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# *HPQS.108*

## **Tenant Participation**

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## Preface

In the final section of this Unit we will be looking at how tenants can participate in the management of their housing. We will look at the development of tenant participation since the 1960s and consider how perceptions and definitions of what this means have changed over time.

We will examine different sorts of tenant organisation and effective ways of consulting with tenants which constitute best practice as well as compliance with requirements.

Your work in this section will build on some of the areas we have covered in the earlier parts of this block.

## Learning Outcomes

When you have completed this module, you should be able to:

- identify the different types of participation from consultation to co- operatives;
- evaluate attempts to involve tenants in the management of their housing;
- evaluate the benefits to both landlord and tenant of an increase in participation.

Studying this block should take 5-6 hours including the activities.

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## A. Introduction

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Tenant participation in the broadest sense has become an increasingly important issue under the Best Value requirements. Since April 2000, all local authorities have had to introduce Tenant Participation Compacts.

The Housing Corporation has recently introduced new Tenants' Charters. Local Authorities, in particular, have a great incentive, as 20% of HIP allocations are now based on evidence of service user involvement. In housing, tenant participation has traditionally been concerned with doing what it says and 'involving tenants'. Best Value has widened the agenda by requiring the widest possible definition of stakeholders including all existing and potential housing service users.

### 1. The Historical Development of Tenant Participation in Housing

Tenant participation, now practised to some degree in all social housing organisations, is a fairly recent phenomenon developing slowly in the 1960s and 1970s in local authorities. The first attempts to encourage the involvement of tenants were:

- in 1974, the Campbell Committee was established to consider the development of housing co-operatives;
- in 1977 the Green Paper on Housing Policy proposed a new Tenants Charter which would encourage participation; and
- in 1979 a Housing Bill was published which included a proposal to set up a Tenants Committee in each local authority. The Bill failed when the Labour government fell.

The incoming Conservative government substituted a right for tenants to be consulted on most aspects of housing management, except rents and service charges, and required councils to publish their consultation arrangements. This provision (originally in the **1980 Housing Act**) does not apply in Scotland. The **1988 Housing Act**, (**1988 Housing (Scotland) Act**) gave council tenants the right to vote to transfer their tenancies to a new landlord under the Tenants Choice provisions.

In the Citizens' Charter published by the Conservative government in early 1992, council tenants were reminded of their right to be informed and consulted. They were alerted to the possibility of a more direct role in the management of their estates through Estate Management Boards, or Tenant Management Co-operatives or by requesting the establishment of a Housing Action Trust (in England and Wales only).

### Current Initiatives

The Best Value Regime expects local authorities in England to consult with service users and other key stakeholders at several key stages. These are when:

- setting future objectives for services,
- setting targets and performance indicators, and
- undertaking fundamental service reviews.

The statutory framework in Wales and Scotland differs slightly but the requirement to consult is similar.

The Housing Corporation has adopted an encouraging rather than prescriptive approach to Best Value for registered social landlords. Consultation with service users is seen as a central part of this process.

## 2. Defining Tenant Participation

We have looked briefly at the history of tenant participation, let's consider what we really mean. Tenant participation is a phrase that can mean different things to different people.

### **Activity**

*What do you understand by the term tenant participation? Use the space below to explain what you think it means.*

*Time allocation 10 minutes*

Your answer might have included comments including:

- it means asking tenants what they think about certain issues;
- it means tenants serving on housing committees;
- it is about setting up tenants associations on our estates;
- it's all about tenant co-operatives;
- isn't it about giving more power to the tenants?;
- giving choice to tenants about certain issues; or
- it involves giving tenants the ability to control all major decisions affecting their homes.

The Local Government Training Board (now the Local Government Management Board), the Chartered Institute of Housing, and the Tenants' Participation Advisory Service (TPAS) have all defined tenant participation. In their view, there are four levels:

- information giving;
- tenant consultation;
- tenant participation;
- tenant control.

These four processes involve passing increasing amounts of power tenants. Let's look at what is involved in each one.

**(a) Information giving**

At the bottom of the hierarchy, the housing organisation gives information to the tenant. In other words, the tenant is told what will happen and is not able to influence this process.

**(b) Tenant consultation**

This is the next stage in working with tenants. Tenant consultation goes beyond information giving. It describes a situation where information is given to tenants and their views are sought. The decision making process is not delegated to tenants. The views tenants express may or may not influence the final outcome.

