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Understanding social housing tenants' rent payment behaviour: evidence from Great Britain

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ABSTRACT

The Governments of many Western countries have been increasingly concerned with influencing the behaviour of their citizens. One way that they have done this is by giving them new responsibilities. In the UK, an example of this is 'direct payment' which sees social housing tenants in receipt of income-related housing allowance ('Housing Benefit') assuming responsibility for paying their rent. Drawing on a comprehensive data-set generated by the direct payment pilot evaluation, this paper examines tenants' rent payment behaviour. It draws on a conceptual framework from behavioural science - COM-B - which presents behaviour (B) as a result of the interaction between the capabilities (C) of subjects, the opportunity (O) they have to enact behaviours, and their motivation (M). Tenants' behaviour was influenced by all elements of the model, with it being more than just a consequence of opportunity, and their financial circumstances, specifically, although it was the most important one.

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Social housing; rent arrears; behavioural science

1. Introduction

In recent years, the Governments of many Western countries, including that of the UK, have been increasingly concerned with influencing and regulating the behaviour of their citizens. One way that they have done this is by giving them new responsibilities. In the UK, an example of this is the change to the way social housing tenants in receipt of income-related housing allowance - 'Housing Benefit' (HB) - pay their rent.

Historically, tenants in receipt of ('full') HB have not been responsible for paying their rent. However, with the introduction of 'direct payment' (DP) under Universal Credit, whose introduction represents the biggest reform to the way social assistance benefits are provided in the UK in more than 30 years, increasing numbers now are. DP was trialled in six Direct Payment Demonstration Projects (DPDPs) across Great Britain. There was an expectation from Government that DPDP tenants would

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'behave responsibly' by paying their rent on time and in-full. However, this did not happen. One of the key findings of the evaluation of the DPDPs was that only eight per cent of those tenants who remained on DP for the 18 month duration of the programme did so every month (Hickman *et al.*, 2017).

This paper seeks to explore why this was the case, in doing so, unpacking tenants' rent payment behaviour. To facilitate this process, it draws on a conceptual framework that has become increasingly popular in the field of behavioural science: COM-B. It presents *behaviour* (B) as a result of the interaction between the *capabilities* (C) of subjects, the *opportunity* (O) they have to enact behaviours, and their *motivation* (M).

The paper is timely and contributes to knowledge in a number of ways. It provides an insight into an issue that has been relatively neglected by research in recent times: the reasons for rent arrears accrual. In both a UK and European context, this is important because an increasing proportion of social housing tenants are finding it more difficult to afford their homes (ONS, 2017; Eurostat, 2017) as the impact of long-standing austerity programmes impact on them. It also explores a subject which has been under-researched both at the UK and international level: the psychological processes that drive the behaviour of social housing tenants. Linked to this, for the first time in the field of housing studies, a behaviour change framework from the discipline of psychology is employed to do so. Finally, the paper provides an insight into the likely rent payment behaviour of tenants under Universal Credit, which is currently being rolled-out to more than seven million working age claimants across the UK.

The paper draws on the most comprehensive study of rent payment behaviour undertaken in the United Kingdom for more than 20 years: the national evaluation of the DPDPs. This saw the generation of a large data-set on the subject, which included survey data, landlord rent account data, and qualitative data generated by 180 in-depth interviews with tenants. This paper builds on Hickman *et al.* (2017), which during the course of highlighting the overall impact of DP on both DPDP landlords and tenants, very briefly and with reference to quantitative data only, addressed the issue of rent under-payment. It also builds on Kemp (2014) which presents the findings of the longitudinal surveys undertaken by the evaluation team. This paper draws on *all* of the data collected by it, in doing so, mining the rich qualitative data generated by it to provide an in-depth and rounded account of rent payment behaviour.

The paper is divided into seven sections: ii) provides the policy context to the research; iii) outlines the study's analytical framework i.e. COM-B; iv) examines the literature on rent underpayment; v) details the approach to the research; vi) presents the study's findings; and, vii) summarises its contribution to knowledge.

2. Context

2.1. Social housing in the UK

The social housing sector in the UK provides below market rent rental properties and local cost home-ownership (Wilson & Barton, 2018) to those households whose needs are not met by the market. The sector offers two types of rents: social rents, which are linked to local incomes, with changes in social rents being controlled by central

government; and, intermediate (or so-called ‘affordable’) rents, which are set at up to 80% of the local market rate. Most social housing rents are let at the social rent, but the number of affordable rents has grown in recent times (Green *et al.*, 2016). While the affordability of rents in the social housing sector can (and has been) measured in a range of different ways (see for example, Wilcox, 1998; SFHA, 2018; ONS, 2017), the extent to which intermediate rents are affordable, particularly in high cost rental areas like London, has been questioned (Green *et al.*, 2016).

There are two main types of social housing provider in Great Britain: local authorities, which own 1.6 million units, accounting for 6.7 per cent of the total housing stock in England, Scotland and Wales; and, housing associations, which own 2.4 million units (10.2 per cent) (Stephens *et al.*, 2018). The social housing sector is diverse with landlords differing in a number of ways including by stock type, governance arrangements, focus, and operating models (Manzi and Richardson, 2017). Forty years ago the same could be said of social housing tenants: the sector housed tenants with a range of different circumstances and backgrounds (Forrest & Murie, 1990). However, the situation is very different today with it being home to a disproportionately large amount of households with low incomes (Stephens *et al.*, 2018). As a result, the proportion of social housing tenants’ income devoted to paying their rent has increased since the beginning of the new Millennium (ONS, 2017).

A central task for social housing landlords is securing their rental income through effective rent collection and rent arrears management. They employ a range of mechanisms to ensure that their tenants pay their rent and devote considerable resource to the task. As a series of welfare reforms have been rolled-out across the UK (see below), this task has become more demanding in recent times and there is evidence to suggest they are devoting more resources to the activity, employing new techniques, and placing much greater focus on arrears prevention or ‘early intervention’ (Hickman *et al.*, 2018).

There is evidence to suggest social housing landlords’ approach to rent arrears management has also changed in recent years (Preece, 2018). This has involved them taking a much more proactive approach, with tenants being contacted much sooner after arrears accrue in the hope of preventing arrears from escalating (Hickman *et al.*, 2018). There is also evidence to suggest that they are devoting more resource to helping tenants manage their arrears (Preece, 2018). In terms of the mechanics of paying back arrears, deductions are taken from tenants’ salaries or housing income allowance, with arrears being repaid incrementally over time (Hickman *et al.*, 2017). Interest is not charged on arrears and the maximum amount that could be deducted from DPDP tenants’ HB was £3.55 per week.

