

# **Community activities of English housing associations, drivers and learning points**

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# Summary

- Some Background and Tools
- Recent Evidence on Diversification and Drivers
- The Values Debate
- Dilemmas and Learning
- Conclusions

# Some Background & Tools

## 2008 and 2012 NHF Neighbourhood Audits

- <http://www.housing.org.uk/policy/investing-in-communities/federation-support-for-community-investment/neighbourhood-audit/>

## NHF Investing in Communities

- <http://www.housing.org.uk/policy/investing-in-communities/what-is-community-investment>

## NHF 2014 Ambition to Deliver – Housing Associations Unbounded

- <http://www.housing.org.uk/publications/browse/an-ambi>

## HACT Community Investment Framework-Strategy Toolkit

- <http://www.hact.org.uk/community-investment-framework>

## HACT Community Insight –Mapping Tool

- <http://www.communityinsight.org/>

## Measuring Social Impact -

- [http://www.hact.org.uk/sites/default/files/uploads/Archives/2012/03/Survey\\_Report\\_for\\_HACT\\_-\\_Community\\_investment\\_for\\_social\\_housing,\\_Wilk\\_es\\_and\\_Mullins,\\_March\\_2012.pdf](http://www.hact.org.uk/sites/default/files/uploads/Archives/2012/03/Survey_Report_for_HACT_-_Community_investment_for_social_housing,_Wilk_es_and_Mullins,_March_2012.pdf)

## Community Investment and Community Empowerment – Think Piece

- <http://www.birmingham.ac.uk/generic/tsrc/documents/tsrc/reports/community-investment-community-empowerment-consultation-draft.pdf>



# Recent Evidence on Diversification and Drivers - NHF Audit

## Overall

### In 2010/11 housing associations:

Delivered more than 9,000 neighbourhood services and provided or maintained 1,500 community spaces.

- Helped around **7.75 million** people
- Employed **11,000** people<sup>1</sup> to carry out this work

### Housing associations invested £746.5m:

- **£529.5m** from their own money
- **£217m** raised from other organisations

## Jobs and training

p11

### In 2010/11:

Housing associations ran 1,000 projects designed to create jobs and help people into work.

- Around **270,000** people took part
- They employed **1,250** people<sup>2</sup> to carry out this work

### Housing associations invested over £80m in jobs and skills projects:

- **£39.5m** from their own money
- **£40.5m** raised from other organisations

# Recent Evidence on Diversification and Drivers - NHF Audit

## Creating better places to live p31

### In 2010/11:

Housing associations ran 1,700 projects to improve local areas.

- They employed **3,100** people<sup>7</sup> to carry out the work
- Around **2.5 million** people benefited from this work

Housing associations invested **£257m** in creating better places:

- Over **£199m** from their own money
- Around **£58m** raised from other organisations

## Community spaces p35

### Between 2006 and 2011:

Housing associations provided 1,500 community spaces.

Housing associations invested over **£502m** in these facilities:

- Over **£264m** from their own money
- **£238m** raised from other organisations

## Learning and skills p15

### In 2010/11:

Housing associations ran 1,500 projects to boost people's knowledge and skills.

- Around **500,000** people took part
- They employed **1,800** people<sup>3</sup> to carry out the work

Housing associations invested over **£73m** in learning:

- **£54m** from their own money
- **£19m** raised from other organisations

## Health and wellbeing p19

### In 2010/11:

Housing associations ran 1,100 projects to help people lead healthier, happier lives.

