

# Scotland's first social enterprise letting agency





**Who wants to be a  
letting agent?**

# Housing in Scotland

2.37 million households

13% private rented sector

308,000 homes and growing

158,000 households on social waiting lists

123

123

















# What's the market?

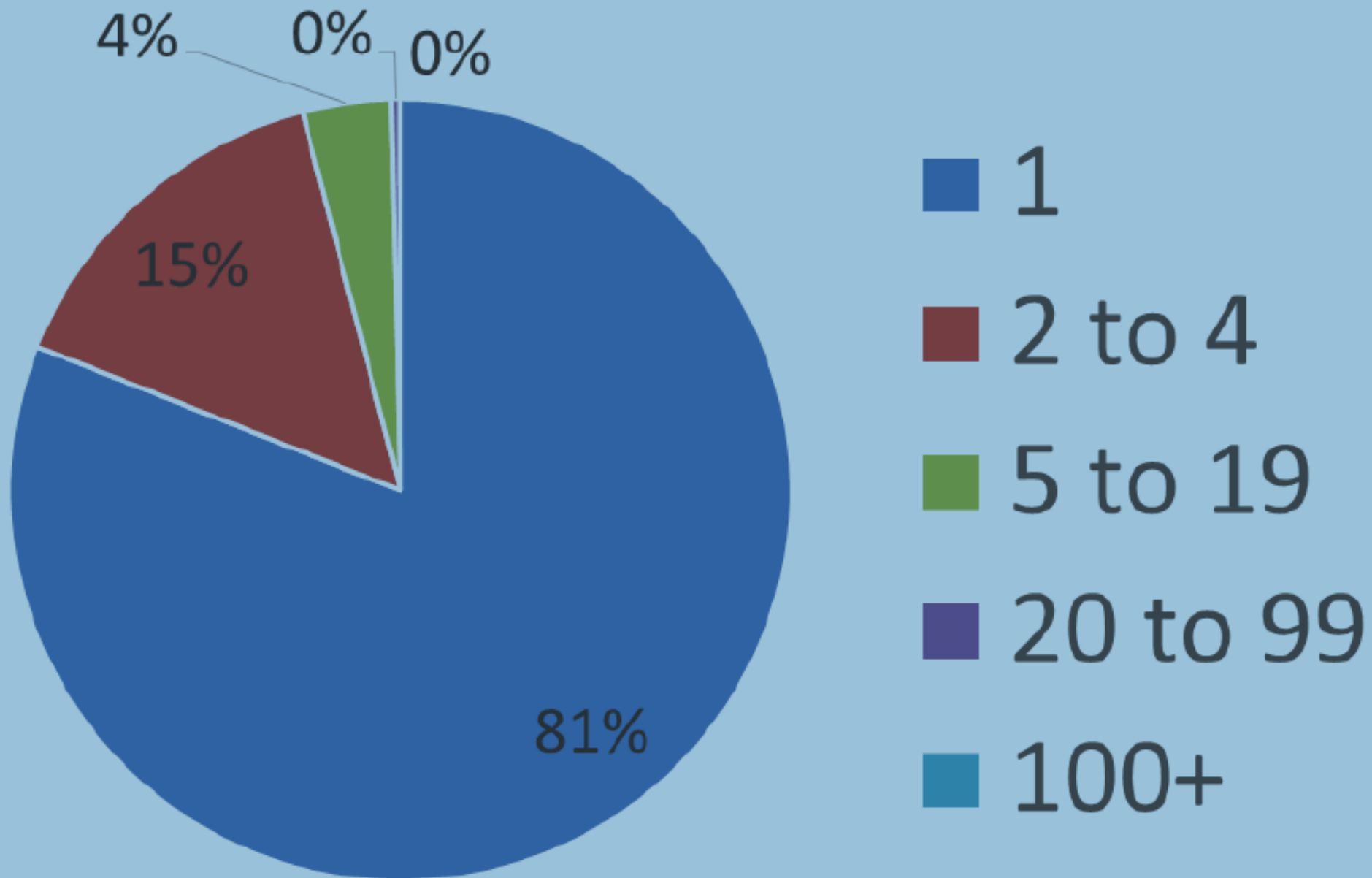
**£550 million annual rental income**

**90,000 properties**

**Estimated £46 million annual agency revenues**

**Approx: 450 letting agents operating**

## Portfolio Size - Glasgow



# **Our Aims**

- 1. To raise standards in quality of property and management within PRS**
- 2. To lead by example within the industry**
- 3. To increase access for people on low incomes to quality homes**
- 4. To deliver innovative solutions to ensure people have a home they can make a life in**
- 5. To create a profitable social business group with a long life.**

# **Our business model**

- **Flat rate commission – no hidden charges**
- **Operating across all areas of market**
- **Specialism and commitment to people on lower income /LHA tenants – tenancy support**
- **“Blended” earned revenue model – higher value flats more profitable**

