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Critical evaluation of the extent to which today's social housing profession is conflicted, with its increased focus on more commercial business approaches

Introduction

Housing in the United Kingdom (UK) comprises three main forms of tenure, owner-occupier, private renting and social housing. It is suggested that each has been subjected to change over the past century due to socio-economic policies and political ideologies (Malpass and Victory 2010). It is noted that since the global financial crisis of 2008, government have implemented austerity policies, the bulk of which have prioritised market provision and privatisation strategies combined with reductions in welfare provision. As a consequence of this restructuring of social and economic policies, it is submitted that notions of public sector professionalism have been reshaped, which in turn has increased pressures on housing professionals in the delivery of housing services (Manzi and Richardson 2017).

It is argued socio-economic austerity measures create specific challenges for social housing professionals including the need to concentrate on the development of entrepreneurial skills and to prioritise market housing, the need to focus on financial competencies and business management and to achieve service efficiencies (Manzi and Richardson 2017). At the same time, the social housing sector, as a public service should focus on the social value associated with housing provision. The danger is that the:

“Social values traditionally held by housing practitioners such as a commitment to social justice, equity and tackling disadvantage create specific conflicts with the relentless logic of competition. Housing professionals struggle to reconcile

these demands, and the dominance of the commercial head over a social heart has become increasingly evident” (Manzi and Richardson 2017, p.222).

This essay considers the impact of professionalism, business ethics and collaborative working in social housing. It seeks to critically evaluate the nature of professionalism, and the extent to which principles of professionalism and business ethics are embedded within the social rented housing sector. Specifically, it considers whether the social values traditionally held by housing practitioners are likely to conflict with a more commercial approach to the development, allocation and management of affordable housing implied in the quote above.

It is recognised that the social housing sector has struggled to achieve professional recognition, driven in part by the perception that it involves simple tasks such as housing allocation and in part by continual marginalisation based on government socio-economic policies favouring a commercial-market based approach to housing provision. Moreover there is increasing demand on housing professionals to develop commercial skills and financial acumen, and this focus threatens to further marginalise the social obligations underpinning housing in this sector.

Social Housing in the UK

The general consensus is that social housing in the UK has been undermined, being restructured and reformed for decades (Malpass 2008). This assertion is supported by the fact that in 1900 the main tenure was private renting, which changed due to the pressures of two World Wars, the emergence of the welfare state and the need to provide public housing in the 1940 to the 1970s (Le Grand 1997; Malpass 2008). The onset of a global recession and the fragilities of national oil-based economies led to a restructuring of public finances and the Conservative government of the 1980s reduced public spending and control the power of local government through reform of social housing (Pawson 2006).

According to Smyth (2017), the adoption of neo-liberal policies towards social housing which withdrew public funding has been replaced by private investment. As a consequence, council house building has decreased from more than 150,000 units in 1975 to just a few hundred each year for the past twenty years. It is suggested that the policies advocating a restructuring of the social housing sector, as developed by the Conservative government in the 1980s, was founded on the premise that the gap in affordable housing opened up by the sale of council housing and withdrawal of public funding, would be filled by private markets. The reality is that the private housing sector has not filled this gap and that construction of social properties has been in decline for decades, reducing the availability of social housing stock, amidst increasing demand.

Whilst government policy has focused on reducing the cost of social housing to the public purse, the complex and interwoven nature of housing markets means that such short-sighted policies as the Right to Buy has contributed to a housing crisis in the UK. The wide-reaching impacts of these policies include increasing house prices and rising inequalities in access to housing, with problems of affordability affecting the most vulnerable in society (Dorling 2014).

Support to the housing association (HA) sector from the 1980s has had a positive impact on housing in the UK, as evidenced by the fact that this sector has grown from 2.2% of the market to 10% in 2012. Much of this growth is largely as a result of government policy of transferring council housing stock and the provision of borrowing mechanisms, initially intended as a means of securing a remedy for the backlog of housing disrepair. However, over time, HAs have become the main provider of social housing with an array of changes in governance and accountability structures, the role of finance and most recently the need for greater accountability, competition and commercialisation (Smyth 2017). Essentially government has been changing, reshaping and is again restructuring social housing drawing on private market process and privatisation solutions (Poulsen 2009). Smyth (2017, p.215) adds that HAs

occupy a quasi-public sector, described as a public-sector organisation “in private sector clothing” which is a product of the reduced state funding and direct provision. It is suggested that these factors have created a crisis of confidence in the social housing sector, having finally secured a degree of professional recognition and a balance between commercialism and social value, there is now pressure for further restructuring, as government pursues what might be its ultimate target of a privately operated, social housing system.

