Beyond Bricks and Mortar
Foreword

At Metropolitan we are looking to build almost 6,000 more new homes by 2020, investing around £700 million to meet housing need. That means thousands of people – new customers – will benefit from a new home.

It’s right that house building should be our focus – housing is our core purpose. But we know that we are in a position to add other value to society beyond bricks and mortar. What about the value we can give to our existing customers – in our case, more than 80,000 people – beyond delivering housing services?

Housing associations have a strong tradition of providing access to jobs and training, and fostering cohesion in the communities in which they work. But beyond that, what more should the housing sector be doing? How can housing associations provide greater social value?

In many of the communities in which we work there are high levels of deprivation – with individuals facing barriers such as poverty, unemployment, social exclusion, lack of educational qualifications, and diminished community and personal resilience. These barriers limit people’s capacity to realise their aspirations.

At Metropolitan we want to support customers in achieving their own goals – to the benefit not only of the individual, but of the community and wider society too.

This means tailoring services to meet individual needs. It could involve supporting people to gain the skills necessary to get into employment or secure a better job; it could involve enabling care and support customers to transition to lower intensity services; or it could involve supporting people into shared ownership so they have a financial stake in their home.

We know there are huge benefits to providing these types of opportunities. There are numerous studies that identify a link between personal wellbeing and successful societies – successful in terms of more sustainable economies, higher levels of good health, lower crime rates, and much more besides.
Of course housing associations can’t tackle every issue we faced by society – but we should be looking at what else we can do: how in our unique position, we can deliver more social value through enabling greater independence.

At Metropolitan we are already looking at how we can measure our impact in this area and we’ll continue to refine this. To help us, we have conducted an inquiry and produced this report, Beyond Bricks and Mortar, to compile views from across the sector and better understand the benefits of independence.

As part of this, we have developed a survey and collated evidence through a series of round-table stakeholder discussions. To keep the work focused, we examined the following areas – areas in which we think organisations like ours can best make a contribution:

- Employment
- Transition from high intensity care and support
- Social housing and home ownership

Beyond Bricks and Mortar has helped us to better understand the evidence that exists in these areas, as well as develop some recommendations for the future.

Overall I believe our work has yielded an interesting and valuable insight into the concept of independence and its role in the social housing, care and employment support sectors.

Brian Johnson, Chief Executive
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Executive summary

Independence is vital for people’s sense of self-worth and well-being. It enables people to live more happily and pursue their aspirations. Housing associations have a long tradition of empowering people to find work, earn more, buy homes, and live independently.

Despite this tradition, many of those surveyed for the report felt that the relationship between housing associations and their customers was too paternalistic. There is, however, much that housing associations can do to change this and extend opportunities for people to live more independently.

![Bar chart showing the proportion of those surveyed who think it is very important for housing associations to deliver in the following areas]

- Supporting residents into employment: 46%
- Providing support for customers with care and support needs: 56%
- Supporting customers who are able to move on from social housing to other forms of tenure: 35%
If there isn’t someone there advocating for that person then things can get blocked, delayed or stuck

Comment at roundtable discussion

Care and support

Health is a vital component of living independently. Physical and mental ill-health is not only a major barrier to work, and the benefits that employment brings, but also has negative implications on wellbeing. Providing support for people at home and in the community has proven to be popular, it can also reduce pressures on strained services and enables people to live more independently.

- Government should undertake an evaluation into the potential net savings, including the benefits of prevention and the impact on demand for other services, in funding floating support to people in their own home.

Housing association tenants are more likely than the general public to have a mental or physical health problem. Associations are therefore more likely to feel the pressure of an ageing society. However, they have the advantage of being in close contact with their customers.

- Being able to spot problems early, and signpost customers to appropriate services, can require training for those who most often come into contact with customers. Such training is not cost-free but could prevent expensive problems occurring down the line.

- Housing associations, the Chartered Institute of Housing and the National Housing Federation should consider whether it is feasible to establish a benchmarking scheme for the provision of care and support services that social landlords provide. This could operate in a similar way to how HouseMark does for social housing stock. This could help improve service quality as well as provide an evidence base for housing associations when they tender for funding. This could also apply to employment services.

- The additional pressures of an older tenant population should feature in housing associations’ medium- and long-term asset management strategies. Failure to prepare now is likely to cost associations over time, and reduce the independence and wellbeing of residents.
There needs to be much more, good quality floating support

Response to inquiry survey

Housing associations provide a range of care and support services. With society ageing, the need for additional support within the home will become even more essential in managing demand on other services, not least acute healthcare. More, therefore, could be done to support partnership working to help people live independently.