**Activity**

*Think about your own organisation. Can you identify examples of tenant consultation?*

***Time allocation 5 minutes***

One possible example would be when tenants are asked what should be included in a modernisation programme. Should baths be replaced or should double glazing be installed? In this example it is to be hoped that the tenants' views would be included, although the organisation may consider double glazing to be important regardless of tenants' views.

We will look in more detail at methods of consultation in the next section.

**(c) Tenant participation**

What do you think participation means?

Participation involves tenants directly in the decision-making process and binds all parties to the decision. This is a significant stage beyond consultation. The National Housing Federation and TPAS define participation as:

“a two way process involving the sharing of information and ideas, where tenants are able to influence decisions and take part in the decision making process.”



**Activity**

*Thinking again of your housing organisation, can you give any examples of tenant participation?*

*Time allocation 5 minutes*

Examples you might have considered include tenant advisory panels consulted on all major changes or tenant membership of the board or sub-committees. Participation involves tenants in decision-making. We will look in more detail at ways of enabling tenants to participate in the final section.

**(d) Tenant control**

Tenant control can only occur when there is direct involvement in the management of housing. This would happen in a co-operative where, owning and managing the housing, the members are responsible for all decisions.

We should remember that these definitions might not be universally accepted. When a local authority set up a sub-committee made up of councillors, housing workers and tenants to encourage and develop tenant participation. Each group had its own 'personal' definition of the term. Councillors tended to see participation as a way of *providing* tenants with information about council policy, while most staff thought it would mean *consulting* tenants before decisions were made and tenants defined it as *involving* them in decisions about housing policy and service provision. Unless all parties have a clear, and shared, understanding of the degree of devolution of power proposed, attempts at participation are doomed.

**3. What are the benefits to landlord and tenant from an increase in participation?**

As we saw earlier, tenant participation is increasingly a requirement for housing organisations. Why? What are the main benefits of tenant involvement in the management of their housing?

**Activity**

*What do you feel the main benefits are of greater levels of tenant involvement for housing organisations?*

*Time allocation 5 minutes*

Many benefits can come from greater levels of tenant involvement. These include:

**(a) Community development**

There is evidence that increased levels of participation can increase tenants' skills and improve social networks on estates. This is most likely to occur when participation involves joint working or control. It is unlikely to happen simply through the communication process. It can also have positive consequences for individual tenants. As Peter Smith, a tenant in south London, says 'getting involved in the tenants' group is certainly building up my confidence' (The Guardian 30 June 1999). He also explains how the courses he goes on in relation to the tenants group are providing him with wider skills.

**(b) Improvements in the way in the management of housing**

It is often argued that increased participation will lead to better decisions resulting in fewer management problems and more rapid identification of problems in service delivery.

This claim is difficult to assess. We referred in an earlier block to the Glasgow University report on *The Nature and Effectiveness of Housing Management*. This study could find no evidence that landlords who pursued tenant participation were better landlords in terms of effectiveness than those landlords who did not. It may be, however, that councils that do work with tenants have other

difficulties affecting their performance. TPAS and the Chartered Institute of Housing have argued that tenant participation, on its own, is unlikely to turn a bad service into a good one.

Notwithstanding the lack of concrete evidence, the view that tenant involvement will improve the quality of housing management is widely accepted. The Government and Housing Corporation have strongly advocated the extension of tenant involvement in housing management and have linked this to the availability of funding.

**(c) Greater tenant satisfaction**

It is often argued that participation will increase the satisfaction of tenants, by enabling them to have a sense of ownership and to influence service delivery. Again, this link is difficult to prove. The Glasgow study found that tenant satisfaction with services was dependent on the quality of service rather than the degree of tenant involvement. It is also clear that tenant participation will only be a means of increasing satisfaction if the outcomes of tenant participation are satisfactory. If tenant participation does not improve services, then it is likely to lessen satisfaction. Tenant participation should be a means to an end, rather than an end in itself.

**(d) Helping councillors and board members**

Tenant representation can provide useful information to members of local authority housing committees and the boards of housing associations. This can help them be more effective, can provide an early warning system and can lead to improved services. It should be remembered some councillors and board members see tenant participation as a threat to their position. One great benefit of tenant participation can be its capacity to open a dialogue about the problems that organisations experience in operating under constraint and the difficulty involved in balancing choices.

