

**Headline Report from**

**Small Landlords Matter- What they contribute and what they need.**

**26<sup>th</sup> January 2023, Trafford Hall**

**On the 26<sup>th</sup> January 2023, The Housing Plus Academy gathered together representatives from small social landlords, Alms-houses and Community Land Trusts to discuss the challenges small housing providers are facing and how they can continue to grow to meet the needs of their communities.**

**1. The role of small housing providers**

Small housing providers can take many forms; Community Land Trusts (CLTs), Co-operatives, Alms-houses, Tenant Management Organisations (TMOs) and Housing Associations. Small Housing providers are normally considered organisations with under 2500 properties but can vary a lot in size. While they are all managed differently there are some common themes. They are closely linked to their local communities so have a good understanding of what the community needs. They generally have a physical presence in the areas where they provide housing and can offer a face-to-face service. The small staff numbers mean staff know each other well and everyone is aware of how different roles are performed, helping staff to understand the workings of the organisation. Being small also allows a greater deal of flexibility to change how things are done more easily. However, being small also bring significant challenges; there are fewer financial resources to develop additional homes, and the organisation is less likely to have all the necessary skills in-house. Being small can also make you more vulnerable to rising costs.

Small organisations are currently facing a perfect storm: they are having to deal with rising costs due to inflation; they also need to reach an energy target of net zero, and above all they must ensure homes are fire safe. At the same time, their tenants are increasingly struggling to meet their own costs and need more support. Small housing organisations have to grapple with how to meet multiple rising financial pressures while at the same time meeting the needs of their tenants. Should they simply focus on getting the basics right or should they focus more widely on what wider benefits they can offer?

**2. Raising awareness**

During the formative stages of groups such as CLTs, much of the work involves raising awareness of the housing challenges in the local area. Frome CLT, which was formed out of a group called Fair Housing for Frome, began by running campaigns to make people aware of the lack of affordable

housing in the area, with people sofa surfing or being forced to move away. They leafleted, ran workshops and set up the Big Housing Bus, a repurposed old bus that travelled around the town to raise awareness of the issues, and provided an opportunity for people to ask any questions and find out more. This publicity work doesn't directly deliver any housing but it is crucial to help the group gain support. The publicity work can also generate other community activities. For example, Fair Housing for Frome began work running a homeless shelter and set up a campaign encouraging elderly people to take in lodgers.

### **3. How much should small housing organisations grow?**

Small organisations are locally focused which is what gives them added value. Organisations may want to develop to help meet local housing needs and make their organisation more financially viable. However, this needs to be carefully balanced with retaining their core focus. For example, Arches Housing Association in Sheffield wants every property to be within half an hour's walk of their central office, but it's becoming increasingly difficult to find land within this radius. United St Saviours hold a weekly team meeting including everyone from the caretakers to the Chief Executive. This allows everyone to feel part of the organisation and understand the value of what they do. Expanding the number of staff may mean that the group loses this team solidarity. The Alms-house is exploring taking over the management of some units in a general needs block near the existing Alms-house properties but the Alms-house will have to work to ensure these residents still feel part of the Alms-house community.

### **4. Acquiring land**

One of the key challenges for small organisations in developing additional homes is acquiring sites that they can build on. Small organisations mainly focus on small sites such as infill or brownfield land, which can be complicated to build on and can receive a lot of opposition from local residents, who may be concerned about the impact on local services. Groups must work with the local community to help address these issues. The first challenge is working out who owns the small sites available in the local area and establishing what is available for sale. Frome CLT has undertaken a mapping exercise to work out who owns the land on the outskirts of the town. Links with local councils can help groups secure land. The Alms-house United St Saviours managed to obtain land through a Section 106 agreement that was negotiated by a board member who had good links with the local council. Section 106 agreements require groups to work closely with the developer. This can create difficulties if the developer wants to provide a basic standard of housing and the group wants housing that is adapted to their needs such as adaptations for the elderly. It is important the group feel able to negotiate with the developer to secure the housing that the group needs.

## **5. Support for small housing providers**

National and regional organisations such as the Community-Land Trust Network and regional hubs can be crucial for groups wanting to get started or develop. They can provide expertise, experience and advice that groups need when they start up but are unlikely to have in house and they can help groups explore different funding options.

