



Tenants' attitudes towards council housing finance and rents policy: to inform the review of council housing finance



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and rents policy: to inform the review of council
housing finance

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Department for Communities and Local Government

The findings and recommendations in this report are those of the authors and do not necessarily represent the views of the Department for Communities and Local Government.

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1 Executive summary

1.1 Background and objectives

The purpose of this qualitative research was to inform the Review of Council Housing Finance. The main aim of the research was to explore tenants' attitudes towards the current system of council housing finance and rents. In particular, the objectives of the research were to:

- Explore awareness, knowledge and understanding of the current system of council housing finance and rents
- Explore views on housing provision and accountability
- Identify which services are currently provided, and the quality of the services
- Understand which services participants would like provided
- Identify which services should constitute a 'core' service
- Understand where attention should be focused, if it was moved beyond decent homes

1.2 Method and sample

Seven focus groups were conducted by GfK NOP Social Research between 24 September and 29 September 2008. The majority of the focus groups comprised between six and eight participants and each focus group lasted for one and a half hours. The sample table is detailed below:

Location		Number of focus groups	LA	RSL
Urban	Liverpool	1	–	Family
	Birmingham	2	Empty nesters Family – non housing benefit	–
	London	2	Pensioners	Empty nesters – non housing benefit
Rural	Kettering	2	Mixed life-stage and landlord	
Total			7	

Three of the focus groups comprised local authority tenants, two focus groups comprised registered social landlord (RSL) tenants and two focus groups comprised a mix of local authority and RSL tenants. Two of the

focus groups were held with tenants not claiming housing benefit and the remaining five focus groups were held with tenants claiming housing benefit.

The sample was split by three life-stages: family, empty nesters and pensioners, in order to understand how different family backgrounds impacted on housing needs. All participants belonged to socio-economic grades (SEGs) C2DE and the sample included participants from a range of ethnic backgrounds and disabled people.

There were many advantages in conducting focus groups for this research, not least because the subject of housing finance and rents lent itself well to group discussion and enabled exploration of participants' awareness, attitudes and understanding of the subject. The focus group format also allowed participants to discuss their experiences and express their views in their own words, providing a rich source of context. Focus groups were also useful for exploring similarities and differences between: those claiming and those not claiming housing benefit, tenant type, life-stage and location. However, it is important to bear in mind that qualitative research uses small sample sizes and, in this research, seven focus groups were conducted. Therefore, as with all qualitative research, the sample size is not statistically representative and the findings are not intended to provide quantifiable results. In addition, participants' low levels of awareness and familiarity regarding the housing revenue account and self-financing systems meant that a good deal of time was spent in each focus group explaining each system. As a result, participants had little time to form coherent opinions about the financing systems and their thoughts were very much 'top of mind'.

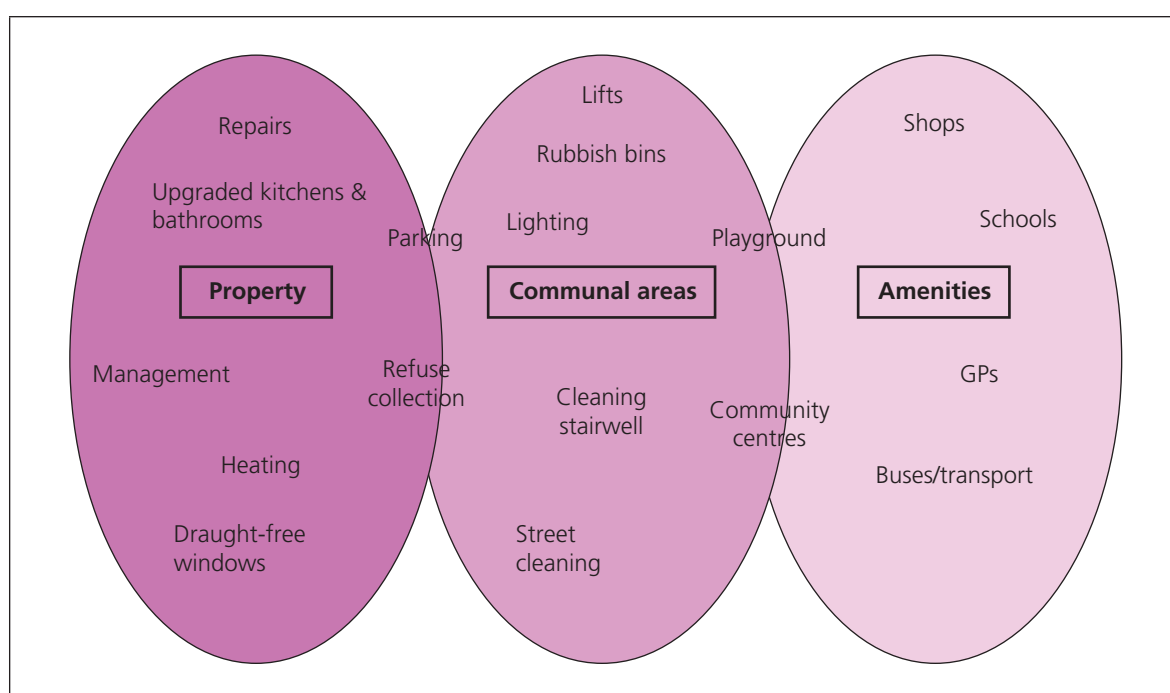
A discussion guide for use during the focus groups was developed by GfK NOP Social Research in consultation with Communities and Local Government. Participants were also shown a series of show cards that explained the decent homes scheme, suggested future funding possibilities and described how the housing revenue account and self-financing systems worked. The discussion guide and show cards are included in the appendices of this report.

1.3 Awareness of and attitudes towards services

Participants were able to identify a number of services that they received from their landlords. These services did not relate exclusively to property but also included the surrounding communal areas and amenities. As a result, there was some 'top of mind' confusion amongst participants about who provided which services. In particular, this confusion surrounded whether it was participants' landlords or the council who provided certain services.

Most participants did not think that the services they received from their landlord went beyond meeting their basic needs and, consequently,

considered the vast majority of the services provided to be essential. Instead of viewing services as those which were 'core' and those which were 'additional', participants prioritised services according to the following three areas of proximity: property, communal areas and amenities. The diagram below illustrates this, and also shows the types of services that participants received. It is important to note that the services provided differed according to area. For instance, while some housing estates had communal playgrounds for children, some did not; similarly while some participants had recycling facilities, others did not. Therefore, the diagram below describes the range of services received but not necessarily by every participant:



In terms of the range of services provided, participants felt that more could be offered by their landlords, including:

- Community centres
- Playgrounds
- Refuse sacks for garden waste
- Recycling facilities
- Street drains cleaned
- At home visits from local authority/RSL housing officers
- Rubbish bins and dog litter bins on streets
- Local housing offices for RSL tenants

Participants spontaneously mentioned wanting to receive services that would improve and enhance their neighbourhood. They emphasised the need for community-based services such as playgrounds, community

centres and rubbish bins rather than 'policing' services such as CCTV and wardens.

Whilst participants thought that 'housing' was strongly linked to property, they also felt it related to the community and wider environment. In an extension of participants' attitudes towards housing, they identified as landlord-provided services those which pertained not only to the maintenance of properties, such as repairs and heating, but also to the surrounding community and environment, for instance, provision of rubbish bins and transport.

As participants perceived housing-related services to include those related to their property *and* the community and wider environment, this led to some confusion as to who provided which services. At a 'top of mind' level, participants did not generally tend to distinguish between providers of property-related services (such as building maintenance) and providers of wider services (such as street lighting). This was most obvious amongst participants in local authority housing, who often experienced and viewed housing as just one of a number of services provided by their local authority.

Participants felt the services they received in relation to their property, communal areas and amenities were basic. The quality of the services varied, with the maintenance of property being the main area of satisfaction. In terms of property, the majority of participants were happy with the standard of repairs and maintenance carried out in their home and many had benefited from renovations and improvements. The exception to this was in Kettering where participants mentioned that only some repairs to their properties had been carried out due to perceived communications failures by customer service staff.

Across the sample, participants felt that the services related to communal areas varied in quality, with refuse and waste collection identified as a problem area. Generally, many participants were dissatisfied with their landlord's customer services. Some RSL participants mentioned that their housing association owned properties throughout the country, rather than just in the area they lived, and hadn't provided them with a local housing office. This meant that they were not able to have frequent face to face contact with housing association staff and had to telephone the housing office to discuss any issues. Participants often found the call-centre staff unhelpful. Local authority participants, in particular, were dissatisfied with the lack of action taken by landlords with regards to 'problem' neighbours.

1.4 Decent homes

The majority of participants thought that their homes were well maintained by their landlord. Generally, repairs were carried out efficiently and to an acceptable standard. Many of the participants had received

recent renovations or improvements to their homes, such as: re-roofing, new kitchens and bathrooms and new windows and doors and the majority of participants were happy with the type and standard of these renovations. The only exception to this was amongst participants in Kettering who did not think that their properties met basic standards. In particular, five participants mentioned that their front doors were not flush with the floor of their property and therefore let water in when it rained.