It is important to remember that the level of tenant involvement is up to the individual tenant. Some tenants may wish to have a high level of involvement in the running of their housing and the local community while others may prefer to have minimal involvement. Developing Good Practice in Tenant Participation says that some tenants may choose not to be involved in detail, while still being informed and consulted. Opportunities for participation need to be made available across the whole spectrum of activity (Department of the Environment, Transport and the Regions August 1999). It is therefore important that organisations have a variety of ways of involving tenants at different levels.

## Self Test 1

1. *What are the four levels of tenant involvement?*
2. *Why might some councillors and board members not encourage tenant involvement?*

*Now turn to the Answers at the end of the block.*

## B. Models of Consultation and Representation

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### 1. Introduction

In the introduction to this module we looked at the degrees and definitions of different forms of tenant participation. In this section, we will consider how housing organisations can give information to their tenants and can consult them. In the final section, we will look at tenant participation.

### 2. Providing Information to Tenants

All housing organisations are required to make a large amount of information available to service users. Some of this information must be given to tenants and some must be available on request.

#### **Activity**

*Thinking about your own organisation, what information is routinely given to tenants and what information might they request? List your answers below.*

*Time allocation 5 minutes*

We asked Joe, a housing officer for a medium sized housing association, to tell us what information was available to his tenants. He made this list:

- Every tenant is given a copy of the Assured Tenants' Charter and a handbook with sections covering:
- How rent is set and how, and when, it will be increased.
- Who is responsible for repairs.
- How to report repairs.
- What to do in an emergency.
- Accountability to tenants.
- How the association will deal with complaints.
- Tenants' rights to use the Independent Housing Ombudsman Scheme.
- How the association complies with the requirements of the Data Protection Act.

In addition, each year the association issues an annual report to its tenants showing how it has performed in key areas including:

- average rents for different sized properties in its stock and how these rents compare to other RSLs in the local authority area;
- performance information about rents and service charge collection;
- how quickly repairs were completed;
- how many homes have been empty and how quickly they have been relet;
- a summary of letting activities including the number and types of lettings made to different types of applicants;
- how many complaints against the Ombudsman have been upheld by the Ombudsman.

Joe's association also sends out a newsletter to tenants every quarter. This contains general information about the association's activities and plans, some good news about individual tenants - perhaps someone is celebrating a very special birthday or wedding anniversary - and might announce a best kept garden competition or details of a Christmas party for children.

This list covers the type of information a housing organisation needs to give to tenants to comply with statutory and other requirements. Sometimes housing organisations might want to give tenants information about future plans - a modernisation scheme, for example.

### **Activity**

*Thinking again about your organisation, what methods has it used to give information to tenants?*

***Time allowed 5 minutes***

There are many ways a housing organisation can use to provide information to tenants and the choice can depend on the purpose. You might:

- write a letter,
- arrange a meeting,
- have an Open Day,
- get publicity in the press or local radio or television.

You may be able to think of other methods your organisation has used successfully. The important point to remember is that you must ensure that your audience, in this case your tenants, are able to understand your message. How can you make sure this happens?

Let's look at each of these ways of giving information to tenants and see if we can find pitfalls to avoid.

### *Writing a letter*

Sending letters to tenants is an easy way of proving information. Most housing professional are fairly confident about writing letters to explain a point. But how do tenants feel when an envelope arrives? How do you make sure it is read? Is it easy to understand?

Many of us are a little apprehensive when an unexpected brown envelope lands on the doormat. Tenants are no exception. It may be better to send information out in a way that makes it clear that it is not threatening.

We should make sure that anything we write is easy to understand using the standards set by the Plain Language Commission. We should anticipate that many people have difficulties in reading because of physical difficulties, poor levels of literacy or because English is not their first language and take steps to overcome this. Some people will benefit from large print versions and others might appreciate a tape of the text. Translation may be necessary to meet the needs of some communities but before embarking on this step, it is useful to consider the degree of literacy within the target community. Sometimes the most effective method for dissemination of information can be to make information attractive to children who can read it to their parents and other adults. If translation is used it may be worthwhile commissioning a reverse translation to check authenticity particularly when accuracy is very important.

