Deep Roots,
Diverse Communities,
Dedicated Service:

The Legacy, Value and Future Potential of Black and Minority Ethnic Housing Organisations in England

DIVERSE COMMUNITIES

DEDICATED   SERVICE

DEEP ROOTS

BME national

Deep Roots, Diverse Communities, Dedicated Service

The Legacy, Value and Future Potential of BME Housing Organisations in England

Kevin Gulliver and Dawn Prentice

October 2015

CONTENTS

List of Tables, Charts and Maps

About the Authors

Kevin Gulliver is Director of the Human City Institute, Chair of the Centre for Community Research, and partner in SWS Communications.

Dawn Prentice is Public Affairs Manager of the Human City Institute, Director of Dawn Prentice Communications and a partner in SWS Communications.

Acknowledgements

Foreword

Doreen Lawrence OBE
Baroness Lawrence of Clarendon

BME housing organisations were created in the last half of the 1980s as a response to the continuing poor and overcrowded housing in which many Black, Asian and Minority Ethnic people lived.

Their foundation also recognised that institutional racism and discrimination existed in the UK's housing market and in the allocation of council and housing associations homes.

This was backed-up by a series of 'race and housing' studies that illustrated how BME people fared less well in the lettings processes of social landlords.

Some institutional discrimination was revealed, although this was not widely acknowledged in a range of sectors at the time.

Despite massive improvements in social housing, BME people are still more likely to be homeless, to live in lower quality housing and in more disadvantaged neighbourhoods.

This is why, as this excellent report points out, BME housing organisations need to continue and grow; both to offer alternative housing to BME communities and to campaign on behalf of wider BME issues.

I am sure that, with the support of the wider social housing movement, BME housing organisations will continue to thrive and provide opportunities to BME people to control community assets.

May they long remain influential avenues for BME people to develop their talents and fulfil their aspirations. This timely report suggests a range of ways in which these ambitions can be achieved.

Introduction

Matt Cooney,
Chair of the Project Steering Group and
Chief Executive of the Asra Housing Group

It falls to me, as Chair of the Steering Group for a major research project and campaign to explore and advocate the work of BME housing organisations, to introduce the report from eighteen months of work by a wide range of organisations and people.

Firstly our thanks to Cym D'souza of Arawak Walton, Jackie Adusei of Ekaya, Ali Akbor of Unity, Llewellyn Graham of Nehemiah-UCHA, Mushtaq Khan of Aksa Homes, Richard Renwick of Tuntum, Amanda Tomlinson of Black Country Housing Group, Ian Ankers of Bolton at Home, Jill Hellings of Leeds Federated, Tracey Gore of Steve Biko, Jane McCall and Mike Corfield of Trafford Housing Trust, and Tony Clark of Trident and Matrix for their input and commitment.

Secondly, many thanks to the sponsoring housing organisations. Their logos can be seen on the back cover of the report. These organisations have contributed funding to support the research and campaign, provided meeting space and taken part in our regional roundtables. Some have also helped with resident focus groups. All have given time, advice and feedback as the research and campaign progressed. Their input has been invaluable in shaping the final report.

Turning to the report itself, I believe it provides the most up-to-date review of the BME housing sector in England. As the title suggests – *'Deep Roots, Diverse Communities, Dedicated Service'* – the report portrays a BME housing sector that is embedded in communities marked by their diverse ethnic mix, providing culturally sensitive and highly valued local services.

The report describes challenges too; not least the voluntary Right to Buy, the reductions in our rent rolls over the next four years, and tenants and communities who are having difficulty with austerity and welfare reform. Nevertheless, the report points to ways in which BME housing organisations can adapt to change, develop individual and collaborative approaches, and continue to provide new housing, and to create economic and social value in some of our country's most disadvantaged communities.

Overview

BMENational Executive

Cym D'Souza,
Chair BMENational and Chief Executive, Arawak Walton Housing Association

Jackie Adusei,
Vice-Chair BMENational and Chief Executive, Ekaya Housing Association

Ali Akbor,
Chief Executive, Unity Housing Association

Llewellyn Graham,
Chief Executive, Nehemiah UCHA

Richard Renwick,
Chief Executive, Tuntum Housing Association

The following report covers the key findings, conclusions and recommendations from a major research project undertaken in partnership between BMENational and the Human City Institute. It is fitting that the report is published during Black History Week. The research has been ongoing from mid-2014 until October 2015, which is Black History Month. The report has been made available at the BMENational conference in October 2015.

The research grew out of BMENational requiring up-to-date research about the BME housing sector, resulting in an evidence base around our work upon which to promote the legacy, value and future potential of the sector. The research has been accompanied by a campaign in the media to underscore that BME housing organisations have a major role to play in a rapidly changing operating environment.

The report makes a strong case for the continuance and expansion of the BME housing sector as a key contributor to meeting the needs of BME communities, as a community anchor and investor, and as a generator of economic and social value. It provides an overview of our thirty year legacy, revealing that we have deep roots in the communities from which we sprang.

The report further provides an updated description of our sector as wielding significant, collective resources and with major opportunities to develop an enhanced role in community-based housing at time when 'big is beautiful' should be challenged.

