A right to choice? Tenant agency in Australia’s public housing transfers

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Background

- Australia’s public housing locked into vicious circle of decline – kept financially afloat only by cannibalising stock and deferral of essential works
- Mass transfers to CH increasingly seen as vital for system salvation
- Inspired partly by international switch from state to not-for-profit social housing models – e.g. in Netherlands, UK & US
- Australian transfer experimentation since 1990s but new impetus from Federal Govt in 2009 – ‘35% target’
- Only 21,000 transfers so far but post-2012 announcements by 4 states anticipate 70,000 over next few years
• 2013 AHURI research reviews small-scale ‘trial transfers’ 2009-2012 in 3 states:
  – Considers lessons learned
  – Reflects on scope for scaled-up activity in future
  – Identifies obstacles needing to be overcome
• Based on:
  – Stakeholder interviews – social landlord staff, state government policymakers, industry bodies, state treasury officials etc
  – Interviews with national experts
  – Tenant focus groups
  – Document analysis
Research questions

1. On ‘voice’ and ‘choice’, how have Australian approaches to transfers compared with tenant involvement processes in UK housing transfers?
2. In what ways are tenants likely to be afforded a say in future Australian transfers, and what are the broader implications?
3. On what basis can it be argued that tenants have a fundamental right to a say on a proposed reform such as a change of landlord?
Social housing = rental housing provided at below market prices and allocated administratively as a welfare good not through market processes.

But housing tenure analytical framework misleadingly implies categorical distinctions – better to see conditions of occupancy as a ‘bundle of rights’ (Blandy & Goodchild).

Critical consideration in international comparative research.

With a welfare state based more on equality of income than welfare rights, Australia lacks body of housing law familiar in the UK.
Resident involvement can be embodied in ‘voice’ and ‘choice’ mechanisms.

*Voice* enables service users to shape agendas. *Choice* is about a dichotomy or range of pre-determined options (Barnes and Prior, 1995).

UK council housing transfers rarely tenant-initiated but ‘proposing’ LAs subject to obligations on both voice and choice:

- In applying for Ministerial consent...the local authority will need to confirm that tenants were involved in the appraisal of options prior to the decision to move towards transfer (DCLG, 2013) – *Voice*.
- Proposed transfers proceed only where backed by a tenant majority in a formal ballot – *Choice*.

Around a quarter of UK transfer proposals rejected by tenants.
Underpinned by weakly-held aspiration to ‘diversify’ social housing towards not-for-profit providers

But main imperative: insolvency of state housing authorities – e.g. in NSW:
- Market sale of 900 homes p.a.
- Maintenance backlog – 30-40% of stock substandard
- Annual deficit - $330M

Transfer made attractive to state govts by CHP tenant eligibility for Federally funded Rent Assistance payment (low value form of HB)
## Housing transfer drivers in the UK and Australia (highly generalised)

<table>
<thead>
<tr>
<th>Driver</th>
<th>Importance</th>
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<tr>
<td>Revenue maximisation</td>
<td>High</td>
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<tr>
<td>Leveraging private finance for new supply</td>
<td>High (for title transfers)</td>
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<tr>
<td>Operational efficiency</td>
<td>Moderate</td>
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<tr>
<td>Tenancy service improvement</td>
<td>Moderate</td>
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<tr>
<td>Leveraging private finance for stock upgrade</td>
<td>Low</td>
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<tr>
<td>Tenant/community empowerment</td>
<td>Low</td>
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<tr>
<td>Enhanced long term asset management</td>
<td>Low</td>
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Tenant voice in Australia’s public housing transfers

• Rhetorical commitment to tenant participation – e.g. under NSW Housing Act 2001 social landlords should:
  ‘maximise the opportunities for tenants…to participate in the management of their housing and in the development of public and community housing policies’
• But managerialist approach to transfers has generally afforded v little scope for anything more than minimal ‘community consultation’
• No evidence of tenant input shaping transfer plans/commitments
• Reflects weakness of tenant empowerment ethic in public housing culture
• Unlike in the UK little ‘tenant voice’ in form of organised opposition
Tenant choice in Australia’s public housing transfers

- Individual (not collective) choice model necessitated by Rent Assistance rules
- Tenants declining ‘voluntary’ sign up to new landlord remain RA ineligible – hit on recipient landlord business plan
- Aspirations to invest in property upgrades, ‘more responsive services’ usually expressed in only general terms
- Tenant complaints of ‘intimidating tactics’ to encourage sign-up:
  
  \[
  \text{You cannot be forced to transfer to community housing. However … Housing NSW may not be able to continue to manage your tenancy and property if you decide not to transfer …. If this is the case, you may be asked to move to another public housing property.} \ (\text{NSW Govt factsheet, 2010})
  \]

- Such threats never enacted but this led to bad feeling among some who had felt coerced
- Landlord and tenant agreement on problematic nature of ‘untidy’ outcome where blocks left in mixed management
Tenant voice and choice in future public housing transfers

- Landlord consensus that time-consuming and uncertain process untenable for larger transfers
- Move to ‘collective choice’ (tenant ballot) system a possible option – reflects view that social landlords are substantially accountable to tenants as citizens and stakeholders
- Instead, state govt (and CHP) preference for ‘mandated transfer’ model – i.e. solution to tenant choice dilemma – entirely remove choice!
- But consistent with logic of social housing as:
  - a ‘community resource’, not the ‘property’ of current tenants
  - the ‘ambulance service’ model of social housing (Stephens). Fixed-term tenancies to enforce exit of upwardly mobile a key component

‘There should be no sense of entitlement and ownership in public housing. In most cases it should only be temporary’ (Editorial, Sydney Morning Herald, March 2014)
Conclusions – comparing Australian and UK practice

Much more limited emphasis on tenant input in Australia reflects:

• Differences in ‘social housing’ model – an Australian public housing tenant has a different (lesser) bundle of rights

• Paternalistic public housing culture in which:
  – public housing usually embedded in ‘human services’ depts
  – tenants habitually referred to as ‘clients’

• Highly residualised state of public housing and lack of historical association with ‘working class solidarity’

• Relationship between tiers of government very different from that in the UK: absence of federal govt leverage over states on consent to transfer means no scope to impose obligations (e.g. tenant ballot)

• Little sense of a need for ‘legitimation’
Conclusions – implications of ‘mandated transfer’ model

- Calls into question established thinking (and legislation) on tenant participation
- But consistent with logic of ‘ambulance service’ model of social housing
- If post-2012 move to FTTs in England becomes embedded similar questions raised about tenant rights to voice and choice
Conclusions – A fundamental right to a say for social renters?

- Instrumental argument that public service user participation is a means to engender ‘ownership’ – albeit that this amounts to responsibilisation
- Normative argument that citizenship confers rights to voice and choice, and that denying such rights inimical to social inclusion objectives
- The belief that social renting should be a predominantly ‘temporary status’ fails to recognise the very limited social mobility potential among those accessing tenancies
References


  