

Sustainability and Maturity of Community Based Housing Organisations

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A project by David Clapham at the University of Wales, Cardiff and Keith Kintrea and Helen Kay at the University of Glasgow examined Community Ownership schemes in Glasgow. These are small housing co-operatives or community-based housing associations run by local people and formed by the transfer of housing from the local council. The current project was the third phase of a research programme and was designed to assess the sustainability of the organisations over the eight years or so of their existence, and to look at their position in the system of urban governance. The study found:

- The quality of service provided by the Community Ownership associations was perceived as very high by residents and had increased as the associations had matured.
- Resident support for the associations was strong but over a third had never attended a meeting.
- Residents place more trust in the associations than in the local council or in central government.
- Tenants were satisfied they could easily contact the association and their views were listened to and taken into account.
- The associations operate within a tight regulatory regime operated by Scottish Homes and have been relatively unsuccessful responding to local needs by widening their spheres of operation beyond housing.

Origins of Community Ownership

The community-based housing organisations (CBHOs) which were the focus of this study emerged in the mid 1980s from the reactions of tenants and housing officials in Glasgow to trends in council housing. Two main sets of actors were important.

First, local residents' groups who were campaigning to improve their housing conditions and wanted more influence over housing in their areas. Second, Glasgow City Council wanted to find a way of injecting funding into poor quality housing while increasing residents' control. The Council devised a scheme known as Community Ownership which proposed transferring the ownership of small areas of council housing to par-value housing co-operatives. After lengthy political negotiations, during which the Council's financial proposals were rejected by the Scottish Office in favour of conventional housing associations grant funding, the first transfers of houses in three areas took place in 1986. A further three schemes were set up in 1987, this time using the Council's original financial mechanism.

In the late 1980s Community Ownership became a national (Scottish) policy under Scottish Homes. Now there are over 40 housing associations and co-operatives under community control created in areas of former council housing across the central belt of Scotland. However, Community Ownership has not been adopted in England or Wales.

The six 'original' organisations were subject to extensive evaluation in the period 1988-91 in a project sponsored by the Scottish Office which concluded that, at least in the short term, the CBHOs were largely very successful as housing developers and housing managers, and were effective at generating resident involvement. The evaluation also noted that the scheme had a very positive impact on the feelings of the community in the areas in which they operated, and that their committees were keen on using the basis of the CBHO to address problems other than housing which were prevalent in their areas, such as lack of employment and a lack of facilities. Some organisations had made some limited progress on those social, economic and environmental issues.

The ESRC Local Government programme offered an opportunity to revisit the CBHOs which had been the subject of the earlier evaluation and to consider their medium term success as a new form of governance.

Service Delivery

With the exception of one organisation, in general the quality of

the service provided was regarded by tenants as having improved since the previous survey in 1989. Across all four CBHOs, 40 per cent of tenants said they thought service was improving and only six per cent said it was getting worse. From the interviews with the staff and committee members it was evident that over the years since the previous evaluation the associations had developed their housing management systems and adopted a more professional approach while retaining the community involvement and accountability which was identified as a key element of their success in the earlier study. The CBHOs are seen by tenants to be responding to the needs of the areas through the service they provide.

The evidence emerging from the research suggests that small, locally-based and resident-controlled housing organisations can provide an effective service and, crucially, can sustain this over a considerable period of time. This finding has important implications for the delivery of housing services in the future.

Direct Democracy

As well as a means of delivering a housing service, the Community Ownership associations have been seen as a potential vehicle for transforming democracy by giving local residents a direct say in what happens in their area. This is one of a number of mechanisms in Glasgow supported by the City Council including Community Councils, tenant management co-operatives, area committees of the City Council, and local estate initiatives.

Recently there has been a wide debate over the need to re-invigorate local democracy. The argument is that a strong local government is needed to balance central government power, to mobilise local knowledge, to meet local needs and preferences, and to allow greater ease of access to the political process. However, it is often argued that traditional local government is not sufficient to achieve these ends and that more direct or participative forms of democracy are needed. Two arguments have been put forward to justify this view:

- Participation helps to correct imbalances of power. By participating, people gain experience and confidence which enables them to challenge existing power structures.