Those participants who had not had recent renovations carried out by their landlord appeared to be living in newer properties which did not need major improvements. Many understood this and thought it was reasonable.

There was little awareness regarding how landlords decided which properties needed to be renovated or improved. Some participants spontaneously mentioned that properties needed to meet a minimum standard that had been set by the European Union, whereas other participants thought that work was carried out on properties according to which area of their housing estate was being improved at a given time.

There was very little spontaneous awareness about decent homes as many participants had not heard of the scheme. Therefore, participants were unsure whether renovations had been carried out to their properties because of decent homes or because the improvements were going to have taken place regardless of the scheme.

Following decent homes (and assuming that standards were met and maintained), participants thought that attention should be focused on the community and communal areas. Spontaneously, participants thought that provision of community centres and playgrounds and services such as road and street repairs and street cleaning could be implemented to improve the wider environment. Overall, it was felt that the area that most needed attention was with regards to providing facilities for children and teenagers.

1.5 Communications

In general, participants did not feel that they were communicated with effectively by their landlords or that they were well informed. However, many participants acknowledged that they tended not to read communications, including newsletters, sent to them by their landlord and that they *may* be receiving information about rent in this way.

Participants described how they usually only paid attention to communications in general if they concerned rent increases or arrears and that they tended only to be interested in financial communications that affected them directly. Participants also said that they received letters about their rent if their landlord was increasing the rent or if they were

in arrears, but they did not receive letters from their landlord about how their rent was set.

1.6 Financing

1.6.1 Rents

Participants had different payment arrangements according to their type of landlord and whether or not they were receiving housing benefit. Four types of payment arrangements were identified:

- Rent
- Rent and service charge
- Rent, service charge and additional extras (RSL tenants only)
- Service charge only (leaseholders)

Some RSL participants were charged extra for certain services such as the maintenance of private gardens. These additional charges were considered to be unfair because they were not covered by participants' housing benefit.

It is important to note that some of the participants who were receiving housing benefit were unclear about whether they were paying their landlord rent only or rent and service charge.

Participants were unclear as to how, exactly, their rent was set by their landlord but had a range of ideas about how they thought it might be set. Participants knew that the rent they paid contributed to the services they received from their landlord but were generally unable to expand on this further. The majority of both local authority and RSL participants thought that RSL rents were higher than local authority rents. This was closely linked to the perception that RSL properties were newer than local authority properties and the connected idea that newer properties carried higher rents. The size of a property and the number of bedrooms was also thought to affect rent levels, as well as Council Tax banding. In addition, some participants thought that all rents were set higher to subsidise those who didn't pay their rent and fell into arrears. In London, factors affecting rent levels were thought to include the value of the property, the location of the property and the proximity of the property to public transport.

It should be noted that the majority of the sample received housing benefit from which their rent was paid. As many of the participants were not, themselves, paying rent it could be suggested that this clouded the issue of whether it was lack of information or lack of interest that contributed to participants' lack of knowledge about how rent was set.

Whilst all participants wanted rents to be set fairly, there were mixed views about whether this could best be achieved by charging similar rents

for similar properties in similar locations or basing rents on income rather than property prices. The majority of participants were receiving housing benefit and, therefore, didn't feel that they would be particularly affected by a change in the way rents were set as their housing benefit would adapt accordingly to meet any changes. There was also no awareness amongst the participants of rent restructuring.

Participants viewed 'fair' service charges as an acceptable part of housing payments, but those who received housing benefit were often unsure whether or not they paid a service charge. However, participants were unhappy about being charged for services that they did not receive or did not use. They were also unhappy about paying one-off charges for additional extras, such as gardening, as these were not covered by housing benefit and were, therefore, considered to be unaffordable. Furthermore, leaseholders were also unhappy about having to pay an additional amount for any improvements to the outside of their property, in addition to their service charge. This was exacerbated because they did not own the outside of their properties. They were also unhappy about not being given a choice regarding whether or not they wanted any improvements to the outside of their property.

Overall, there was little specific awareness amongst participants about how rent was spent by their landlords. None of the participants were aware that rent was being used by their landlords, in some instances, to make payments to government or commercial lenders. Many of the participants struggled to identify what proportion of their rent should be spent directly on services, except for the two focus groups in Kettering where both focus groups thought that 50 percent of rent should be spent directly on services.

Participants' attitudes towards the extent to which they received value for money, regarding the rent they paid and the services they received, varied between local authority and RSL participants. Overall, local authority participants were more consistently satisfied than RSL participants that they received value for money. They were generally happy with the services they received from their landlords and perceived their rents to be lower than the rents charged by RSLs. RSL participants were more divided in their views about the extent to which they received value for money. The extent to which they felt they received value for money appeared to differ according to the area in which they lived and the historical situation of the area.

1.6.2 Housing revenue account and self-financing systems

Overall, the vast majority of participants were unaware of how housing was financed. Furthermore, most participants were also unaware that differences existed between how local authorities and RSLs were financed.

Local authority participants were unaware of the housing revenue account (HRA) system. They did not know that the HRA was the system upon which local authority housing was financed and did not have

any knowledge about how the HRA system worked. This meant that participants also had no awareness that local authority funds were redistributed across the country through the housing subsidy system. Participants did know that central government had some involvement in financing local authority housing but were uncertain about the level of this involvement or what it entailed.

Most of the RSL participants were unaware of whether RSLs were commercial organisations or not for profit organisations. Whilst a few of them knew that RSLs were self-financing, participants were unaware that RSLs borrowed money from banks and building societies. There was also uncertainty about the extent to which government was involved with RSL housing.

Participants were given explanations about how the HRA and the self-financing systems worked. Even after these explanations, participants struggled to make a judgement about the advantages and disadvantages of each system due to their low levels of knowledge and understanding. In particular, throughout the discussion, participants often became confused about how the HRA system worked. For many of the participants, the focus group was the first time that they had heard of each system.

Attitudes towards the HRA system varied. Most of the participants understood the HRA system to mean that local authorities in 'credit' would lose out, because their money was redistributed elsewhere, and local authorities in 'debt' would gain. Subsequently, there were mixed views about the fairness of the HRA system. Participants also expressed concern as to whether the HRA system encouraged local authorities to manage their finances less efficiently in the knowledge that they would receive a 'bail-out'.

Attitudes towards the self-financing system also varied. Participants thought that the advantages of the system were that rent money was invested in local properties rather than being redistributed in other areas of the country and that the system encouraged good financial management as there was not a central fund or redistribution aspect to help support the system. However, participants were concerned about the lack of central government involvement with regards to setting rent levels. They perceived that there was no upper limit to rent levels and that potentially RSLs could set rent at whichever level they wished. Participants were also concerned that RSLs could find themselves in financial difficulty if the banks or building societies that they borrowed money from experienced financial troubles. Participants were also anxious about the amount of interest charged on money borrowed from banks or building societies and the perceived subsequent effect on their rent.

1.7 Key insights

A number of key insights emerged across the research relating to services, standards, financing/rents and communications. The following is a summary of these insights:

Services

- Housing services were seen to extend beyond property to include communal areas and surrounding amenities. Therefore, there was some confusion about who provided which services
- Many participants were satisfied with the quality of services that they received
- Both local authority and RSL participants felt the range of services they received were fairly basic. They prioritised services into three categories: property, communal areas and amenities
- Tenants identified a range of services that they wanted to see delivered in the future. These services particularly focused on communal facilities such as playgrounds, community centres and improved waste facilities
- Tenants expressed a preference for community-based services rather than 'policing' services to tackle anti-social behaviour

Standards

- With a few exceptions, participants felt their homes met minimum/acceptable standards. The main exceptions were in Kettering, where participants had experienced problems with leaking external doors
- The majority of participants were unaware of decent homes but many had recently had improvements to their homes
- It was widely felt that after decent homes, money could be focused on community-based services. When prompted, participants also mentioned tackling fuel poverty as a priority

Financing

- Overall, there was high lack of awareness and understanding regarding the HRA and self-financing systems
- Given their lack of understanding, participants found it difficult to form an opinion of either financing system or to evaluate which would be most beneficial. Their thoughts were very much 'top of mind'. However, participants understood that there were advantages and disadvantages to both the HRA and the self-financing systems
- Opinions about the HRA system were determined by whether or not participants thought they would benefit from the system and this was driven by whether they thought their local authority was in credit or debt

- Participants liked that the self-financing system meant that money was invested in local properties. However, they were concerned that a self-financing system would mean unlimited increases in rent and there was unease about RSLs borrowing money, especially in the current financial climate

Communications

- Participants generally did not feel that they were communicated with effectively by their landlords. However, most participants showed little interest in communications from their landlords that did not focus on financial information of immediate personal relevance

2 Introduction

2.1 Background and objectives

On 10 March 2008 the then Housing and Planning Minister, Caroline Flint, and the then Chief Secretary to the Treasury, Yvette Cooper, launched a joint Review of Council Housing Finance. The purpose of this joint Communities and Local Government and HM Treasury Review was to ensure that there exists a sustainable, long term system for financing council housing and that it is consistent with wider housing policy.