- Housing associations could do more to understand what individual health partners require and be much clearer about the financial benefit they could offer. For successful partnerships to be formed, time needs to be dedicated to forming good relationships. There could also be scope for establishing local forums for the two sectors to discuss how to collaborate, gain better understanding of priorities and financial drivers, and explore the mutual benefits of partnership working.

- The Department of Health should reconsider its decision not to require health and wellbeing boards to include representatives from housing providers. Housing associations should in the meantime actively try to ensure a presence on these boards – an early study found that only 31% included housing leads.

- Having a housing lead on the Health and Wellbeing Boards could help ensure all Joint Strategic Needs Assessments adequately consider the housing needs of an area. The Local Government Association and National Housing Federation could consider sharing contact details of housing organisations and contacts in an area so they are fully consulted.
There can be an issue with people understanding how to access services

Comment at roundtable discussion

Increasing provision of intense support is required to enable more people to live independently and reduce pressures on services. There are also a strong cases for ensuring that general needs homes allow people to live independently and for using the scarce supply of affordable housing flexibly to support those with particular health and mobility issues.

- Government, the Department of Health and NHS trusts should consider whether simply selling off surplus land for the highest short term cash value offers best value over the longer term. Measuring savings that can be delivered across departments could support the case for using public land for health and housing interventions. They might also consider the need to introduce new appraisal processes for surplus land which includes the value of improving care pathways in communities and not just the value of the sale (perhaps in a similar way as the 2012 Social Value Act).

- Associations, local authorities and charities should work more with local communities to allay fears about the provision of supported housing for people with mental health problems.

- Government should undertake a review of the costs of housing repairs and adaptations for older people and how much this spending is likely to save other public services. Based on such a review, there could be a case for a ‘decent homes for older people programme’ which would require a minimum standard that properties with older tenants need to reach, not least on insulation and access.

- With lower grant levels, an aging population and a constrained land market, housing associations will need a combination of flexibility and creativity to adapt to changing market conditions in the coming years. Housing associations should assess the need for more Life Time Homes in their areas of delivery and seek greater flexibility on allocations, so existing homes can best serve older people.
Case study: Independence for Fran

When Fran was referred to our intensive enablement service she had experienced a prolonged period of deteriorating mental health and multiple periods of crisis, which led to several hospital admissions and the loss of her tenancy. As a result, she experienced low self-esteem, an inability to cope with daily life and a loss of hope for the future.

Our team put together a personal assessment which focused on Fran’s insight and experience. This enabled her to identify what had been helpful in the past, and what personal goals and strengths could support her aspirations.

Fran was supported to co-produce a wellness recovery action plan and a support plan focusing on developing the skills and resilience to self-manage her mental health. Fran also began to identify a longer term aspiration to return to employment and live independently.

Metropolitan provided an intensive programme of support that focused on small steps in confidence and resilience, and fostering hope for the future. Her confidence increased and Fran began to widen her aspirations to return to employment.

A new plan was co-produced with Fran and other support agencies, identifying steps to move into employment, including accessing Metropolitan’s in-house programme for supporting people back into work.

Fran developed further employment skills and took up a voluntary position with Metropolitan’s business management team. Ultimately she was discharged from the community mental health team and was successful in securing a permanent paid position with Metropolitan. Fran is now living independently.

The customer’s name has been changed to protect privacy.
Employment, volunteering and training

Work gives us greater financial independence and the money to make choices, but employment is more than just about the pay cheque: it is about identity and a sense of feeling valued. Being out of work not only increases the chances of being in poverty, it also affects mental and physical health. In our survey, helping customers into work was seen as the most important way housing associations could promote independence.

Many housing associations already play a critical role in helping people back into work. On average, associations have a tenant population which is far more likely than the general population to be out of work. Social tenants are four times more likely to be out of employment, education or training at age 18 – and 11 times more likely at age 30. This puts associations in a unique position to identify need and to support people into work.

Respondents indicated the extent to which each of the below were key barriers to employment for customers:

- Lack of available jobs: 37%
- Lack of qualifications: 42.6%
- Lack of sufficient work experience: 80%
- Lack of self-esteem: 54.5%
- Lack of funding for job programmes: 40%
- Benefits system penalising people who work limited hours: 43.6%
- Poor transport links to places of work: 36.4%
- Lack of access to or expensive childcare: 34.5%
- Lack of stability in jobs that are available: 29.6%
- Benefits system penalising people who work limited hours: 23.6%
- Lack of self-esteem: 14.5%
- Lack of funding for job programmes: 68.5%
- Lack of sufficient work experience: 63.6%
Housing associations should ensure their staff are able to signpost customers who may need support to employment services. This may in some cases require funding but could save money over the longer term.