- Participation changes people's attitudes, and leads them to consider not only their own self interest but also wider common concerns.

One aim of the research was to examine whether any participatory activity was sustained over time or whether interest and involvement faded. Before examining these factors it must be stressed that these areas are not typical in any sense. They became part of the initial Community Ownership programme partly because they had strong tenants' organisations which were able to push for improvements to the houses and demand resident involvement.

The original areas had a strong community spirit from the outset and residents were fired by a desire to recreate the sense of community which they felt had been lost as the areas deteriorated. Many of the early committee members had an idealistic view of 'community' and sought to create in their areas the spirit of a 'village' or the spirit of the inner city tenements in which many of them had grown up.

Committee Members

The key to democracy and accountability in the CBHOs is the role and activities of the committee members, just as in local authorities the role of the councillors is pivotal. In the early evaluation it was shown that the activities of committee members varied considerably, with some spending only a few hours a week on committee business whereas others treated it as a full-time job. The average length of time on committee business was 11 hours a week, with maximum of 48 hours.

Committee members are in charge of a complex enterprise and have to make important decisions with major financial implications. They are in essence the equivalent of non-executive directors of a small company. However, most new committee members have little experience relevant to this position and bring to the association a knowledge of the area rather than any management or technical expertise. Training opportunities are available for committee members and most take advantage of them and find them useful. Nevertheless, the committee relies to a large extent on staff for advice and guidance, just as

councillors are dependent on their officers. The relationship between staff and committee members is difficult to examine from the outside and both committee and staff generally expressed satisfaction with the relationship which existed. It was said to be a partnership in which both sides had a distinctive and useful contribution to make. Committee members were happy that they could exert control over the organisation even though there were only a handful of occasions when committees had overruled staff recommendations.

Committee members mostly reported that they enjoyed their role. Their primary motivation was to achieve improvements in the area and they saw the association as an effective way of achieving this. Their motives were a mix of altruism and self-interest because improvements to the area directly benefited them, as they did other residents. It was evident from both the interviews and the survey that relatively few people wanted to be committee members. Most of CBHOs had problems in persuading people to stand for election to the committee and some of the committees had spare places to fill. Contested elections were rare.

Committee members were local residents and, as the associations were based in small areas, they were likely to see and be seen by other residents on a regular basis. However, a number of associations had developed rules to prevent committee members being approached in the street to deal with association business. Residents were steered towards the office where staff would deal with their query or complaint. This procedure was justified by reference to the kind of issues raised. Thus the association often had to deal with difficult, personal, and confidential issues such as neighbour disputes or rent arrears. It was considered necessary to protect committee members from the personal pressures which could result.

This kind of policy may have influenced the level of contact between committee members and residents. In the 1994 survey 53 per cent of residents said they had not spoken to a committee member in the past year. Nevertheless, 72 per cent of tenants said that it was easy or very easy to speak to a committee member. Therefore, there does not seem to be an access problem.

Some committee members expressed a feeling that there was some distance between them and other tenants because of the

attitude of tenants to their position. "People think of you differently when they know you are on the committee" and "They think you are out for yourself" were commonly expressed sentiments. However, these views were not reflected in replies to the tenant survey.

Tenants' Attitudes and Tenants' Involvement

Although the CBHOs were founded as co-operatives (in one case a community-based housing association) they were not utopian communities in which all tenants were involved in all decisions and actively worked for the community. In fact, 37 per cent of tenants had never attended a meeting of any kind and, of those that had, 26 per cent had not attended one in the past year and 32 per cent had attended only one in that time. But support for the CBHOs was strong and there was a widely held view that the CBHOs were open to tenant influence and were operating in residents' best interests. For example, 78 per cent said the association cared about its tenants, 77 per cent said that it listened to tenants, 90 per cent said that it kept tenants informed, and 67 per cent said that it took into account tenants' views.

There was less cynicism over the position of committee members than might be expected from the feelings expressed by committee members themselves. Only 20 per cent of tenants said that committee members were 'out for themselves', and 28 per cent said that they lost touch with the tenants. These proportions may seem high, but they are low in comparison with attitudes towards Glasgow City Council and other institutions.