# What makes us different?

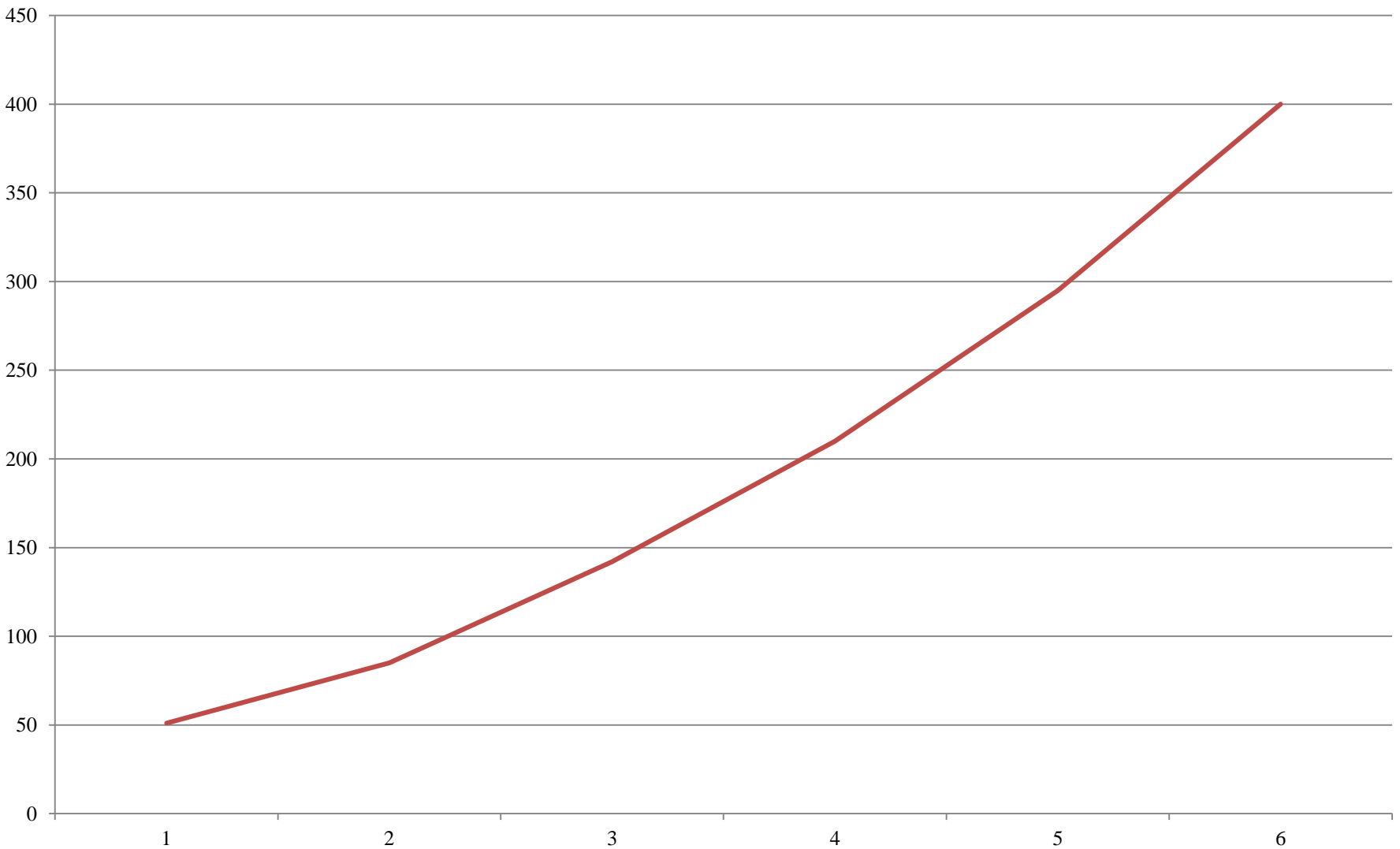




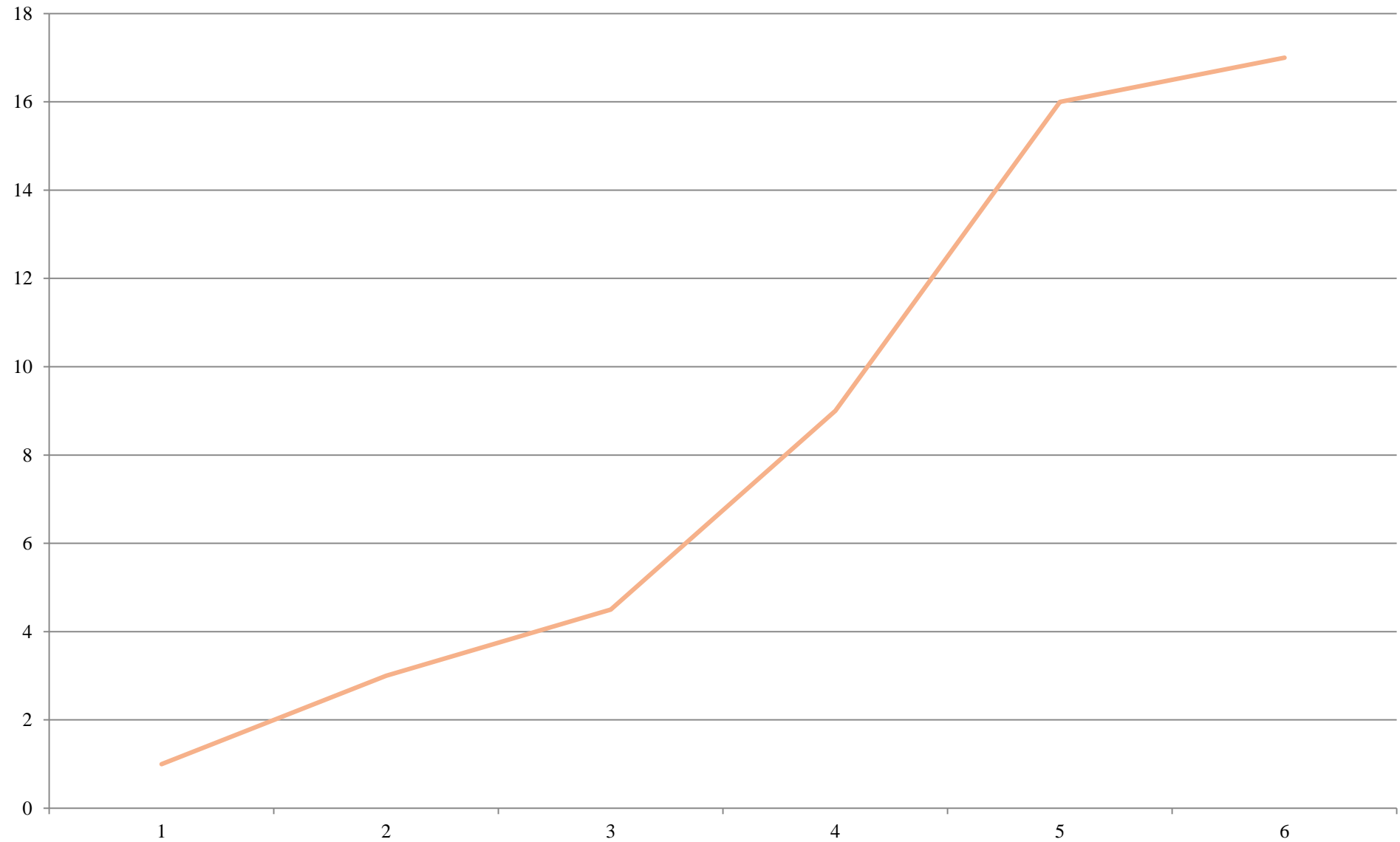
# Tenancy Support Approach

- **Values – kindness and positivity**
- **Flexible - responsive to person**
- **Non-prescriptive subsidy required**
- **Level of support varies depending on need**
- **Relationship and trust is centre of our work**
- **Work with other support orgs to increase impact**

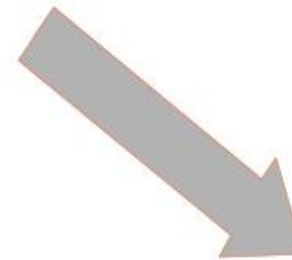
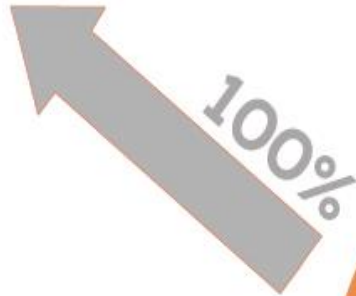
# Growth in properties 2013 -18



# Growth in people 2013-2018



Homes For Good  
Social Business Group



**Creating homes for  
people who need them.**

**Do you take DSS?**

# **Using social investment to create homes**

- **244 homes created since August 2014**
- **£11.6m investment to date**
- **Started trading 13<sup>th</sup> August 2014**

Impact Ventures **UK**