Pre-tenancy courses and tenancy agreements can be linked with training and employment opportunities. This allows for associations to identify those in need of support to find work. Associations that don’t should work to better understand unemployed tenants to inform decisions about service provision.

Housing associations should be alert to the potential employment needs of tenants and proactively offer additional support at potential crisis points – for example when someone enters rent arrears.

Housing associations can make a unique contribution to helping people into work. Government, agencies and third sector organisations should work more closely with associations when seeking to support people into work.

Supporting people into work often involves multiple organisations. Fostering partnership working can help extend opportunities and avoid duplication.

Housing associations work with a wide range of organisations to deliver employment and training activities. Where housing associations have limited stock, they should seek to work closely with other providers to ensure opportunities for employment support for more customers.
• To avoid duplication of services and foster joint working, holding regular forums can be a way to bring together stakeholders. This could also ensure that any gaps in services are plugged.

• Housing associations should form relationships with local employers. Tailored mentoring schemes and pre-work training could encourage employers that potential employees are ready for work.

Housing associations are themselves major employers and play an important role in local economies, through activities including regeneration schemes. This role as direct employer and as contractor can help residents and the wider community find employment.

• Housing associations should consider not only what staff can offer to support residents but also how unused physical space can support employment. Using their assets to provide space for business start ups or to provide childcare can help support the independence of residents and help improve neighbourhoods.

• Housing associations, as major employers, should adopt clear employment policies within their organisations and the wider supply chain, demonstrating how they can support tenants and customers into work through their own activities.

• Housing associations also need to ensure that contractor’s obligations are being met. Care should be given to the quality of the apprenticeships being offered, an issue highlighted in the Government-commissioned Richard Review of apprenticeships. This means ensuring quality is kept high when seeking to maximise the numbers of placements.

Housing associations need to compliment local job seeking services, this might be job clubs, CV and interview support, training programmes in line with local skills shortages, brokering candidates and having a talent pool local employers can access

Response to inquiry survey
Case study: Gaining the experience

Chantelle Clarke-Medford lives in Brixton and was based at Metropolitan’s Ashmole Estate Office in Lambeth, south London, during her apprenticeship.

“I applied for this apprenticeship because I wanted to move into office administration work but I didn’t have any experience. Someone I know suggested that I apply to Metropolitan because their programme included an NVQ in Business Administration, so I gave it a try.

“I’ve got a retail background so at first it was difficult because I had to get used to the new working environment, but now I’m really enjoying it. It’s been really nice to meet new people and make new friends. I’ve learned about how a housing association works from the inside, and I even got to meet [former footballer] Michael Owen at an event last summer, which was fun.

“The training I’ve received towards the NVQ has been really useful. My allocated study day is on Friday and I can do that in the office or at home, so the balance between work and studying works well.

“I’ve been planning to set up my own photography business for a while now, so after the apprenticeship is finished, I’m going to work towards that.”
We shouldn’t give up on shared ownership, it still works outside of zone 2 in London

Comment at roundtable discussion

Social housing and homeownership

Housing is a basic human need and access to decent, secure and affordable housing is vital to leading an independent life. Housing associations are the leading providers of social housing, but also offer a range of other tenures.

Ensuring greater flexibility and a broad offer is necessary to delivering housing independence for people with different and changing circumstances, whilst also ensuring the best use of existing housing stock.

- The government should consider undertaking a wider review of what a new social housing deal might look like regarding tenancies and rents in a changing policy environment. This could involve people transitioning through tenures and build on proposals in the May 2015 budget to adjust rent levels for those with higher incomes. This should seek to make the best use of a scarce resource, enable investment and increase independence among tenants.

- The National Housing Federation and the Local Government Association should work together to put in place a set of recommendations regarding nomination flexibilities for people transitioning from intensive support into general needs housing – and people with health problems in need of a more appropriate property. This should be in the interests of local authorities who often have to pick up the bill in the form of mental health support or social care. It could also look at greater freedoms as a way to reward those who meet tenancy agreements and those who become more independent.

- Housing associations should examine the feasibility of putting stricter rules within the terms of tenancies to ensure that social housing residents treat their home and wider community with respect. Allowing housing associations greater control over their own properties could be a means of encouraging people to meet the terms of their tenancies. This could include the option of moving residents to a new property.

Despite a modest recovery in development numbers in recent years, there is a growing consensus that the UK is not building the number of homes it needs to cope with increasing household numbers. Moreover, this shortage is impacting both home ownership levels and the number of homes for rent across a range of tenures.
• The Treasury, Department for Work and Pensions and the Department for Communities and Local Government should undertake a joint appraisal of the cost of rising levels of housing benefit claimants over the longer term. The appraisal should also include an assessment of the savings that can be made for the housing benefit bill by supporting the development of social and affordable housing.

