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The Big Society, Localism and Housing Policy: an ESRC Seminar Series

Briefing 2: Localism and New Housing Futures

Drs Tom Moore and Kim McKee, August 2014

Introduction

This briefing paper draws on presentations given across the ESRC seminar series *The Big Society, Localism and Housing Policy* (2013-14). It explores the possibilities, opportunities and challenges localism offers to community-based and non-profit housing in the UK, whilst highlighting the nuances and subtleties that exist in different jurisdictions according to the devolved nature of policymaking and local contexts.

The Possibilities of Localism

Localism is not a new idea; rather it's a political ideology with long antecedents. Appealing to both the left and right of the political spectrum, the commitment to devolving power downwards and empowering local people is difficult to contest, and has much popular appeal. Across the UK, albeit in different ways, these ideas have informed the revival and growth of different models of community-led and co-operative housing. What they share is their small scale and local focus, and a concerted commitment to devolved decision-making downwards and improving the local community for the benefit of those who live there.

Origins and Drivers of Community and Non-profit Housing

A key theme of the seminar series related to how community and non-profit housing sectors manifest differently across the four UK jurisdictions, with different historical antecedents and contemporary drivers for community-led action. Varied geographical impact of public policy making is evident when we consider the approaches adopted in national contexts:

- **Wales:** the recent growth in public housing stock transfer has underpinned the emergence of the community mutual housing model. These are new types of registered social landlords, whose constitution guarantee tenants a controlling majority of the membership. These mutuals offer new opportunities for tenant participation and control, whilst also undertaking 'housing plus' activity including local regeneration, maximisation of community benefit through social enterprise and local job creation. They also create a more mixed social housing economy by tapping into different sources of funding.
- **Scotland:** there has been a strong community-based housing association movement since the 1970s. This is arguably one of the longest and most enduring examples of localism within housing policy in the UK context. In recent years the Scottish

Government has emphasised the importance of community-based social landlords in leading community regeneration, acting as community anchor organisations. New opportunities for these organisations may be identified through contemporary public service reform in the Community Empowerment and Renewal Bill and work of the Christie Commission.

- **England:** a new organisational landscape of community-led housing has emerged in recent years, with organisations such as community land trusts and self-help housing groups becoming more prominent in delivering affordable housing, bringing empty homes back into house, and undertaking neighbourhood regeneration. While this has occurred parallel to the big society and localism agendas – and has been supported by specific state funding schemes – these organisations can also be seen as responses to ongoing housing crises of affordability and empty property, and to the withdrawal of state funding for large-scale regeneration initiatives. Also important is the changing nature of social housing, as access to this has tightened and restricted to those in priority need. In some areas the housing is also managed by housing associations perceived to have become distanced from the communities they serve through merger and expansion, with community-led organisations seeking to better reflect local housing priorities.
- **Northern Ireland:** there is not as much of a community-led housing culture in Northern Ireland, where the vast majority of social housing has traditionally been managed by the Northern Ireland Housing Executive. However, the forthcoming break-up of the NIHE, where stock will be transferred to housing associations, reflects a drive towards more local and regional policymaking as part of an efficiency drive, as well as an imperative to leverage private finance investment into the social housing sector.

Does Size Matter?

Operating at the local scale, a key argument in favour of community-led non-profit activity is that these organisations can be more responsive to local needs and accountable to the concerns of local residents through their commitment to tenant and citizen leadership and local democracy. They have also been successful in offering opportunities for local decision-making, skills development amongst residents, and in mobilising local partnerships and

using their assets to lever in additional funding to support community development and regeneration. However, whilst their size, scale and local focus enables them to overcome the perceived remoteness of larger social landlords, these organisations face significant threats to their continued success and survival, highlighting the contradictions inherent to the localism agenda. Despite the virtues of these organisations, there remains debate as to whether the local scale is the most appropriate at which to intervene when tackling fundamental social issues in society, including poverty and inequality. These debates are especially prevalent when tensions can be observed within and between different communities of interest and identity, recognising that ‘community’ is a fluid and malleable concept, rather than an idealised notion.