Professionalism in Social Housing

Given that this essay explores the concept of professionalism, it is prudent to understand the concept of professionalism in social housing, which has traditionally been a contentious issue. Saks (2012) suggests that the general consensus is that a profession and those within a profession possess a diverse range of characteristics which differentiate them from other occupations. Innate characteristics of a professional person include encompassed knowledge and expertise, the ability and willingness play a positive role in the community. In other words, the emphasis is on knowledge and expertise, focusing on formal knowledge and higher education. The traditional lack of focus on formal education has impeded the perception and acknowledgment of social housing as a profession in the United Kingdom (UK) (Manzi and Richardson 2017). However, it is suggested that Casey and Allen (2004) make an important point, taking the stance that housing managers do not exhibit the traditional traits of the professional project, where it is necessary to have access to and control of a unique stock of knowledge, rather managers in social housing have traditionally relied on generic knowledge and common sense. Yet professionals in the social housing sector have to exhibit competence in a range of management process such as planning, organising, financing and controlling housing stock and at the same time retain a high degree of people-skills and social awareness so as not to alienate clients/tenants.

It is submitted that professionals working in the housing sector have struggled for recognition, given the dominance of private sector housing (Malpass 2008) and a commonly held view that housing practice is based on common-sense and involving low-level tasks such as allocation of property and rent collection rather than a defensible knowledge domain (Furbey et al., 2001, p. 37). In other words, those working in the social housing sector have traditionally struggled for recognition easily afforded to other professionals such as engineers or medicine, due to a lack of “ideological legitimacy”, a situation which was reinforced by obtaining a professional qualification and attachment to a professional organisations such as the Chartered Institute of Housing (CIH) was typically a low priority for housing organisations (Manzi and Richardson 2017, p.211). It is argued that the concept of professionalism in social housing has also been complicated by the absence of a definition of the role and identity of housing managers with interpretations varying from it being a caring role to one requiring business entrepreneurialism. This marginalisation has increased pressure on those within the social sector to secure greater recognition for professional status and professional autonomy (Manzi and Richardson 2017).

While there is a fixed notion of traditional professions such as engineering and architecture, the concept of social housing as a profession has been evolving over time. For example, social housing professionals have been affected by the increasing commercialisation of social housing in the UK, which has blurred the boundaries between public and private sector institutions, particularly as the former has increasing influence in the provision of housing services (Manzi and Richardson 2017). It is suggested that recognition of the social housing profession has been hampered by government policies which have created an expectation of owner-occupier tenure and marginalised social housing through the sale of social rented homes to sitting tenants in the Right-To-Buy scheme (Malpass and Victory 2010). Pawson (2006, p. 767) adds that this shift from public to private has been a constant and evolving feature in social housing in the UK, with the result that the sector substantially contracted, through the “privatising zeal of the Conservative administrations” of the 1980s and 1990s

which quickened under post-1997 Labour Governments. More recently the focus has been on restructuring the sector, to the point where the social housing profession is affected by market pressures the sector competes to acquire managerial and entrepreneurial skills which is in keeping with the increasing commercial focus driven not only by austerity but also by government social policy (Richardson et al. 2014).

There has been decades of decline in the social housing ethos which means that until recently it was deemed to be a service for the most disadvantaged and actively discouraged through national socio-economic policy. The system is perennially perceived as being under pressure or in crisis, subject to restructuring or modernisation (Malpass, 2008). The latest approach to housing is one of reform and modernisation, where professionals in the sector are being pressured to create commercially-based housing, capable of competing in the private domain. The pressure to reform, become more efficient and manage shrinking stock with increasing demand for housing has ensured that social housing providers have evolved into social businesses with an increasing sense of commercial opportunities and risks.