In order to inform the review, Communities and Local Government commissioned qualitative research to explore tenants' attitudes towards the current system of council housing finance and rents. The current method for financing council housing is through the housing revenue account subsidy (HRAS) system, which is a national redistributive system run by government. Under this system, government calculates the spending need of each local authority by reviewing each local authority's housing revenue account (HRA) and comparing it to their net income. If the assumed (or notional) income falls short of the assumed need, the government provides subsidy to make up the shortfall. If the assumed income exceeds the assumed need, the excess is fed back into the subsidy system to help other local authorities who need subsidy.

One of the difficulties with the current system is that some of the assumptions that government bases its decisions on do not always bear much resemblance to local authorities' actual costs. Another issue is that local authorities cannot plan properly as funding levels are only known one year in advance. Additionally, tenants (and other stakeholders) find the HRAS system difficult to understand and, therefore, perceive it to lack transparency.

The main aim of the research was to explore tenants' attitudes towards the current system of council housing finance and rents. The objectives of the research were to:

- Explore awareness, knowledge and understanding of the current system of council housing finance and rents
- Explore views on housing provision and accountability
- Identify which services are currently provided, and the quality of the services
- Understand which services participants would like provided
- Identify which services should constitute a 'core' service
- Understand where attention should be focussed, if it was moved beyond decent homes

2.2 Method and sample

Seven focus groups were conducted by GfK NOP Social Research between 24 September and 29 September 2008. The majority of the focus groups comprised between six and eight participants and each focus group lasted for one and a half hours. The following table shows the sample for the research:

Location		Number of focus groups	LA	RSL
Urban	Liverpool	1	–	Family
	Birmingham	2	Empty nesters Family – non housing benefit	–
	London	2	Pensioners	Empty nesters – non housing benefit
Rural	Kettering	2	Mixed life-stage and landlord	
Total			7	

The focus groups were held across England and included urban and rural locations in order to achieve as broad a regional coverage as possible. The locations were:

- London (urban)
- Liverpool (urban)
- Birmingham (urban)
- Kettering (rural)

Three of the focus groups comprised local authority tenants and two of the focus groups comprised registered social landlord (RSL) tenants. The two focus groups held in Kettering consisted of a mix of local authority and RSL tenants as, in this rural area, it was not possible to hold discrete focus groups according to tenant type because of recruitment issues arising from the area's housing stock. However, discrete focus groups with the majority of the sample meant that any differences in opinion between local authority and RSL tenants could be identified and fully explored. In order to achieve a good spread of views, the local Authority focus groups included a mixture of tenants who rented directly from the local authority, tenants who rented from an arms-length management organisation (ALMO) and leaseholders. It was not possible to hold focus groups in Birmingham with RSL tenants because of the local housing stock situation. In Liverpool, similarly, it was not possible to hold a focus group with local authority tenants because the local authority had transferred all of its housing stock to RSLs.

Two of the focus groups – the local authority family focus group in Birmingham and the RSL empty nester focus group in London – were held with tenants not claiming housing benefit. These two focus groups in particular were chosen because it was felt that pensioners living in social housing would be likely to be receiving housing benefit. The remaining five focus groups were held with tenants claiming housing benefit. The purpose of holding discrete focus groups with tenants who were either claiming or not claiming housing benefit was to explore any differences that financial circumstances made with regards to housing needs and experiences.

The sample was split by the following three life-stages, in order to capture the views of tenants with different family backgrounds:

- **Family** – head of the household from married, unmarried or single parent families; participants aged 20–40 years of age with dependent children of various ages
- **Empty nesters** – people aged between 41–59 years of age whose children were about to or had recently left home
- **Pensioners** – people aged 60/65 years of age and above

The purpose of splitting the sample in this way was to understand how different living circumstances, based on varying family backgrounds, impacted on housing needs and attitudes towards housing.

The sample included participants from a range of ethnic backgrounds and disabled people. All participants belonged to socio-economic grades (SEGs) C2DE. The inclusion of only SEGs C2DE was largely dictated by the need for the majority of the sample to be claiming housing benefit, which is a means-tested Benefit. Whilst participants in two of the focus groups were not claiming housing benefit it was felt that, because they were nevertheless living in social housing, they would be more likely to belong to SEGs C2DE.

There were many advantages in conducting focus groups for this research, not least because the subject of housing finance and rents lent itself well to group discussion and enabled exploration of participants' awareness, attitudes and understanding of the subject. The focus group format also allowed participants to discuss their experiences and express their views in their own words, providing a rich source of context. Focus groups were also useful for exploring similarities and differences between those claiming and those not claiming housing benefit, tenant type, life-stage and location. However, it is important to bear in mind that qualitative research uses small sample sizes and, in this research, seven focus groups were conducted. Therefore, as with all qualitative research, the sample size is not statistically representative and the findings are not intended to provide quantifiable results. In addition, participants' low levels of awareness and familiarity regarding the HRA and self-financing systems meant that a good deal of time was spent in each focus group explaining each system. As a result, participants had little time to form coherent

opinions about the financing systems and their thoughts were very much 'top of mind'.

A discussion guide for use during the focus groups was developed by GfK NOP Social Research in consultation with Communities and Local Government and is included in Appendix 1. Participants were also shown a series of show cards that explained the decent homes scheme, suggested future funding possibilities and described how the housing revenue account and self-financing systems worked. These show cards are included in Appendix 2.

The research team was led overall by Michael Thompson, Research Director. The research was managed day to day by Natalie Taylor, Senior Research Executive. Michael and Natalie were joined by Lauren Small, Senior Research Executive.

3 Main findings

3.1 Awareness of and attitudes towards services

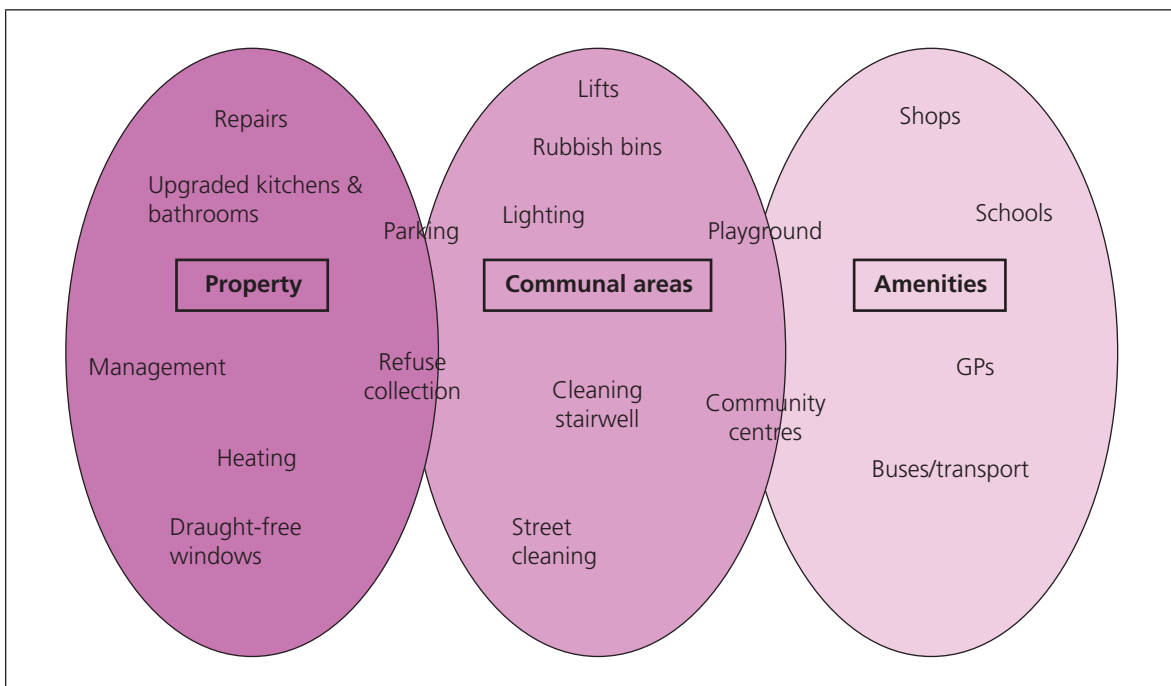
3.1.1 Core services

Participants identified a number of services that they received and considered to be linked to housing. These services did not relate exclusively to property but also included the surrounding communal areas and amenities. As a result, there was some 'top of mind' confusion amongst participants about who provided which services. In particular, this confusion surrounded whether it was participants' landlords or the council who provided certain services. Most participants did not think that the services they received went beyond meeting their basic needs and, consequently, considered the vast majority of the services provided to be necessary. Participants therefore struggled to categorise services into a 'core' group of services which they considered essential and an 'additional' group of services that were non-essential.

"I think all of those [services] are needed, aren't they?"

