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World class

The government is promising to raise the bar on tenant involvement. But for real tenant influence we need to look overseas, as Simon Brandon discovers.

The new Tenant Services Authority promises to put tenants at its heart, brightening the outlook for residents in England and Wales. But not everyone is donning their sunglasses just yet. Mainland Europe, as ever, seems to have the better weather.

‘It would be good if we could achieve what they have in Scandinavia,’ says Marianne Hood, co-founder of the Tenant Participation Advisory Service, chair of the National Housing Forum and a fan of European tenant empowerment.

Michael Gelling, chief executive of Tenants and Residents Organisations of England, is similarly wistful. ‘[Scandinavian] tenants are embedded in parliamentary decision-making processes,’ he says. ‘They believe housing is important.’

It’s not just the Nordics, either. The German Tenants’ Union has more than 1.3 million members in public and private housing. But is tenant involvement in this country really so far behind the curve? Or could it be a case, as they say in Swedish, of ‘gräset är alltid grönare på andra sidan’ (the grass is always greener)?

Swede dreams

The International Tenants Union, formed in 1926, boasts the membership of 55 tenants’ organisations in 45 countries as far-flung as Japan and Uganda. Its president, Sven Carlsson, is a Swede, as is its general secretary, Magnus Hammar – and since the 1950s the organisation has been hosted in Stockholm by the Swedish Union of Tenants.

The link is not coincidental: the SUT, with 535,000 member households, is a major political force. Of those members, 54 per cent live in public housing while the remainder rent privately. ‘It’s a very powerful organisation,’ says Mr Hammar.

One of its primary functions – and the main reason Sweden is held up as a beacon for the tenant movement – is to negotiate rents on behalf of all tenants in Sweden, which it does for 90 per cent of the country’s 1.5 million rental properties (serving a population of just over 9 million).

‘The SUT has over 800 people fully employed,’ Mr Hammar explains. ‘Over half of those are involved in rent negotiations.’

Public housing in Sweden is closely linked to the private rented sector. Every Swedish municipality, equivalent to a local authority area, has at least one state-owned, not-for-profit municipal housing company. Each year the SUT negotiates rents for municipal tenants on a ‘prime cost’ principle; that is, rents should only cover basic costs such as maintenance, repairs and administration. Private rents are then set using the municipal rents as a baseline.

According to Mr Hammar, Sweden and Denmark are the only two countries in Europe where tenants can access truly public housing. Anyone can apply, regardless of their income, and rents are roughly equivalent wherever in Sweden you live.

‘Rents are not set according to location,’ says Mr Hammar. ‘A flat in the centre of Stockholm is no more expensive than one out in the suburbs. Rents are based on the interior condition of a property, not its location.’ As in England and Wales, Swedish tenants have the right to swap properties, but thanks to the rent arrangement and the fact that half the rented stock is publicly owned and available to all, their choice of where to live is much less restricted.

‘The Scandinavians seem to empower their citizens more than we do in this country,’ observes Mr Gelling. There is a chance, however, that this could soon all be at stake.

Could the disparity in the UK’s tenant participation models have its roots in different national approaches to tenure? ‘In this country, if you don’t own, you haven’t achieved,’ says Mr Gelling. Renters can be stigmatised, social renters most of all.

In Germany, another country with a strong tenant union and a co-funder with Sweden of the IUT’s new European Parliament liaison office, ‘people buy when they are older, when they settle,’ Mr Gelling explains. ‘Younger people tend to rent so they can stay mobile.’

Furthermore, he argues, Britons are just not that interested in politics. ‘Generally human beings are turned off by politics in this country, but in Europe they understand the implications. They believe in the power of local democracy – we are a nationally controlled society. It’s just the way the countries have been brought up.’

But it’s not all bad news for the British – who are, as Richard Hewgill, vice president of ITU and a board member at TPAS, points out, not averse to the occasional grumble: ‘Being British, we tend to look at things and say “can we never get things right?”. But the model here, although we all have concerns, is not by any means among the worst model around.’

Mr Hammar agrees there are some areas where UK nations do it better. ‘Maybe we have lost some of the grassroots perspective that I have found in England,’ he says. ‘English tenants have to do things for themselves. If you join an organisation [like SUT], you pay a fee and expect someone else to do it for you... I’m always impressed when I go to England. There is tenant involvement at a local level, but what is lacking perhaps is a national organisation.’