There has been a slow departure from a system, where social housing applicants were passive recipients of welfare benefits to a role not unlike that of consumers in the private housing sector (Pawson 2006, p. 780). There are clear benefits in terms of service for providers and tenants in this balance, yet this transition also comes at a price, as housing providers are increasingly regularised, subjected to periodic regulatory inspections, professionalised their mode of operation and have to justify their continued existence through formal appraisal. Restructuring through government policy has promoted “the migration of social housing away from the public sector and towards the private sector”, one where there is positive encouragement for housing providers to “seize new opportunities to make profits directly from different aspects of social housing” and aggressively pursue business-oriented goals (Malpass and Victory 2010, p. 17). This policy risks further marginalisation of disadvantaged

in the community and puts pressure on professionals in social housing in terms of business ethics and adherence to social values.

Pressure on Business Ethics

Aside from the need to become commercially aware and to work in collaboration public-private networks, social housing professionals are also aware that social housing is a sector under threat (Rhodes and Mullins 2009). There is a suggestion underpinning the aforementioned reforms that in market concepts and market forms of co-ordination, private sector actors have “all the trump cards”, while social housing through public subsidy is a redundant product (Rhodes and Mullins 2009, p.108). Social housing professionals are challenged by privatisation and tenant purchase programmes, a shift towards market-oriented policies and increased regulation, and as previously mentioned the lingering problem of stigmatisation. Public policy interventions have continually promoted competition and commercial management principles, driven the need for private financing within the social housing sector as a means of increasing efficiency and decreasing public spending whilst introducing new strategies to the provision of affordable housing. At the same time, there is a suggestion that social housing professionals/providers are at fault for monolithic estates and social segregation, the perceived persistent of worklessness and exclusion of tenants from asset-based wealth (Rhodes and Mullins 2009, p. 108).

Davies (2014) adds that the status of professionals in the sector has also been adversely affected by marginalisation of social housing in the UK, as over the past five decades successive governments have sought to offload what is considered to be a burden of social provision. The result is that there is a stigma associated with social housing which it is contended is reinforced by reduced investment in social policy and an increasingly market-based housing structure. These factors create tensions and uncertainty within the social housing profession when trying to balance the needs of commercialism whilst retaining

the social purpose of housing in the social sector (Malpass and Victory, 2010; Chevin 2013).

Whilst there are clearly tensions and pressure on performance, it is argued that professionals in social housing are committed to ethical behaviour, as the Chartered Institute of Housing (CIH) which is the professional body for this sector has a clear code of ethics. These ethics are similar to other professions and require professionals in housing to be accountable for the impact of decisions and actions and to adhere to practices that promote equality and diversity, inclusion and human rights. Housing professionals are also required to keep confidential or privileged information for employers, clients or customers and to demonstrate sensitivity for the customs and cultures as well as the beliefs of others (CIH 2015). It is evident that professionals in this sector have to juggle a myriad of skills and competencies and at the same time retain a high degree of integrity, keeping private, personal, political and financial interests separate to professional duties. Despite the commercial pressures of the social housing sector, professionals are required to act in an honest and fair manner with employers, clients, tenants, other professionals, providing an impartial and objective, conscientious and diligent service. It is also suggested that housing professionals need to make informed and impartial judgements whilst complying with ethical decision- making principles in reaching decisions, being conscious of the individual, social and environmental impact of these decisions (CIH 2015).

It is submitted that in a clear demonstration of the professionalism inherent in the housing sector, that managers in this sector may be increasing aware of the pressures for commercial practices and the need to cut costs and become more efficient, and as such these professionals are responding to this challenge. This is evident in the fact that many HAs are exploring ways of improving costs and at the same time ensuring that changes offer Value for Money for their residents, whilst retaining high levels of empathy. That said it can be frustrating

for professionals when changes are imposed on the sector without due consideration of the social impacts of such changes (Richardson et al., 2014).