### *Arrange a meeting*

A public meeting can be a good way to inform tenants of plans because it provides an opportunity for questions to be asked and answers given. There are difficulties in using this method:

- it is hard to arrange a time and place convenient for all tenants. Some might prefer to meet in the daytime; others will only be able to come during the evening. Some will have caring responsibilities and may need crèche or granny sitting facilities,
- some people may need translation facilities,
- some tenants will only be able to attend if transport is provided,
- some people may be shy about speaking in public and may find it difficult to ask questions,
- In a large organisation, staff may have to commit themselves to attending several meetings, possibly in the evening, perhaps at distant locations.



#### *Open Day*

An Open day can be a useful way of both creating good publicity for an organisation and giving information to tenants. If entertainment and refreshments are provided, this type of event will often attract hard to reach groups.

#### *Publicity in the local media*

Publicity in local media can be a very useful way of providing information to tenants in an emergency but is a poor way of communicating sensitive proposals.

All of these methods of giving information to tenants have their advantages and disadvantages; the choice may depend on the housing organisations intentions.

### **3. Consulting with Tenants**

Consulting with tenants, or service user involvement to use the terminology of the Best Value regime, generally covers two areas:

- Obtaining feedback on operational and service quality matters.
- Seeking views on strategic and policy issues to invite views on the need for a service, gaps in provision and new developments.

Consulting with tenants can only be meaningful if it takes place in a way that is offers benefits to the participants and is paced to suit them. The key requirements are that the consultative forum should:

- share information and ideas and invite comment;
- respect all participants' views, ideas and expertise;
- allow service users to be involved in and to influence the landlord's decisions and plans.

#### ***Activity***

*How does your organisation obtain feedback from tenants?*

*Time allocation 10 minutes*

There are many ways to obtain feedback from tenants. They range from asking every tenant to complete some questions on a postcard giving their opinion about the quality of a repair to a full customer satisfaction survey undertaken every couple of years seeking views on all aspects of the service. Some tenants may volunteer feedback, not always positive, when they visit the office. Your organisation may invite tenants to make suggestions about any aspect of the service. You could also monitor the number and nature of complaints received. Whatever methods are used to gather feedback it is important that the landlord makes use of it constructively.

### **Activity**

*How does your organisation use feedback from tenants? Write your ideas in the space below.*

***Time allocation 10 minutes***

We went back to Joe and asked him how his organisation used feedback from tenants to shape its future plans and direction. He told us:

*"My association uses feedback from tenants in a number of ways. Most importantly, it enables us to assess overall customer satisfaction, to make sure that in an increasingly competitive market that we are providing the right product to our customers. It also helps us to assess need for the homes we provide and to anticipate demand for the future. If demand for a particular type of home is falling in an area, we can adjust our development programme to take account of this. We also use feedback to identify gaps in our services and show us how we might improve our service. When we did our last customer satisfaction survey, lots of our tenants told us they had problems in paying for holidays or buying large items of furniture. As*

*a result, we helped to set up a credit union and this has been very successful. Feedback is also a powerful way of assessing whether we are getting value for money. To give just one example, if several tenants complain about the quality of service from a particular contractor we can look at their performance in more detail and consider whether to continue to use the firm."*

Feedback from tenants is mostly concerned with collecting information about existing service provision. It does allow tenants' views and experience to influence future arrangements but is not actively concerned with new plans. How can housing organisations encourage tenants to actively effect strategic and policy issues?

### **Activity**

*If your organisation wanted to change the conditions in its tenancy agreement - perhaps by adding a clause about anti-social behaviour - how would your organisation consult tenants?*

***Time allocation 10 minutes***

There are many ways a housing organisation might try to bring tenants into the strategic and policy making process. Your list might have included:

- Focus groups
- User panels
- consulting representative groups such as tenants associations,
- holding open days or road shows
- hold a tenants' conference

In 1997 North Wiltshire Housing Association held a Tenants' Conference to discuss plans for the next three years. Half the people who attended had not previously been involved in the work of tenants' panels. Tenants and staff thought the event had been worthwhile. The association hopes to hold a similar event each year.

Manchester City Council has a good record of involving tenants in investment decisions. In the past few years, tenants have:

- selected contractors and development partners in Hulme; and
- taken key decisions on the use of local budgets to fund improvements and on the management of planned maintenance.