We recommend that the wider social housing sector, decision-makers and opinion-formers take on board the findings of our research. We look forward to discussing the full report with a wide range of stakeholders after its publication.

HEADLINES

WHY BME HOUSING ORGANISATIONS REMAIN IMPORTANT

- BME communities, despite a half century of improvement to housing conditions and state action on racial discrimination, remain more likely to be homeless with 1 in 3 homeless applicants accepted by local authorities from BME communities compared with 1 in 7 of the total population. BME communities are more likely live in poor and overcrowded housing, be fuel poor, experience inequalities in health, employment and social mobility.

- BME housing organisations are deeply embedded in the most disadvantaged communities, creating significant social value through a range of community initiatives. Most of their contractors are local ensuring that investment stays in the community. BME housing organisations remain anchored in the communities that founded them. And they are bridges between communities and key vehicles for local people to have a say in how their housing is managed and developed. They are major successes for BME communities enabling local assets to be controlled by these communities and considerable social capital to be built.

- Their work creates extensive economic value in often fragile local economies. More than £200m in Gross Value Added (GVA) is generated from investment in development, repairs and maintenance, local procurement and expenditure in direct and indirect supply chains. This investment sustains 1,000 jobs in local economies on top of the 3,500 people employed directly by the BME housing sector. The presence of BME housing organisations in the most disadvantaged communities confronts poverty, discrimination and austerity at a very difficult time for people on low incomes and benefits. They invest £150m yearly in communities and for each £1 invested, up to £5 in additional social value is generated.

WHY AND HOW THE BME HOUSING SECTOR SHOULD EXPAND

- BME housing organisations should continue to make a significant contribution to meeting the housing, care, health and employment needs of BME communities, plus those of new migrants, as these are not adequately met by mainstream social housing providers; nor will they as commercialism and diversification into other markets takes place.

- BME housing organisations are major successes for BME communities enabling local assets to be controlled by these communities and considerable social capital to be built. They should remain a vibrant part of a plural social and affordable housing sector in the UK.

- BME housing organisations operate mainly in some of the country's most deprived neighbourhoods in the major towns and cities of England and their presence there is a bulwark against poverty, discrimination and austerity.

- BME housing organisations are good value for money, well-managed and deliver well-received, culturally sensitive and community-focused services. They remain truly social purpose organisations still embedded in the communities that founded them.

- BME housing organisations, like all social landlords, are facing stiff challenges from the voluntary Right to Buy, rent reductions, austerity and welfare reform that will require collaborative, imaginative and innovative responses.

- The BME housing sector needs to expand in terms of the number of homes managed and the range of services provided. This expansion should be through trade associations, regional forums, partnerships with mainstream social housing providers and local authorities, group structures, mergers and individual initiatives. Expansion should be via organic development, stock rationalisation and transfer, and via the inculcation of mutual housing approaches to BME community involvement and management.

- The future of BME housing organisations is contingent upon a more coherent and long-term expression of vision, mission and values via BMENational, regionally and locally, and supported by a well rolled-out communications strategy, lobbying and influencing of key stakeholder groups.

- The future also depends on better collective endeavour through BMENational, which needs to broker sector-wide, regional and local initiatives to support expansion and to improve the durability of the sector as a whole. Joint approaches around raising finance, procurement, sharing services, expertise and specialism, so creating a more resilient BME housing sector, are crucial to survival in a challenging operating environment where the status quo is no longer an option.

SUMMARY

About the Report

- The report covers the findings, conclusions and recommendations of a major research project undertaken in 2014/15 by BMENational, the representative body for black and minority ethnic (BME) housing organisations in England, and the Human City Institute (HCI), a research charity and think-tank. The report:

  - *Chronicles the history and legacy of the BME housing sector covering developments linked to the sector's representative bodies, BMENational, and before that the Federation of Black Housing Organisations (FBHO).*

  - *Explores the emergent operating environment for BME housing organisations and describes the potential challenges.*

  - *Puts in place an evidence base of the shape, performance, achievements, economic and social value, and VFM of the BME housing sector.*

  - *Investigates the critical success factors that underpin the continuance of the BME housing sector and what they, and BMENational might do to ensure greater future success.*

  - *Undertakes future-scoping, sourcing potential new work areas for BME housing organisations, to aid BMENational's strategic trajectory.*

Structure of the Report

The report is in three parts:

PART I – Reviews the past and present of the BME housing sector, exploring the legacy of the sector and describes its current shape. It then depicts the community investment, social value and value for money of the BME housing sector.

PART II – Sets out the key characteristics of the current operating environment for BME housing organisations. It then asks why BME housing organisations remain important. It moves on to provide a profile of tenants of BME housing organisations, and what they value and expect of BME housing organisations. Some consideration of critical success factors for BME housing organisations follows. Potential futures for BME housing organisations are then laid out.

PART III – Conclusions and recommendations are presented.

PART I – Past and Present

The Legacy of the BME Housing Sector

- BME housing organisations have a proud legacy stretching back thirty years of housing BME communities and new migrants. BME housing organisations operate mainly in some of the

country's most deprived neighbourhoods in the major towns and cities of England and their presence there is a bulwark against poverty, discrimination and austerity. For three decades, they have been effective community-based housing organisations working closely with local people to provide a culturally sensitive service. These needs of a growing BME population are not being met adequately by mainstream social landlords.