2.2. Housing benefit and direct payment

HB is a means-tested, income-related housing allowance which is paid to social and private tenants on low incomes in the UK to help them afford their rent. It was introduced in 1982/83 under the Social Security and Housing Benefit Act 1982. In 2014, nearly 5 million tenants were in receipt of HB. The primary goal of the HB system in the UK is to ensure that claimants’ net incomes do not fall below the social

assistance benefit level after housing costs have been factored in (Hickman *et al.*, 2017). Reflecting this, many claimants who receive social assistance benefits have all of their rent covered by HB, which is often referred to as ‘full HB’. When claimants’ rent is not fully covered by HB (‘partial HB’), they are responsible for paying for the difference between them.

In 2010, the newly elected centre-right Conservative-Liberal Democrat Coalition Government set-out proposals for a major reform of the benefits system (DWP, 2010), which became law in 2012 (DWP, 2012). They did so because they believed that the existing system was: too complex; too expensive; created disincentives for working age claimants to move into paid work; and, resulted in undesirable behaviour, specifically, persistent ‘welfare dependency’ (Ferrari, 2015). One way that this, and other, behaviour would be changed would be by giving claimants new responsibilities, like direct payment, as part of a broader move to the ‘responsibilisation’ of citizens.

While it is a context concept, ‘responsibilisation’ is generally understood to be the process by which citizens take-on new ‘responsibilities’, in doing so, becoming active agents, thereby reducing the role of the state (Stonehouse *et al.* 2015). The concept has gained considerable traction in the UK and has been at the core of UK housing and welfare policy since the turn of the century, with social housing tenants being increasingly responsibilised (Flint, 2003, 2004a, 2004b, 2006).

Increasingly, social housing landlords have sought to responsibilise their tenants and have looked towards the discipline of behavioural science to help them do so. For example, ten landlords were involved in an initiative which saw the employment of a number of behaviour change interventions in relation to rent payment (Johnson, and O’Halloran, 2017).

The UK Government also has an interest in behavioural science, with UC being (primarily) a behaviour change project. It has embraced some of its key concepts such as incentivising, nudging, and MINDSPACE, which is an approach to influencing behaviour change through public policy. In 2011 the Cabinet Office published a guide on how to deliver MINDSPACE to facilitate behaviour change (Cabinet Office and the Institute of Government, 2011). The Government continues to invest significant resource into behavioural science and has established a cross-government network on the subject and a government wide procurement framework for research in the field. The importance of behavioural science to Government has been recognised by its Chief Scientific Adviser who noted: “*Two things come out very strongly when we look across the areas of research interest. [One] ... is behavioural science, which comes up as a big need right the way across all the Departments.*” (House of Lords, 2018).

The Coalition Government introduced a number of reforms to the benefits system (or ‘welfare reforms’). One of the most controversial was the Removal of the Spare Room Subsidy (RSRS), which was introduced in 2013. Under RSRS, or the so-called ‘bedroom tax’, social housing tenants who ‘under-occupied’ their home were to be penalised for doing so with a reduction in their HB. The size of the penalty was dependent on the level of under-occupation: tenants with one ‘spare’ room lost 14 per cent of their benefit; those with two ‘spare’ bedrooms, 25 per cent.

Another reform of particular relevance to this study is the introduction of a ‘Benefit Cap’, which was introduced in 2013. This involved the introduction of a limit

on the total amount of welfare benefit that could be paid to claimants per year. For those claimants subject to the Cap, the excess amount above the limit was to be taken from their HB.

The most important and high profile welfare reform is Universal Credit (UC). It has three key features. First, it merges six existing benefits (Jobseeker's Allowance; HB; Working Tax Credit; Child Tax Credit; Employment and Support Allowance; and Income Support) into one integrated benefit, with HB being incorporated into UC. Second, in England and Wales this payment is paid monthly, when previously most benefit payments were made fortnightly (in Scotland, claimants can choose to be paid either monthly or twice monthly, while in Northern Ireland tenants receive two monthly payments). Third, under UC, claimants in England and Wales are responsible for paying their rent, with the HB element of UC being paid directly to them i.e. 'direct payment' (claimants in Scotland can choose to opt-out of DP while it is not a feature of UC in Northern Ireland). For many claimants in England, Wales and Scotland, DP represents a major change, as under the old system ('landlord payment') tenants in receipt of full HB were not responsible for paying their rent, with their HB going to landlords.

In addition to wanting to see social housing tenants become better money managers and more incentivised to find work by assuming responsibility for paying their rent, the UK Government had other reasons for introducing UC. These included a desire to see a reduction to the UK's spiralling HB bill (Ferrari, 2015), and a 'smoothing' of the transition between out-of-work (and in receipt of benefit) and work (DWP, 2010).

The Government decided to trial UC in a pilot - the Direct Payment Demonstration Projects (DPDPs) - which was to be evaluated by an independent research team, whose findings were to inform the development of UC prior to its introduction. The six project areas were Oxford, Shropshire, Southwark, Torfaen, Wakefield and Edinburgh. These areas were selected because they have very different characteristics - the UK Government wanted to ensure that included within the DPDPs were a range of social housing landlord types from across England, Scotland and Wales.

Broadly in line with the approach taken to UC, tenants under the DPDP programme experienced two changes to the way their HB was administered. First, HB would be paid directly to them with them assuming responsibility for paying their rent. Second, they would receive HB every four weeks, when previously they had received it weekly or fortnightly. Only working age claimants would be eligible for DP, which is also the case for UC. Tenants who encountered difficulties with DP and accrued arrears would be 'switched-back' to landlord payment. The DPDPs went live in June 2012. When the roll-out of the programme was completed in March 2013, 7,004 tenants had gone onto DP all of whom were on social rents. The projects ended in December 2013.

The roll-out of the UC programme commenced on a small scale in 2013. Its geographical remit was limited (it was confined to four pilots across England); was restricted to new claimants only; and, did not include claimants with dependent children. The roll-out of the programme was beset with problems and did not progress

at the speed that the Government anticipated. When it went live, it was envisaged that it would be completed by 2017, but by August 2017 only 590,000 claimants were receiving UC (BBC, 2017). However, since then there has been a step-change in the numbers of claimants moving onto UC and by 2023 the Government anticipates that more than seven million households will receive the benefit.

3. Understanding behaviour - COM-B

Over the last five decades, there have been numerous attempts to conceptualise and classify human behaviour which has resulted in the production of a myriad of theories. These include the theory of planned behaviour, self-regulation theory, protection motivation theory and stages of change (Conner and Norman, 2015). These theories have been used by academics to develop numerous frameworks of behaviour change, like MINDSPACE, which was highlighted earlier.