City of York Council has initiated a *Tenants' Choice* modernisation scheme backed by customer guarantees. This lets the tenant choose from a basket of options when their home is modernised. These could include new heating system, new bathroom and new kitchen. The tenant's rent is increased by a figure relating to the amount of undertaken.

## Self Test 2

1. *What is the role of tenant consultation?*
2. *What are the disadvantages of communicating information to tenants by formal letter?*

*Now turn to the Answers at the end of the Block.*



## C. Models of Participation

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### 1. Introduction

In the previous section, we looked at ways housing organisations could provide information to their tenants and how tenants could be consulted. In this final section we will move on to examining tenant participation and control including tenant management organisations in the form of estate management boards, tenant management co-operatives and co-operatives.

### 2. Tenant Management Organisations

A Tenant Management Organisation (TMO) is an organisation, with varying degrees of power, that allows tenants to have a direct say in the way in which their homes are managed. TMOs include Housing Management Co-operatives, Estate Management Boards and Co-operatives. In the recent past, there has been a growth in TMOs. In January 1998, there were 149 registered TMOs and a further 56 were being developed (DETR figures). This has partly been due to the increasing emphasis on tenant involvement and participation. It can also be linked to greater decentralisation of housing management and the changing role of housing departments from providers to enablers and purchasers.

There is no one reason why TMOs develop. However a variety of factors have been identified as being important by a study by specific schemes by Price Waterhouse Coopers titled *Tenants in Control: an Evaluation of Tenant-Led Housing Management Organisations*. These include the desire to safe guard and sustain improved housing conditions and the incentive to carry out modernisation and improvements.

The Price Waterhouse Coopers' study also indicated that the most successful TMOs tended to be small in size, be driven by residents and have high levels of resident involvement. Effective control over budgets and the operation of services along with practical and financial help from the Local Authority. There is also a link between high levels of control and high levels of resident involvement.

### 3. Housing Management Co-operatives

Tenant Management Co-operatives (TMCs) have been established to give tenants a direct say in the way in which their homes are managed. TMCs are registered non-profit making companies and are controlled by an elected Board that is made up of residents of the area. This Board has powers, agreed under a management agreement with the Local Authority, in relation to the general

management of the properties in the area. The responsibilities defined in the agreement are carried out solely by the TMC, although the Local Authority does keep some duties.

**Activity**

*List the reasons that you think TMCs may develop?*

***Time allocation 5 minutes***

TMCs often develop in response to a desire to improve or maintain improved standard of the housing. Tenants may also wish to have some control over the costs and uses of service charges. They may also wish to have more control over the management of their homes and the local area.

TMCs are usually small organisations, sometimes with fewer than thirty dwellings. TMCs may include both Local Authority tenants and owner-occupiers (who may have purchased under the Right to Buy). The activities of TMCs are not strictly limited to housing management. For example, a TMC in Middlesbrough helped to organise a skills development centre for local people.

The Langridge Crescent Co-operative in Middlesbrough was one of the first to be formed in response to consultations by Middlesbrough Borough Council about the refurbishment of the blocks of flats in 1985. The board of the TMCs was an elected committee of twenty members. There were also six sub-committees that dealt with: allocations, maintenance, gardening, caravans, anti-harassment and social matters. Langridge Crescent Co-operative was responsible for the allocations of property, day-to-day repairs and identifying the need for investment and development. However, the responsibility for setting and collecting rents remained with the Council.



TMCs have been shown to have lower management costs, lower levels of repairs, rent arrears and voids when compared to comparable areas under Local Authority control. There are also indications of strong community feeling that can spread outside the immediate area of housing.

*(Tenants in Control: an Evaluation of Tenant-Led Housing Management Organisations by Price Waterhouse Coopers 1995)*

#### 4. Estate Management Boards

An estate management board (EMB) - a relatively new initiative - is an independent body involving a partnership between the tenants of an estate or area and the local authority. The board becomes the managing agent controlling the day-to-day management while the local authority retains control of policy decisions. Membership of the board is open to all residents.