For example, 83 per cent said that local councillors had lost touch and 73 per cent said that they had no say in what the Council did (compared to 35 per cent saying they had no say in the CBHO). Whereas 75 per cent said they trusted the association to do what is right for tenants, only 26 per cent said they trusted the council. Although 58 per cent voted in the local elections and 67 per cent in the last general election, there was little confidence in these kinds of democracy. Only two per cent said they had complete faith in Parliament and four per cent in the Council, compared to 38 per cent in the CBHO.

In summary, tenant involvement in the associations was limited but the majority of tenants were happy with the level of involvement and place trust in committee members and in the association as a whole. Tenants were satisfied that they could easily contact the association if necessary and that their views were listened to and taken into account. Therefore, although not examples of mass, direct democracy, the associations have proved to be a valuable and sustainable addition to democratic mechanisms which has, to some extent, offset the evident lack of trust in local government.

Power

The CBHOs are legally independent, but they are functionally interdependent with a range of other bodies. These include Scottish Homes, the private financial institutions which provide loans and to a lesser extent the local authority. In their local areas, the CBHOs interact with a range of bodies including local economic development and urban regeneration agencies and with other community organisations which compete for resident support and legitimacy. The research tried to ascertain the relationships between the CBHOs and other organisations in the governance network, particularly to see to what extent the CBHOs were able to act independently.

Scottish Homes registers and approves CBHOs and provides them with around 85-90 per cent of their capital funding in the form of Housing Association Grant. It is up to CBHOs to propose a development programme and specific development proposals to Scottish Homes and to bid for funding, but in practice as a condition of funding Scottish Homes steers development programmes and vets proposals in considerable detail. Scottish Homes commonly proposed particular tenure and dwelling mixes as a condition of funding, for example. On individual schemes it scrutinises costs and rent proposals and often insists on changes to minor details such as fittings and specifications for surface finishes. Scottish Homes is also concerned with the overall cost efficiency of CBHOs, as this influences the subsidy that it makes available.

The agency also monitors CBHOs policies and practices and their compliance with guidelines concerning committee control

and conduct. It has the power to make appointments to committees, remove committee members and, in extreme circumstances, to close down CBHOs.

While Scottish Homes holds the power to provide or withhold funding, the CBHOs also hold some power over Scottish Homes. Scottish Homes needs CBHOs to perform in order to deliver local and therefore national objectives and spending targets so in the event of a dispute each player must accommodate the other to some degree.

There were a number of examples of CBHOs deciding not to play the game, by for example refusing to develop particular housing sites, but among our case studies there were no examples of CBHOs challenging the rules. In particular, no significant breakthrough had been achieved into areas beyond the core housing development and management activities, in spite of a view from the majority of tenants that the CBHOs should take on a wider function.

Conclusions

- The CBHOs are an effective mechanism for undertaking housing rehabilitation and housing management. They show that locally-based, resident-controlled organisations can be effective, and present a viable alternative to housing policy which generally encourages large-scale provision of social rented housing.
- Their success is in part due to their direct democratic link with local residents. This gives the CBHOs the ability to tailor provision and deploy resources effectively to meet local needs and demands. The CBHOs also act as a focus for local people, helping to create and sustain a sense of community, and promoting a sense of ownership and control over the local area.
- However, CBHOs operate within a tight regime operated by Scottish Homes, which constrains what they are able to do as the price to pay for strong financial backing. Strong constraint has been evident from the outset of CBHOs by the imposition of the housing association framework, instead of the independent co-ops which were first mooted.

- The CBHOs have been relatively unsuccessful in widening their spheres of operation beyond housing. While their small size gives them advantages in housing administration and community development, it conspires against other activities such as business development and employment projects, which are increasingly taken on by other larger, local organisations. This may prove to be a problem in the longer run as services to meet community needs and aspirations once again became fragmented, and run by professionalised bodies.

Recommendations

- The research shows although a major programme in Scotland the approach has not been adopted in England and Wales. The continued success of Community Ownership argues strongly for the model to be adopted more widely.
- The continued success of Community Ownership as trusted and competent local organisations means that they are ideal mechanisms for meeting the wide ranging needs of local communities. Their potential needs to be recognised by central government and local authorities and the current tight regulatory regime eased to allow them to adopt new responsibilities.

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