The proliferation of theories and frameworks was viewed as being problematic: “*At times this number of the theories (models and frameworks) can seem overlapping, unnecessary and confusing*” (Ogden, 2016, p247). Concerns were also highlighted about the usefulness and rigour of some frameworks. Specifically, there were concerns that many: were poorly conceptualised and could not be tested, and, therefore, potentially, falsified (Hagger & Chatzisarantis, 2009); were not underpinned by robust evidence and theory and were informed more by intuition and common-sense; and, did not integrate all relevant theories (Michie *et al.*, 2011).

There was therefore a call for the creation of an integrated behaviour change framework (Ogden, 2016). Susan Michie and colleagues answered it by developing the ‘COM-B’ model, which is outlined in Michie *et al.* (2011). The paper begins by outlining the findings of a systematic review of 1,267 articles on behaviour change frameworks. Critically, the review was not confined to public health with the search also encompassing publications in the fields of government policy and practice, legislation, and politics. The review, along with consultations with international experts in behaviour change, highlighted 19 frameworks which met the study’s inclusion criteria (‘comprehensive coverage’, ‘coherence’, and ‘links to an overarching model of behaviour’).

These frameworks were reviewed and then pulled together to form one integrated model - COM-B - which has become the foremost and most widely used behaviour change framework, being used in a range of different contexts, including public health, education and social policy. However, it has not been used to unpack behaviour in the context of housing and this study represents the first time that this has happened.

At the heart of the COM-B framework is a ‘*behaviour system*’ which presents *behaviour* (B) as a result of the interaction between the *capabilities* (C) of subjects, the *opportunity* (O) they have to enact behaviours, and their *motivation* (M), as highlighted in figure 1. This behaviour system is at the core of the ‘*behaviour change wheel*’ which highlights interventions and policy options (Tombor and Michie, 2017).

Capability is concerned with the attributes of a subject and how they impact on their capacity to undertake a behaviour. These attributes can be categorised into two

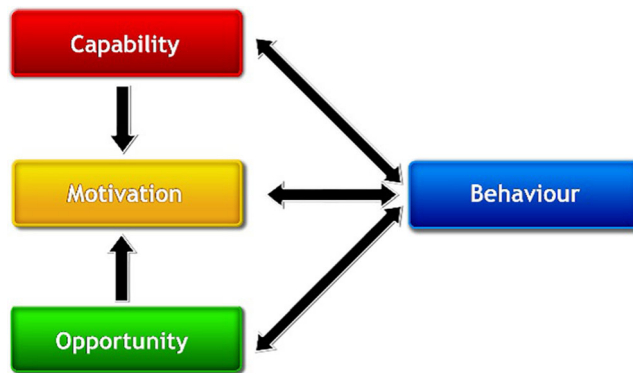


Figure 1. The COM-B behaviour system.
Source: Michie *et al.* (2011)

groups: *psychological* attributes, which encompasses knowledge, skills, reasoning, comprehension, memory and, *psychological* attributes, such as health and disability (Alexander *et al.*, 2014; Michie *et al.*, 2011).

Opportunity is concerned with the extent to which behaviour is restricted (or not) by a range of potential constraints ‘outside’ of the individual (Tombor & Michie, 2017). As such, it provides a context to behaviour change, something that most frameworks neglect (Michie *et al.*, 2011). Michie *et al.* (2011) distinguish between *physical opportunity*, which encompasses environmental factors and the resources available to an individual, and *social opportunity*, which is the social context within which behaviours are enacted. This includes social pressure exerted on individuals to enact a certain behaviour, such as not drinking or smoking in public.

Motivation is defined as all those “*brain processes that energize and direct behaviour*” (op.cit p4). These processes can be classified into two groups: ‘*reflective*’ processes (or “*thinking with the head*” (Alexander *et al.*, 2014, p2), which involve evaluation, assessment and reasoning by subjects, all of which link to psychological ‘*capability*’; and, ‘*automatic*’ processes (or “*thinking with the heart*”, Alexander *et al.*, 2014, p2), which involve emotions and impulses that derive from innate dispositions, habit or learning. The boundaries between these two processes may sometimes be blurred with them interacting with each other (Strack and Deutsch, 2004). *Motivation*, then, is not driven solely by the desire of subjects to attain goals (i.e. reflective processes), although they are a key driver (Abraham & Sheeran, 2003).

There is a large literature on ‘goals’, including a strand of work on goal theories. Research has found that people have multiple goals which are configured in hierarchies (Carver & Scheier 1998; Karoly, 1998). These hierarchies help subjects to resolve conflict between goals, which occur when more than one goal cannot simultaneously be attained (Carver & Scheier, 1998), with high order goals taking priority over lower order ones. Contextual factors (*opportunity*) may also influence the conflict resolution process. For example, declining income may result in an individual prioritising the need for higher paid employment over the goal of being happy, both of which were of equal importance to them prior to the change in *opportunity*.

This highlights one of the strengths of the COM-B model i.e. the key drivers of behaviour cannot be seen in isolation, with each of its elements potentially influencing each other, as highlighted in Figure 1. For this, and a number of other reasons, not least the emphasis placed by the framework on the capacity of individuals to enact a behaviour (*capability*) and the context within which they live their lives (*opportunity*), and its ready transferability to behaviours outside public health (Avery and Patterson, 2017), it is used as a framework to make sense of the behaviour which is the focus of this paper: rent payment.

However, COM-B model has been subject to some criticism and a number of limitations highlighted. The most commonly cited and important is that it does not take account of the complexity of human behaviour, in doing so, presenting an over simplified picture of reality. As Michie *et al.* (2011, p3) themselves note: “*The most obvious criticism is that the area is too complex and that the constructs too ill-defined to be able to establish a useful, scientifically-based framework.*” Linked to this, it has been argued that it does not allow for variation in relation to the interventions it propounds and, related to this, is too prescriptive, while its all-encompassing and broad nature, makes it very difficult to establish its voracity, and critically, to undermine it. Finally, it has been argued that its breadth stymies academic creativity and innovation by removing the ‘mess’ from the system (Ogden, 2016, p248).

The research that underpinned the production of COM-B also has limitations, as Michie *et al.* (2011) acknowledge. They note that the systematic review may not have included all key frameworks, although there is consensus that this was not the case, and that (inevitably) it was a subjective process. They also note that the behaviour change wheel may be difficult to use in practice.

The most valid of these criticisms - that COM-B is too prescriptive and simplistic in relation to the interventions it propounds - does not apply to this study because it does not suggest interventions. In terms of the most cited criticism of the model - that it simplifies human behaviour - one might argue that this is one of its strengths, as, like all models and typologies, it seeks to develop understanding through simplification. Notwithstanding this, the decision to employ COM-B as a loose framework to understand rent payment behaviour, with attention focusing on the behaviour system that underpins it, is a reflection of the criticisms of it.