- The BME housing sector was supported by the social housing's regulator, the Housing Corporation, aided by the National Housing Federation. The Housing Corporation in 1986, ten years on from the Race Relations Act 1976, launched its Black and Minority Ethnic Housing Policy to aid existing and embryonic BME housing associations to develop housing, board members, staff and to add value to the local community. Within five years more than 40 BME housing associations had been created, later rising to over 100.

- A second five year plan was published by the Housing Corporation in 1992 followed by a final enabling framework in 1998. This policy development was punctuated by the Housing Act 1988, which enabled housing associations to raise greater levels of private funding and to set their own rents.

- Alongside regulator support, many mainstream housing associations, especially those working in areas of high BME concentration – typically inner London, Birmingham, Leicester, Nottingham, Sheffield, Bradford, Manchester, Oldham, Liverpool and Bristol – formed housing development and management partnerships with the new BME housing associations. These partnerships continued on and off for the next twenty to thirty years.

- In some cases, BME housing associations became successful and highly influential parts of group structures. Other BME housing associations were less fortunate in their choice of group and were subsequently wound down. Some BME housing associations were able to grow through merger resulting a smaller number of organisations but with greater reach.

The Shape of the BME Housing Sector

- Today there are 70 BME housing organisations managing 65,000 homes in mainly the inner areas of the UK's big cities. They control assets estimated at £1.8bn and build considerable social capital on the back of these assets. BME housing organisations are a small but vital part of the social housing sector comprising 2-3% of the housing association stock. Just over half are full members of BMENational. They operate in about 100 local authorities, primarily in London and the conurbations of the Midlands and the North.

- BME housing organisations house mainly South-East Asians, African-Caribbeans, Chinese, Vietnamese, Irish and Jewish people. They increasingly assist non-BME people and new migrants (including from Eastern Europe). Refugees from various war zones past and present are also supported by BME housing organisations. They retain their role in meeting the special needs of BME communities but most have branched out over the last fifteen years into meeting general family needs, homelessness, refugees and asylum seekers.

- The BME housing sector can be sub-divided into three, although not distinct groups. These are independents, which form the majority; members of groups structures; hybrids which have developed beyond BME housing alone but retain BME values; and mutuals.

Community Investment, Social Value and Value for Money

- BME housing organisations are deeply embedded in the most disadvantaged communities, creating significant social value through a range of community initiatives. Most of their contractors are local ensuring that investment stays in the community. BME housing organisations remain anchored in the communities that founded them. And they are bridges between communities and key vehicles for local people to have a say in how their housing is managed and developed. They are major successes for BME communities enabling local assets to be controlled by these communities and considerable social capital to be built.

- Their work creates significant economic value in often fragile local economies. More than £200m in Gross Value Added (GVA) is generated from investment in development, repairs and maintenance, local procurement and expenditure in direct and indirect supply chains. This investment sustains 1,000 jobs in local economies on top of the 3,500 people employed directly by the BME housing sector. The presence of BME housing organisations in the most disadvantaged communities confronts poverty, discrimination and austerity at a very difficult time for people on low incomes and benefits. They invest £150m yearly in communities and for each £1 invested, up to £5 in additional social value is generated.

PART II – Futures

The Emergent Operating Environment

- **Rent Reductions:** Loss of rental income will severely impact the ability of BME housing organisations to invest in new and existing homes. BME housing organisations will lose between £600k and £2.5m each over the next four years, dependent on their size. As relatively small organisations, lower staff numbers and salary levels already recognise the need to provide greater VFM. The rent reductions will further curtail the impact BME housing organisations have on the most deprived areas in major cities, where we chiefly operate, through our acknowledged expertise in delivering culturally sensitive services and highly valued community investment.

- **Affordable Rent and Extended Right to Buy:** The emphasis has been on moving towards a 'consumer' model of social housing management accompanied by the introduction of the Affordable Rent Programme where rents are set up to 80% of market rates on new homes largely funded from private financial institutions. There are pressures on social landlords to reduce costs with savings deployed to subsidise new housing to help reduce the structural deficit as part of the government's austerity programme. The extended Right to Buy will severely curtail the ability of BME housing organisations to meet housing needs in the country's most deprived communities, even if there is a speedy one-for-one replacement.

- **Welfare Reform:** Since 2010, and with the Conservative Party obtaining an overall Parliamentary majority after five years of coalition government, the welfare reform policies commenced in the 2010 to 2015 period are being accelerated and, since the Budget 2015, new policies are being introduced. Of particular concern to BMENational members is the impact of the Bedroom Tax on BME families, which are larger than the average. The Benefit Cap is also affecting BME disproportionately. Welfare reforms are of particular concern to London BME housing organisations, where household incomes are generally higher.

- **The Regulatory Framework:** The HCA's regulatory framework incorporates standards for social housing providers with required outcomes and specific expectations. Where relevant, they reflect the Secretary of State for Communities and Local Government's directions on specific regulatory standards. These are the governance and financial viability standards, the value for money standard and the rent standard. 'Consumer' standards include tenant involvement and empowerment, homes, tenancies and neighbourhood and community. Alongside, there are a range of requirements around equality and diversity. The majority of BME housing organisations fall outside the major part of the regulatory framework since they manage less than 1,000 homes.

