

Living Co-operatively: Affordable Housing - Sustainable Communities Symposium, 13-14 February 2008

Report from the break out workshop conducted on day 2 of the Symposium.

Workshop title: "Where to now? Ideas for action and recommendations flowing from the Symposium"

Chair: James Arvanitakis

James delivered a summary of key themes emerging from the Symposium:

1. **Market failure:** Recognise that market failure does occur and that there is a need to counteract it with real alternative co-operative structures.
2. **Alternatives exist:** Recognise that there are innovative and sustainable alternatives, as seen in the many best practice case studies presented – we need to share these examples.
3. **Roadblocks at all levels:** It is a given that all levels of government can be a help or a hindrance to the things we are trying to achieve.
4. **Partnerships are crucial:** Recognise we need to move beyond our 'silos', to work with others and across sectors.
5. **Social capital is built:** Social capital is a productive process – it is the thing that binds us and our actions bring it about.
6. **Be Proactive:** Unless we do something things will get worse before they get better.

James introduced the break out workshop:

Theme: Where to from here? Break out groups were asked to discuss 2 or 3 things we should do moving forward. The recommendations were reported back to the Symposium.

Rapporteurs

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Summary of outcomes:

1) Promotion

Context: We need a communication strategy to counteract the idea that it is not possible or too hard to make alternative forms of house ownership a reality. The welfare residual model has got to change. The image of co-op and community housing has to change.

Suggestions:

- Develop a national campaign using new media and engaging with community networks across Australia to increase information and understanding about co-operative models so that people can consider it a viable option.
- Promotion needs to be at a very public/popular level (even a TV lifestyle program on co-operatives!)
- Focus on key messages that this is about building communities.
- Promote the model to local government. Bridge the gap between policy makers and co-op advocates. The attention on co-ops is lacking at LG level. There should be more dialogue across and within councils.

- Housing sector as a whole needs a communication campaign: Multi-pronged and on the ground communication to increase understanding of the benefits of the co-op model for the community.
- We need a campaign that is repetitive and popular to create a mind shift change. When we explain to people and the government what co-operatives are - should we even use the term?

2) Education

Context: Mainstreaming Cooperative Housing – we need to create shift in public perception that co-operative housing is for all. How to change that perception?

Suggestions:

- Awareness raising through media showcasing of successful examples.
- Better marketing of co-operatives as a choice.
- Bring together all research literature on co-operative success.
- Regenerate and support co-operative activity.
- Establish a national network on the topic.
- Educate to tackle some of the big myths (the importance of the quarter-acre block, the neo liberal approach is the only way, and so on). Challenge the perception of housing as just an investment – it's about people.
- Define what the notion of 'home' means and start thinking about social capital.
- Papers from this conference should be shared.

3) Social capital

Context: we need to have some control of how social capital is portrayed. "Bonnyrigg" is one example of knee-jerk media portrayal. Social capital is about communities and we need to promote this.

Suggestions:

- Grab hold of the notion of social capital and use it for preventative and social planning purposes rather than focussing on remedial responses (to problems that lie at the end of the welfare system).
- Generate and collate research so that that the true picture of the sector can be known and best practice can be shared.
- We need mechanisms to access and evaluate social capital, and to improve language and understanding of the notion of social capital.

4) Partnerships

Context: We need to develop partnerships at many levels which the community based housing co-ops can access. Councils and developers are seen as key partners. Local government can be effective partners but their funding issues need addressing too. If council is better funded they can become effective partners to utilise land and planning tools for affordable housing purposes.

Suggestions:

- Collaborate with savvy and socially responsible politicians and network with people in positions of power to move forward as a group and to table some of the issues.
- Bring the three tiers of government together on the issue of co-operative and affordable housing.
- Use existing networks such as Get Up to launch a national campaign.
- Engage with the arts community to promote some of the key messages such as the distinction between 'place' and 'home'
- Collaborate with architects and designers to promote good building design.

5) Roadblocks & innovation

Context: There are many roadblocks to overcome - co-operative housing is an obvious, sensible solution so we need to think about what is blocking it.

