National Housing Conference 2022

The value of innovative social and affordable housing investment

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NHC National Housing Conference 2022

Accounting for the value and resilience of socially connected housing

Insights from the co-operative community housing sector

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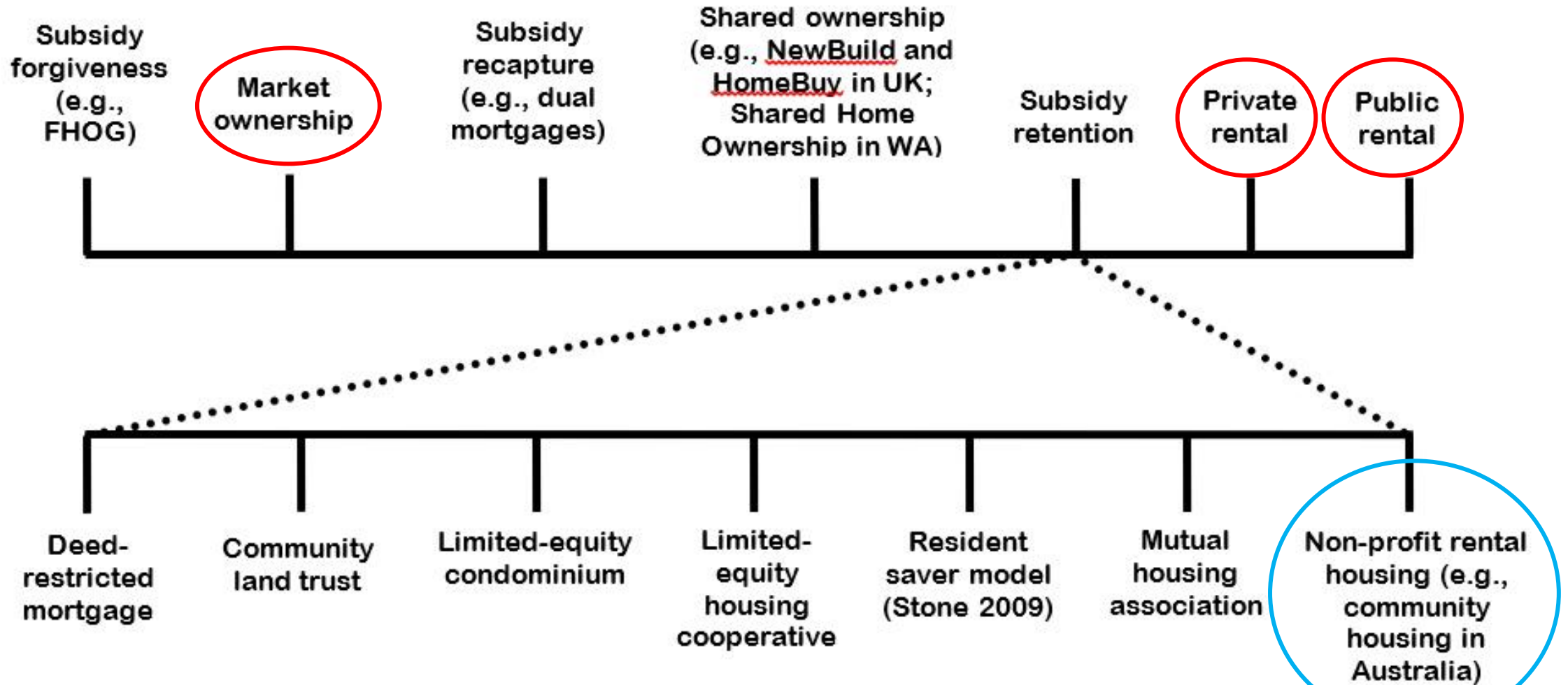Swinburne University of Technology

Project governance

CHP and peak body members:

Members from co-operatives in:

- › New South Wales
- › South Australia
- › Western Australia

- › Victoria
  - › A Common Equity Rental Co-op (CERCs)
  - › A Community Managed Co-op (CMCs)
  - › A Rental Housing Co-op (independent)

Subsidy forgiveness (e.g., FHOG)

Market ownership

Subsidy recapture (e.g., dual mortgages)

Shared ownership (e.g., NewBuild and HomeBuy in UK; Shared Home Ownership in WA)

Subsidy retention

Private rental

Public rental

Deed-restricted mortgage

Community land trust

Limited-equity condominium

Limited-equity housing cooperative

Resident saver model (Stone 2009)

Mutual housing association

Non-profit rental housing (e.g., community housing in Australia)

Co-operative housing audiences/stakeholders

1. Residents who are members of their cooperative

2. The cooperatives as legally incorporated entities that rent homes to their members

3. Sectoral peak bodies including CHPs, of which individual co-operatives might be members and individual residents might be Board members

4. State agencies – government departments, ministers, policymakers

5. Broader co-operative and housing sector agencies and allied sectors, e.g., finance and law

https://cehsa.com.au/

Literature review

Values generated

1. Social capital outcomes

2. Better housing stability and quality

3. Skills development

4. Health and wellbeing

5. Lower operating costs

6. Broader social or environmental outcomes

7. Different audiences focus on different values

https://www.facebook.com/stuccohousingcoop/photos/a.298274450264651/1508234352601982/?type=3&theate

Understandings of value

› Value as:

1. Benefit (to whom, at what scale?)

2. Financial worth

3. Ethic/principle

› Self-governance and self-management means these are intertwined

› e.g., ethic of self-determination (3) can translate into co-operatives managing maintenance through meetings that generate social capital for members (1) and maintain housing at a higher quality and so maintains its financial worth (2)

› This example also arguably generates reductions in maintenance costs to CHP/State and higher neighbourhood amenity – benefits across scales

https://www.collaborativehousing.org.au/stories-cooperatives
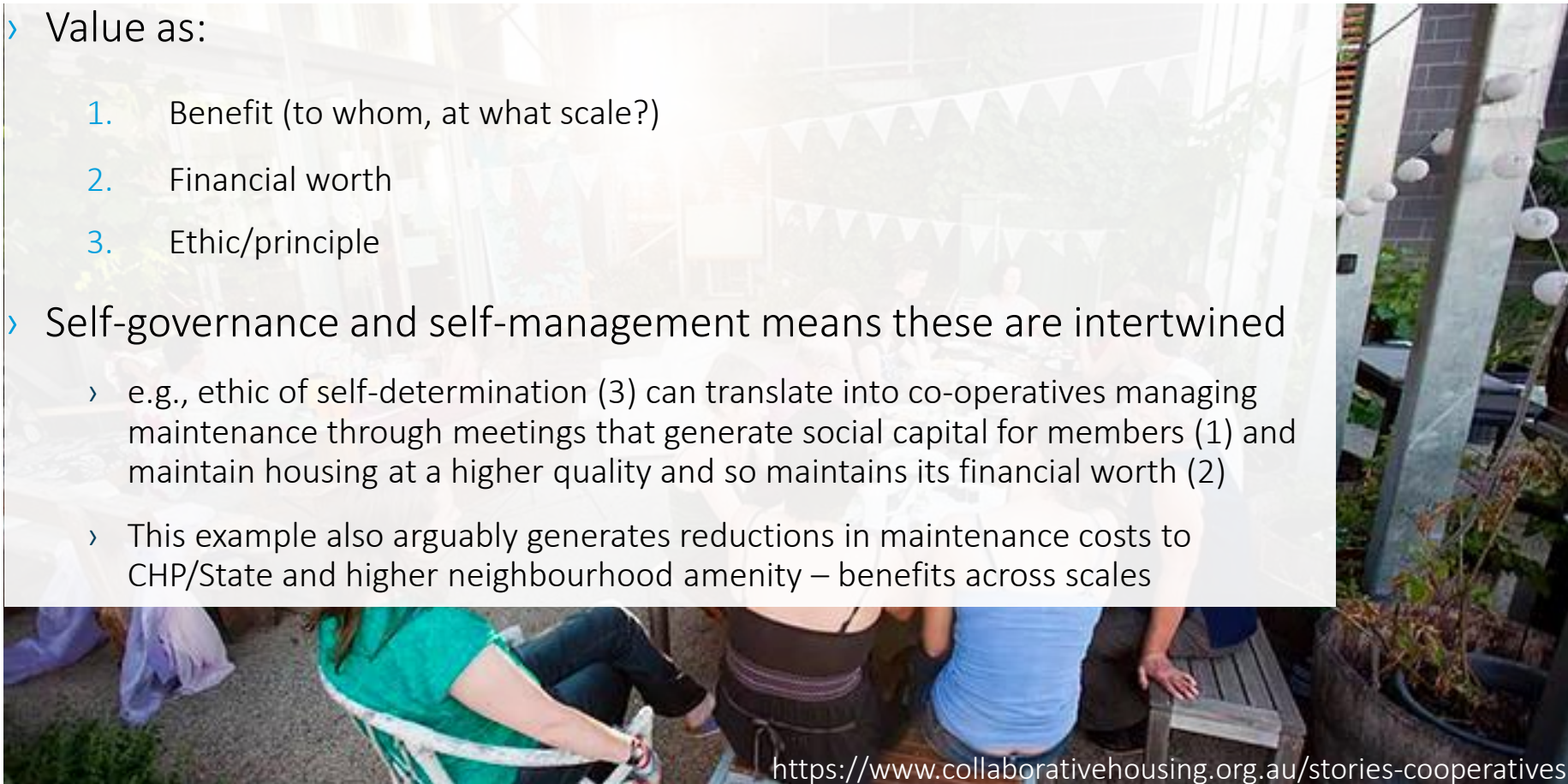
Value as ethic or principle