What are the advantages of this form of management structure? In *Housing: A Guide to Quality and Creativity*, Anne Power wrote about earlier attempts to involve tenants in the management of their housing has this to say about previous attempts, saying;

*“Estate-based management only works with the involvement of tenants. But even where a local estate-based office has been set up, there are major obstacles in the path of resident control and efficient management:*

- *On most estates, decision-making powers and the level of tenant involvement are often limited.*
- *Very few projects manage to identify and establish revenue budgets.*
- *Control over services such as cleaning or open area maintenance and over capital work continues to be problematic.*
- *The local management organisation is vulnerable to changes dictated from the **centre**, e.g. frozen posts; staff reorganisation.*

*Estate Management Boards and Tenant Management Co-operatives have both arisen with the aim of giving tenants control over the day-to-day management and maintenance of their housing. However, many tenants do not want to form co-operatives, particularly on larger, already tenanted estates under the present conditions of uncertainty and financial stringency:*

- *Tenants are often wary of taking on the complex tasks which landlords have been unable to deal with, particularly on large run-down estates.*
- *Most estates are large involving several hundred dwellings.*
- *Estates require a large number of full-time staff, including professional housing managers. The employment of an estate team is a complex area for tenants to embark on.*
- *PEP estates have many serious, long-term problems requiring outside help.*
- *For these reasons, the idea of an elected Estate Management Board to run an estate has emerged.”*

### **Activity**

1. *What reasons does Anne Power give for needing EMBs?*
2. *What do EMBs offer tenants who want to take more control of their estate?*
3. *How are EMBs different from tenant management co-ops?*

***Time allocation 10 minutes***

Anne Power suggests that the decision-making role for tenants is seriously limited on most estates. The local authority retains too much control over budgets, capital work and the role of other services. A local service is vulnerable to centrally made decisions possibly fuelled by cost cutting rather than service to the public.

In contrast, an EMB offers tenants control over day-to-day management and maintenance of their housing. Unlike a tenant management co-op, tenants are not expected to tackle the problems alone: they work in partnership with officers.

An EMB is a local management organisation usually constituted as a Friendly Society registered under the Industrial and Provident Societies Act 1965. This structure is usually chosen because the requirements of a friendly society to be *open* and *accountable* should also be at the heart of the ethos of an EMB.

Membership of this organisation is open to any tenant (up to two per tenancy so joint tenants may both join) over 18 years of age. The local authority is also member represented, in practice, by the local housing manager and perhaps one or two local councillors. Members elect representatives, most of which will be tenants, to the EMB.

The estate can be handed over to tenants after an election has demonstrated support for the plan and the Secretary of State for the Environment must give consent under Section 27 of the Housing Act 1985 (as inserted by Section 10 of the Housing and Planning Act 1986).

Within the policy framework set out by the local authority, each EMB would be responsible for housing management functions including:

- staffing the local housing office;
- allocations;
- rent collection and arrears recovery;
- day-to-day maintenance;
- general estate management;
- planning and client control of improvement programmes;
- consultation and liaison with tenants.

Critically, each EMB controls its own mini housing revenue account exercising a strong and effective client role with regard to services funded by tenants' rents. These accounts will be administered and audited centrally with all payments authorised locally.

To recap the **centre** sets the policy framework and monitors the EMB including its spending. The **EMB** manages the estate within that policy framework while still responding to local needs. To help us understand the different roles taken by the local authority at the centre and the EMB it would be useful to look at some examples of functions that would be included in the management agreement governing the organisation.

### **Rent arrears recovery**

- The **centre** creates policy guidelines for officers asks for monitoring reports on cash collected and treatment of arrears.
- The **EMB** collects rent and chases arrears. If serious arrears occur and court action is recommended, the EMB might make recommendations but would leave the court administration and the legal process to the central housing office.

### **Allocations and lettings**

- The **centre** provides a policy framework, a points system for example, and monitors lettings to ensure compliance with the policy and with the law relating to sex and race discrimination. The centre would also nominate people to the Board's waiting list in the same way that it might for a housing association.
- The **EMB** makes lettings to its properties from the waiting list and accepts nominations from the local authority.

A study commissioned by the then Department of the Environment, published in 1995 examined the work of an EMB in Blackburn. The responsibilities of the EMB included:

- management of day-today repairs;
- collecting rents and recovering arrears;
- cleaning and maintenance of common areas;
- determining, with the Council, tenancy conditions and enforcement of the conditions (short of eviction);
- maintaining the waiting list and allocating vacant properties in accordance with Council policy.

