



# CINDERELLA COMES TO THE BALL?

## Tenant participation and social housing transformation

> *Dr Tony Gilmour of the Housing Action Network discusses the recent evolution of tenant participation in social housing across public and community housing providers.*

Tenant participation, like world peace, is one of those strange concepts that everyone agrees is a good idea, though nobody seems to know how to best make it happen.

Perhaps the recent wave of social housing changes, moving away from delivery by public housing agencies, will make a difference? After many years hidden away in their houses, maybe now is the time for tenants to finally come to the ball and dance as equal partners with their landlords.

### Our new social landlords

The rise, and further rise, of the community housing sector is not hot news. The Australian sector has quadrupled its share of the relatively static social housing sector over the last decade. New Zealand wants to follow suit and is working on a transfer of a fifth of housing from the public sector starting later this year.

There is a taken for granted assumption that community housing providers are closer to their tenants and their communities than bureaucratic public housing agencies. Mostly this is true, though I would argue in part this is the wrong comparison.

State housing authorities have steadily withdrawn from tenant participation since a fleeting engagement in the 1980s and early 1990s. To put it bluntly, the bar for tenant involvement in Australia has been set very low.

Most Australian community housing providers have been established for around 30 years, though very few have promoted tenant participation for more than a decade. Compass Housing, one of the leaders in this field, is a case in point.

From my recent research, the organisation, founded in 1984, had by the early 2000s become more focused on staff than tenants. It took a change in management team, and a new set of outlooks from other sectors, to innovate with tenant participation from 2004.

Another example – chosen at random – is Housing Choices Australia (see box). The tone and content of their annual report has been transformed over the last five years. However, I think the change is more than just spin. The organisation now has a Resident Committee, and the focus on customer service gives a different basis for the relationship between landlord and tenant.

### Management outsourcing

From 2012, there was a new approach to the transfer of tenants from public to community housing providers. Transactions became larger, and generally contracts were for a limited period during which the new landlords had obligations such as stock improvement, building new affordable housing or strengthening community cohesion.

### The 5-year revolution: Housing Choices Australia's Annual Reports



*In 2009, the organisation's report focused on 'strategic, business and financial planning' with the cover showing views through a window. There are three one-page inspiring tenant stories, though much of the 44-page document concentrates on organisational change in establishing the newly merged entity.*



*By 2014, the report's cover featured a tenant and the first words on the report are 'high quality services'. No fewer than 13 of the 38 pages are filled with tenant stories. The Resident Committee met eight times during the year, allowing the provider to claim 'we place residents at the heart of everything we do and seek their input to improve our services'.*

The table overleaf shows these transactions and includes the Bonnyrigg PPP, which is a parallel although much more complicated approach developed during the 2000s. Queensland, South Australia and New Zealand are still a 'work in progress' so this article is based on latest information that can at times be sketchy.

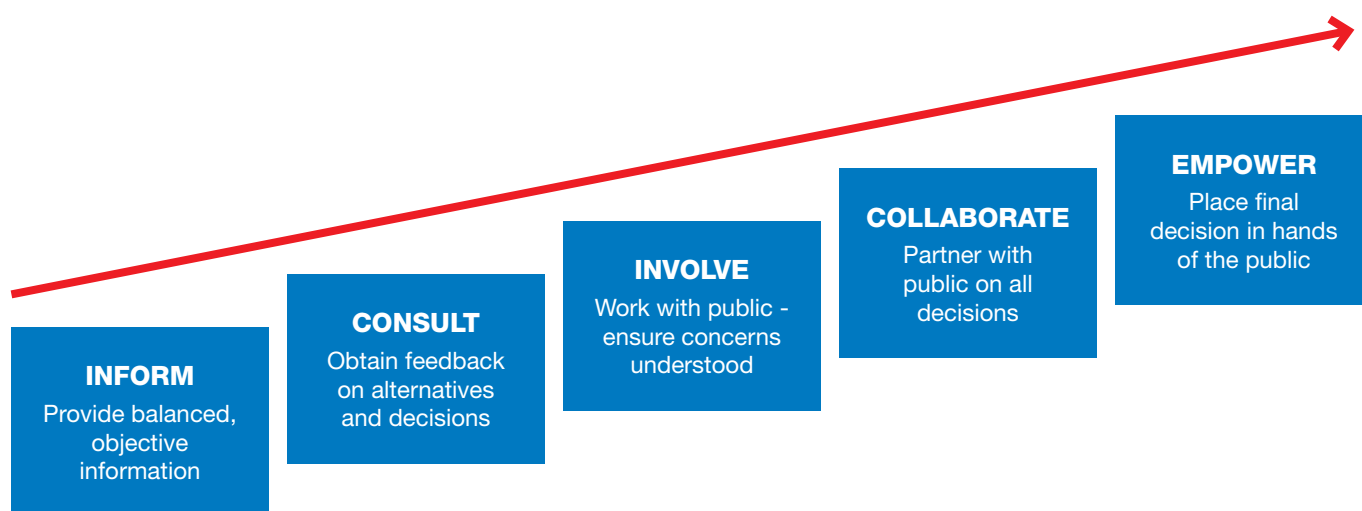
As my former University of New South Wales colleagues, Hal Pawson and Ilan Wiesel, noted in an academic article in 2014, "the scope officially accorded to 'tenant voice' in determining whether and how transfers should be progressed has been virtually non-existent in Australia." This is in stark contrast to Britain where tenants could vote on transfers and, in a number of high profile examples, chose to say 'no'.