International co-operative principles as point of difference:

1. Voluntary and open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and independence
5. Education, training and information
6. Cooperation among co-operatives
7. Concern for community

https://www.housinginternational.coop/co-ops/austria/

1. **Governance and social purpose:**

   1.1. Coop has responsibilities for aspects of tenancies

      1.1.1. selection and induction

      1.1.2. non-financial tenancy management tasks - eg., inspections, management of breaches, attendance at hearings, etc

      1.1.3. financial tenancy management tasks - eg., rent collection, arrears management, and/or rent reviews

      1.1.4. admin including drafting leases, issuing keys, provision of rental tenancies information sheets, etc.

   1.2. Coop has responsibilities for maintenance and repairs

      1.2.1. structural/major

      1.2.2. responsive/cyclical/daily

   1.3. Titling relationship between cooperative, peak body, and State (placeholder as clarification to come from peaks)

      1.3.1. Coop has title with no caveat

      1.3.2. Coop has title with a caveat

      1.3.3. Coop has lease/agreement with the State

      1.3.4. Coop has agreement with CHP/peak and CHP has title with no caveat

      1.3.5. Coop has agreement with CHP/peak and CHP has title with a caveat

      1.3.6. Coop has agreement with CHP/peak and CHP has lease/agreement with the State (coop-CHP-State)

   1.4. Opportunities for coops and/ or coop members to influence peak body:

      1.4.1. As a shareholder

      1.4.2. As a board member

      1.4.3. Other (please specify)

      1.4.4. None

   1.5. Cooperative members' lease conditions

      1.5.1. Fixed term – income and other eligibility criteria after occupancy

      1.5.2. Fixed term – only non-income eligibility criteria after occupancy

      1.5.3. Periodic

   1.6. Cooperative members' equity investment into coop:

      1.6.1. Zero/nominal – e.g., $1

      1.6.2. Restricted/limited – e.g., $5,000 indexed to CPI

      1.6.3. Full – market rate

   1.7. Additional purpose – e.g., women's housing, cultural identity, household form, etc.

      1.7.1. Yes

      1.7.2. No

2. **Physical form:**

   2.1. Spatial configuration

      2.1.1. Predominantly co-located

      2.1.2. Predominantly not co-located

   2.2. Presence of shared facilities (e.g., meeting room, laundry, green space, etc.)
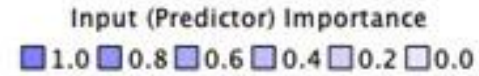
      2.2.1. Yes – specify