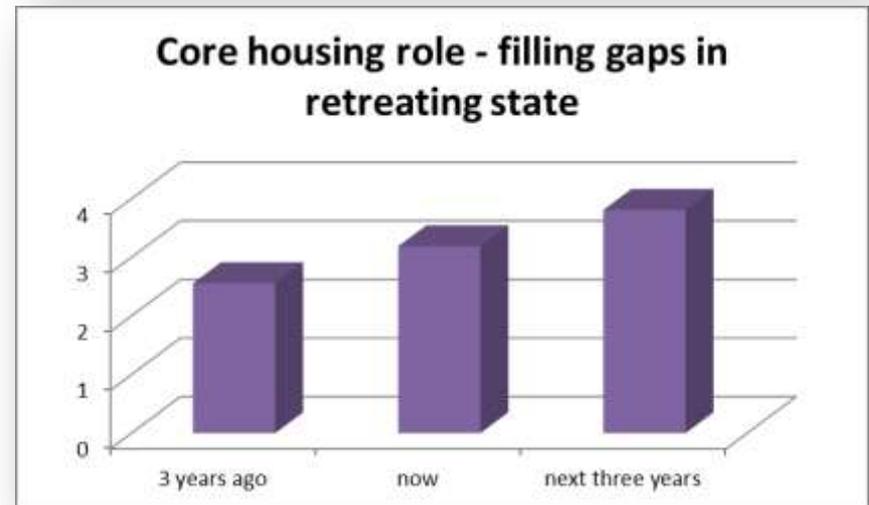
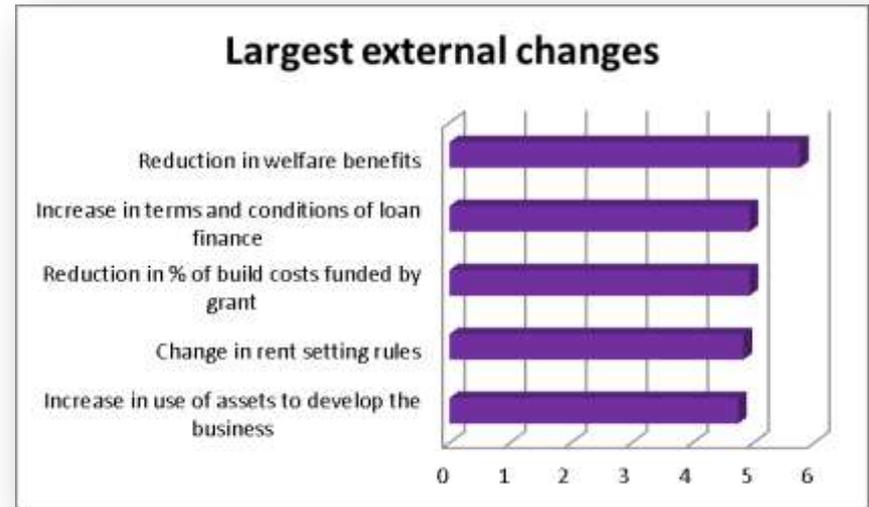
- Around **345,000** people took part
- They employed **1,500** people<sup>4</sup> to carry out the work

Housing associations invested **£74m** in health and wellbeing:

- **£50m** from their own money
- **£23m** raised from other organisations

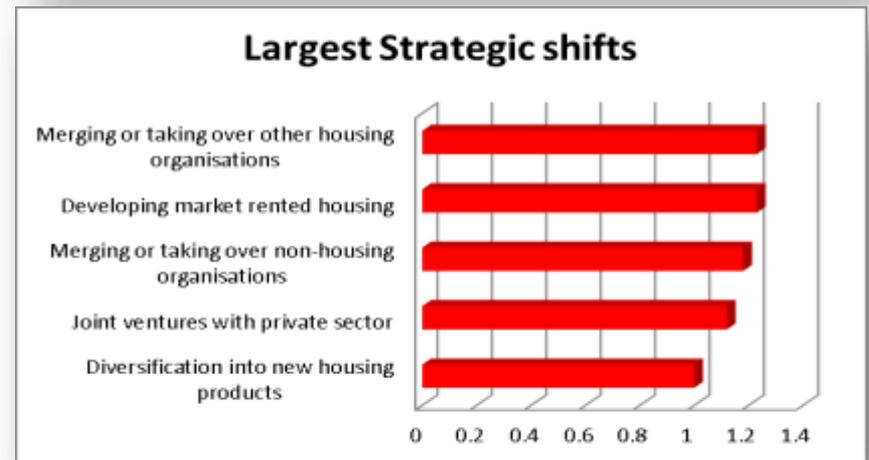
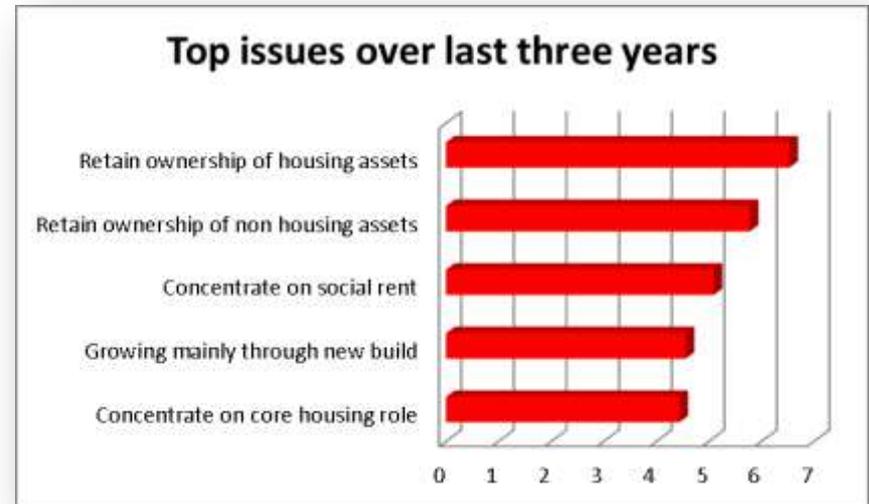
# Recent Evidence on Diversification and Drivers - Delphi Panel 2014

- English HAs are responding to **Welfare Reform and State Retreat** by strategic expansion (rather than contraction) of their own housing and community investment services and by partnership working with local authorities and communities.



