



# The case for letting homes at market rent

David Pipe, Policy and Practice Officer

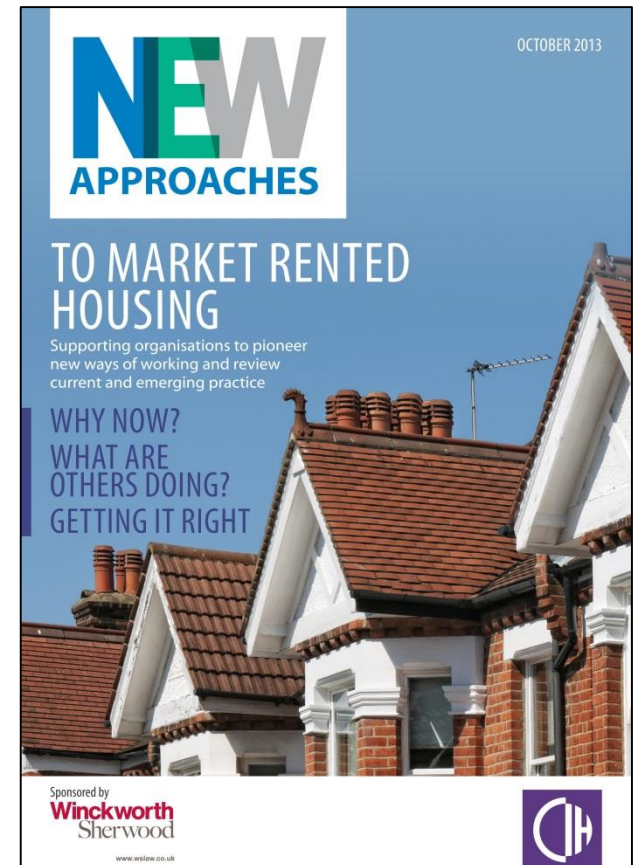
# Before I start...



Useful reading:

## New approaches to market rented housing

Download from [www.cih.org](http://www.cih.org)



# What I'm going to talk about



What I'm talking about includes:

- **Managing homes on behalf of existing landlords**
  - Private sector leasing schemes
  - Social lettings agencies
- **Establishing your own portfolio** of properties for let at market rents
  - On your own
  - With an institutional investor

# What I'm going to talk about



- A bit of **policy context**:
  - Why now? - This is not a new area of work, but it is growing rapidly
  - Aims – What might you be able to achieve?
- What are others doing? Some **emerging trends** and some **examples**



# Why now?



**Four reasons** why more social landlords are looking at market rent now:

- It is a **growing part of our housing market**
- **New sources of income are needed** to compensate for reduced government spending
- **Rapid policy change** is leading some organisations to '**commercialise**'
- **Government support** provides opportunities

# Possible aims



## Four possible aims:

- To **generate revenue** for other activities
- To **increase overall housing supply** in your area
- To **rebalance the tenure mix** of an area
- To **improve the way this sector works** in your area:
  - Better access
  - Better quality
  - Better security

# What are others doing?



## Letting homes on behalf of others:

- Schemes often focused on improving **access** and **quality**
- Some potential to generate a surplus, but **margins may not be large**
- Examples:
  - **Exeter City Council**
  - **Cadwyn Housing Association**
  - **CityWest Homes**



# What are others doing?



## Building up your own portfolio:

- Schemes are often more overtly commercial, with a strong emphasis on **generating revenue**
- Many focus on offering **quality** and **security**
- Much activity in **London and the South East**, but some examples elsewhere
- Most with already established portfolios are **housing associations** (so far)
- Examples: **Genesis, Thames Valley, Castle Vale**



# What are others doing?



## Building up your own portfolio (cont):

- Some **local authorities** are now also **beginning to look at this**:
  - Ashford
  - Birmingham
  - Broxbourne
  - Hammersmith & Fulham
  - Newham
  - South Cambridgeshire
  - Telford & Wrekin

# Contact me



David Pipe

Policy and Practice Officer, CIH

Telephone: **02476 851709**

Email: **David.pipe@cih.org**

Twitter: **@DavidPipeCIH**