(Empty nester, LA, Birmingham)

Instead, participants prioritised services according to the following three areas of proximity: property, communal areas and amenities. The diagram below illustrates this, and also shows the types of services that participants received, although not all of them received every service:



As the diagram shows, the most important priority for participants was their property and services related to their property. The next priority was communal areas and then amenities. In terms of the range of services provided, participants felt that more could be offered by their landlords. Participants identified a number of other services they would like to receive and these are listed below. It should be noted that because this list is taken from across the sample, some participants were already receiving these services whilst others were not, and some services were not being received by any of the participants:

- Community centres
- Playgrounds
- Refuse sacks for garden waste
- Recycling facilities
- Street drains cleaned
- At home visits from local authority/RSL housing officers
- Rubbish bins and dog litter bins on streets
- Local housing offices for RSL tenants

Participants spontaneously mentioned wanting to receive services that would improve and enhance their neighbourhood. As the list above illustrates, they emphasised the need for community-based services, such as community centres, rather than 'policing' services such as CCTV and wardens. They felt that if all tenants, but in particular children and young adults, had a communal area where they could meet this would solve many problems relating to anti-social behaviour.

"I just dislike that there is nothing for the kids, nothing at all and then you have them moaning saying that they are all hanging around on the street corners because there is no youth centres or nowhere for them to go because there is no government funding or nothing no more... Instead of doing that and spending money to get [police] officers to go round and check on the kids, they should spend it and build something for the kids and then you would know where they was."

(Family, RSL, Liverpool)

"Instead of building something for the younger children that are hanging around the streets, you know, even if it's only like a big shed with pool tables and something for them to do, there's nothing."

(Empty nester, LA, Birmingham)

Participants living on housing estates that did not have playgrounds felt that they and their children would benefit from having a playground. Not all of the participants had gardens, and playgrounds would provide somewhere for young children to play and exercise.

"I suppose it depends if you've got kids or if you're single. If you've got kids then you've got to have a local park, clean areas to play in."

(Mixed life-stage and landlord, Kettering)

3.1.2 Participants' perceptions of housing and services

Whilst participants thought that 'housing' was strongly linked to property, they also felt it related to the community and wider environment. 'Good' housing was not just confined to a property that was well maintained but was also impacted on by the surrounding communal areas and amenities.

Participants' perceptions of housing also influenced their perception of the housing-related services they received from their landlords. This meant that participants identified services provided by their landlords as those which pertained not only to the maintenance of properties, such as repairs and heating, but also to the surrounding community and environment, for instance, provision of rubbish bins and transport.

As participants perceived housing-related services to include those related to their property, communal areas and amenities, this led to some confusion as to who provided which services. At a 'top of mind' level, participants did not generally tend to distinguish between who provided property-related services and who provided wider services, such as street lighting. This was especially the case with local authority participants, as their rent was paid to 'the council' who provided 'services'.

"Oh, I was just going to say with the services you receive, you've got the Environmental Health people and that ... but I don't know if that's Birmingham City Council."

(Empty nester, LA, Birmingham)

However, when RSL participants considered this more closely they were better able to distinguish who provided which services as they recognised their landlord as separate from the council.

The confusion surrounding who provided which services had a consequent impact on participant's opinions of their landlord. One of the reasons that participants' expectations regarding services may not be being fully met is because of the discrepancy between what they think is the responsibility of their landlord and what is actually the responsibility of their landlord. Participants' confusion about who provided which services meant that they could mistakenly think their landlord should have been providing a service when, in fact, the responsibility belonged with another service provider.

3.1.3 Quality of services

As described in section 3.1.1, participants felt the services they received in relation to their property, communal areas and amenities were basic. The quality of the services varied, with the maintenance of property being the

main area of satisfaction. In terms of property, the majority of participants were happy with the standard of repairs and maintenance carried out in their home and many had benefited from renovations and improvements.

"We have had loads of stuff done and they normally come out within the week but we have had, like, the outside painted and we have had new central heating and new boiler and they have demolished, like, the wall and rebuilt it again. This is all, like, in the last twelve months."

(Family, RSL, Liverpool)

The main exception to this was in Kettering, where participants mentioned that only some repairs to their properties had been carried out. An example of this was where new windows had been fitted but not new front and back doors. There was a problem with the doors letting in rain water but no action had been taken by the landlord to amend the problem.

"The other thing with our houses is, all the back doors leak, don't they, when it rains. Everybody, all of us, end up with a big puddle round by the back door and they won't do anything about it and the front doors and the back doors are not double glazed but all the windows are."

(Mixed life-stage and landlord, Kettering)

Across the sample, participants felt that the services related to communal areas varied in quality. A particular problem area was in relation to refuse and waste collection. Participants thought that refuse and waste was not collected frequently enough and that more large waste bins and small street rubbish bins needed to be provided.

"I've had to buy my own wheelie bin as well, and my own dustbin ..."

(Empty nester, non-housing benefit, LA, Birmingham)

"Out of all of those my main thing would be the refuse collection and so they done it so that they only collect one type of bin every fortnight and there is maggots in the bottom of your bins sometimes."

(Mixed life-stage and landlord, Kettering)

There was a general dissatisfaction amongst participants regarding customer services. For example, local authority participants, in particular, were dissatisfied with the lack of action taken by their landlord after they had reported 'problem' neighbours. Another example was some RSL participants mentioned that their housing association owned properties throughout the country, rather than just in the area they lived, and hadn't provided them with a local housing office. This meant that they were not able to have frequent face to face contact with housing association staff and had to telephone the housing office to discuss any issues. This was especially problematic for some of the tenants, in terms of cost, as housing office phone numbers were not free-phone. Participants also found the call-centre staff unhelpful.

"Whereas you haven't got like a local area, a neighbourhood office, you can go to like they have with the Council, you know what I mean?"

(Empty nester, non-housing benefit, RSL, London)

"You really have got no one to get hold of to be able to do anything and all you have got is someone at the end of a phone number normally with the Housing Association. At least with the Council you can go down to the offices and try and get hold of somebody."

(Mixed life-stage and landlord, Kettering)

3.1.4 Summary of attitudes towards services

Overall, participants' attitudes towards services did not differ significantly across the focus groups. However, there were some specific issues relating to particular groups and these are outlined in the table below:

Group Distinction	Specific Issues
Tenant type	<ul style="list-style-type: none"> • Local authority participants were generally less able to distinguish between 'housing' related services and general services provided by the council, as all the services provided for them came from the same source • RSL participants were better able to identify housing-related services, than local authority tenants, as these services were provided solely by their RSL
Life-stage	<ul style="list-style-type: none"> • Some pension age participants were particularly concerned about having local transport and amenities that were a close distance • Participants across all life-stages mentioned a need for community centres that could be used by children and young people. This issue was not just significant for families with children
Urban vs. Rural	<ul style="list-style-type: none"> • Participants in Kettering were interested about the preservation of green spaces and were concerned that these would be used to build more housing

3.2 Decent homes

3.2.1 Improvements and maintenance of properties

The majority of participants thought that their homes were well maintained by their landlord. Generally, repairs were carried out efficiently and to an acceptable standard. Many of the participants had received recent renovations or improvements to their homes, such as: re-roofing, new kitchens and bathrooms and new windows and doors and the majority of participants were happy with the type and standard of these renovations.

"I've had new windows ... They told me when they were going to do it ... So it weren't like I was waiting around for them ... they were quite good. They didn't leave a mess or anything ... I was quite impressed with that."

(Family, LA, non housing benefit, Birmingham)

"I've got no complaints really. When they came and did the last painting job on the outside ... they did an excellent job."

(Pensioner, LA, London)

"We had a brand new boiler put in ... which is really cool because it is a really low, very good, economic boiler and it doesn't cost us next to nothing and we have constant hot water ..."

(Family, RSL, Liverpool)

Some participants mentioned that they had carried out their own improvements, such as painting a bedroom, and had received money back for doing this from their landlord. This meant that although improvements, such as the colour of paint, had to be approved by the landlord, the tenant was able to exercise more choice over when the improvement took place and was able to receive a financial incentive for completing the work themselves.

There were mixed levels of awareness regarding how landlords decided which properties needed to be renovated or improved. Some RSL participants in Kettering thought the reason they had not had recent renovations carried out by their landlord was because they were living in newer properties which did not need major improvements. Most understood this and thought that it was reasonable. In other areas, participants spontaneously mentioned that properties needed to meet a minimum standard that had been set by the European Union (EU).

"It was in the papers and everything else and EEC or EU or whatever it was at the time said that all houses owned by the councils have got to be central heated and double glazed by the year 2008, I think it was. And that is why they went and done all the estates in one year."

(Mixed life-stage and landlords, Northants)

Other participants thought that work was carried out on properties according to which area of their housing estate was being improved at a given time. They had seen other properties in their area being renovated and expected that their properties would have improvements carried out once it was their turn.

"I think they do it one area at a time, don't they? As I say, mine's the only council house left on that road, so when they come round the corner that must have included mine in that then."

(Empty nester, LA, Birmingham)

3.2.2 Awareness and understanding of decent homes

There was very little spontaneous awareness about decent homes as the vast majority of participants had not heard of the scheme. Out of the sample, two RSL and three local authority participants were aware of decent homes to varying degrees. For example, one participant had received a home visit by someone (she could not recall who they were) who showed her a booklet about decent homes and told her that improvements would be carried out on her property. Another participant had heard of decent homes through her membership of a resident's association (the only member of a resident's association in the sample). However, this participant's knowledge regarding decent homes was mixed as she knew standards had to be met by 2010 but thought that decent homes was connected to the regulation of fuse boxes.