“ Many bidders promise above and beyond the modest engagement required by government. ”

Location	Details	Tenants
NSW - Bonnyrigg Public Private Partnership (PPP)	Renewal of 900+ public housing homes from 2007 with management passed to SGCH, a community housing provider. Restructured in 2015 after the property developer went out of business.	No tenant choice on transfers. Formal engagement process in place from 2007, and separate residents groups for social housing tenants and owners. The new arrangements from 2015 will have a more integrated approach (just one residents' group).
Tasmania	Better Housing Futures launched in 2012. Initial 500 home transfers to community housing in 2013, followed by three 1,100 transfers in 2014.	Tenants can choose to remain with public housing leases, though will be managed by a community housing provider. Providers need to attract tenants to sign leases with them.
Queensland	Plans to transfer 90% of public housing under last government. Bidding for the Logan transfer of 4,800 homes started 2012, and is likely to take place later in 2015.	No tenant choice on transfer. The new community housing provider needs to engage with tenants, and tenants have recently been invited to attend 'information sessions'.
South Australia	Two transfers totalling 1,100 homes announced in 2013 to take place late in 2015. A further 4,000 transfers promised in the future.	No tenant choice on transfer. Recipient community housing providers need to put in place tenant engagement processes.
New Zealand	Transfer of 20% of public housing to community housing providers due to start later in 2015.	To date, tenants have not featured in discussion around transfers and there are no signs there will be tenant engagement. It seems likely tenants will not have a choice of landlords.

Australian tenants are told what will be happening and the most recent transfers (Queensland and South Australia) involve the tenancies magically switching to the new landlord. By contrast, in earlier transfers in Tasmania, tenants had to be wooed to sign leases with community housing providers. Until they signed, the Commonwealth Rent Assistance pot of gold was not available to landlords. This led to landlords going out of their way to sell the benefits of their new organisation and, likely in the process, honing their tenant offering.

Having worked on many of the recent transfers, I know that community housing providers are keen to win. This is perfectly natural organisational behaviour. As a result, many bidders promise above and beyond the modest engagement required by government. They offer tenant representative bodies, community building grants, education scholarships and the like. So despite rather modest prompting by government, good old market forces seem to have led to an expansion of tenant involvement.



## Stairway to heaven

There are plenty of smoke and mirrors around words such as 'engagement' and 'participation'. The International Association of Public Participation' (IAP2) brings clarity with their well-known model of public participation, shown below.

“ The sector still has some way to go, though virtually all community housing providers are heading in the right direction. ”

The core process of tenancy management outsourcing seems to be stuck around the 'Inform' step, mainly as a result of the approach adopted by government. In Tasmania, the tenancy switching options have led to a move to the 'Consult' step, a similar position in the Bonnyrigg PPP where tenants had choices about moving permanently from the estate or relocating back after building work was complete.

The IAP2 model can also be used as a benchmark to judge social housing landlords. Many would see public housing agencies stuck at the 'Inform' step at best. Community housing providers, by contrast, are moving along the stairway. This was shown earlier in this article with the examples from Housing Choices Australia and Compass Housing.

“ Tenant associations have become the norm over quite a short period of time. ”

It is highly subjective as to where individual community housing providers stand on the stairway and, as a consultant, I'm far too diplomatic to name names. However, my feeling is that several providers do no more than 'Consult', rather more 'Involve', some 'Collaborate', and examples of 'Empower' are extremely rare (the co-ops may fit here). The sector still has some way to go, though virtually all community housing providers are heading in the right direction.

## Take your partner for the last dance

Community housing landlords consistently achieve significantly higher tenant satisfaction scores than their public housing siblings. Part of this is due to not-for-profits offering more ways for tenants to be involved in their communities. Tenant associations have become the norm over quite a short period of time. Overall, further transfers to community housing providers look set to increase levels of tenant participation.

The role the transfer process itself plays in participation is less clear. Generally tenants have had no choice – or Hobson's choice (we'll install a new kitchen but only if you switch landlord). However, the bidding process seems to be raising the game of a number of housing providers, and they are becoming more people and community-orientated. This is a good outcome – not just for residents in transfer areas but for all tenants of the housing provider.

What is missing in Australia and New Zealand at the moment is a positive drive to make all social housing landlords raise their tenant participation game, climbing in unison up the IAP2 stairway. We're likely to retain around 70 to 80 percent of social housing in the public sector in both countries for several years, so why not improve participation for these residents?

Even one step further than 'Inform' would be welcome. For community housing providers too, several could lift their game. Perhaps we need a star-rating system based on resident feedback (think Trip Advisor meets social housing)?

Although enhancing tenant participation is a slow process, Cinderella may yet come to the ball. Though I suspect she'll be dancing with a community housing provider CEO rather than a government housing minister.



**Dr Tony Gilmour** is founder and CEO of the Housing Action Network ([www.housingaction.net.au](http://www.housingaction.net.au)), a leading Australasian social and affordable housing consultancy. He is a former AHI President, author of *Navigating Change: a history of Compass Housing* (forthcoming, 2015) and co-author of *After Council Housing: Britain's new social landlords* (2010).