Additionally, drives for scale and efficiency in the context of austerity threaten the local focus of these organisations. While their activities have broad support across the UK, different risks are encountered in some of the jurisdictions that contradict the rhetoric of localism and, in England, big society:

- **Wales:** the proposed reorganisation of local government will reduce the number of local authorities, potentially reducing local identity and shifting decision-making away from communities.
- **Scotland:** tensions can be identified between small community-based landlords and the Scottish Housing Regulator, which is increasingly encouraging and supportive of the creation of large-scale group structures through housing association mergers. This risks shifting governance, leadership and decision-making away from the tenants and communities that have effectively led community-based housing associations.
- **England:** there is debate regarding the extent to which community-led housing activity can be replicated, due to concerns over the capacities of local people to assume ownership and control of local assets. This is evidenced in the expectation that community-led housing groups will partner with housing associations in order to fill perceived deficiencies in expertise, bringing different levels of risk and reward to community housing schemes.

The Role of the State

Across the UK there have been differences in the ways that each jurisdiction has espoused and enacted their support for community-led initiatives. In England and Scotland, for instance, there has been legislation designed to facilitate the growth of community enterprise in the fields of housing, planning, asset ownership, and public service delivery. However, while in Scotland the promotion of community asset ownership has occurred in a context of continued attachment to collective provision of public goods – such as social housing – in England, there has been a perception that civic action and enterprise is a veil for public sector cuts, rather than a positive promotion of civil society. This has implications for community-led initiatives as resource cuts in the public and third sectors not only harm the very localist agendas that localism purports to support, but also serve to undermine the social solidarities upon which much community action is premised. This is also clear through the devastating scale of welfare reform, and the interconnections between ‘big society’ and ‘Broken Britain’ rhetoric, which affect the most vulnerable (see Briefing 1 ‘The Big Society and Welfare Reform’).

These trends are further evident in the changes to social housing introduced by the Localism Act in 2011, which ended the tenancy for life and increased rents. This Act marked an important juncture in the history of social housing in England, and raises the important question of how we retain the ‘social’ element of affordable housing in the context of continued austerity and public sector cuts. If community-led initiatives are to be promoted as alternatives, it may be that these require greater guarantees of longer-term and sustainable funding. The question may also be asked as to what and for whom community-led housing is for: is it to supplement and complement social and affordable housing, or to replace it, and which groups in society does it tend to house?

Furthermore, while community-led housing has benefited from new resource allocations in England courtesy of the Homes and Communities Agency and DCLG, these remain small relative to the scale of need and inequalities found in housing and welfare systems. Alternative funding may come from the private sector and philanthropic sources, but these are inherently unpredictable streams of finance and it is unclear as to how appropriate a foundation this is for the future of social housing to be built upon.

Conclusion

There is much to be learnt and appreciated in the community-led non-profit housing sector. Across the jurisdictions of the UK, different types of community organisations are well placed to continue serving their local communities and to mitigate some of the damaging effects of austerity, housing shortage, and neighbourhood blight by mobilising their local assets. However, these organisations cannot solve all of the problems facing low-income communities, and nor should they be expected to, particularly if the success of their work is contingent on reconciling competing and contradictory governmental rhetoric found in discourses of localism and big society. Community-based housing groups can make significant contributions to affordable housing, regeneration, and local wellbeing, but they cannot be expected to replace traditional social housing or resolve fundamental societal issues on their own, without local and central government support. The case of community-led housing therefore raises important questions about the role of the state, and whose responsibility it is to meet the housing (and other) needs of local people.

If you are interested in reading further on this theme, please see presentations on the website by:

- Keith Edwards, CIH Cymru (Seminar 3)
- Ed Ferrari, University of Sheffield (Seminar 2)
- Richard Lang, Johannes Kepler University (Seminar 3)
- Kim McKee, University of St Andrews (Seminar 1)
- Tom Moore, University of Sheffield (Seminar 3)
- David Mullins, University of Birmingham (Seminar 1)
- David Robinson, Sheffield Hallam University (Seminar 2)
- Colleen Rowan, GWSF (Seminar 3)
- Tobias Jung, University of St Andrews (Seminar 3)

Please also see: Moore, T. and McKee, K. (2014) 'The ownership of assets by place-based community organisations: political rationales, geographies of social impact and future research agendas', *Social Policy & Society*, 13 (4).

Further information about the seminar series can be found at:
<http://bigsocietylocalismhousing.co.uk/>

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