"What I've heard, again through my mum [a local authority tenant]. decent homes they have to bring them up to a certain standard set by the government i.e. new kitchens, the electrics have to be modified, new bathrooms ... And they've got to do it, I think, by 2012."

(Empty nester, RSL, non housing benefit, London)

"Because they've got to bring, all I know is they need to bring certain properties in the Birmingham area, as far as I know, I only know about Birmingham, up to a decent standard to live in by 2010, and it's been going on for a few years now and properties have had work but I haven't."

(Family, LA, non housing benefit, Birmingham)

"... well they came to visit me with a booklet of what they was doing."

(Empty nester, LA, Birmingham)

Due to the majority of participants having no awareness of decent homes, they were unsure whether renovations had been carried out to their properties because of decent homes or because the improvements were going to have taken place regardless of the scheme. However, with the exception of some of the tenants in Kettering, who had problems with their front and back doors, the majority of participants felt their homes met the minimum standards of decent homes.

Participants thought that after the completion of decent homes, once all properties met minimum standards, attention should be focused on the community and communal areas. Overall, the area they felt most needed attention was with regards to children and teenagers. Many participants thought that children and teenagers did not have anywhere that they could go and that facilities needed to be provided to address this issue. For example, one participant mentioned that on her housing estate young people were forbidden from gathering in groups of more than two people. If police came through the housing estate, groups of more than two young people would run from the police so that they weren't caught.

The participant felt that this problem could be avoided if the young people had an indoor area in which they could spend time.

"You don't understand until you've got teenagers and you need somewhere for them to go ... they can go somewhere where they can all sit and do whatever they do ... You probably wouldn't get them out of there, at least you'd get them off the street."

(Empty nester, LA, Birmingham)

"... community project officers who are employed by them to sort of co-ordinate events that are going on. Activities, even just a centre, you know, just letting the tenants know what is available to the kids."

(Family, RSL, Liverpool)

"I think they need somewhere for the older children. There's no clubs no more, you know, we've got quite a few children round our way ..."

(Pensioner, LA, London)

There were also spontaneous mentions that attention could be focussed on property-related improvements such as gardens, fencing and new front doors. RSL tenants also suggested building local housing offices or providing housing officers to make home visits.

None of the participants spontaneously mentioned that attention should be focused on addressing fuel poverty. However, after being prompted with a list of ideas about where money could be focused, participants felt that tackling fuel poverty was a priority.

"Yes, well I agree with you about the heating and stuff and, you know, I can't speak for you too but, like, being a single parent I can't always afford to have the heating on all day."

(Mixed life-stage and landlord, Kettering)

3.3 Communications

In general, participants did not feel that they were communicated with effectively by their landlords or that they were well informed. However, many participants acknowledged that they tended not to read communications, including newsletters, sent to them by their landlord and that they *may* be receiving information about rent in this way.

"They send a newsletter out to tell you what buildings they've done up and whose won this and this one's coming into the Council and things like that, but it's not often they mention money."

(Pensioner, LA, London)

Indeed, there were a few mentions from participants who *did* read the newsletters that rent information pie-charts were provided in the newsletters.

"I don't know, it's a circle, is it a pie-chart? And they show you where your money's been spent and all that crap."

(Family, LA, non housing benefit, Birmingham)

Participants described how they usually only paid attention to communications in general if they concerned rent increases or arrears and that they tended only to be interested in financial communications that affected them directly. Participants also said that they received letters about their rent if their landlord was increasing the rent or if they were in arrears, but they did not receive letters from their landlord about how their rent was set

"They notify you when it's [rent] gone up."

(Empty nester, LA, Birmingham)

"No, that is the only time they get in touch with you is when the rent is late, if you are paying rent, but other than that they don't contact you for nothing."

(Family, RSL, Liverpool)

"I think you only hear if you're in arrears, I would imagine."

(Empty nester, LA, Birmingham)

Participants' tendencies to not read communications unless they carried with them a direct financial impact, coupled with their perceptions that they were not well communicated with by their landlord in general, may be one of the reasons why so few participants had heard of the decent homes scheme.

3.4 Financing

3.4.1 Payment arrangements

Participants had different payment arrangements according to their type of landlord and whether or not they were receiving housing benefit. Four types of payment arrangements were identified:

- Rent
- Rent and service charge
- Rent, service charge and additional extras (RSL tenants only)
- Service charge only (leaseholders)

Some RSL participants were charged extra for certain services, such as: the maintenance of private gardens, upgrade of fencing in gardens, and the removal of stolen motorbikes/burnt out cars from communal areas. These additional charges were considered to be unfair because they were not covered by participants' housing benefit.

It is important to note that some of the participants who were receiving housing benefit were unclear about whether they were paying their landlord rent only or a combination of rent and service charge.

3.4.2 Rent setting

Participants were unclear as to how, exactly, their rent was set by their landlord but had a range of ideas about how they thought it might be set. Participants knew that the rent they paid contributed to the services they received from their landlord but were generally unable to expand on this further. The majority of both local authority and RSL participants thought that RSL rents were higher than local authority rents. This was closely linked to the perception that RSL properties were newer than local authority properties and the connected idea that newer properties carried higher rents.

"Well my rent is dearer than my dad's and I have got a two bedroom house and my dad has got a three bedroom Council house and his is cheaper than mine. So why is mine dearer?"

(Mixed life-stage and landlord, Kettering)

In London, factors affecting rent levels were thought to include the value of the property, the location of the property and the proximity of the property to public transport. In general, other factors believed to affect rent levels were the size of a property and the number of bedrooms as well as the idea that rents were set higher to subsidise those who didn't pay their rent and fell into arrears.

"Based on the size of the property and what they think they can get."

(Empty nester, non housing benefit, RSL, London)

It should be noted that the majority of the sample received housing benefit from which their rent was paid. As many of the participants were not, themselves, paying rent it could be suggested that this clouded the issue of whether it was lack of information or lack of interest that contributed to participants' lack of knowledge about how rent is set.

3.4.3 Attitudes towards rent and service charges

Whilst all participants wanted rents to be set fairly, they had mixed views about how this could best be achieved and no awareness of rent restructuring. Participants appeared to accept that newer properties would carry a higher rent and seemed to think this was fair. However, the idea of

paying a higher rent for a newer and 'better' property was only thought to work if people could afford to pay a higher rent.

Setting rents based on the idea that similar properties in similar locations had similar rents, regardless of different residents' levels of income, was thought by some to be fair. These participants felt that rent should be based on the notion that properties of roughly equal value should have roughly equal rents and that the subsequent level at which the rent is set should not be affected by whether a tenant is receiving housing benefit or whether a tenant is working and pays their own rent.

Conversely, other participants, and in particular RSL tenants, thought that it was fairest for rents to be based on income rather than property prices. They felt that those who were better able to pay rent, for instance people who are working or who have fewer children, should pay a higher amount.

"So maybe if you did live in the city centre you should pay more for it because it's being reflected in your wages anyway."

(Family, non-housing benefit, LA, Birmingham)

The majority of participants were receiving housing benefit and, therefore, didn't feel that they would be particularly affected by a change in the way rents were set as their housing benefit would adapt accordingly to meet any variations.

Many participants viewed 'fair' service charges as an acceptable part of housing payments, but those who received housing benefit were often unsure whether or not they paid a service charge.

"Don't know. What's a service charge?"

(Empty nester, RSL, Birmingham)

However, a few participants who were aware that they were paying a service charge mentioned their unhappiness about being charged for services that they did not receive or did not use. One example of this was being charged for the maintenance of a driveway when the participant didn't own a car.

"I mean I pay for my driveway and I don't even use it. It is in my service charge and I haven't got a car."

(Mixed life-stage and landlord, Kettering)

Participants who had to pay one-off charges for additional extras, such as gardening, were also unhappy as these were not covered by housing benefit and were, therefore, unaffordable.

"Well, people in the flats always have a service charge. Ours are just bringing it in because they said that houses and bungalows was no longer, hadn't been paying the maintenance of the communal areas,

which is a lie really because they was taking a percentage from our rent, direct from our rent, but now they say they're not taking that. So they're trying to introduce a service for the communal areas and it would be another three pounds eighty four if you wanted your front garden cut now."

(Pensioner, LA, London)

Furthermore, leaseholders were also unhappy about having to pay an additional amount for any improvements to the outside of their property, in addition to their service charge. Whilst they were aware that improvements to their property would increase its value, they thought it unfair that they had to pay extra for these improvements when they did not own the outside of their property. They were also unhappy about not being given a choice regarding whether or not they wanted any improvements to the outside of their property.

"We don't get anything. We have to pay a service charge and anything extra like recently we just had the soffits and the guttering done, fascias and soffits done and I had to pay £1,300 for that. Now I didn't ask for it to be done. I don't own the outside of my building because it's a maisonette but I had to pay £1,300 for them to put new guttering and new drainpipes in that I didn't ask for."

(Family, non-housing benefit, LA, Birmingham)

"I own the inside but they keep saying 'no, you don't own the outside'. So why should I pay for what needs doing on the outside of my building? I can understand what they're saying, it adds values to my property, but I don't own the outside."

