**Housing through Social Enterprise
Report of Phase 1 – Research Scoping Exercise**

Executive summary

Project aims

The Housing through Social Enterprise project aims to explore the health impacts of social enterprises working in the housing/homelessness sector. The project has two phases – Phase I aims to clarify the key issues through a desk-based evidence review and scoping work with partner organisations, and Phase II examines the impacts of social enterprises through direct research with tenants. This report sets out the findings from Phase I, providing the background to the project in terms of the existing research evidence and the policy context, and summarising the scoping work that has been undertaken with partner organisations to design the research.

Research partners

The project works with three social enterprises:

- Homes for Good – a social enterprise letting agency and landlord business, with a focus on providing high-quality housing for vulnerable households.
- Y People – two rent deposit guarantee schemes, enabling people at risk of homelessness to access housing in the private rented sector (PRS).
- NG Homes – a large community-based housing association providing social rented housing and also running regeneration and employability services.

Context for the research

The project is taking place in a context of significant housing need, persistent homelessness and rapidly changing housing and welfare policy in Scotland. Four key areas are important as background for the research:

Housing demand and supply

- There is a significant undersupply of social rented housing in Scotland.
- The number of social rented properties fell considerably between 1980 and 2016 because of Right to Buy and demolitions without replacement. It has now stabilised, but is not yet increasing.
- Average household size is decreasing, but the housing stock is not changing as quickly – there is a particular lack of one-bedroom properties for single people.
- The Private Rented Sector (PRS) has doubled in size since the turn of the century – 15% of households are now in the PRS.

Homelessness

- Statutory homelessness applications have reduced significantly since Housing Options approaches were introduced in 2010, but it is not clear that this represents a change in the underlying level of need.
- The numbers of households in temporary accommodation have not changed recently, and households seem to be stuck there for longer.
- The numbers of people sleeping rough are unclear, but there is concern that there has been a recent increase.
- The number of 'concealed households' (i.e. dwellings containing more than one family unit) has increased since the 2008 crisis.

Barriers to accessing housing

- A significant proportion of Scotland's population earns too little and/or has insufficient savings to buy a house. These numbers are even higher in Glasgow where two-thirds do not earn enough to afford a mortgage on the average-priced property and one-third earn less than £15,000 – effectively excluding them from mortgages altogether.
- The undersupply of social rented housing means that households may have to wait years for a Council or Housing Association property.
- Much of the property in the PRS is unaffordable, with rents around twice that in the social rented sector and often well above the Local Housing Allowance rate. Deposit requirements and landlord discrimination against vulnerable and low-income households also act as significant barriers.

Policy changes

- UK Government welfare reforms have created a much more challenging environment for households on low incomes and those at risk of homelessness. These include reductions to Housing Benefit rates, increased conditionality, benefit freezes and the introduction of Universal Credit.
- Scottish Government housing policy is generally seen as supportive of vulnerable households. Key policies include: Housing Options; the abolition of the priority need test and Right to Buy; the new PRS tenancy; and regulation of the PRS.

More detail on the context is set out in Section 2 of the full report.

Housing, homelessness and health – the research evidence
There is a substantial body of research demonstrating the links between homelessness and poor health, and between poor quality housing and poor health.

Homelessness

- Put simply, homelessness is bad for health.
- Having a home has broad psycho-social benefits, whilst being homeless has a range of negative physical and mental health impacts.
- The highest risk for most health problems occurs amongst people who are young, single, roofless, long-term homeless or involved in sex work.
- Being in poor health can also increase the risk of homelessness.

Housing quality
- Poor quality housing damages health.
- Dampness and mould, cold indoor temperatures, overcrowding and indoor toxins have all been shown to have negative effects on physical and mental health.
- There is relatively little research and the potential positive health impacts of good quality housing.

Neighbourhood effects
- Crime, violence, noise and environmental hazards in the neighbourhood have negative effects on physical and mental health. These issues are often more prevalent in areas with lower socio-economic status populations.
- Strong communities with good social capital and networks can have positive health effects.

Tenure
- Insecurity of tenure has negative mental and physical health effects.

Access to health services
- Health problems can be exacerbated by lack of access to health services. Access is a problem for people who are homeless, have insecure tenure, or live in neighbourhoods with limited health services.

More detail on the existing research evidence is set out in Section 3 of the full report.

The potential role of social enterprise – setting the research questions
Social enterprises are not-for-profit organisations with a social mission, which generate a significant proportion of their income by trading in the market. In the housing sector, these characteristics mean that social enterprises may focus on providing housing to households which might otherwise be excluded, particularly from the PRS.

Social enterprises may also be able to deliver services in ways which aim to improve tenants' wellbeing or strengthen communities, and they may be able to provide additional services by reinvesting any 'surplus' from their trading activities. However, there may also be challenges for social enterprises operating in the housing sector, particularly the tension between generating revenue and focusing on social goals.

In order to examine the health impacts that social enterprises may have in the housing sector, the research will address the following broad research questions:
- What housing outcomes are delivered by social enterprises, and how?
- What health outcomes arise from these housing outcomes, and how?
- What other health outcomes are delivered by social enterprises, and how?
- Do different groups of tenants experience different outcomes, and what contextual factors are important?
- What role do the specific characteristics of social enterprises play in generation housing and health outcomes?

Scoping the organisations
Over the first six months of the research, key staff from each organisation were interviewed, to identify exactly how the organisation works with tenants and to clarify each organisation's social enterprise characteristics. From this scoping work, four key areas of interest have been established, providing a specific focus for the research:

- Tenancy support and responsive service – how different approaches to supporting tenants may help them to sustain tenancies.
- Housing quality and tenancy sustainability – how the experience of housing quality and tenancy sustainability may generate health and wellbeing outcomes for tenants.
- Affordable rent – how affordability of rent may affect tenancy sustainment and quality of life.
- Neighbourhood and community – how the neighbourhood in which tenants live has an impact on health and wellbeing, and how different approaches to housing provision may affect choice of neighbourhood or assist community development.

More detail on the findings for each organisation is set out in Section 6 of the full report.

The research approach
In order to address the research questions above, Phase II of the project will attempt to follow a cohort of around 30 new tenants from each organisation over the first year of their tenancies. Three waves of interviews will be carried out:

- Wave 1 – prior to the start of the tenancy (or as close as possible to the start)
- Wave 2 – 2-3 months into the tenancy
- Wave 3 – 9-12 months into the tenancy

At each wave, tenants will be asked a range of questions about their housing, the housing service they receive, the local neighbourhood, their financial situation, and their health and wellbeing. A range of questions from existing national surveys will be used at each Wave to provide measures of change, particularly in relation to health and housing. At Waves 2 and 3, a range of more open questions will also be asked to explore tenants' experiences in more depth and examine the processes which may have led to housing and health impacts. These questions have been designed to focus on the areas of interest set out by the scoping study, which should help the research to identify what works for different groups of tenants being supported by each organisation.

The project runs until the end of 2018, but interim findings should be available by around the end of 2017, by which point Wave 2 data collection should be complete.

The research will aim to provide useful feedback to the partner organisations and also develop findings which will be of use to housing organisations more broadly, as well as policy-makers.

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