      2.2.2. No

   2.3. Postcode

Typology of housing co-operatives

› Sorting the variety of co-operatives into clusters to structure recruitment

› Also identifies variables to test for correlation patterns in collected data

Clusters

Input (Predictor) Importance
☐1.0 ☐0.8 ☐0.6 ☐0.4 ☐0.2 ☐0.0

Cluster	1	2	3	4
Size	53.7% (88)	17.7% (29)	9.8% (16)	18.9% (31)
Inputs	Maintenance Responsibility	Maintenance Responsibility	Maintenance Responsibility	Maintenance Responsibility
	Influence Over Peak	Influence Over Peak	Influence Over Peak	Influence Over Peak
	Lease Condition	Lease Condition	Lease Condition	Lease Condition
	Tenancy Responsibility	Tenancy Responsibility	Tenancy Responsibility	Tenancy Responsibility
	Spatial Configuration	Spatial Configuration	Spatial Configuration	Spatial Configuration
	Additional Purpose No (1.7.2) (89.8%)	Additional Purpose Yes (1.7.1) (62.1%)	Additional Purpose No (1.7.2) (75.0%)	Additional Purpose
	Shared Facilities No (2.2.2) (100.0%)	Shared Facilities No (2.2.2) (72.4%)	Shared Facilities No (2.2.2) (81.2%)	Shared Facilities Yes (2.2.1) (54.8%)
	Location	Location	Location	Location
	Equity Investment	Equity Investment	Equity Investment	Equity Investment

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Figure 1: Proposed conceptual framework for measuring social housing cost of provision and tenant outcomes