(Family, non-housing benefit, LA, Birmingham)

3.4.4 How is rent spent?

Overall, there was little specific awareness amongst participants about how rent was spent by their landlords. None of the participants were aware that rent was being used by their landlords, in some instances, to make payments to government or commercial lenders. Participants did, however, understand that rent was spent on:

- Maintenance of property
- Upkeep of communal areas
- Provision of housing support services
- Staff salaries
- Other management costs

"Street lights. No, it can't be street lights because everybody pays."

(Empty nester, RSL, Birmingham)

"Well, it's meant to go on the cleaning and the electric and the heat and keeping everything in the building."

(Mixed life-stage and landlord, Kettering)

Many of the participants struggled to identify what proportion of their rent should be spent directly on services, except for the two focus groups in Kettering where both focus groups thought that 50 percent of rent should be spent directly on services.

3.4.5 Value for money

Participants' attitudes towards the extent to which they received value for money, regarding the rent they paid and the services provided, varied between local authority and RSL participants.

Overall, local authority participants were more consistently satisfied than RSL participants that they received value for money. They were generally happy with the services they received from their landlords and perceived their rents to be lower than the rents charged by RSLs.

RSL participants were more divided in their views about the extent to which they received value for money. Similarly to local authority participants, they also perceived their rents to be higher than those charged by local authorities. However, the extent to which they felt they received value for money appeared to differ according to the area in which they lived and the historical situation of the area. For example, some RSL participants in London had previously lived in local authority properties or had friends and family living in local authority properties and felt that the services provided by RSLs were to a lower standard than the services provided by local authorities. In contrast, RSL participants in Liverpool were far more satisfied with their RSLs than they were when the housing stock belonged to local authorities. Participants mentioned how the local authorities in Liverpool had not had the money to make repairs to properties and that the services provided by the RSLs were to a far higher standard. These participants said that they were paying higher rents to the RSLs but preferred to do this to ensure a better quality of services.

"You don't mind waiting a week or two but with the Council it was never, never."

(Family, RSL, Liverpool)

"I would sooner pay the extra knowing that you are going to get the repairs."

(Family, RSL, Liverpool)

3.4.6 Awareness of the housing revenue account and self-financing systems

Overall, the vast majority of participants were unaware of how housing was financed. Furthermore, most participants were also unaware that

differences existed between how local authorities and RSLs were financed. As participants had such a low level of awareness about how housing was financed, they found it difficult to assess how the financing systems worked and to make judgements about each system.

"Well, I just knew how things are having lived in Council accommodation and a Housing Association. You have different, sort of, policies."

(Family, RSL, Liverpool)

Local authority participants were unaware of the housing revenue account (HRA) system. They did not know that the HRA was the system upon which local authority housing was financed and did not have any knowledge about how the HRA system worked.

"Well, I thought for all these big projects, you know, they got Housing Associations or maybe Councils, you know, dipped into the Housing Corporation coffers to fund these projects."

(Pensioner, LA, London)

This meant that participants also had no awareness that local authority funds were redistributed across the country through the housing subsidy system. Participants did know that central government had some involvement in financing local authority housing but were uncertain about the level of this involvement or what it entailed.

"The government probably has something to do with the Council."

(Empty nester, LA, Birmingham)

Most of the RSL participants were unaware of whether RSLs were commercial organisations or not for profit organisations. Whilst a few of them knew that RSLs were self-financing, participants were unaware that RSLs borrowed money from banks and building societies. There was also uncertainty about the extent to which government was involved with RSL housing.

"Government gives them [Housing Associations] grants to buy properties to supply social housing, is that right?"

(Empty nester, non-housing benefit, RSL, London)

Participants from Orbit Housing Association were aware that Orbit was a large RSL with lots of properties throughout the country and thought that their rent could be supporting properties elsewhere in the country.

3.4.6 Attitudes towards the HRA and self-financing systems

Participants were given explanations about how the HRA and the self-financing systems worked. Even after these explanations, participants struggled to make a judgement about the advantages and disadvantages of each system due to their low levels of knowledge and understanding.

In particular, throughout the discussion, participants often became confused about how the HRA system worked. For many of the participants, the focus group was the first time that they had heard of each system.

Attitudes towards the HRA system varied. Most of the participants understood the HRA system to mean that local authorities in 'credit' would lose out, because their money was redistributed elsewhere, and local authorities in 'debt' would gain. There were mixed views about the fairness of the HRA system. Some participants, notably pensioners in London, thought that redistribution was inherently fair.

"Yes, because it's being ploughed back in again, isn't it? As you say, if we are over then another sort of part of the country is going to do well. So it's really thinking of everyone, isn't it?"

(Pensioner, LA, London)

"That other places that are run down, where they're not receiving it, they're in the red, at least they get something to help that area."

(Mixed life-stage and landlord, Kettering)

However, other participants thought that the HRA system might not be in their interests, although this would depend on the financial status of their local authority. Participants tended to initially assume that their local authority was one of those in 'credit' and that they, as tenants, were at a disadvantage.

"Well, I think that if the Council is in credit, say like Kettering Council is in credit, then the credit should stay in this town and regenerate our town."

(Mixed life-stage and landlord, Kettering)

"So London is subsidising the rest of the country?"

(Empty nester, non-housing benefit, RSL, London)

However, when tenants then thought that their local authority might be one of those in 'debt' they perceived the system to be fairer and could see that they, as tenants, would benefit. This thought process triggered an interest in the focus groups about how participants could find out whether their local authority was in credit or debt. Participants also expressed concern as to whether the HRA system encouraged local authorities to manage their finances less efficiently in the knowledge that they would receive a 'bail-out'.

Attitudes towards the self-financing system also varied. Participants thought that the advantages of the system were that rent money was invested in local properties rather than being redistributed in other areas of the country and that the system encouraged good financial management as there was not a central fund or redistribution aspect to

help support the system. However, participants were concerned about the lack of central government involvement with regards to setting rent levels. They perceived that there was no upper limit to rent levels and that potentially RSLs could set rent at whichever level they wished.

"I think if you go by current experiences, Council tenants will be worse off changing to a Housing Association. The rents would be higher. Each year, much higher..."

(Empty nester, non-housing benefit, RSL, London)

Participants were also concerned that RSLs could find themselves in financial difficulty if the banks or building societies that they borrowed money from experienced financial troubles. Given the current economic climate, participants did not show much confidence in banks or building societies and were also concerned that banks or building societies would not want or be able to lend money to RSLs.

"In this day and age with banks and building societies, they wouldn't borrow to Housing Associations because there's no money available, is there?"

(Empty nester, non-housing benefit, RSL, London)

Participants were also anxious about the amount of interest charged on money borrowed from banks or building societies and the perceived subsequent effect on their rent.

"If they're borrowing money off the bank, how much interest have they got to pay and how much have the rents got to go up to pay that interest back?"

(Empty nester, non-housing benefit, RSL, London)

3.4.7 Summary of attitudes towards financing

Across the focus groups, participants were confused about the financing systems and found it difficult to comment on housing finance and rents. However, there were some distinctions between participants and these are summarised in the table below:

Group Distinction	Specific Issues
Tenant type	<ul style="list-style-type: none"> • Local authority participants believed they were receiving value for money on services • Local authority participants were not aware of HRA system but did understand that government had some part to play in setting their rents • RSL participants were comparatively less satisfied with service charges. However, this varied amongst former local authority tenants, depending upon the performance of their local authority • RSL participants were somewhat aware that their RSL was self financing but were unaware how the system worked • Leaseholders were unhappy about being charged for work done to the outside of their properties
Payment type	<ul style="list-style-type: none"> • Participants receiving housing benefit did not anticipate that they would be affected by a change in how their rents were set as their housing benefit would adapt accordingly
Life-stage	<ul style="list-style-type: none"> • Some pension age participants felt that a redistributive system of setting rents was fairer for everyone
Urban vs. Rural	<ul style="list-style-type: none"> • Local authority participants in London initially assumed that their council would be in credit and would be funding housing in the rest of the country. However, after consideration, these participants thought that their councils were actually more likely to be in debt • Participants in Kettering felt their council was likely to be in credit

4 Key insights

A number of key insights emerged across the research relating to services, standards, financing/rents and communications. The following is a summary of these insights:

Services

- Housing services were seen to extend beyond property to include communal areas and surrounding amenities. Therefore, there was some confusion about who provided which services
- Many participants were satisfied with the quality of services that they received
- Both local authority and RSL participants felt the range of services they received were fairly basic. They prioritised services into three categories: property, communal areas and amenities
- Tenants identified a range of services that they wanted to see delivered in the future. These services particularly focused on communal facilities such as playgrounds, community centres and improved waste facilities
- Tenants expressed a preference for community-based services rather than 'policing' services to tackle anti-social behaviour

Standards

- With a few exceptions, participants felt their homes met minimum/acceptable standards. The main exceptions were in Kettering, where participants had experienced problems with leaking external doors
- The majority of participants were unaware of decent homes but many had recently had improvements to their homes
- It was widely felt that after decent homes, money could be focused on community-based services. When prompted, participants also mentioned tackling fuel poverty as a priority