• Access to land to supply much needed new affordable homes was mentioned throughout the inquiry. More should be done by government to ensure public land is released to enable new development.

• With the cost of temporary accommodation high, Government should consider what support it can provide for people in emergency accommodation. Greater nomination flexibilities could also help ensure a smooth transition into general needs social housing from temporary accommodation.

![Bar chart showing the three biggest barriers to shared ownership: Low incomes of those seeking to buy (62.2%), Lack of Government grant to support the building of new shared ownership homes (55.6%), and Lack of awareness of products (33.3%).]
Homeownership remains the tenure of choice for most people and can offer security and independence. With declining rates of homeownership and high prices, shared ownership can make homeownership a more affordable option.

- Housing associations should do more to raise awareness of shared ownership schemes and ensure transparency for consumers to avoid later disappointment. This could be helped by having fewer, simpler products.
- Local authorities could include stronger emphasis and incentives for shared ownership in Local Plans and government should consider flexibility within grant programmes to support expansion of shared ownership.
- To encourage staircasing for those in shared ownership, housing associations should provide easy to use tools on the benefits of staircasing. They could also consider the feasibility of support for some costs, such as valuations.
- More could be done to support the resale market of shared ownership homes. This could include considering how compensation for the uplift in value created by the owner-occupier is calculated.
- Housing associations and lenders should work together to develop more flexible mortgage products that can better support consumers’ ability and desire to staircase and increase ownership of their home.

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**What do you think are the three biggest barriers to shared owners staircasing up to full ownership?**

<table>
<thead>
<tr>
<th>Barriers</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Expense of valuations</td>
<td>16%</td>
</tr>
<tr>
<td>Perception that staircasing is poor value for money</td>
<td>44%</td>
</tr>
<tr>
<td>Incomes too low to purchase additional equity</td>
<td>79%</td>
</tr>
<tr>
<td>Initial equity stake or deposit too low</td>
<td>37%</td>
</tr>
<tr>
<td>Products do not automatically encourage staircasing</td>
<td>56%</td>
</tr>
<tr>
<td>Buyers see it as a step to full ownership elsewhere rather than a place to live long term</td>
<td>37%</td>
</tr>
</tbody>
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Case study: From renting to owning

House shares and renting are part of everyday living in and around London as people save towards owning their own property. Metropolitan customers Vijeta and Tejendra went from renting with a live-in landlord when they first moved in together, to renting their own flat and then finally buying their own place.

Reflecting on where they started Vijeta said: “The place we were first renting was in a great location and had good transport links, but what we wanted more than anything was our own place.”

When Vijeta got a job at Queens Hospital in Romford they focused their attention close by. They spotted a home at Lymington Place available through Metropolitan’s First Steps Shared Ownership product. However, it wasn’t to be as they did not match the eligibility criteria.

Metropolitan were keen to look at other options for Vijeta and Tejendra, and suggested renting a 1-bedroom flat at Lymington Place through Intermediate Rent. Intermediate Rent means you can rent a home at a rate around 20% lower than a similar home in a similar area from a private landlord. Taking this up turned out to be a significant stepping-stone for the couple.

“We loved our flat! It was fantastic to have our own space and I found myself just a 10-15 minute drive from work,” said Vijeta.

Just six months after moving in, Vijeta and Tejendra decided to buy their flat and consulted Metropolitan about their options. They knew they wanted to stay at Lymington Place but realised they could buy one of the larger properties instead of their flat. They were torn because the flat felt like home but they knew that they would need more space in the future.

Ultimately they decided to buy a brand new two-bedroom home and now they are reaping the benefits of having a spacious property in their ideal area. Vijeta and Tejendra own 60% of their house and rent 40% at a rate of £142.50 monthly. The mortgage is £524.48 and the management fee is £5.33.
About Metropolitan
Metropolitan is a leading provider of integrated housing services, care and support and community regeneration. We manage over 38,000 affordable homes for rent and sale, along with a range of care and support services. In total we serve around 90,000 customers across London, the East of England and the East Midlands.

Metropolitan is a charitable organisation that exists to support our customers and we reinvest every pound of our operating surplus into developing new homes. Over the coming years we are investing £200 million a year in new homes, supported by a significant operating surplus.

Author
Metropolitan commissioned Paul Hunter, Head of Research at the Smith Institute, to research and write this report on our behalf, working closely with our in-house public affairs team.

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