- **The Social Landlord Role:** The social landlord role is being questioned, with increased emphasis on new house building rather than housing and neighbourhood management. Austerity policies and the need to maximise the number of homes from dwindling resources have pushed the social housing sector into seeking new ways of working and fresh sources of private

finance. BMENational contends, however, that much policy discourse around the future of social landlordism tends to advantage larger organisations. BMENational argues that social housing and tenants are best served by a pluralist and community-focussed sector, with the 'social' remaining a major part of the BME housing sector 'offer'.

Why BME Housing Organisations Remain Important

- BME communities experience disproportionate housing need not met adequately by the mainstream housing sector or the wider housing system. BME communities are still more likely to be homeless and living in poor or overcrowded housing. Alongside, BME communities are subject to health inequalities and failures of the care system. In addition, their generally lower socio-economic status means a more precarious existence and a likelihood to be living in a disadvantaged neighbourhood.

- BME housing organisations enable a more plural and community-based social housing sector to continue, ensuring that all parts of society receive access to affordable and social housing. BME housing organisations operate mainly as community-based agencies, close to the people they house, providing culturally sensitive services to BME people in both housing schemes and their outreach work. BME housing organisations also operate as community advocates while enabling BME communities to oversee local assets, offering enhanced community durability and enhanced life chances for local people.

What Tenants Want

- More than four in five tenants of BME housing organisations are from a BME background compared with one in five of tenants across the mainstream social housing sector. Twenty-one

per cent are from an Asian background, 29% are African Caribbean, 9% are of Mixed Ethnicity, tenants of Irish origin account for 6%, Eighty per cent are UK nationals compared with 90% for all social landlords, One quarter of BME housing tenants are under 25 years and one fifth are over 60 years. Almost two thirds are female headed households. More than half of work-aged tenants are economically active.

- Tenants of BME housing organisations see their social landlords as invariably effective and beneficial agents in their lives and communities. Tenants view them as organisations that treat everyone fairly, are trustworthy, resolve conflict, bring different cultures together, promote tolerance and deal with community problems as they arise. BME housing organisations are seen as welcoming, open about their work and activities, providing access to good quality information that tenants need, and receptive to tenants' views. Their service delivery is seen as crucial to the well-being of individual tenants and community vitality.

- Tenants want their BME social landlords to continue to continue to provide homes in their vicinity and offer more homes with larger numbers of bedrooms. The mounting needs of BME young people to access affordable housing locally, especially in London, is seen by tenants as a growing challenge to community cohesion and stability. The ageing of the BME population is intensifying housing, health and care needs, which require action by BME housing organisations. Tenants wish the range of culturally sensitive services to be expanded by BME housing organisations to cope with diversifying local communities through new migration, asylum seeking and new refugees.

Critical Success Factors for BME Housing Organisations

- The range of research with stakeholders, partners, tenants and with BMENational members suggest that critical success factors include:

  - *Improving the size and quality of the asset base in terms of the housing and community facilities owned and managed.*

  - *Improving access to existing and new forms of finance.*

  - *Confronting challenges of the operating environment strategically and collectively.*

  - *Setting a clear vision, mission and values, communicating effectively what BMENational, and its members, have to offer and wants to achieve.*

  - *Working collaboratively within BMENational and with a wider range of public, private and third sector partners.*

  - *Developing sectoral partnership vehicles.*

  - *Accessing new markets and delivering new services.*

  - *Considering the cost-benefits of mergers, group structures, consortia and partnerships.*

Potential Futures

- Expansion of the BME housing stock is crucial for their future vitality. New sources of finance, joint development and stock transfer from others are ways to achieve this ambition. Mutual

approaches also offer BME communities devolved management and provide more control of housing and community assets by BME communities.

● BME housing organisations need to embrace diversification and access new markets, including integrated health, social care and well-being policy areas. Undertaking needs and housing requirement assessments, promoting community cohesion, tackling extremism, and improving employability of BME people are emergent markets that BME housing organisations will explore. BME housing organisations will equally need to engage further with meeting the needs of new migrants, asylum seekers, gypsies and travellers, and other emergent groups.

● The creation of a series of partnership vehicles, between BME housing organisations, that improve VFM to their tenants, including joint procurement, housing development, repairs and maintenance, servicing of communal areas and gardening services, and back office services. These vehicles might be created as social enterprises to offer further employment, training and volunteering opportunities to tenants, are potential areas of activity. Knowledge transfer, facilitated by BMENational, will strengthen the sector's impact and value creation.

PART III – BME Housing Moving Forward

Conclusions

1. BME housing organisations have deep roots going back thirty years in the most disadvantaged communities of Britain's major cities and towns. BME housing organisations grew out of the need for greater access to social housing by BME communities, in the wake of 1980s disturbances and the growing special needs of BME communities. Their achievements over the last thirty years have been considerable. And even though there are fewer today than at their peak, the majority are viable community-based social enterprises providing culturally sensitive services with a bright future despite financial and policy pressures.