4. Understanding rent underpayment

There is a large literature on rent arrears in the social housing sector. Reflecting the centrality of rent collection as a housing management task, there have been a number of studies into how to manage rent arrears (Scott *et al.*, 2001). Some have focused specifically on the issue (see for example, ODPM, 2005; Pawson *et al.*, 2010) while others have examined it as part of broader studies of housing management practice (Centre for Housing Research, 1989; Bines *et al.*, 1993).

There have also been a number of studies into the causes of rent arrears. However, the literature on the subject is relatively dated with most research taking place in the 1980s and 1990s. The three most comprehensive and largest studies undertaken

during this period were: Duncan & Kirby (1983); Gray *et al.* (1994); and, Ford & Seavers (1998), which is the most recent in-depth examination of the causes of rent arrears.

Duncan & Kirby synthesised the findings of five interrelated research studies funded by the UK Government. The study drew on two quantitative data sources: a survey of 2,000 social housing tenants; and, analysis of the rent accounts of a small number of English local authorities. In a Government funded study, Gray *et al.* (1994) also used the same data sources to explore rent arrears in England, in doing so, identifying why arrears accrued. They used multivariate analysis of survey data to identify those factors related to arrears accrual.

Ford & Seavers examined '*attitudes, beliefs and behaviour*' in relation to rent arrears. They drew on both quantitative and qualitative research instruments: specifically, in-depth interviews with 17 housing managers/officers and 40 tenant households; and, a postal survey of 127 social housing landlords. Like the Duncan and Kirby and Gray *et al.* studies, Ford & Seavers offered guidance on how to improve landlords' management of rent arrears.

These studies, along with other key publications, which include Accounts Commission (1992), Alpren (1977) and, Audit Commission (2003), identified a number of drivers of rent underpayment. These included the demographic characteristics of tenants, with single people under retirement age; unemployed people; and, families with children (Scott *et al.*, 2001), being more likely to accrue arrears, with pensioner households and couples with no children being less likely to do so (Gray *et al.*, 1994).

In terms of the other factors contributing to arrears accrual, most related to '*opportunity*' and, specifically, the (financial) *resources* available to tenants, with underpayment found to be largely a result of scarce economic resources, with '*motivation*' (especially) and '*capability*' being relatively unimportant. The income level of tenants was found to be related to arrears accrual, with those with low and intermittent income being more likely to underpay (Duncan & Kirby, 1983; Ford & Seavers, 1998; Gray *et al.*, 1994). Tenants with high levels of debt were also more likely to do so (Ford & Seavers, 1998; Gray *et al.*, 1994), as were those in receipt of HB (Accounts Commission, 1992; Scottish Homes/SFHA, 1991). Finally, tenants that did not receive all of their benefit and/or a delayed payment(s) were also more likely to underpay (Wainwright, 1987; Accounts Commission, 1992; Gray *et al.*, 1994).

In terms of '*motivation*', the decision of many tenants not to prioritise the payment of their rent, instead prioritising the debt of agencies which exerted more pressure on them, was found to contribute to underpayment (Ford & Seavers, 1998). And the same authors found that claimants who were less financially '*capable*' were more likely to fall into arrears. In a similar vein, Bond *et al.* (2018) found a link between mental health and rent arrears.

Research by Irvine *et al.* (2007) also found '*capability*' to be related to rent arrears accrual, albeit predicted arrears. They explored the views of 82 HB claimants renting from private or social housing landlords on any future introduction of DP. One of their conclusions is of particular relevance to this study: tenants' approaches to money management were likely to have an impact on how they would fare on DP. They identified three types of money managers: '*ordered*', who "*either made*

comprehensive use of automated banking or operated strict routines in collecting income and paying bills”; ‘flexible’, who “*were less rigid than ordered money managers in their approach to monitoring and using money*”; and, ‘chaotic’, who “*had difficult financial situations and ... could be forgetful about paying bills and/or were generally careless with money*” (Irvine *et al.*, 2007, p1). They predicted that flexible and chaotic money managers would be more likely than their ordered counterparts to encounter difficulties with DP.

There are other literatures that are relevant to this paper, most of which highlight the importance of ‘*opportunity*’ as a determinant of rent underpayment. For example, this includes the growing evidence base on UC. The most relevant study to this one is Johnson *et al.* (2017), which comprised two claimant surveys and in-depth claimant interviews. It found that most of the reasons given by claimants for why they were in arrears related to their financial circumstances: they had unpredictable or low incomes; the five week wait for their first UC payment; and, delays in receiving the benefit because of administrative problems.

In a similar vein, the international literature on why mortgage arrears accrue highlights the importance of ‘*opportunity*’. The affordability of mortgages, which is related to a number of economic factors including unemployment, low income and high mortgage payments (Whitley *et al.*, 2004; Gerlach-Kristen & Lyons, 2018), was found to be the most important determinant. And the literature on tenancy sustainment finds that the most common reason for tenancy failure - the accrual of arrears - is a result of the precarious financial circumstances of tenants (Ambrose *et al.*, 2015; Pawson and Munro, 2010).

Further insight into the reasons for tenancy failure is provided by those studies which have explored the experiences of those households which research suggests find it more difficult to sustain a tenancy. These include: households with a history of rough sleeping (Randall and Brown, 2002; Dane, 1998; Harding and Willett, 2008); young people, particularly those who have no history of looking after themselves (Fitzpatrick, 2000); households with a background in institutional accommodation such as local authority care, prison or the armed forces (Crane, 1999; Johnsen *et al.*, 2008; WAG, 2004); and recently arrived refugees (Carter and El-Hassan, 2003). These studies highlight the importance of vulnerability, and ‘*capability*’, as a driver of tenancy failure, but (understandably) given their focus, pay relatively little attention to unpacking the drivers of rent arrears accrual and the process by which they accrue.

5. Methods

This paper draws on three data sources: tenant surveys; landlords’ rent accounts; and in-depth interviews with tenants. Three ‘longitudinal’ household surveys were conducted as part of the research, the approaches to which are detailed in Kemp *et al.* (2012), Kemp (2012) and Kemp (2014).

The first of these was a Stage 1 (or ‘Baseline’) survey. This involved 1,965 tenants being interviewed in 2012. Mirroring the purposive selection of the Demonstration Projects and the populations selected within them to receive DP, a purposive sampling approach was adopted to the survey (Kemp *et al.*, 2012). Tenants were selected

in clusters around neighbourhoods or estates, with quota targets set (and achieved) in relation to household size, age, and landlord type (Kemp *et al.*, 2012).