Financing

- Overall, there was high lack of awareness and understanding regarding the HRA and self-financing systems
- Given their lack of understanding, participants found it difficult to form an opinion of either financing system or to evaluate which would

be most beneficial. Their thoughts were very much 'top of mind'. However, participants understood that there were advantages and disadvantages to both the HRA and the self-financing systems

- Opinions about the HRA system were determined by whether or not participants thought they would benefit from the system and this was driven by whether they thought their local authority was in credit or debt
- Participants liked that the self-financing system meant that money was invested in local properties. However, they were concerned that a self-financing system would mean unlimited increases in rent and there was unease about RSLs borrowing money, especially in the current financial climate

Communications

- Participants generally did not feel that they were communicated with effectively by their landlords. However, most participants showed little interest in communications from their landlords that did not focus on financial information of immediate personal relevance

5 Appendices

5.1 Appendix 1: Rent discussion guide

Council Housing Finance and Rents Policy Research

JN: 451831

Client FINAL

Objectives:

- Explore awareness, knowledge and understanding of the current system of Council housing finance and rents
- Explore views on housing provision and accountability
- Identify which services are currently provided, and the quality of the services
- Understand which services participants would like provided
- Identify which services should constitute a 'core' service
- Understand where participants would want attention focused, if it was moved beyond from decent homes

We will aim to cover all of the following material across the sample as a whole. However, the amount and depth of coverage typically varies according to relative importance to sample type. For example, we may not ask all the questions listed or they may be asked in a different order.

1. Introduction and warm-up 10 mins

(Aim: to reassure and introduce participants and to find out some basic details about their personal circumstances and housing situation)

- Thank respondents for taking part in the research
- Introduce self, GfK NOP Social Research, explain nature of research: **to find out your views on housing and related services and how they are funded.**
- Reassure: confidentiality, tape recorder, MRS Code of Conduct
- Discussion will last for 1.5 hours and it will be recorded for the purpose of the research

- Importance of everyone being honest and able to say what they think, respecting one another's views, not talking over one another, no right or wrong answers
- Any questions?

Participant introductions

- Tell us a little bit about yourself:
 - Name
 - Type of property you live in and length of time in property
 - Name of the local authority/registered social landlord that owns your property/ has the freehold for your property
 - How is your property paid for?
- Name one good and one bad thing about where you live

2. Attitudes to housing 5 mins

(Aim: to gather background information about participants' housing circumstances, explore participants' attitudes towards their housing and local environment)

- What do you like about your where you live? *SPONTANEOUS but prompt if necessary:*
 - State of property, Location, Transport links, Proximity to facilities, shops, schools etc,
- What do you dislike about where you live? *SPONTANEOUS but prompt as above if necessary*
- What makes a place good to live, in terms of: housing, facilities and local community? *MODERATOR TO FLIPCHART*
- If you could improve one aspect of where you live, what would it be?

3. Services provided 10 mins

(Aim: to explore the types and range of services received, explore attitudes towards these services and identify which services are essential)

- There are a number of services that are provided by your landlord. Please can you tell me what types of services you receive? *MODERATOR TO FLIPCHART. SPONTANEOUS but prompt if necessary:*
 - Property related services
 - Wider community services
 - Services for children and families

- Services for disabled people
- What do you think about the services offered?
 - What do you think of the range of services provided?
 - Which are delivered well?
 - Which are delivered poorly?
 - How could this be improved?
- Which services do you think you can do without?
- What other services would you like to see provided by your landlord? *MODERATOR TO FLIPCHART*
- How could services be changed to reflect your needs?
- *Exercise: Participants to split into two groups.*
- *Please categorise the list of services you have mentioned into those you consider to be 'core' services and those you consider to be 'additional' services. By core services, I mean those services that you think are absolutely essential and which would be unacceptable to be without. These are the services which should be paid for from rent. By additional services, I mean those services which would be nice to have but you could live without. These services would be the ones which you could be charged an additional service charge. I will then ask you to discuss with the other group why you have you have categorised the services in the way that you have.*

4. Decent Homes

10 mins

(Aim: to explore awareness and understanding of the decent homes scheme)

- How well does your landlord maintain your home?
- What kind of maintenance is carried out on your home?
 - To what extent is this day to day maintenance compared to longer term home improvements?
- What types of longer term improvements has your landlord carried out on your home?
- How would you describe the quality of the longer term improvements?
- How do you think your landlord decides which properties are eligible for these improvements?
- What do you know about the minimum standards that properties have to meet?
- What do you know about the decent homes scheme?
SPONTANEOUS, then read out show card A

- What do you think about the scheme?
- To what extent are these standards being met?

Moderator: LAs have an obligation to meet the decent homes standard by 2010. After this date, there may be funding available for other purposes.

- What do you think the money could then be spent on?
SPONTANEOUS, then read out show card B if necessary

5. Communications 10 mins

(Aim: to identify the type and range of communications between Landlords and tenants, the opportunities to communicate and how communications could be improved)

- What communications do you receive from your landlord relating to housing?
 - How frequently?
- How well informed do you feel?
- What would you like to be informed about?
- What kinds of things do you contact your landlord about?
- How do you contact your landlord?
 - How frequently do you contact your landlord about housing issues?
 - What happens?
- How do they consult you about changes to your home?
- How would you like to be consulted by your landlord?
 - What issues would you like to be consulted about with regard to housing?
- To what extent are you able to have an input into the decisions your landlord makes about your home and local community?

6. Payment for Services 15 mins

(Aim: to explore participants' understanding about how services are paid for in relation to their rent and/or service charge)

- What kind of information does your landlord provide to you about rents and/or service charges?
- Does your landlord split out your service charge from rent?
- How affordable is your current level of rent and/or service charge?
- To what extent do the services you receive represent value for money?

- How do you think the services you mentioned earlier are paid for?
- What else do you think your rent and/or service charge is spent on? *SPONTANEOUS, then prompt:*
 - Staff salaries, Administration costs, local authority/registered social landlord debt, Other
- What proportion of your rent/service charge do you think is spent directly on services?
 - How much of your rent/service charge would you like to see spent directly on services?
- *Exercise: Participants to split into two groups.*
- *Going back to the list of services you made earlier, I would now like you to think about the services you are currently not receiving. For this task, each new service represents a 1% increase in your rent/ service charge. As a group, select which services you would like to add to the ones you already have. You can have as many services as you would like however, the more services you have, the higher the charge you will pay.*

7. Rents and Funding 25 mins

(Aim: to explore understanding of the HRAS system and draw comparisons between the LA and RSL financing models)

- What can you tell me about how rents are set by your landlord?
 - How do you know this?
 - What information does your landlord provide about how rents are set?
 - To what extent does your landlord consult you about rent levels?
 - What would you like to know?
 - Who should provide you with this information?
 - To what extent do you believe that similar properties in similar locations should have similar rents, or that the rent level should be based on the household income?
- What are the differences between how LAs and RSLs set their rents?
 - Were you aware that there are different systems of financing housing?
- How do you know this?
- What do you think about this?
 - What would you like to know?

- Who should provide you with this information?

ASK LA GROUPS ONLY:

- What do you know about how the government funds Council housing?
 - How do you know?
 - What do you think about this?
 - What would you like to know?
 - Who should provide you with this information?

Moderator reads out Show cards C & D

- Why do you think a change to the current system is being considered by government?
- What are the advantages/disadvantages of each system?
MODERATOR TO FLIPCHART
- PROMPT if necessary:
 - *The advantages of the **local authority national system** are that rents are similar for similar properties across the country and that every local authority will have an income to pay for repairs etc. The disadvantages are that local authorities cannot do any long-term planning, there is a lack of local control and local rent may be redistributed elsewhere in the country.*
 - *The advantages of the **Housing Association finance system** is that long term plans can be made and control is local as decisions are made by each Housing Association. The disadvantages are that rent levels may vary across the country and, if this system was applied to local authority housing, some local authorities would be unable to afford it.*
- Which of these funding systems sounds fairer?
 - Why?
- *Flash Forward Exercise: Imagine it is the not too distant future and your landlord has implemented the alternative system.*
 - *How is the system working?*
 - *How has the change affected you personally?*
 - *Which services have been affected and how?*
 - *To what extent have the services improved or deteriorated overall?*

ASK RSL GROUPS ONLY:

Moderator: I'm now going to explain how the LA and RSL financing models work.

Read out Show cards C & D

- What are the advantages/disadvantages of the locally financed system? *MODERATOR TO FLIPCHART*
- How does it work for you personally?
- How does your landlord consult with you on issues of rent/service charges?
- To what extent does your landlord set rents in line with the services that they provide to you?
- How well is the system managed?
- How could the locally financed system be improved?
- *Reporting Exercise: Imagine you are meeting up with a friend who lives in LA housing and wants to know about the locally financed system. What would you tell your friend?*

8. Summary

5 mins

(Aim: to provide participants with an opportunity to feed back one key point about housing and to bring the discussion to a close)

- If you could tell one thing to the government about housing, what would it be?

