

Non-Profit Housing Experience can provide learning for wider Third Sector

Posted on Friday 1st February 2008

Prof David Mullins has called for an understanding of the tensions that must be managed by organisations and policy makers if the third sector is to play a major role in future service provision.

Prof Mullins says: "It is strange that the current policy emphasis on involving the third sector in public services appears to pay so little attention to a sector that has operated between the state and the market for 20 years and has grown beyond recognition."

He warns: "It seems that in this sector it is a case of beware what you ask for you may get it."

Speaking at his inaugural lecture, Prof Mullins drew comparisons between the housing association sectors in England, Ireland and the Netherlands.

In Ireland, he notes, the sector has by and large successfully retained a small and locally focused voluntary and cooperative identity, but at a price: rental income is insufficient to accumulate surpluses for future investment and most new construction has been by a few large organisations, the sector has a market share of only 15% in social housing.

Prof Mullins draws comparisons with England. "The English housing sector has seen similar polarisation with the top twenty accounting for over a third of the housing stock and concentration increasing apace through mergers, but is now enjoying the prospect of the biggest construction programme for over 15 years. Or it would be if it was not fighting legislative proposals to regulate its community regeneration activities in what is seen by the trade body as 'the greatest threat ever to the independence of housing associations'". State funding has brought with it what the sector sees as unacceptable levels of regulation.

In the Netherlands the sector has, over the past ten years, achieved the kind of financial autonomy their English peers can only dream about, says Prof Mullins, yet where a gap with government and society has opened up to undermine the legitimacy of the sector.

"Dutch governments appeared frustrated by their inability to steer housing associations or harness their wealth to meet national policy goals. Housing associations responded with their 'offer to society' to reinvest commercial surpluses for social good in neighbourhoods, new homes and social inclusion. However, Dutch housing associations now face a new tax on their social activities that could potentially undermine the 'Robin Hood' principle."

However, says Prof Mullins, aside from these current clashes, the way in which many housing associations have organised themselves to exploit their position between state and market for public good, is impressive. Housing associations have proven their ability to build homes on a large scale and have sought to increase their own organisational scale to give the capacity to master plan large-scale projects, influence governments and compete head to head with private developers.

Prof Mullins says that third sector organisations should also learn from the housing experience in relation to organisational design: "We now need to recognise some of the conflicting logics that lie behind the drive to buy big for efficiency reasons on the one hand and to act local to promote community engagement and responsive services on the other and begin to develop some hybrid ways of organising that give the best of both worlds."

"Local communities want to see housing associations that are dependable, aware, accountable, take responsibility, and that can be influenced but not taken for granted on the one hand but that have the capacity to deliver, connected to wider society and open to new ideas on the other."

Prof Mullins is now working with colleagues at the Technical University of Delft in the Netherlands to exploit ideas in their prize winning essay (awarded first prize in the Dutch innovation body SEV's essay competition last November) on neighbourhood focused housing associations, and is seeking four housing association partners in Holland and four in England.

"This should be a brilliant learning opportunity, with cross-national networking at the start and end of the pilot. It should provide some fresh thinking from long established third sector players and provide raw material to inform the current debate about social enterprise and the third sector."

ENDS

Further media information

Prof David Mullins is available for interview. Please contact him on 07971 297187 or email d.w.mullins@bham.ac.uk.

Notes to Editors

David Mullins' inaugural lecture as Professor of Housing Policy took place at the University of Birmingham on January 31st 2008. David is co-author with Alan Murie (2006) of *Housing Policy in the UK*, Palgrave and has published articles on third sector housing in *Housing Studies*, *Housing Theory and Society*, *Public Policy and Administration*, *Public Administration*, *Public Money and Management and Voluntas*.

Housing associations are non-profit social businesses that combine public and private funding to build and manage housing principally for low income groups and provide a variety of related products and services. In England they provide homes for 5 million people and their market share of social housing provision has increased from 8% in 1980 to over 50% today. In the Netherlands housing associations own 2.4 million homes accounting for 35% of the entire housing stock. Across Europe it is estimated by CECODHAS European Social Housing Laboratory that there are more than 39,000 voluntary and co-operative social housing enterprises with 25 million dwellings in management.

Research projects on the third sector identity of housing associations have included:

Mullins D and Riseborough M (2000) What are housing associations becoming?, *Housing Research at CURS no 7*, CURS, University of Birmingham

Mullins D, Rhodes M L and Williamson A (2003) *Non-Profit Housing Organisations in Ireland North and South*, Belfast, Northern Ireland Housing Executive

Mullins D and (2005) *Testing the Climate. Mergers and Alliances in the Housing Association Sector*. CURS for National Housing Federation.

Van Bortel G, Gruis V, Mullins D and Nieboer N (2007) *Towards Neighbourhood focused housing associations* (Dutch language – Technical University of Delft)

Chris Wadhams (2006) *An Opportunity Waiting to Happen. Housing Associations as Community Anchors*. London, Housing Associations Charitable Trust.

Andrew Simms (2007) *Tescopoly. How one shop came out top and why it matters*. London, Constable