Suggestions:

- Competition versus co-operation paradigms. The community sector competes for funding from meagre program grants. We don't need \$9m a year; we need '\$30b'. As a sector we should co-operate with each other instead of fighting over the small program scraps.
- We are inspired by the owner tenant co-op models of Sweden - but our land values make it hard to do what they did. Land costs are rising. As long as we're locked into rising housing costs then people will be locked out of affordable housing.
- Subsidising the private real estate market is a losing game.
- Look at the opportunity for long term leases and what processes justify rental increases.
- Who is going to help? As long as 51% of voters make money out of runaway real estate prices, the Federal government is unlikely to help much. In this country, there is no solution to the housing problem unless it becomes a political problem.
- Take land out of the real estate market first and this will bring down housing costs - see zoning.
- Make public housing productive. Open it up to different income groups and use the assets (debt).
- Encourage and support public housing tenants to set up co-operative enterprises and schemes.
- Scrap negative gearing but grandfather it to give investors time to adjust. Target tax breaks towards low-income low rent investment properties. Could potentially put \$30b a year (tax savings) into affordable housing.
- Apply CGT and land tax to all housing.
- Substantially increase the budget for not-for-profit housing in Australia.
- Reform squatting laws and put the 120,000 vacant buildings to use. Overcome safety issues.
- Form a group of representatives to lobby the Rudd government in terms of affordable housing legislation including co-op housing. Need to set up some working parties to come up with a 10 point plan. The 'Rudd 100' is a way to get in the door to take the housing agenda forward.
- Start a co-op yourself!

Planning controls:

- Need some rethinking and there needs to be pressure to change the controls where they are blocking innovation (e.g. boarding house design).
- Fix planning laws and regulations to support co-ops. But we also need to fix the culture and attitudes towards more community-oriented living.

Restructure housing departments:

- Housing departments currently have both 'regulator' and 'support' roles. These need to be separate agencies - one to provide development support and one to regulate compliance issues. The sector is subjected to extraordinary pressure and regulation and is suffocated by it.

Compliance:

- Compliance is the main issue for co-ops. They should be recognised for their core value - social capital too.
- Title over public housing assets could be transferred (without any encumbrances) to either peak bodies or co-operatives directly, to enable the generation of real ownership.

- Handing over title would provide recognition for the sweat equity currently put into co-operative development (no incentive to improve value or maintain assets in good condition under current regime).
- Handing over title would provide the ability to leverage funding against the assets for expansion and improvement.
- Social accounting systems could be used to measure the costs and benefits of doing this – and for co-operative housing generally.
- Governments will need to be persuaded that this is not “too risky”.

Finance:

- A good level of seeding money is critical.
- There are sources at LG, state and federal level (such as the rental bond board). It's there - go and get it!
- Be more proactive about how we access interest free loans (e.g. through rental bond board) and approach other banking opportunities (e.g. Bendigo Bank, mecu).
- Ways to get in? A saving scheme for young people to provide an incentive to move into co-op housing.
- Financing of co-operative housing - interest free loans to members for two years – covered by Government guarantee; private funders/social investors (e.g. CDFIs, ethical investors) sought to finance co-operative housing and other alternative home ownership models; social entrepreneurs can deliver ‘patient equity capital’ for co-operatives (many examples exist overseas).

Zoning:

- Private land is part of the speculation spiral. We need to take some of that land out of the cycle, and set it aside for specific public purposes such as co-operatives.
- The whole system is suffering from the inadequacy of housing supply. One suggestion is to explore the capacity for purchasing surplus sites that could be re-zoned for residential purposes.

Design:

- Design needs to be linked to the way people relate to ‘space’.
- There are market opportunities here for housing co-ops to meet niche needs (e.g. ‘ageing in place’ solutions for rural based retirees moving into farm based retirement clusters rather than into townships).
- Go towards environmentally sustainable housing as well as economically sustainable. Peak oil and climate change will change the way we live and urban and rural design.

Conclusion by Gun-Britt Mårtensson (reflections and observations)

- The co-op housing movement must stand tall and be a force to be reckoned with. There are many examples of best practice
- Come together co-op to co-op, to be stronger.
- Support your case with available research - support academics, this research is vital.
- Use your politicians - harass them, they are there to serve you. Ask Local Government to work with you. With a holistic approach it is possible to grasp the window of opportunity.