Thank and close

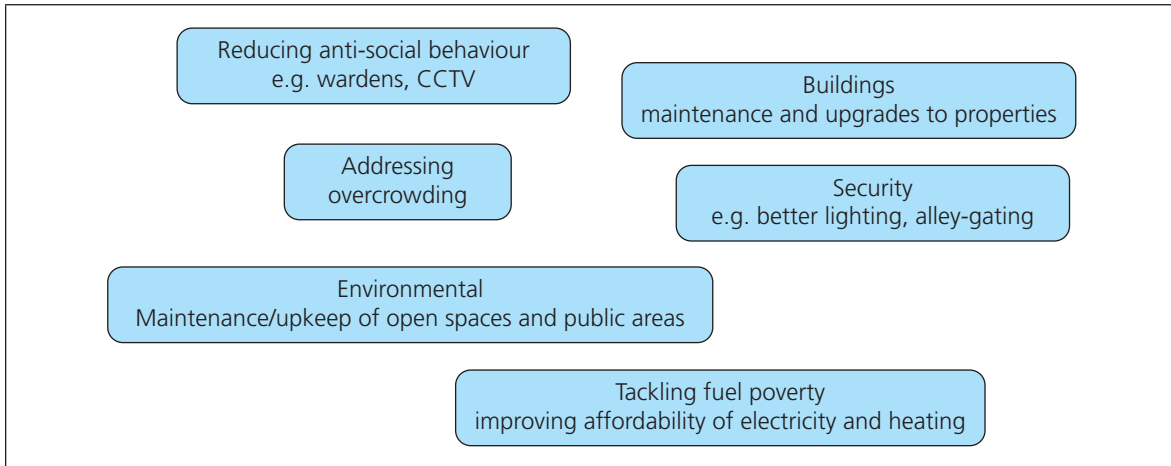
5.2 Appendix 2: Show cards

Show card A – Decent homes

- 'Decent homes' is the name of a government scheme to renovate social housing to a minimum standard. To meet this standard a home must have reasonably modern facilities, be warm and weatherproof.
- There is a certain amount of funding, provided by government, to local authorities and registered social landlords (housing associations) for these renovations.
- Local authorities and registered social landlords have to judge which properties they think need these renovations.
- Examples of renovations include:
 - Replacement windows
 - Re-roofing
 - New kitchens/bathrooms
- The decent homes standard has to be met by 2010.

Show card B – Future funding possibilities

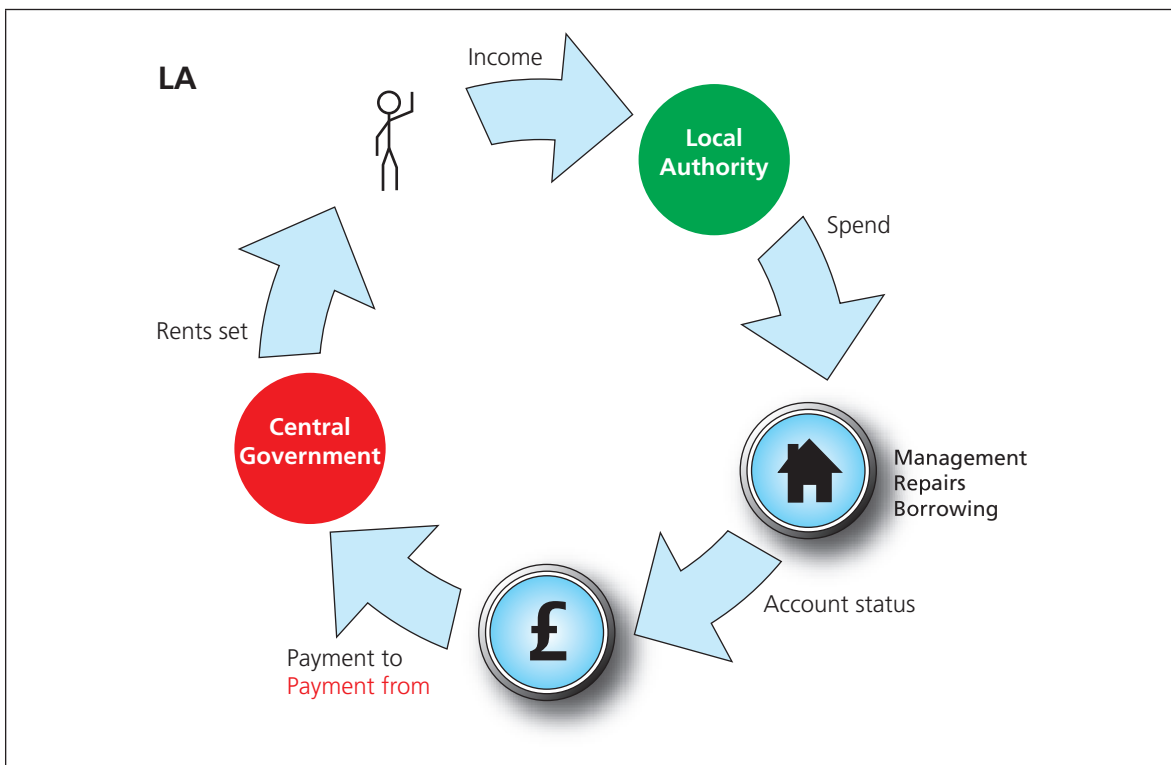
This show card was used to prompt ideas about where attention could be focused if it was moved beyond decent homes.



Show card C – Rents and finance system: local authorities

This show card was used to illustrate to participants how their rent (income) was distributed by their local authority (spend). The show card also explained that the HRAS system received payments from and gave payments to different local authorities and was controlled by central government.

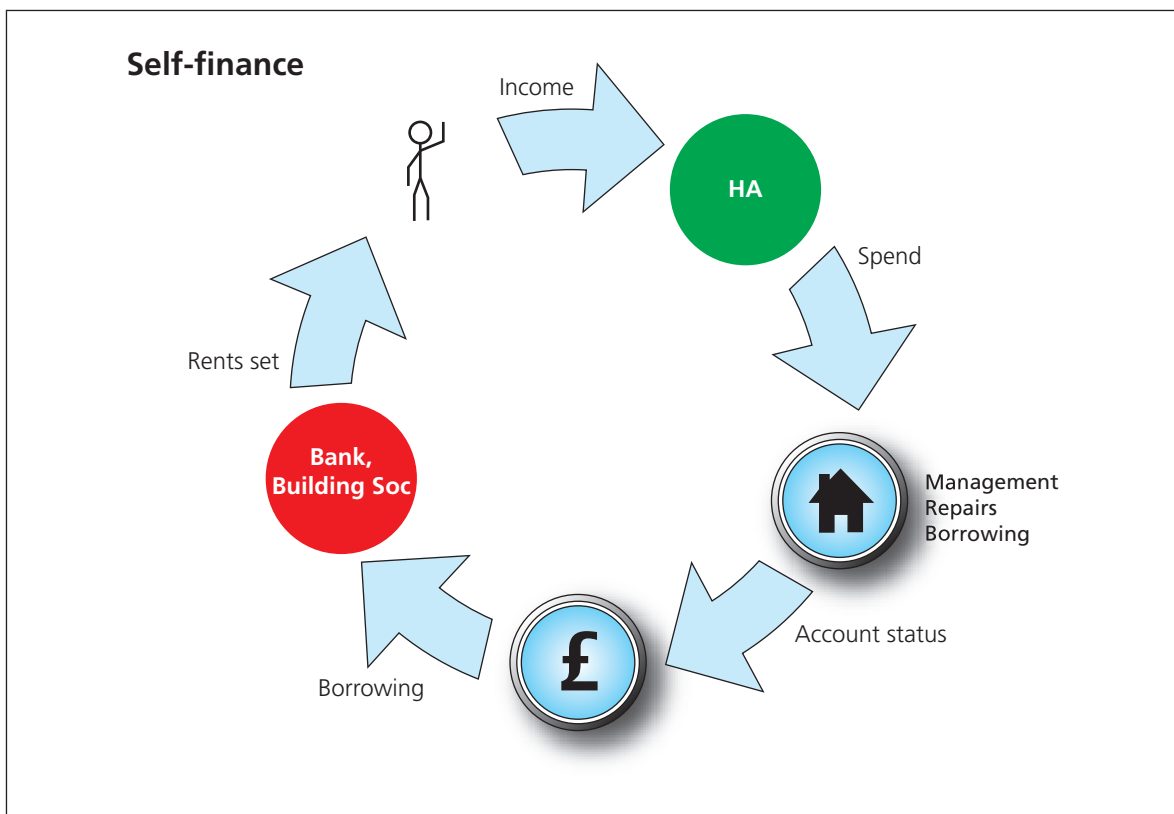
It is important to note that the show card was kept deliberately simple in order to encourage participant understanding and that, in addition, a verbal explanation was also given to participants.



Show card D – Rents and finance system: RSLs

This show card was used to illustrate to participants how their rent (income) was distributed by their RSL (spend). The show card also explained how RSLs were self-funded through borrowing money from banks and building societies.

It is important to note that the show card was kept deliberately simple in order to encourage participant understanding and that, in addition, a verbal explanation was also given to participants.



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