# Recent Evidence on Diversification and Drivers - Delphi Panel 2014

- English HAs are not devolving management or transferring assets to community-led organisations, but adapting to customer needs and enabling more direct client involvement in service delivery.
- Diversification into new housing products is stronger than into community investment and non-housing products and services



# The Values Debate

## Protecting Social Housing – Assets and All!

- Crisis Challenges
- A bit of history and geography!
- Importance of Social Purpose for Diversification

## Three Diversification Dilemmas

- Responding to State Retreat – picking winners?
- Valuing Relationships – whose diversification strategy?
- Ulterior Motives – opportunism or local joint outcomes?

## Conclusions

- Diversification Essential but carries moral as well as financial risks
- **Know who you are in order to know what you want to become!**



# Protecting Social Housing?

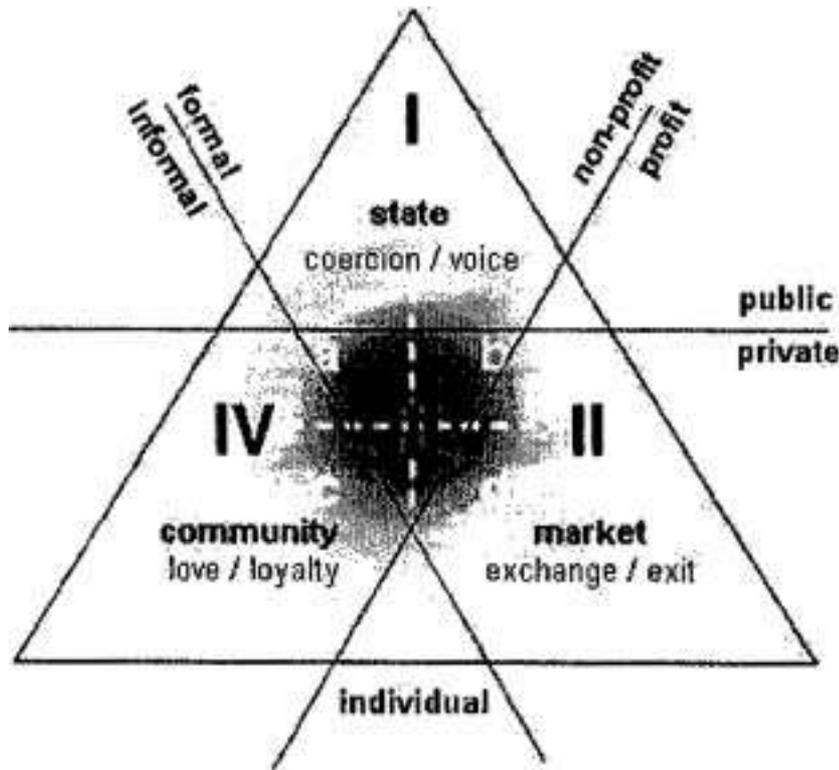


Figure based on Brandsen et al 2005  
See Mullins et al Housing Studies  
Special Issue on Hybridity 2012

- Social Housing Organisations have three main drivers
- HCA Discussion Paper rightly concerned to protect **state subsidy** from **market risk**
- Also need to be concerned about community drivers & **protecting social housing role as buffer from insecurity, high rents & poor housing**
- Love and Loyalty worth protecting too!

# Crisis Challenges

- **Nature of the Crisis**
  - The old solutions no longer work
  - No convincing new solutions emerging
- **Retreat of Big Money**
  - Depreciation Of Assets
  - Reduced potential to borrow
  - Cross-subsidy possibilities reduced
- **Retreat of Big Government**
  - After initial Keynesian Stimulus.....
  - Smaller development programmes
  - Welfare reforms threaten secure income streams
  - Anti-social housing policies enacted
- **Impact on Big Housing -**
  - Gaps in retreating welfare states
  - Rediscovering Community and Society?

Big Housing – Too Big to fail?