2. Today BME housing organisations are a small but vital part of the social housing sector, provide significant housing opportunities to BME people who still experience disproportionate housing need. Despite achieving greater equality, many BME communities still experience higher levels of housing need, health inequalities and greater intensity of socio-economic disadvantage. The mainstream housing sector taken as a whole, does not meet this disproportionate need, pointing to the requirement for a BME housing sector to continue to exist, and to expand and thrive in future.

3. BME housing organisations are major successes for BME communities enabling local assets to be controlled by these communities and considerable social capital to be built. They operate mainly in some of the country's most deprived neighbourhoods in the major towns and cities of England and their presence there is a bulwark against poverty, discrimination and austerity. They play a pivotal role in many inner city neighbourhoods, from which they were born, and to which they retain their focus, and have a proud record of supporting local economies, creating employment and generating social value.

4. BME housing organisations are good value for money, well-managed and deliver well-received, culturally sensitive and community-focused services. They remain truly social purpose organisations still embedded in the communities that founded them. However, they need to confront some of the emergent challenges in the operating environment, including the effects of rent reductions and downwards pressure on costs, the loss of assets in the shape of the extended Right to Buy, the changing nature of the social landlord role, the impact of welfare reform, and mounting needs in BME communities.

5. A bright future for BME housing organisations requires a more strategic approach by the sector as a collective, since working together, significantly increases bargaining power, enabling a stronger voice in policy discussions and formulation. Joint working across a range of activity areas, especially housing development, raising finance, procurement and sharing back office services, will improve cost-effectiveness. Expansion also requires commitment from the wider social housing sector to support BME housing organisations by joint development approaches, partnerships, alliances and group structure arrangements in some cases, and a commitment to stock transfer.

Recommendations

1. The future of BME housing organisations is contingent upon a more coherent and long-term expression of vision, mission and values, communicated via BMENational, regionally and locally, and supported by a well rolled-out communications strategy, lobbying and influencing of key stakeholder groups. The future of BME housing organisations is contingent upon collective endeavour through BMENational, which needs to underscore and promote the sector's values, secure a higher profile and broker sector-wide initiatives to improve the durability of the sector as a whole.

2. To achieve expansion, the BME housing sector needs a long-term vision and strategy that incorporates collective endeavour. BMENational should engage in long-term planning over at least a ten year period and needs to revisit its vision, values and brand to embed a strong current and future narrative which should be communicated consistently, clearly and coherently over the coming years.

3. The BME housing sector should expand in terms of the number of homes managed and the range of services provided. This expansion should be through trade associations, regional forums, partnerships with mainstream social landlords and local authorities, group structures, consortia, mergers and individual initiatives.

4. The BME housing sector needs to develop satisfactory sectoral data about performance, VFM and the creation of additional economic and social value. BMENational should lead on this. A BME housing sector benchmarking club, publication of an annual report and an ongoing research programme are key examples of the required approach.

5. There is considerable scope for BME housing organisations to access new markets. Integrated health, social care and wellbeing policy areas offer various and multiple opportunities; especially since health inequalities persist in BME communities.

6. BME housing organisations should engage with meeting the needs of new migrants such as Eastern European economic migrants, refugees and asylum seekers, those of gypsies and travellers and other groups that emerge in the coming years. All require consideration alongside potential funding pots to meet such needs.

7. BME housing organisations have opportunities to create a series of partnership vehicles, between themselves and with others, perhaps on a geographical basis, that improve VFM to their tenants, including joint procurement, housing development, repairs and maintenance, servicing of communal areas and gardening services, and back office services. These vehicles might be created as social enterprises to offer further employment, training and volunteering opportunities to tenants.

8. An 'internal' BMENational 'market' might be developed where specialist expertise from one BME housing organisation might be shared with others to enhance the BME housing sector as a whole, and to strengthen the sector's impact and value creation.

9. BMENational should commission research into potential new funding routes for members from a variety of government, LEP and European Union funding sources, especially around economic development, improving the employment prospects of BME people, reducing financial exclusion, and enhancing community resilience and cohesion.

10. Stock development should be upgraded, through a range of activities, including new sources of finance and joint working, plus stock transfer from local authorities and housing associations. Over the next five years, the BME housing stock should seek to expand via a variety of

development, internal transfer and partnership approaches. However, this will be difficult against the backdrop of Right to Buy.

11. Mutual approaches offer BME communities, living in social housing opportunities to create devolved management structures within existing social housing organisations and provide more control of housing and community assets by BME communities. The Right to Manage might be utilised as a potential means of transferring control of council housing to BME communities and agencies. Community Land Trusts, Co-Housing schemes and Community Shares offer further options for development of mutualism.

1.

About the Report

Introduction

This is the report of a wide-ranging research project between BMENational and the Human City Institute (HCI). The research for the project ran from Summer 2014 to Summer 2015. The research has been accompanied by a campaign to highlight the legacy, achievements, current configuration and potential futures of the BME housing sector. The report's title is **'Deep Roots, Diverse Communities, Dedicated Services: The Legacy, Value and Future Potential of Black and Minority Housing Organisations in England'**.