Collaboration in Social Housing

It is clear that over the recent past restructuring, professionalism in social housing has been threatened by policies which appear to seek a shift from professionalism to managerialism. For example, government policies and the imposition of service monitoring and assessment has eroded some professional autonomy, status and income driven by pressure on employers to achieve performance indicators and the imposition of generic managers. The traditional concept of a professional was one of exclusive discipline and commitment to public service dominated by the policy process, which is difficult to retain in a system where focus is on market-based commercialisation and partnership arrangements and multi-agency relationships (Manzi and Richardson 2017).

The fact is that the social housing sector has evolved from a public-service to a service which needs to compete with the private sector and as such housing professionals need to be as commercially aware as the private sector. There is also pressure on the sector to become part of a network of services involving multiple agencies drawn from the private sector and voluntary sector agencies as well as community groups. While there are clear benefits to the collaborative working environment, it can be difficult to balance this holistic approach to social housing and at the same time achieve the financial and commercial goals set out by national government (Manzi and Richardson 2017).

According to Cristofoli et al., (2017) the social housing sector is not the only sector under pressure to act as part of a network of organisation, as government has been pushing this model of administration for decades. This is evidenced by processes/policies/concepts such as New Public Management and the concept of Public Governance. These concepts are found on the premise that collaborative relationships between public and private actors, with non for profit

organisations and social enterprises, can positively impact outcomes in that sector. The reality is that the drive for such collaborative partnerships is underpinned by the need for economic efficiency and greater public accountability. There is also the persistent underlying contention, that private enterprises can improve problems in the public sector, which it is suggested further undermines professionals in social housing (Manzi and Richardson 2017).

The fact is that the success of such partnerships requires the combination of three conditions, namely an understanding of the network complexity, effective and balanced network management and stakeholder involvement, with willingness to engage in adaptive management, coupled with resource munificence and network stability (Cristofoli et al., 2017). It is argued that this is difficult to achieve when social housing professionals are continually undermined by changing policy, reduced funding and lack of recognition of the value of this public service (Malpass and Victory 2010; Pawson 2006; Manzi and Richardson 2017). Fraser et al., (2017) agree, pointing out that it is difficult for social housing providers and local authorities to work in collaboration when both bodies are under different pressures, created through ineffective government policies. These bodies have a common purpose, however the housing crisis has created a growing gap between the urgent need of local authorities to house people and the shrinking ability of HAs to build or let at affordable rents due to the pressures of competition and commercialisation of social housing.

Summary and Conclusion

In summary it is suggested that the social housing sector is under threat, with almost constant change and withdrawal of public funding over the past few decades which has reduced the volume of housing stock in the UK. In recent times, the government has placed increasing pressure on the sector to become more competitive, efficient, and commercially aware. At the same time, there is

pressure on the sector to work in collaborative networks with public, private and voluntary bodies.

The social housing sector has suffered for decades with stigmatisation as an inept and inefficient sector. There is a persistent perception among the public and other professions that housing managers do not in fact represent a profession, as this sector does not have a unique bank of knowledge or expertise. This essay finds that such a perception is in part driven by government policy which persistently compares the social housing sector with the private market, a comparison that ignores the social value and complexity of social housing. It is found that housing managers are professionals with a plethora of skills and competencies. These include the ability to plan, organise, manage and control a finite supply of housing amidst year-on-year increase in demand and reductions in funding. Housing managers exhibit professionalism and an ethical approach to business promoting equality and accountability, despite the increasing pressures to become commercially aware and to emulate the private sector.

It is suggested that there is also pressure on housing managers to work in collaborative teams, which can be beneficial in delivering an effective service for clients and at the same time can be frustrating, as stakeholders typically have different goals and funding arrangements, which make it difficult to work towards the same objectives. In short, the government is driving the collaborative agenda with one hand and impeding such collaboration with the other through short-term fiscal and social policies.

In conclusion, this essay set out to explore the concept of the social values traditionally held by housing practitioners such social justice, equity and tackling disadvantage. It is concluded that housing managers, as a professional body remain committed to these same goals and values. This is not an easy process, as successive governments have reinforced the need for commercialisation of the housing sector. It is this same professionalism which enables housing

professionals to reconcile commercial and social demands, balancing commercial decisions with the need for a social conscious.

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