Charity  
**bank**



**BIG  
SOCIETY  
CAPITAL**

Transforming  
social investment

a bank for good



**SOCIAL and  
SUSTAINABLE CAPITAL**



# How?

- 1. Find property at right price in right area**
- 2. Renovate and furnish**
- 3. Revalue and refinance**
- 4. Let to tenants in housing need at around LHA**
- 5. Managed by letting agency**























# What's next ?

1. 5 yr plan to reach 1000 homes
2. Raise further £18m → 500 homes owned
3. Creation of specialist tenancy support services (eg fuel advice, tenant talents)
4. Replication and dissemination of HFG model across UK

# 1000 homes

- **£30m owned assets, £27m invested**
- **£40m landlords' property managed**
- **Group turnover: £4.5m**
- **350 landlords**
- **1,500 tenants**
- **60 staff**
- **UK network of partner agencies**

“I can’t put into words how Homes for Good has changed my life. **It has been totally amazing.** Giving me a ground floor flat was a godsend, **I now have a life again.**”

***William, Bridgeton.***

# Tenancy Split

- **Housing Benefit** **21%**
- **Universal Credit** **10%**
- **Own income** **45%**
- **Support Agency lease** **24%**

# Current Tenant Arrears - approx. 50K

	Cases	Amount
• <b>Housing Benefit</b>	<b>49%</b>	<b>46%</b>
• <b>Universal Credit</b>	<b>61%</b>	<b>40%</b>
• <b>Average Arrears</b>		
<b>Housing Benefit</b>	<b>£460</b>	
<b>Universal Credit</b>	<b>£680</b>	



# Dealing with UC

- **Very confusing for tenants**
- **Time intensive**
- **Invest in staff training**
- **Invest in staff**
- **Lack of DWP staff knowledge**
- **Scottish Arrangements not helpful**
- **Best advocacy tool – know the rules**
- **Online system is useful**



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