The Stage 2 survey involved 1,227 of these tenants being interviewed again in 2013 and 617 new top-up interviews (Kemp, 2014). The paper does not draw on data generated from this survey. However, it does examine data generated from the Stage 3 (and final) survey, which was conducted in early in 2014 and involved 650 tenants, 459 of whom took part in the first two surveys (Kemp, 2014). Some 68 per cent of respondents to the Stage 3 survey were women; 32 per cent were men (Kemp, 2014). The age profile of respondents was: aged 16-24: 8 per cent; 25-34: 19 per cent; 35 to 44: 30 per cent; 45-54: 25 per cent; and, 55+: 18 per cent. Some 35 per cent reported that they were working with 66 per cent reporting that they were not (Kemp, 2014).

For all three surveys, interviews were undertaken by researchers from Ipsos MORI. The data was “*weighted to the profile of tenants who were interviewed as part of the Baseline Survey by landlord type, age, and number of people in household within each Demonstration Project, and by Demonstration Project overall*” (Kemp, 2014, p. 99). In terms of the analysis of the data generated, logistic regression modelling was used to explore key issues (the approach taken to this analysis is outlined in Kemp (2014)).

A small-scale telephone survey of 95 tenants who had underpaid their rent was also undertaken by Ipsos MORI in November 2013. The sample for the survey was generated by DPDP landlords. The sample was broadly representative of local DPDP populations.

The analysis of landlords’ rent accounts involved examining the accounts of all tenants who went onto DP in the DPDP programme and those of a comparator sample. It was carried-out at two points in time: 12 months into the programme and at its conclusion. Tenants in the DPDP programme who did not experience DP were not included in the analysis. The DP sample comprised tenants for whom the projects provided both HB data and rent account in at least one rent account period and for whom there was some activity on their rent account.

Some 7,252 tenants, in total, were identified as having been paid their HB direct. They were compared with the comparator sample which comprised 4,941 tenants. In order to ensure that the samples were as similar as possible, which they were, propensity score matching was employed. A number of variables were used to match tenants in the two samples, specifically: rent account balance; proportion of rent covered by HB; rent level; household size/composition; age; work status; property size; and HB receipt and length of entitlement.

Some 73 per cent of tenants in the DP sample were on full HB, with 27 per cent being on partial HB. The age profile of tenants in the DP sample was: aged 16-24: 6 per cent; 25-34: 22 per cent; 35 to 44: 27 per cent; 45-54: 30 per cent; and, 55+: 14 per cent. The most common household types were ‘single person’ (36 per cent) and ‘lone parent’ (32 per cent).

Some 180 in-depth interviews, which lasted between 45 and 60 minutes, were conducted with tenants, all of which were undertaken by a team based at Sheffield Hallam University. Interviews were conducted with members of ‘eight-strong’ tenant panels that were established in each of the Demonstration Projects. Panellists were

interviewed on three occasions. In addition, some 46 ‘one-off’ interviews were conducted with tenants across the project areas at various points across the study.

In all, 104 tenants were interviewed. 73 were women and 31 were men. 22 were working at the time of the first interview; 84 were not. A range of household types were represented in the sample, and the age profiles of interviewees reflected that of the local DPDP population. All interviews were transcribed.

The relatively long duration of the study - 18 months - which resulted in DP becoming ‘normal’, combined with the large ‘in-scope’ and ‘out-of’ scope (comparator) samples, meant that it was able to override a potential limitation of the research. That is, a short term and ephemeral driver of rent arrears - the challenge of transitioning from landlord to DP - masking the impact of long term and structural drivers on tenants’ rent payment behaviour.

The dataset that this study draws upon is one of the largest and most comprehensive generated on rent payment behaviour in recent times. But it is not without its limitations. For example, as is often the case with longitudinal studies, participant attrition was an issue both in terms of the longitudinal surveys and tenant panels, with the study team losing contact with some tenants. And while the samples used for the study were relatively large, the inclusion of more participants would have given even more weight to the research.

6. Findings

As noted earlier, most tenants in the DPDPs underpaid their rent during the course of the trial, which resulted in many being ‘switched-back’ to landlord payment and the accrual of arrears. Arrears rates were higher for tenants who went onto DP: while they paid 95.5 per cent of all the rent owed, their counterparts in the comparator sample paid 99.1 per cent. The section explores why this happened using the COM-B model to unpack rent payment behaviour.

6.1. Opportunity

Perhaps not unexpectedly, there was no evidence to suggest that *social opportunity*, and ‘peer pressure’ in particular, had any direct influence on rent payment behaviour, although it may have had an indirect influence on tenants’ attitudes and dispositions. However, *physical opportunity*, and *resources*, in particular, did have an impact on behaviour with the financial circumstances of tenants emerging as being the most important determinant of rent arrears accrual. The ‘new arrears’ logistic regression exercise was particularly illuminating on the issue: three of the five groups that were found to have higher odds of having accrued new arrears related to the financial circumstances of tenants (Hickman *et al.* 2017).

The financial situations of most tenants were precarious. A number of factors contributed to this. They had low incomes and only six per cent had any savings (Kemp *et al.*, 2012). This was compounded by the costs associated with servicing relatively high levels of debt: the Baseline survey found that 40 per cent of tenants had some

form of debt (Kemp *et al.*, 2012), with many reporting that they were behind with their bills. As one panellist noted:

“Everything I was behind in the bills. All my bills in the same account and some of them the council was taking the rent on the 3rd, electricity, gas. All of this comes on the 14th.... so before this one comes the other come. So you are just stretching them there.”

Many tenants had automatic deductions from their earnings or benefits: 31 per cent of Stage 3 respondents reporting having at least one (Kemp, 2014). Automatic deductions emerged as being a key driver of rent arrears accrual in its own right: it was one of the five conditions highlighted as being (significantly) statistically related to new arrears (Hickman *et al.*, 2017). A number of panel members highlighted the strain that being subject to deductions placed on their finances. These included one who noted how difficult he was finding it to manage the impact of a rent arrears deduction:

“I’m struggling to pay it [my arrears] back... me social worker set up a payment plan just before Christmas but I’ve been struggling to find it. And then they’re trying to get me out. Or that’s the impression I get. So I’ve had to do without to pay it.”

This quote highlights an issue that reoccurred in many of the in-depth interviews: tenants fore-going expenditure (or ‘doing without’) in order to ‘get-by’. For example, one described “cutting back on gas. I only buy electric now so I don’t have the central heating on”, while another explained that: “[I don’t have enough money so] that I can eat every day”.