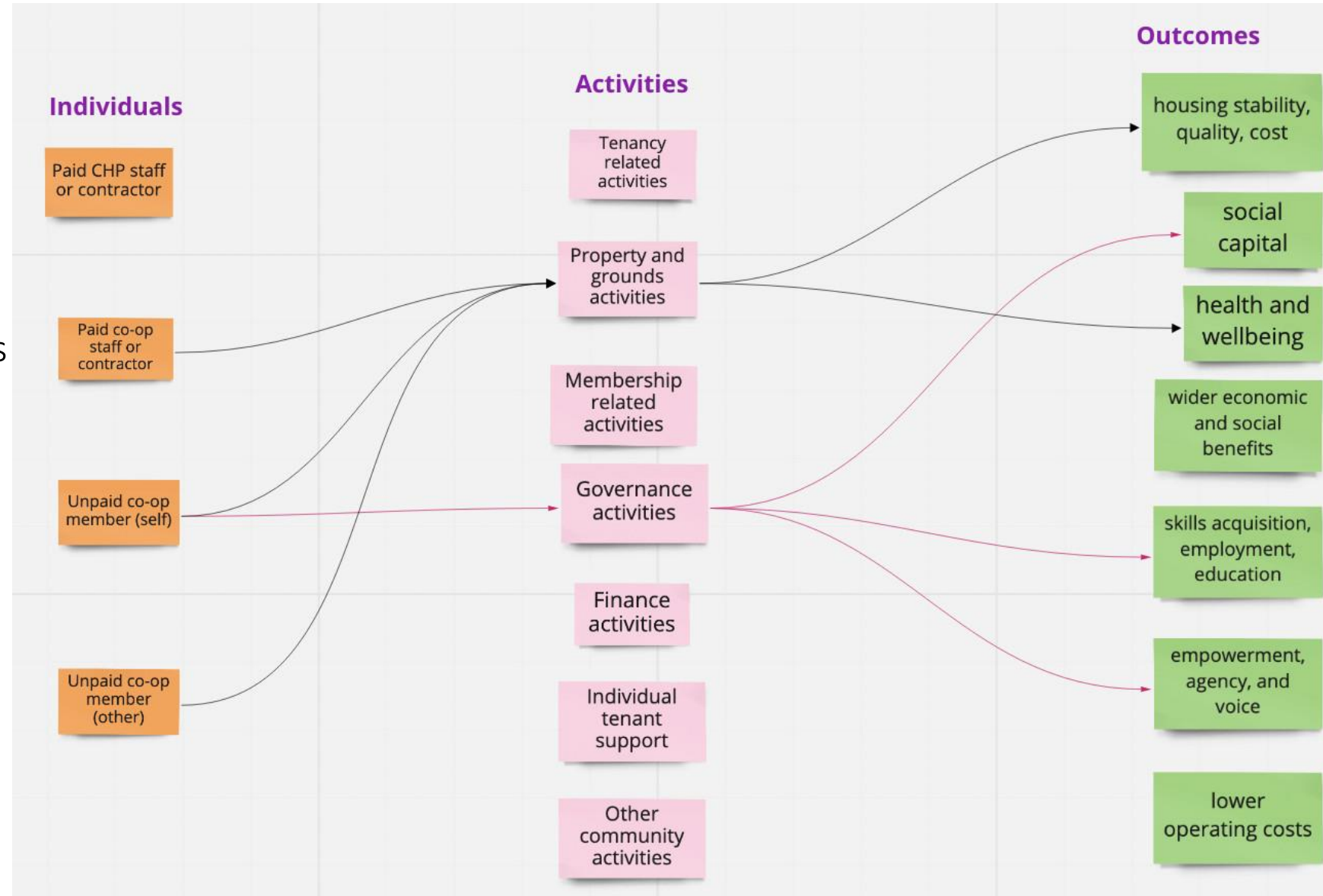| Housing management activities (examples)	Management field	Tenant/community outcome measures
• Property letting - including tenant selection for specific vacancy • New tenant induction • Rent reviews, rent collection arrears management • Managing tenant transfers, complaints and appeals • Managing antisocial behaviour — investigation and enforcement	1. Tenancy management	• Overall tenant satisfaction with landlord services

• Property/estate inspections
• Managing responsive maintenance/repairs to dwellings and common areas
• Empty property works specification
• Managing estate cleaning/grounds maintenance
• Programming/managing planned maintenance
	2. Property and neighbourhood management	• Tenant satisfaction on:
		  – repairs service
		  – property condition
		  – neighbourhood quality

• Identifying tenant support needs • Making referrals for personal support/counselling • Managing support partnerships • Preparing case management plans • Supportive interventions to sustain tenancies, resolve arrears or respond to antisocial behaviour	3. Individual tenant support	• Tenancy sustainment (at risk households)
• Supporting tenants to engage with employment or training • Supporting tenant participation in housing/neighbourhood governance • Community development, place making and events • Community services provision (e.g. youth activities) • Supporting tenants to move through the housing spectrum (e.g. home purchase)	4. Additional tenant and community services	• Change in tenant household social/economic participation • Change in local social capital

Analytical frame

› Items in each column correspond to suites of items within seven interlinked research tools

› Arrows represent bases for possible hypotheses

› Tools are also collecting variables to control for, such as age of housing stock

Individuals

Paid CHP staff or contractor

Paid co-op staff or contractor

Unpaid co-op member (self)

Unpaid co-op member (other)

Activities

Tenancy related activities

Property and grounds activities

Membership related activities

Governance activities

Finance activities

Individual tenant support

Other community activities

Outcomes

housing stability, quality, cost

social capital

health and wellbeing

wider economic and social benefits

skills acquisition, employment, education

empowerment, agency, and voice

lower operating costs

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