# A bit of history

## Regulating a Diverse Sector (1999)

- Defining core role
- Setting limits to other activities
- But Historic Social Missions didn't match Public Subsidy definition

## Housing and Regeneration Act 2008

- 'biggest threat ever to HA independence'
- Independence, values & Community Investment activities directly linked

## Crisis and Austerity 2010

- Housing last person standing!
- Diversification a Necessity

- *"Youth diversion and financial inclusion in 1930s" COPEC*
- *"When we proposed to set up a food co-op in the early 1990s you could visibly see their mouths drop"*
- *"HAs don't do it because a regulator told us to but because see a local need and work with tenants and communities to meet it"*
- *"HAs feel that they have got to step up as other public agencies are stepping back."*

*Sources research by Gulliver 2000, Mullins et al 2001 and 2010, Jones 2013*

# A bit of geography

Dutch sector 'freed' in 1996 by 'asset transfer/balancing' operation

- 15 years as independent social entrepreneurs with growing assets
- **Social real estate diversification**

Financial Crisis coincided with **Political Crisis**

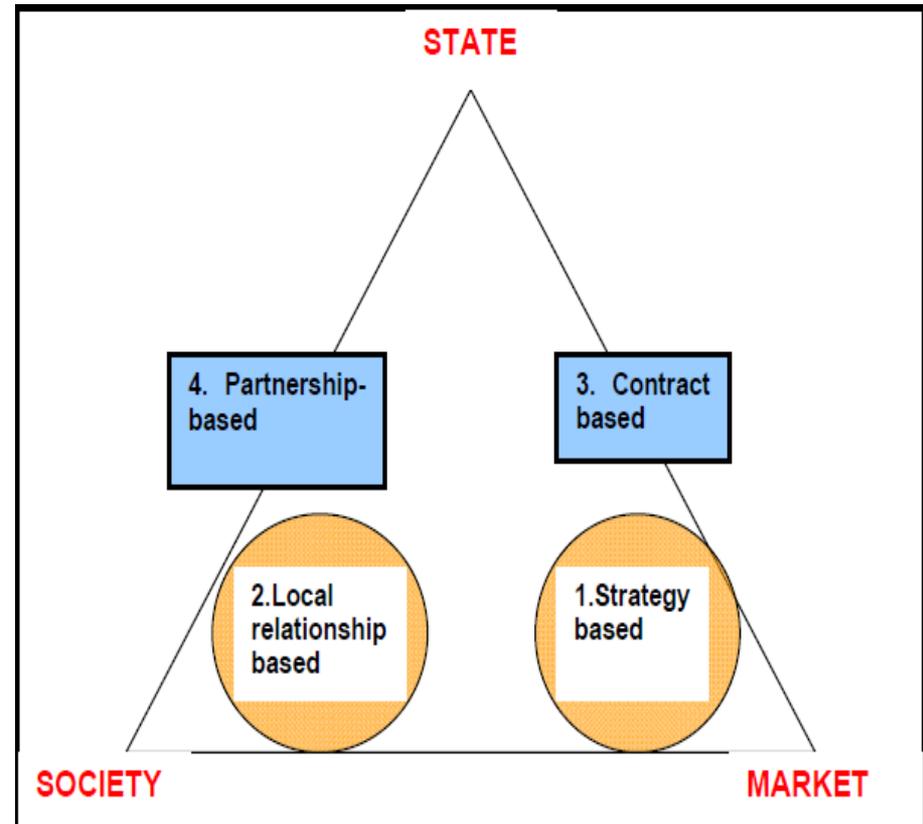
- EU Competition Challenge
- Taxation of surpluses
- Landlord Levy
- Re-regulation – re-focus on low income households
- Sector seen as having grown **distant from society** and out of political control especially at local level
  - **Rebalancing now underway!**



SS Rotterdam – bought by Dutch HA as a hotel/catering training project – unlucky with cost of asbestos removal! – became symbol of 'out of control' diversification. Along with CEO salaries and derivatives trading scandal led to pressure to re-regulate.