Bank charges prompted by HB administration problems also contributed to the precarious nature of claimants’ financial circumstances. Four per cent of tenants with new arrears in the Stage 3 survey cited this as being the principal reason why they had accrued arrears, as Table 1 reveals. The negative impact that bank charges could have on tenants’ financial situations (and ultimately) their ability to pay their rent, is illustrated by the experiences of one tenant. He under-paid his rent in the first two months of moving onto DP and paid no rent in the third month. This resulted in him accruing rent arrears of about £600. He was then switched-back to landlord payment. He attributed this arrears episode to the bank charges he incurred:

“The vast majority of it went on bank charges and things like that. You’ve only got to miss one DD and you get a £30 payment of unauthorised overdraft charges. Then you get something else comes out and takes up that £30 and that won’t go out and so that’s another £30. It soon adds up.”

The level of rent charged by landlords also contributed to the precarious financial situation of many tenants. Analysis of rent account data revealed that rent levels had some influence on payment rates: tenants whose rents were relatively ‘high’ (over £115 per week) were more likely to underpay by levels greater than 15 per cent than those who rents were relatively ‘low’. And a small number of respondents - two per cent - cited ‘an increase in rent’ as being the principal reason why they had accrued new arrears in the Stage 3 survey, as Table 1 highlights.

Linked to this, financial ‘shocks’ also contributed the challenging financial situations of tenants, and these shocks were often the catalyst for underpayment.

Table 1. What was the single main reason why the tenant was in arrears? (Stage 3 survey).

<i>Column percentages</i>	
Single most important reason	All tenants
Problems with HB administration	7
Problems with HB being paid directly to me	7
Confusion over due dates for rent payment	2
Incurred bank charges due to problems with HB	4
Used the HB to pay off other debts	2
Used the HB to pay for something else	4
Loss of income due to the 'Bedroom Tax'	10
Loss of income due to reduction in HB for other reasons	7
Low income	10
Unexpected expenses	8
Over-committed financially	3
Increase in rent	2
Loss of income due to redundancy	2
Loss of income due to sickness or disability	3
Loss of income due to relationship breakdown	1
Loss of income due to other reasons	6
Mental health problems	<1
Drug or alcohol addiction	<1
Some other reason (specify)	17
Nothing/none of these	1
Don't know	4
<i>Base: tenants in arrears</i>	<i>201</i>

Source: Kemp (2014), p78.

As Table 1 reveals, they were caused by a range of factors including a change in HB, redundancy, sickness or disability, and relationship breakdown. The most important shock, and indeed the one that had the greatest impact on claimants, was being subject to the RSRS or the 'Benefit Cap'. It was one of the factors identified as being (significantly) statistically related to new arrears (Hickman *et al.*, 2017). It was also cited by 10 per cent of Stage 3 tenants as being the principal reason for why they fell into arrears (see Table 1). Analysis of rent account data revealed a similar picture: compared with tenants not affected by RSRS or the Benefit Cap, those affected by both the 14 per cent and 25 per cent reductions in their HB rate were significantly more likely to underpay their rent.

Another income shock was the non or partial payment, or delayed payment, of HB as a result of administrative problems: seven per cent of tenants who had accrued new arrears in the Stage 3 survey cited it as being the principal reason why this had happened, as Table 1 reveals. As noted earlier, HB administration problems also triggered arrears in another way: by tenants incurring bank charges.

6.2. Motivation

Most tenants that were interviewed in-depth by the study team reported that they were committed to paying their rent in-full, on time. And falling behind on their rent was an issue that concerned 83 per cent of Stage 3 respondents (Kemp, 2014). The main reason why tenants felt it was important to pay their rent was that they did not want to be evicted: "At the time [I fell into arrears] I thought I'd be in trouble, really big trouble. I thought I'd end up losing my house."

The ‘shame’ of accruing arrears was another factor that appeared to motivate tenants to pay their rent in-full and on time. A number reported how ‘embarrassed’ they found it being in arrears: *“I felt ashamed. I felt like I was robbing somebody. But I spent it and I shouldn’t have ... I was embarrassed.”* A small number of tenants who switched-back reported that they would have liked the *opportunity* to remain on DP in order to ‘prove’ themselves, lessening their embarrassment: *‘I would have liked to have continued [on DP] because I know now ... I would have been able to do it.’*

Paying their rent on time and in-full was undoubtedly a key goal for tenants. But they had others that were more important and higher on their goal hierarchies. This is reflected in a third of respondents to the Stage 3 survey reporting that they did not prioritise paying their rent (Kemp, 2014). However, it is important to acknowledge that the ‘pressure’ put-on tenants by lenders to pay-off debts influenced how they prioritised the payment of their financial outgoings and debt. Some tenants reported that social housing landlords did not exert much pressure: *“No, no [I won’t be evicted] ... because ... the council when you’re owing them rent if they know you’re on benefits: they don’t put too much pressure on you.”* And as highlighted in this quote, a sizeable minority did not think there would be a consequence - i.e. eviction - for underpayment: 26 per cent of respondents to the Stage 3 survey agreed with the statement: *‘I am unlikely to be evicted if I always or sometimes pay only part of the rent’* (Kemp, 2014).

The position of rent payment in tenants’ goal hierarchies is important because, as highlighted earlier, tenants’ lack of financial *resources* (*opportunity*) meant that it was not possible for them to satisfy all of their goals simultaneously, as most had resource implications. Goal hierarchies were therefore used as a mechanism to resolve conflict between goals, with higher order goals taking precedent over lower order ones.

Not surprisingly, one goal that emerged as being more important than prompt, and in-full, rent payment, was ensuring that all household members were fed. Many tenants reported that they had used HB to pay for food: *“It [my HB] was [used] for me and my son, food and stuff.”* In a similar vein, another tenant noted: *“[I used my HB to pay for] food, electric ... That was it”.*

As highlighted in the quote above, another higher order goal was the desire to live in a home that was warm and well-lit: some 17 per cent of respondents to the Stage 3 survey reported that they prioritised paying electricity bills, with nine per cent reporting that they prioritised gas or other fuel bills (Kemp, 2014). A number of panellists reported that they did the same: *“I make sure I’ve got plenty of gas and electric and stuff. Yes, I pay that every week.”*

The goal of ensuring that family members, especially children, were cared for, both emotionally and practically, emerged as being a more important goal than prompt and full rent payment. This was the case for one tenant who, after successfully paying all of her rent on time for the first seven months of the DPDP programme, used HB to pay for the costs of visiting her poorly mother and daughter in hospital:

“[I spent my HB on] petrol back and forth to the hospital all day ... back and forth, you know, visiting. And then like taking my daughter ... taking her to appointments back and forth because she had that operation.”

