

## SHAL's Community Chat (how we let our homes)

Monday 25 October 2021

Lee Martin-Scull led a discussion about how we re-let our homes.

### **What's the purpose of the re-let process?**

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The purpose of the re-let process is to make sure everyone involved understands what they need to do. This applies to mutual exchanges too. We define the purpose as being:

*“To sign up the right tenant to the right home at the right time with minimal cost and delay. Ensure the outgoing tenant is aware of their responsibilities and what they need to do to and ensure the new tenant is happy in their home and sustains their tenancy successfully.”*

Standard health and safety checks are completed each time a property is returned to us and we provide certificates to the incoming tenant. These checks asbestos, electric and gas as well as the Energy Performance Certificate (EPC).

At the moment we're not able to let a home with an EPC rating of F or below. From 2030 we'll not be able to let a home with an EPC rating of D or below (i.e. all homes will have to be rated A – C). As part of our standard re-let work we replace bathroom and kitchen lights with fittings and provide LED bulbs in all pendants.

The re-let process is one of the few that touches every team across SHAL.

We now provide information packs to applicants at key stages of the process – most importantly at the beginning. This helps everyone understand what they need to do. We sent them out to people asking for feedback. The mutual exchange information pack includes lots of advice for the SHAL tenant who is moving to another landlord and includes things like an inspection form.

We recognise each and every re-let may need to be dealt with differently because each home is different and the people moving out (and in) are different too. One size doesn't fit all and taking a more flexible approach will hopefully make it easier for everyone and ensure the tenancy ends (and starts) on the right foot.

## On the move...

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We talked about the number of homes re-let and exchanged over the last few years. The number of both reduced in 2020/21 which may have something to do with the pandemic.

There were 8 mutual exchanges and 25 re-lets in 2020/21 and if 2021/22 continues at the same rate there will be 8 mutual exchanges and 28 re-lets by the end of March 2022.

While those numbers may seem small there's a lot of work that goes on behind the scenes, especially for a smaller organisation like SHAL.

We talked about the costs involved in getting homes ready for new tenants. Including expected costs for 2021/22 it's cost SHAL £169,000 a year on average year since 2018/19. This includes repairs and rental income lost because the home is empty.

Rent increases and the rising cost of labour and materials may make this more expensive in the future. The cost of re-lets (including lost rent) was described as "eye opening". The cost of re-letting homes has ranged from under £1,000 to over £20,000.

The more money we spend on getting homes ready for new tenants the less we have available to invest in existing tenants' homes. Likewise, the longer they take to get ready the longer someone has to wait to move in. If the home is on the list to have investment in the next couple of years (e.g. new bathroom or kitchen) we may decide to do that while it's empty. We may also decide to improve the energy efficiency of the home by replacing heating and installing insulation.

We're changing the way we manage mutual exchanges, taking a similar approach as re-lets. Mutual exchanges can be difficult and tenants have occasionally been left in a very difficult (and sometimes potentially dangerous) situation. We want to stop this happening.

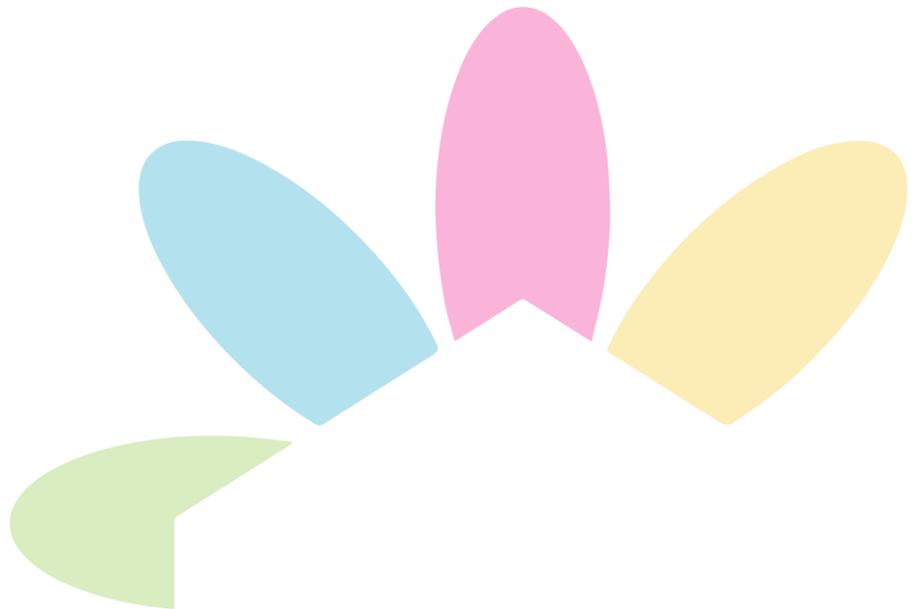


## Helping everyone understand what's involved

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We talked about the information we provide tenants who apply to either end or exchange their tenancy.

We re-charge tenants for work they don't complete before they leave and we don't want this to be a shock for anyone. We want to prevent wherever possible people moving either in or out of their SHAL home in debt.



## Find out more

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If you'd like to find out more about how we re-let homes and deal with mutual exchanges please get in touch.