The study compared the estate to a comparable estate that remained under the complete control of the Local Authority. This showed that the costs of management (including items such as

repairs) decreased by about 10% with the implementation of the EMB. However, there was evidence to suggest that a poorer service was being provided as levels of residents satisfaction with housing management was lower than on the comparable estate. There was no evidence to suggest that other factors, such as satisfaction with homes and perceptions of crime were significantly higher (or lower) on the estate run by an EMB. However, the majority of residents felt that the EMB was a superior organisation to a mainstream housing management organisation (such as a Local Authority) for the running of the estate.

## 5. Housing Co-operatives

Estate management boards and tenant management co-operatives offer tenants a significant degree of control over the management of their homes but ownership remains elsewhere. We will now look briefly at housing co-operatives that provide a way for tenants to both own and manage their homes.

A **housing co-operative** is an organisation owning or managing rented housing for the benefit of its members. The co-op is usually registered as a friendly society. Members buy a £1 share and agree to be governed by the rules of the co-operative. All members are part of the decision making body but it is common, depending on the size of the co-op, for the membership to elect a committee which will take a greater share of responsibility and may represent the co-op when it has to negotiate with other bodies.

### **Self Test 3**

1. *What factors does the Price Waterhouse study identify as the catalysts for the development of TMOs?*
  
  
  
  
  
  
  
  
  
  
2. *How many TMOs were there in January 1998? How many were in the process of setting up?*
  
  
  
  
  
  
  
  
  
  
3. *What is the relationship between the 'centre' and an EMB?*

*Now turn to the Answers at the end of the Block.*

## D. Compacts

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### 1. Aims and objectives of compacts

Compacts are an element of the Government's agenda to improve local services, increase local democracy and strengthen and sustain local communities. They will help tenants to decide how they wish to be involved in influencing and shaping the decisions taken by their council on housing issues in a way that meets their needs and priorities.

Compacts are a tool to:

- help ensure councils become more efficient, transparent and accountable so people will know who is responsible for decisions and who will be actively involved in helping councils to reach those decisions;
- implement best value by enabling tenants to make an informed view on their housing services, be involved in planning them, improving them, monitoring and reporting on performance, and identifying and taking remedial action;
- assist tenants to identify issues of concern and ways of improving their quality of life as part of a wider strategy to tackle poor neighbourhoods.

The framework does not extend to tenants who have transferred to a registered social landlord (RSL) under Large Scale Voluntary Transfer (LSVT) arrangements. Transfer landlords must comply with the Housing Corporation's performance standards on residents' rights. This requirement will ensure they give tenants opportunities to direct the management of their homes and to influence the provision of housing services.

The framework does not extend to tenants of registered social landlords. The Housing Corporation has suggested that registered social landlords and their tenants might use similar approaches as good practice guidelines. Registered social landlords will be expected to comply with the Housing Corporation's performance standards on residents' rights. They will also be expected to respond to the Corporation's tenant participation strategy 'Making Consumers Count', published in November 1998, in which sets 22 commitments to encourage further tenant participation in housing services.

A wide range of housing services form the basis for negotiations on compacts. The Government believes this foundation is needed to ensure sustainable tenant involvement and to extend tenant

participation beyond the housing agenda to include wider community issues. Tenants and local councils are at liberty expand this list of standards either during initial local negotiations, or later as the benefits of tenant participation become clear and new roles are established. Ultimately tenants will decide how they should be involved through the spectrum of housing services. Tenants' input will reflect the level of participation that they have chosen.

The core services will be:

- developing the council's housing policy and strategy, including identifying and appraising investment options, monitoring and review;
- drawing up the council's capital and renovation programmes;
- developing and implementing regeneration and improvement programmes;
- influencing budgets, finance, rent-setting;
- allocation and lettings policies;
- anti-social behaviour policies;
- management of housing services;
- repairs, maintenance, rent collection, voids;
- tenancy conditions and agreements;
- housing benefits advice, and debt recovery procedures;
- leaseholder issues and charges;
- sheltered housing services;
- monitoring and reviewing council service and performance strategies, addressing shortcomings and suggesting remedial action;
- setting, monitoring and reviewing services, performance standards and targets for housing management and neighbourhood services;
- proposing remedial action if performance on services falls short;
- identifying neighbourhood issues that affect tenants' homes or the management of the housing service;
- equality policies, including race equality policies and policies on racial harassment;
- customer care;
- environmental works;
- arrangements for providing information, for tenant consultation and involvement, including handling complaints and remedial action."