This is how Cym D'Souza, Chair of BMENational describes the joint project:

"BMENational is one of Europe's success stories for black and minority ethnic communities controlling local housing and community assets. But we need to develop a new strategy to face a challenging operating environment. So BMENational has joined forces with the Human City Institute to undertake extensive research that covers a review of the BME housing sector's legacy, value and potential futures. We are confident that with our deep roots, our longstanding support for diverse communities, deployment of our collective assets and our dedicated service delivery, we have much to offer social housing in the UK. This is the message we will be taking to the country over the coming months following publication of the report."

The report has been written during a period of unprecedented change for the social housing sector generally and for housing associations in particular. The reduction in capital funding for housing associations, begun in the 2010 Comprehensive Spending Review, and the move towards 'affordable rents'; the extension of the Right to Buy to housing association tenants; and the required 1% rent reduction annually for the next four years, have created an environment where assets are being eroded and incomes are falling. Alongside, social tenants have been under unfair attack from the media in the 'strivers versus skivers' debate. They have also been targeted directly by welfare reforms, such as the Bedroom Tax, and indirectly via general cuts in welfare benefits and various welfare caps.

Much of this change is still unfolding and the full implications are yet to be felt. However, what can be concluded is that the BME housing sector is more likely than the remainder of the social housing sector to be affected by many of these challenges; especially reductions in rental incomes and the effects of welfare reform on their tenants. This is the backdrop against which the report has been written.

Origins of the Research

The Human City Institute (HCI) held a roundtable with BMENational at the National Housing Federation conference in September 2013, chaired by Inside Housing. The roundtable, which was well-attended by BME housing organisations from across the country, began the process of exploring potential futures for BME housing organisations.

In the following months the two organisations continued a dialogue about launching a major research and campaign project. However, with the change in Chair at BMENational, decisions were put on hold. In May 2014, with Cym D'Souza elected as new BMENational Chair, it was agreed to raise funding to support the project, which started in earnest in September 2014.

The first phase of the research was a data collection exercise to inform the 'Shape of the Sector' study. The results from this exercise and initial feedback from stakeholders were the basis for the

report presented to the BMENational conference in October 2014. Since then, the research has developed considerably, accompanied by dissemination of findings on an ongoing basis with the media, stakeholders and funders.

A full summary of key findings was taken to the Chartered Institute of Housing conference in June and received wide dissemination through the housing media.

Research Aims

The project has aimed to be as comprehensive as possible and has the following objectives:

1. To chronicle the history and legacy of the BME housing sector covering key achievements and the primary developments.

2. Develop an evidence base of the shape, performance and achievements of the BME housing sector via a variety of research approaches.

3. Undertake a future-scoping exercise to aid BMENational's strategic direction and to help identify new markets for BME housing organisations, new work areas, how more effective partnering might be developed with local authorities and mainstream social housing partners, and emerging BME communities with unmet needs.

4. Run a media campaign and influencing strategy to communicate the legacy, value and potential futures of BME housing organisations based around a research report and prospectus.

How the Research Was Undertaken

The research incorporates a range of elements to enable a fundamental assessment of the BME housing sector and point to a stronger future for BMENational as a collective.

These elements include:

Review of Literature: Covering the legacy of BME housing organisations in England; 'race and housing' and equality and diversity issues; the policy and operating environment faced by BME housing organisations and the challenges arising from it.

Shape of the Sector: Mapping existing BME housing organisations and exploring sectoral data, such as number of homes, location, types of activities, turnover and assets, together with comparative data for mainstream social landlords.

BME Housing Organisation Case Studies: Twenty-seven case studies of BME housing organisations have been undertaken highlighting the diversity of the sector, management approaches, development and the economic and social value created.

BME Housing Organisation Survey: Covering 70 BME housing organisations to obtain the sector's views on its legacy, SWOT analysis, and potential future roles.

Stakeholder Survey: In-depth interviews with 25 senior stakeholders mainly at national, regional and local levels, sub-divided by trade, housing, politics, policy, and local government, exploring the achievements and role of BME housing organisations.

Stakeholder Roundtables: Four roundtables with BME housing organisations and stakeholders in key English regions (West Midlands, East Midlands, the North-West, Yorkshire and Humberside) were held, together with two roundtables in London to reflect the larger number of BME housing organisations in the capital. All in all, almost 100 stakeholders took part.

Tenant Profile: Continuous Recording (CORE) data, customer profiles of BME housing, and the findings of the last large survey[1] of social housing tenants, stratified by region and ethnicity, paint a picture of the characteristics of tenants compared with the mainstream housing sector.

---

[1] Tenant Services Authority (2010) Existing Tenants Survey covering almost 20,000 face to face interviews with social tenants from housing associations, ALMOS, and local authorities.

Tenant Focus Groups: Nine focus groups with tenants of BME housing organisations based on five key regions (West Midlands, East Midlands, North-West, London, Yorkshire and Humberside) and representatives of ethnic groups housed. Combined, the focus groups included the views of around 110 BME housing tenants.

Community Investment, Economic and Social Value: These elements of the work of BME housing organisations were explored using a range of data from the Homes and Communities Agency, national housing databases, the National Housing Federation's neighbourhood audit, and social value research.

Value for Money: VFM has been investigated using data from VFM self-assessments (where available), key performance indicators and various data from social housing benchmarking clubs where BME housing organisations take part.