# Importance of Social Purpose to Diversification

- Learn from history & geography that **Social Purpose and Legitimacy Linked**
- *'its very important that associations diversify as part of their mission rather than as a business opportunity'* (Tickell 1999)
- **Local Relationship and Partnership based approaches** reinforce legitimacy & mission based diversification
- **Contract based approaches** risk mission drift
- **Strategy based approaches** may become disconnected from society



Mullins and Sacranie (2009) Setting priorities for community investment

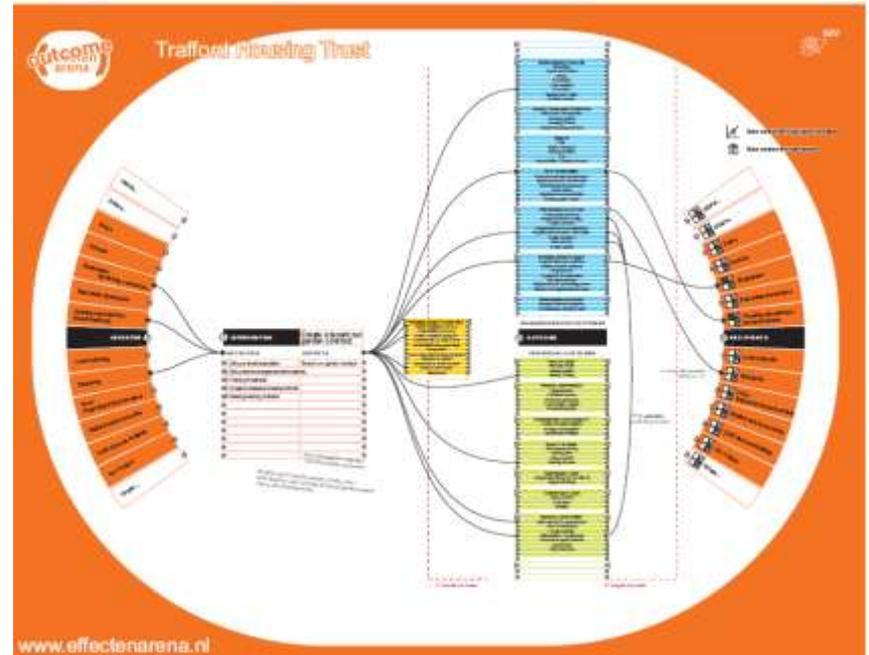
# Dilemma One- Plugging Gaps or Picking Winners?

- Local authority looks to your HA to **partner with community based social enterprises** to deliver public services
- The local map of surviving community enterprises is **uneven reflecting civic core**
- Does HA partner with **stronger communities** or seek to **support weaker ones?**
- Long term impacts on **business strength v community capacity** and shape of sector could be profound



# Dilemma 2- Whose Strategy?

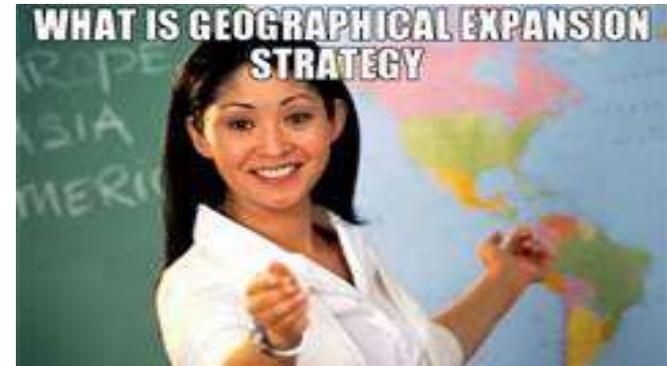
- You are developing a Community Investment Strategy and **involve a range of partners** in the process
- You then set goals and impact measures to **align with your corporate strategy**
- How will you know whether the strategy also **delivers partners' aims**?
- Will you be willing to be involved in their corporate strategy process?
- Is there **another way to achieve better partnerships**?



Outcomes Arena Tool – setting goals jointly with partners – joint outcomes – pooled resources and shared theory of change – agreed actions

# Dilemma 3- Ulterior Motives

- Small **struggling community enterprises** are seeking investment and expertise from HA partners
- You see this as a good **opportunity to make inroads** into new areas where you do not currently own stock and **build your legitimacy** through 'community partnerships'
- But there are **existing local HA partnerships** in the new area
- Is such geographical expansion the best solution for your organisation or for **achieving joint local outcomes?**



# Conclusions

## **Diversification Essential to Protect Social Housing and Residents in period of rising insecurity**

- Protection from insecurity, high rents & poor housing more important than ever
- Housing alone not enough – Security also about **jobs, financial security and community sustainability** – **Partnerships essential**

## **Diversification carries moral as well as financial risks**

- Picking winners or strengthening weaker communities?
- Valuing relationships
- Avoiding ulterior motives

**Identities, Values and Partnerships more important than ever**  
**Know who you are in order to know what you want to become!**

# Thank You

## Download HACT Community Investment Framework

- <http://hact.org.uk/community-investment-framework>

More information on  
Housing and  
Communities Research at  
Birmingham and KTP  
with HACT at  
<http://www.birmingham.ac.uk/research/activity/social-policy/welfare-futures/housing/index.aspx>



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