The *National Framework* also sets standards for:

- The tenant participation process and support mechanisms
- Meetings
- The exchange of information
- Tenant's groups themselves
- Monitoring and measuring performance

## **2. Response to the Proposals**

In June 1999, the London Housing Unit produced a rapid response to the Government's proposals based on consultation with the Tenant and Residents Organisations of England (TAROE) and the examination of a number of case studies. This said that:

- Tenant involvement benefits everyone - the community, the individual and the council. It leads to better and "more human" decision-making, more efficient spending particularly on the capital side, a greater sense of community cohesion and a growth in confidence and personal esteem among participants.
- In the six case study areas tenant involvement made a difference both locally and to council wide policies. Their direct influence over budgets and spending was most evident in relation to environmental improvements.
- Although tenant involvement is believed to lead to some savings - through reduced vandalism, faster void identification, and better contract monitoring - substantial resources are needed to make it effective. Housing managers are vital to the process of nurturing new groups. The report suggests that resources to promote tenant involvement should be provided by the Government through a ring-fenced element within the management allowance allocated to councils.
- Tenants' groups are aware of the challenge implicit in widening involvement. Some are taking steps to encourage under represented sections of the community to participate. Groups are conscious that their 'unrepresentativeness' can be used against them to reject views an authority might not wish to hear. Local authorities have a clear remit to reach out to all tenants and residents but should ensure that they listen to established groups as they test out new methods of consultation.

- Political commitment to tenant involvement is vital to its success. Local authorities should develop a culture is one of listening to and respecting the views of service users. Where this is lacking, tenants need legal rights collectively to play their part in decisions about their homes.
- There is no blue print for a successful tenant involvement structure. Arrangements have evolved to suit local environments. The study found little evidence of review or evaluation in their case study areas.
- Corporate policy makers need to recognise the need for tenant involvement implicit in the Best Value regime emphasis on consultation strategies and in the proposed legislation to create new structures for reviving local democracy.

*(‘What Works: The Tenant’s Compact and Successful Participation’, Sylvia Carter, LHM, 1999.)*

## Self Test 4

1. Which groups of tenants does the compact framework apply to?
2. What does the London Housing Unit have to say about tenant involvement?
3. Why is it important for tenant groups to make attempts to be representative of the wider community?

*Now turn to the Answers at the end of the Block.*

## Summary

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1. We looked at the various meanings of tenant involvement and saw that it could encompass a range of activities from:
  - information giving;
  - consultation;
  - tenant participation;
  - tenant control.

When housing organisations embark on tenant participation it is important that all parties are clear about the intentions and the degree of 'power sharing' proposed.

2. The section also looked at evidence of the extent to which tenant involvement was taking place in housing organisations and we recognised that it is now becoming a more important issue for both local authorities and housing associations.
3. Finally we considered perhaps the ultimate form of tenant participation where tenants actually take control of their housing in Tenant Management Co-operatives or Estate Management Boards.
4. Finally, we looked at the proposals for Tenant Compacts and their implications.

## Answers

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### Self Test 1

1. In order of increasing involvement they are information giving, tenant consultation, tenant participation and tenant control.
2. Some councillors and board members may feel that tenant involvement is a threat to their position.

### Self Test 2

1. Tenant consultation should obtain feedback on operational and service quality matters, seek views on strategic and policy issues, to invite views on the need for a service and gaps in provision and new developments.
2. Formal letters can be daunting and the landlord cannot ensure that the information is read and understood. Some tenants may not be able to read the letter because of disability, poor literacy or the fact that English is a second language.

### Self Test 3

1. The desire to safe guard and sustain improved housing conditions and the incentive to carry out modernisation and improvements.
2. There were 149 TMOs in January 1998. Another 56 were being developed.
3. The 'centre' develops policies while the EMB implements the policies.

### Self Test 4

1. The compact framework only applies to tenants of Local Authorities, although Registered Social Landlords are encouraged to implement similar programmes.
2. The London Housing Unit says that tenant involvement benefits everyone – individuals, the community and the council. It also says that it makes the decision making process 'more human'.
3. It is important that tenant groups are representative of the wider community to ensure that the views of the whole community are heard. It is also important to ensure that the fact that a group is not representative is not used as a reason for not considering its views.