On many occasions expenditure on satisfying higher order goals was unexpected, reported tenants. Tenants who said they would use their HB money to ‘pay for an unexpected expense or large bill that was difficult to pay’ were found to have higher odds of having accrued new arrears (Hickman *et al.*, 2017). Furthermore, as Table 1 reveals, eight per cent of respondents to the Stage 3 survey identified ‘unexpected expenses’ as being the single main reason why they were in arrears.

Whilst acknowledging the fuzzy boundary that sometimes exists between ‘reflective’ (‘thinking with the head’) and ‘automatic’ (‘thinking with the heart’) processes, the former emerged as being a key driver of behaviour, while the latter did not. Only a small number of tenants appeared to have ‘misspent’ their HB driven by impulsive and emotional processes. This appeared to be the case for one tenant who decided to spend some of their benefit on a drinking ‘session’, a decision that was taken with no ‘care’ (or reflection): *‘Last week I did go on a bit of a bender and I spent my [two weeks] rent.... But last week I just didn’t care.... And I thought: “actually thanks very much - I’m going to spend it”.’*

However, these tenants were in the minority. And many that intentionally underpaid did so, not because of *automatic* processes, but because of reflective ones: they did not want to be responsible for paying their rent and wanted to be taken-off DP. The survey of underpayers found that five out of 43 underpaid their rent for this reason. This was also the case for a panellist who expressed her unhappiness about being moved onto DP at the start of her first interview: *“I told them [her landlord] I didn’t want to do it. I told them straight. But they still done it.... I spoke to them on the phone that I don’t really want to do it. [They said]: like well you have to do it.”* Towards the end of the interview she then noted how she deliberately underpaid her rent: *“I did tell them ... I didn’t want to do it, though. But they wouldn’t listen so I thought: ‘bugger it’.”*

6.3. Capability

With reference to the role of the *physical* capabilities of tenants, the ‘new arrears’ logistic regression exercise found neither the health of respondents or disability to be linked to rent payment (Hickman *et al.*, 2017). And more broadly, analysis of rent account and survey data found all demographic groups to be vulnerable to the accrual of rent arrears, with payment rates not differing by gender, age, ethnicity and household type (Hickman *et al.*, 2017).

In terms of the *psychological* capability of claimants, ‘knowledge’ was found to influence rent payment behaviour, particularly when tenants first moved on to DP. Many tenants underpaid their rent inadvertently because they did not understand how bank accounts, Direct Debits [DDs]; HB; and/or other payments, such as Discretionary Housing Payments, worked.

Inadvertent underpayment was relatively common: some 15 of the 43 telephone survey participants who were asked why they had under-paid, reported that they had done so by ‘mistake’. And many tenants who were interviewed in-depth reported that they had underpaid their rent unintentionally. This included a panellist who spent her HB because she did not realise what it was: *“I made the mistake by spending it [HB]. I just thought I got that much extra but I didn’t know where it come from. So*

yes, I spent it.” Another, who had very limited financial resources (i.e. poor *opportunity*), attributed his rent arrears to accidentally paying his rent twice:

“So the second month I was just playing with my computer. I put £485 for the month rent and then I press again. I saw it wasn’t showing on the system that the rent is gone. The first payment not Direct Debit just pay Yes, so I did it twice Two lots out at the same time which then come letter to me from the bank. I exceed my overdraft limit what they charge me for That’s the point that the whole problem started from.”

In particular, many tenants struggled to understand how DP worked: “I got a letter from [X] Council ... that this direct payment is going to start in July. But I didn’t understand anything about it ... I was confused. I don’t know what to do ... so I ignored the letter.” A key life skill - (low levels of) literacy - contributed to the phenomenon: ‘Well me and me wife aren’t that good readers so we might not have read the full letter.’

In terms of the impact of other tenants’ *skills* on rent payment behaviour, the picture is a complex one. The first point that needs to be made on this issue is that most tenants were effective money managers, managing to ‘get-by’ in very challenging financial circumstances, employing a range of strategies to do so, such as ‘jam-jarring’ and adopting a seasonal approach to budgeting.

Perhaps surprisingly, tenants who could be characterised as being particularly good at money management - ‘ordered’ money managers in Irvine *et al.*’s typology - were no more likely to pay their rent on time (and in-full) than ‘chaotic’ or ‘flexible’ money managers. Self-reported money management skills was found not be related to new arrears accrual in the Stage 3 survey (Kemp, 2014), while the in-depth interviews with tenants revealed a similar picture - all types of money managers underpaid. At first sight, this finding is surprising. However, as rent underpayment represented highly capable behaviour in many circumstances, and good money management on behalf of tenants, perhaps it is not, as will now be explored.

When faced by an ‘emergency’(s), many tenants resorted to ‘borrowing’ from their rent accounts by underpaying their rent. A number reported that doing so was something they simply had to do. For example, one noted: “I was annoyed because of what I’d done and when I sat and thought about it I shouldn’t have done that. But it got beyond my control”. In a similar vein, another tenant noted: “I was ashamed [that I accrued arrears] you know? But at the time it was in my bank and it was... I needed it.” Finally, another noted that borrowing from his rent account was the only way he could fund the purchase of food: “Like I said, if I haven’t got money for food and that there’s no way I can get money from anywhere else”.

Critically, this shows high levels of *reasoning* and *capability* as an economically rational course of action for tenants (with no or little arrears or debt) is to not pay all or some of their rent as, in stark contrast to the very high rates charged by many national money lenders and local pay-day lenders, interest is not charged on rent arrears. And because arrears may be repaid over a comparatively long time period, tenants enjoy a negative real interest rate.

For many tenants, their rent account appeared to operate as a surrogate bank account, which, as well as acting as a savings account (many tenants routinely overpaid on their rent) could be used to pay for financial ‘emergencies’, with tenants commonly referring to ‘borrowing’ from it:

“I borrow from it [rent account] cos with only having a basic amount of money you have to keep lending one to pay another. I missed my TV payment and got myself in a complete mess with my TV licence and I could not afford a fine for the TV licence. That’s all I’ve got is a TV. So I borrowed to pay that. And then I borrowed to pay a bit of the water rates. Then I tried to pay back a bit more and it ended up a mess.”

A number of tenants reported that they intended their ‘borrowing’ to be short term, and intended to repay the monies they had borrowed as soon as they could. This was case for one panel member, who ultimately did not ‘repay’ his ‘loan’:

“It was difficult cos if I knew that money was there I’d spend it and think: ‘I’ll put that back Thursday’. But I never did.... I forget to put it back in and then they try to take their amount out and that amount wasn’t in there. And I think to myself: ‘I forgot to put it back in’.”

