study (in 2014/15), with Scottish participants not followed up in subsequent waves as relevant tenancy types are not currently being used in Scotland. Thirty-two interviews were conducted with social tenants with experience of relevant tenancies in England at wave b (2015/16), with 24 interviewed for a third and final time in 2016/17. The analysis presented here focuses primarily on these wave c interviews, of whom 18 were female and six male, and 10 were from Black and Minority Ethnic backgrounds. At wave c, lone parent households accounted for nine of the 24 participants, eight were single person households and five couples with children. Just over half of the wave c sample were in paid employment (full or part time). For analysis of earlier waves, focus groups with frontline workers in the social housing sector and key informants, see our [initial findings paper](#) and our open access journal article '[Competing visions: security of tenure and the welfarisation of English social housing](#)' published in [Housing Studies](#).

Across all three waves of longitudinal data, social tenants' experiences of, and attitudes to, FTTs remained fairly stable, and with most FTTs being for five or six years, we encountered no instances of tenancies actually being terminated during the course of the fieldwork. There was little evidence that social tenants adjusted their behaviour as a result of having a fixed-term rather than open-ended tenancy, other than in relatively minor (and negative) ways, for example they may be less likely to invest in home improvements. Most social tenants interviewed who had FTTs were only mildly to moderately anxious about their tenancy status (it 'played' at the back of their minds). This was in part because the termination date in almost all cases was at least two years away, and also in part because they had surmised (probably accurately) that their landlord was unlikely to terminate their tenancy unless they had rent arrears or engaged in serious anti-social behaviour. However, the fixed-term nature of their tenancy was a cause of considerable stress (even distress) for a minority, especially older tenants and some families with children. The prospect that people's FTTs could be terminated when their income rose was very widely disapproved of, and only a small minority supported 'pay-to-stay' policies, regardless of whether the interviewee themselves was likely to be affected by such policies. There was likewise strong resistance to the notion that renewal of tenancies should be linked to job search or volunteering activities, with interviewees often rather shocked at the suggestion that someone could be evicted on these sorts of grounds. There were considerably more mixed views on the notion that under-occupation could be a legitimate reason for non-renewal where alternative suitable accommodation could be made available.

Key policy recommendations

- The FTTs policy framework should be abandoned. It has no discernible positive impact on tenant behaviour, nor is it likely to generate substantial additional lettings for households in need, given that the overwhelming majority of FTTs will in all likelihood be renewed. Its only achievement is to instil varying levels of anxiety in social tenants, and to cause real distress to some.
- The government should not bring into force the relevant sections of the Housing and Planning Act 2016 that would compel local authorities to use FTTs in almost all new lets.
- If this legislation is brought into force, complete exemptions for older people, those with disabilities, and other vulnerable groups should be made, and local authorities should have the ability to offer 10 year tenancies to all new social tenants.
- Housing associations that have already adopted FTTs should consider reversing this decision, and other social landlords contemplating this option should not pursue it given the weight of evidence regarding the relative costs and benefits doing so.
- For these reasons, local authorities should use FTTs to the minimum extent permissible by law.
- Policy makers should note that 'Pay to stay' seems to command little support as an alternative to FTTs with higher income tenants.
- The forthcoming Social Housing Green Paper provides a key opportunity to act on these recommendations, and to ensure that the vital role that social housing plays in providing people not just with accommodation, but with a 'home', is properly recognised.

This briefing was written by Professor Suzanne Fitzpatrick and Dr Beth Watts, Heriot-Watt University.



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