Large housing providers can play a valuable role in helping small organisations develop new homes, The Build London Partnership (BLP) is a perfect example of this. The BLP was set up in 2018 by L&Q in partnership with the GLA. L&Q, which owns over 100,000 properties, partners with small providers to help them develop new homes. L&Q helps the groups purchase land and manages the building process. L&Qs' size and reputation help the smaller organisations negotiate a better price for land and building works. It also acts as a guarantor for the schemes. L&Q have the resources and expertise to carry out more thorough checks than the smaller organisations could do on their own. Recently they managed to stop an organisation from buying a plot of land that would have been unsafe to build on. As well as guidance throughout the process L&Q organises workshops across a range of topics to help upskill the smaller organisations.

## **6. Innovation in housing**

Small organisations have the flexibility to innovate and often trial new forms of housing that add value to the local community. For example, United St Saviours Alms-house is currently building a new alms-house which will follow the traditional horseshoe shape as well as a community space linking the area to the street. The community building will be used by local community groups such as a lunch club for the over 65s. This will help the tenants integrate with the community. They want to demonstrate that community-based housing for elderly people can also be an asset to the local community. They hope the learning from this project will be used by other alms-houses. When trying out new forms of housing it is important to ensure tenants do not feel like guinea pigs.

## **7. Attracting talent to small housing associations**

For small organisations to survive and thrive they need to attract and retain dedicated staff with the right skills. The first issue is attracting people to the housing sector more widely. People don't always see housing as a profession in the same way as other industries. More needs to be done with schools and colleges to change this perception. The housing sector is in a good place to offer apprenticeships to school leavers. While small organisations may not feel they have enough to offer individually there is an option for small organisations in a local area to group together and offer training and experience across different organisations.

Small organisations can never compete with larger organisations in terms of the salaries they offer but they can offer other benefits to help attract and retain talent. They offer high satisfaction to staff as employees know they are making a real difference in people's lives. The limited size of the team and the tenant population means that those involved build meaningful relations with both other staff and with the tenants they work with and help. Small organisations can offer perks such as flexible working and childcare support to help attract and retain people.

### **8. Working with tenants**

As well as attracting staff, engaging and working with residents is key to the success of these groups. How this is done will vary with the size and type of organisation, but there are some key factors to consider. Engagement needs to be meaningful and bring about real change. Residents lead busy lives and taking time to work with their landlords needs to be seen as a worthwhile activity. Landlords need to think about their tenants' needs. Some people prefer online engagement while others prefer face-to-face contact.

A common problem with engagement in community-land trusts is that they are often set up by people who are financially stable and whose core aim is to make a difference to their local community. Therefore, their group often does not include the very people who need the homes. Many of the target potential members are forced to move away or simply don't have the capacity to be active in the group.

### **9. Wider support role**

Small housing providers play a wider role in supporting their residents with issues such as money advice, debt and loneliness. This can happen in a variety of ways. Some organisations may feel able to provide support directly. Arches Housing has a tenancy sustainment officer who works alongside tenants helping them to take action to improve their financial situation, for example helping them apply for all the benefits they are entitled to. However, it's important to acknowledge that an organisation can't do everything itself, sometimes it is better to work alongside existing support organisations, for example, the local food bank. Working alongside other local organisations helps to ensure that local resources are used most efficiently and services aren't replicated. The Alms-house United St Saviours generate revenue from commercial properties they own which allows them to grant fund local charities which can then also support their residents. For example, they fund a charity that runs lunches and coffee mornings for elderly people in the local area. As well as offering funding, housing organisations can offer help by providing a venue for community events or storage for groups equipment.

## **10. Concluding thoughts**

Small housing providers play a vital role in providing much-needed community-based affordable housing. They have an acute awareness of local problems and their tenants' needs. They prioritise a local face-to-face style of housing management. While being small brings many benefits in the way they operate, it can create challenges because of the limited capacity to expand and build new homes with limited resources. Small organisations can work with bigger organisations or local hubs to help overcome these challenges.

Overall both residents and staff in small housing organisations express high levels of satisfaction with the housing and the service they provide in spite of limitations. Evidence shows that they add significant value to local communities.