It is worth noting, that the research generated a vast amount of data. This report, despite being more than 100 pages long, summarises only the key facts, figures and opinions produced through the research. However, the whole dataset is at the disposal of BMENational, which will be using it to inform the publication of a Prospectus and three year Future Strategy for the BME housing sector, which will support the sector in its development and potential new work.

Photography

The report includes photographs throughout provided by BME housing organisations supporting this research. These photographs are without captions, and intend to provide some photographic evidence of the housing and community value created by the BME housing sector.

Other photographs in the early chapters, capture key images of migration by BME people to the UK from the 1950s onwards, and the discrimination in the housing market often experience at the time.

Structure of the Report

The report is in three parts covering the past and present of the BME housing sector; potential futures for BME housing organisations; and how BMENational might move forward as the sectoral leader in developing a modern approach to the work of the diverse range of BME housing organisations in England.

PART I – Reviews the past and present of the BME housing sector, exploring the legacy of the sector and describing its current shape. It then depicts the community investment, social value and value for money of the BME housing sector.

PART II – Sets out the key characteristics of the current operating environment for BME housing organisations. It then asks why BME housing organisations remain important. It moves on to provide

a profile of tenants of BME housing organisations, and what they value and expect of BME housing organisations. Some consideration of critical success factors for BME housing organisations follows. Potential futures for BME housing organisations are then laid out.

PART III – Finally, conclusions and recommendations are presented.

The researchers felt that the history of the BME housing sector, and the factors that brought it into being, are as important within the context of this study as assessing the present and gauging the best ways in which to confront the challenges of the future.

PART I - PAST AND PRESENT

2.

The Legacy of the BME Housing Sector

Introduction

Section 2 provides a brief overview of the legacy of the BME housing sector since the 1980s against the backdrop of post-WWII migration from the Caribbean and Asia. It also looks at the factors which preceded the creation of BME housing organisations from 1985 onwards (although a few were created earlier) with particular emphasis on the role played by social housing regulators and mainstream housing associations.

Post-WWII Migration, Race, Housing and Disadvantage

While people of Africa, Caribbean and Asian origins had lived in Britain for many years, these communities were relatively small. The Irish and Jewish communities were the largest, and had been in the Britain for many centuries. However, after WWII, Britain's changing economic circumstances, especially labour shortages, together with Europe's displaced populations, created a shape for large-scale migration from what were Britain's former colonies to help rebuild shattered industries and provide a workforce for the emergent welfare state. In June 1948, the ex-troopship '*Empire Windrush*' arrived at Tilbury Docks with 482 Jamaicans on board.

Between 1948 and 1970 nearly half a million West Indians came to live in Britain. In the 1960s to the present day, a similar number of migrants from India, Pakistan and Bangladesh arrived in Britain. More recently, people of Chinese, Vietnamese, Kurds, Tamils and East European origin, as well as refugees and asylum seekers from the Middle East, have made Britain their home so that in today's country around 1 in 5 of all people is from a black or minority ethnic (BME) background.

What met the newly-arrived immigrants were grim housing conditions and overt as well as covert racism. The famous sign in a private landlord's window of '*no Irish, no Blacks, no Dogs*' was typical of the period. At the time many local authorities required a period of residency before allowing new migrants onto their waiting lists (often three years).

This forced many into the private rented sector in the inner-city areas, which is where many new migrants were funnelled, and into the arms of slum landlords, who greeted their new tenants with poor and overcrowded living conditions in often rundown and pre-1919 housing in already disadvantaged neighbourhoods. This form of low-end private landlordism, of which Peter Rachman was the emblem, exploited the new arrival, who usually had very little choice but to accept the low quality accommodation, intimidation and harassment that was on offer.

Housing associations, which at the time were tasked with 'filling the gaps' left by local councils as the only mass social house-builders, were seen as the potential answer since the majority of their housing was located in the areas of major immigration, especially the so-called 'twilight areas'[2] of the inner parts of the country's major cities and towns. These were to be classified as General Improvement Areas (GIAs) and Housing Action Areas (HAAs) in the late 1960s and early 1970s as a means of retaining older housing, refurbished by housing associations, as a halt of the previous slum clearance policy.[3]

Housing associations specially created to help immigrants began to emerge. Aggrey Housing Limited, now part of Leeds and Yorkshire Housing Association, appeared in Leeds in 1955, closely followed by the Birmingham Friendship Housing Association, which was supported by Copec Housing Trust,[4] the Bath Voluntary Association for Commonwealth Housing, the Nottingham Coloured People's Housing Society and London's Tredegar Housing Association. The Rachman

---

[2] Malpass. P. (2000) Housing Associations and Housing Policy: A Historical Perspective. Macmillan. London
[3] Gulliver K. (2000) Social Concern and Social Enterprise: The Origins and History of Focus Housing. Brewin. Birmingham
[4] Gulliver K. (2000) Ibid.

scandal also inspired the creation of Shelter, Notting Hill Housing Trust and Birmingham Housing Trust, which became 'social purpose' housing associations[5] unlike those cost-rent associations created by the Housing Act 1961.[6]

Race riots in Notting Hill in west London in 1958 had highlighted the poor housing endured by BME families but, despite improvements to the housing conditions in which BME communities lived in the 1970s, aided by housing associations bolstered by the Housing Act 1974, in the 70s and 80s, the situation for many immigrant families and their descendants was still unacceptable.