While approaches to money management were not related to the accrual of new arrears, the payment method that tenants chose to pay their rent was. Specifically, the accrual of new arrears was related to the use of the payment method that (in the majority of cases) was found to be the most effective way of limiting arrears: Direct Debit. Rent account analysis revealed that those tenants who paid part or all of their rent by DD were statistically less likely to underpay their rent (including non-payment) than those using other payment methods. While 67 per cent of tenants who never paid by DD underpaid at some point, only 54 per cent of tenants who had paid by DD at some point did the same.

There was a widely held belief in Government when the DPDP project was launched that providing money management advice and support to tenants would help to enhance claimants’ capabilities in this area, therefore promoting rent payment. However, this did not prove to be the case: the ‘new arrears’ logistic regression exercise (Kemp, 2014) found the provision of support not to be related to the accrual of new arrears. Furthermore, a reoccurring theme to emerge from in-depth interviews with tenants was their frustration that the provision of support was (erroneously) seen as being the ‘solution’ to their financial problems. And a number noted that what they required was not support but more money, an issue which lies at the heart of understanding rent payment behaviour.

7. Conclusion

In recent times, like many of their counterparts in the West, the UK government has been increasingly concerned with influencing and regulating the behaviour of its citizens, and welfare recipients, in particular, in doing so, ensuring that they ‘behave responsibly’. One of its most high profile behaviour change projects is direct payment. This involves working-age social housing tenants in receipt of income-related housing allowance (‘Housing Benefit’) taking-on responsibility for paying their rent, when previously landlord payment was the norm. There is an expectation that they will behave ‘responsibly’ by paying on time and in-full. DP was trialled in the Direct Payment Demonstration Projects (DPDPs) and is now a central component of the Government’s flagship welfare reform, Universal Credit, which is being rolled-out to more than seven million claimants across the UK.

This paper has examined rent payment behaviour under DP drawing on data (landlord rent accounts, survey data and qualitative data generated by in-depth interviews with tenants) gleaned from the national evaluation of the DPDPs, in doing so, highlighting reasons for rent arrears accrual. This is a relatively under-researched area and the research represents the most comprehensive and detailed study of the subject since Ford & Seavers (1998), which is important given the growing number of social housing tenants across Europe who are finding it more difficult to afford their homes (ONS, 2017; Eurostat, 2017).

The paper contributes to knowledge in other ways. It provides an insight into the psychological processes that influence the behaviour of social housing tenants, an issue which has been under-researched at both the UK and international level. It does so by using a conceptual framework from behavioural science - COM-B - that has not previously been used to unpack behaviour in the context of housing. At the core of COM-B, which is the most widely used behaviour change framework, is a '*behaviour system*' which presents behaviour (B) as a consequence of the interaction between the attributes or *capabilities* (C) of subjects, the *opportunity* (O) they have to enact behaviours and their *motivation* (M).

The capabilities of subjects can be categorised into types: i) *psychological* attributes, including knowledge, skills, reasoning, comprehension, and memory, and ii) *physical* attributes, such as health and disability. *Opportunity* encompasses *physical (environmental) opportunity*, which includes the *resources* available to an individual, and *social opportunity*, which is the social context within which behaviours are enacted. *Motivation* processes can be classified into two groups: i) *reflective* processes, which involve evaluation, assessment and reasoning by subjects; and, ii) *automatic* processes, which involve emotions and impulses. The desire to attain goals is a key driver of *motivation* (Abraham and Sheeran, 2003), with goals being configured in hierarchies (Karoly, 1998).

The COM-B model provided a valuable framework for understanding DPDPs tenants' payment behaviour and for explaining why so many underpaid their rent, in doing so, highlighting the subtleties of rent payment behaviour and the important connections between domains.

In line with the findings of Gray *et al.* (1994) and Ford & Seavers (1998), *opportunity*, and specifically, physical opportunity in the guise of tenants' lack of *resources*, emerged as being the most important driver of underpayment, with it also impacting on *motivation*. Significantly, however, under-payment was more than just a result of 'poor' *opportunity*, with all elements of the behaviour system contributing to it. And only with reference to all of them can one garner a full understanding of how and why underpayment occurs.

The '*capability*' of tenants contributed to underpayment in two ways. First, highly capable money managers (with little or no arrears) underpaid their rent when faced by a financial 'emergency' because doing so represented *reasoned, reflective* action and a rational economic course of action. This highlights the importance of policy makers being clear about the logics underpinning behavioural interventions, as failure to do so may result in unintended consequences. Second, some less 'capable' fell into arrears inadvertently because of their lack of knowledge and understanding of how DP, HB, and/or how bank accounts/Direct Debits worked.

Tenants' *physical* attributes, specifically their health and whether they identified as having a disability, along with their age and gender, were found not to be related to underpayment, which is contrary to the findings of Gray *et al.* (1994). So, too, was the provision of advice and support in order to enhance their *knowledge and skills*.

The context within which tenants lived their lives - '*opportunity*' - was very unfavourable. They had limited *resources* and very challenging financial circumstances. They had low incomes and little or no savings, with many having deductions from their incomes. Many had experienced a financial shock in recent times. All of these 'conditions' contributed to underpayment.

Reference to '*motivation*' also helps to explain underpayment. While rent payment was highlighted as a higher order goal by tenants, other ones, like ensuring that household members were adequately fed and lived in homes that were warm and well lit, were more important. This meant that when conflict occurred between goals, which was inevitable given the limited *resources (opportunity)* of most tenants, they prioritised satisfying higher order goals over rent payment. Very few underpaid as a result of '*automatic*' (emotional and impulsive) processes, which involved them 'mispending' their rent.

Rent arrears accrual under the DP trial was therefore inevitable. However, the research has shown that this does not indicate 'irresponsibility' in terms of the behaviour of tenants, with them 'mispending' their rent. Indeed far from it. It demonstrates them acting *reflectively* to satisfy their key motivational goals. It also demonstrates high levels of *capability* on the part of many tenants who routinely 'borrowed' from their rent accounts. Therefore, for claimants on UC, a key element of which is DP, achieving higher payment rents and 'responsible behaviour' (from the perspective of government) will not be achieved by encouraging them to be more 'responsible' but by improving their financial situations (*opportunity*), thereby removing goal conflict and the pernicious choices they face.

In terms of further research in this area, it would be interesting to see the COM-B model used to explore behaviour in other housing contexts, although it is not without limitations, which were evident in this study. For example, not unexpectedly given its origins in public health, not all of the descriptors of the three domains that comprise COM-B 'worked' with the physical capability of tenants and social opportunity being largely irrelevant. There would be value in using COM-B to unpack the rent payment behaviour of social housing/low income renters in other countries, in doing so, identifying any differences in the role of its different elements and how they play-out. It would also be interesting to see the model applied to explore tenant behaviour in relation to other elements of the housing service, such as repair reporting and digital engagement.

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