Should Australia follow England and give more power to social housing tenants?

By Tony Gilmour, Affordable Housing Researcher, University of Sydney

Tenants have not been given a good press this year by NSW housing ministers. They stand accused of driving round their estates in BMWs and faking their entitlement to social housing. Does there have to be such a confrontational approach between landlord and tenant? This article looks at a decade of radical change in England which has put tenants in the driving seat of housing organisations.

Tenants can be given a say in what happens to their homes in two ways. The first is through ‘customer care’ – treating tenants as consumers and allowing them to express views about practical issues affecting them. This is the most common approach in Australia, an example being the one-year pilot NSW Social Housing Advisory Committee (my emphasis).

England has pushed further a second method of involving tenants, through ‘tenant participation’. The election of a New Labour Government in 1997 encouraged increased citizen involvement in public life to help build sustainable communities. Participation now involves tenants not just filling in questionnaires but in some cases helping to run their social housing organisation.

New kitchens for all
The English revolution was sparked by a green paper in 2000 which estimated it would cost some A$50 billion to bring social housing to acceptable standards of warmth, weatherproofing and internal fittings. Prime Minister Blair promised that the ‘Decent Homes’ standard would be met by 2010. However he had little faith in local councils being able to manage this level of investment.

Cash was therefore not given to councils unless they set up new organisations. They could transfer public housing to a non-profit community housing group, enter into a public-private partnership with developers or set up an arms-length management organisation still owned by the council (ALMO). Desperately needing the cash for repairs, councils shifted three quarters of their housing stock away from their direct control.

Transfer to new organisations could only take place if tenants agreed – and in most cases this needed a ballot.

The lure of shiny new kitchens and bathrooms was not always enough for tenants, especially given a well-run campaign by the pressure group, Defend Council Housing. Councils therefore made sure the organisations managing social housing would keep tenants’ interests at heart.

Most large stock-transfer community housing organisations and virtually all ALMOs followed the ‘three thirds’ rule. One third of directors are tenants, one third are nominated by the council and one third are professionals.

The ALMOs that didn’t use this principle went even further. The well-heeled borough of Royal Kensington and Chelsea set up a tenancy management...
People power
Tenants now play a major part in deciding what will happen to English social housing, and not just deciding on the colour of front doors. They serve as directors on virtually all housing organisation boards, and for ALMOs, over half of the board chairs are tenants too. Much time and effort has been spent training tenants with the necessary skills for their new responsibilities.

The way English social housing is regulated reinforces tenants’ rights. Housing managers are inspected by the feared Audit Commission who, in their openly publicised reports, give low marks to organisations who have not put tenants’ interests first.

Later this year a new regulatory body is replacing the Housing Corporation. It says much about its role and ethos that it is called the Tenant Services Authority.

The final piece in the jigsaw will be the formation of the National Tenants Voice in 2009. It will be an independent non-profit tenant lobbying group to help shape government policy. The organisation will receive a generous funding of $5 million annually.

Lessons back home?
The Rudd Government has embarked on a radical program to improve housing affordability. Though welcome, it focuses on dollars, not tenant participation. New Labour in England managed to transform both.

Beyond housing cooperatives, which are a tiny components of Australia’s social housing, there are few examples of tenants in control.

Community housing organisations do much good work, particularly at a neighbourhood level, but they rarely have tenants on the board.

State housing authorities still run most of Australian social housing. Housing NSW with 124,923 homes (as at June 2007) is nearly twice as big as England’s largest social housing provider. The ‘NSW Government’s plan for reshaping public housing’ of 2005 did not give tenants more rights – instead it took them away by ending residency for life for new occupants.

Whilst there is an understandable fear of ‘privatising’ public housing, the examples from overseas are not uniformly bleak. English social housing is now run by smaller, more locally accountable organisations than state housing authorities.

Perhaps it is time to follow trends from the old world and started thinking of tenants as not just customers but potential directors of social housing organisations.

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