Not for long, however. Just such an organisation is being readied, as recommended by Professor Martin Cave’s 2007 review of social housing. The National Tenant Voice, a government-funded body that aims to involve and represent tenants’ interests at a national level, will, says the Communities and Local Government department, ‘ensure tenants can shape and influence policy and decision-making’. The details are still being worked out by stakeholders that include TPAS, TAROE and the National Federation of Tenant Management Organisations, although there has already been a suggestion that up to 15 tenants will sit on its board (*Inside Housing*, 29 February).

‘It could be brilliant,’ says Mr Hewgill. ‘If the NTV is listened to in the formation of policy rather than just making observations after papers have been written, we can do wonders here I believe.’

At present the new body is at the consultation stage, but in a year or two perhaps English tenants will be the envy of their Swedish comrades.

So it’s not all grey skies for tenants this side of the North Sea. Objectively, each model has its good and bad points. And it seems we are learning from one another. The IUT attempted to collate best practice from its members in 2004, when its conference in Birmingham ratified an international tenants’ charter.

‘It’s a statement of what we think would be good practice,’ says Mr Hewgill. ‘As a consensus view of where we ought to be it is an invaluable tool and a touchstone for everybody.’

The charter recommends the Swedish rent-setting model, for example, but it also encourages tenant involvement in the governance of their landlords – definitely more of a British concept. Tenant board members, so common over here, are unheard of in Sweden.

‘Most of the time there are voluntary agreements between housing estate management and tenants, but there is no formal dialogue,’ says Mr Hammar.

‘The Swedish model is run by mutual agreement. Maybe in the future we need to formalise things.’

The charter has cherry picked from France, too. There the right to housing is enshrined in its constitution, something the ITU is now lobbying the European Parliament to adopt.

While European countries can take quite different approaches, what they share is the importance they place on social housing. England and Wales are, in that respect, no different at all. We have our strengths as well as our weaknesses – one of which, as we all know, is a fondness for complaining about the weather.

Stockholm syndrome

The Swedish model of tenant empowerment almost sounds too good to be true – and according to Magnus Hammar, general secretary of the International Tenants Union, in the near future that could be the case.

In 2005, Sweden elected a right-wing government that is, he says, 'more on the landlords' side'. In April that government published the results of a study into the role of municipal housing companies, and suggested they be run as private, rather than not-for-profit companies. A bill to make this happen is currently under consultation. He believes this could lead to rents being adjusted according to a property's location. There is already some segregation between rich and poor, thanks to a black market of bungs that can accompany the house swap deals Sweden allows (see main article), but Mr Hammar believes this proposal will split the renting population further along socio-economic lines: 'No doubt about it.'

But the SUT's popular and political clout could still prevent this happening in full. 'We have to compromise,' says Mr Hammar. 'The SUT does whatever it can to lobby the government to not change the rent negotiation model too much. There will be changes, but hopefully not as many as in the report.'

Brussels sprout

In February, tenants got their foot in the door of the European Parliament for the first time when the International Union of Tenants opened an office in Brussels. 'It's one small room with one person in it, but it's a significant step,' says Richard Hewgill, the IUT's vice president. 'That person has started to work with lobbyists and other organisations. Even though housing is not a competency under the EU charter, issues like health and human rights are increasingly coming into [housing]. We feel these issues will be increasingly important.'

That person is Barbara Steenbergen, who until the Brussels office opened was policy maker in the German Tenants' Union. 'In the last two years so many decisions affecting housing came from the European institutions,' Ms Steenbergen explains. 'So we decided to open a liaison office.'

It has had a very good start, she says. Through Ms Steenbergen's office, the IUT can make representations to the EU in two ways: when bills are at the public consultation stage, or by suggesting amendments in its capacity as an NGO.

So far, energy has been Ms Steenbergen's main focus – the use of renewables in house building and the Europe-wide implementation of energy performance certificates – but she has bigger targets in her sights.

'Ireland rejected the Lisbon treaty – one of the reasons it was so unpopular was because social rights for citizens are missing,' she says. 'One of our main goals is to have an enforceable right to housing in the EU constitution.'

A further aim is to widen the scope of the European Regional Development Fund. 'Not many people know this, but it directly finances housing,' explains Ms Steenbergen – but only, at present, in the new, eastern European member states. The IUT would like to see it being spent on new development in the old member states, too.

It sounds like good news, but it might not arrive soon enough to help Gordon Brown meet his house building targets. As Ms Steenbergen concedes: 'These procedures are not as fast as we are used to in national politics.'

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