A range of research[7] from the 1970s onwards illustrates that BME communities experienced disproportionate housing need, discrimination in various housing markets and higher levels of socio-economic disadvantage. Numerous reports chronicled how greater housing need, especially overcrowding and poor housing, impacted severely on the lives and life chances of BME communities, generated health inequalities and fed into the lower socio-economic status of many BME people.

---

[5] Garside P. (2000) The Conduct of Philanthropy: William Sutton Trust 1900-2000.Athlonme Press. London
[6] Gulliver K. (2010) Beacons of Hope: The Historic Role of Housing Associations Tackling Poverty, Disadvantage and Inequality. Human City Institute. Birmingham
[7] Henderson A. & Karn V. (1983) Race, Class and the Allocation of Public Housing in Britain. Runnymede Trust.

The housing needs of BME communities were compounded by direct and indirect discrimination in the social housing sector, with unequal access to waiting lists and the higher quality social housing available at the time.

While it is clear from Census and other official data that the needs gap between BME and White communities has eased, and that forty years of race relations and equality and human rights legislation has had positive effects, disadvantage and discrimination persist.[8]

The BME Housing Legacy

BME housing organisations, generally defined as letting to more than 80% BME applicants with a similar proportion of board members, have deep roots going back thirty years in the most disadvantaged communities of Britain's major cities and towns. BME housing organisations grew out of the need for greater access to social housing by BME communities, in the wake of 1980s disturbances and the growing special needs of BME communities (especially the elderly and young homeless people).

'Race riots' hit in Brixton, Handsworth and Toxteth in the 1980s precipitated funding targeted at improving housing conditions for BME communities, pumped into many specifically BME-led housing organisations.[9]

They were created at a time when 'race and housing' issues were at the forefront of national policy debates against a backdrop of urban decay and social unrest. When BME housing organisations were formed, they also made mainstream providers sharpen up and get beyond colour blindness practices to positive action for those in most need. Their achievements over the last thirty years have been considerable, including building community-based vehicles as advocates of BME communities.

Lord Bill Morris of Handsworth OJ, former Chair of Midland Heart and former Secretary-General of the TUC explained the importance of BME housing organisations:

"One of the great successes of black people in the housing field since the 1980s has been the creation of black-led housing associations, which emerged from BME communities and remain today more sensitive to a diverse population whilst bolstering local pride."

Larger housing associations were, because of regulatory and funding conditions, encouraged to work in partnership with the first BME housing associations. Local authorities soon followed, making involvement with BME housing associations mandatory for other associations wishing to develop.

---

[8] Beider H. (2012) Race, Housing & Community|: Perspectives on Policy& Welfare. Wiley-Blackwell. Oxford
[9] Murray K. (2010) The Guardian, 8th December – 'Black housing bodies helped build communities'

The late 1980s and 1990s were the boom years for the BME housing sector. Around 40 BME associations were set up in just a few years in the late 80s and 90s as development funding was made available to promote their growth. The sector reached a peak of organisations – about 100 – by the end of the 1990s. And even though there are fewer today than at their peak, the majority are viable community-based social enterprises providing culturally sensitive services with a bright future despite financial, VFM and policy pressures.

In 1984 the manager of a Reading hostel for young black people, Louis Julienne, co-founded the Federation of Black Housing Organisations (FBHO), an umbrella body for BME housing associations that represented the sector and lobbied government on its behalf. In 1986 the FBHO set in motion the first black housing.

The FBHO was a highly visible, respected and largely effective advocate for the BME housing sector. Through conferences, newsletters, research, lobbying and advocacy the FBHO enabled BME housing organisations to develop a high profile and secure ongoing funding from the public purse to support continuing expansion of housing and service provision.

Following the demise of Ujima Housing Association in 2008, which was at that time the largest in the BME housing sector, the FBHO struggled to continue since Ujima had been a major sponsor of both the FBHO generally, and particularly its annual conference, which had been a key generator of the trade body's income. The FBHO folded soon afterwards.

BMENational was formed in 2010 as a successor representative body under the auspices of the National Housing Federation. BMENational has continued to represent the BME housing sector and resurrected the sector's annual conference; albeit a slimmed down version. BMENational has also published a BME Housing Year Book to promote the sector alongside a new website and well-followed Twitter account.

In the last year or so, BMENational has also launched the Migrant Rights website with CIH, and engaged with the Human City Institute in sector-wide research into the future of BME housing, linked to a high profile national campaign. BMENational has forged an enhanced media profile and is more effectively promoting the legacy, ongoing achievements and interests of the BME housing sector.

BME housing organisations were the forerunners of agencies envisaged by today's 'Big Society', Localism and mutual self-help. They came from the community and remain for the community despite the fluctuating operating and policy environment over the last few decades.

Their roots were often faith-based and they saw their role as social action organisations – as advocates for BME communities, as well as housing managers and developers. The majority retain their faith and community links and still have active shareholders and Board Members drawn from these constituencies.

Social Housing Regulator and Sectoral Support

The BME housing sector was created with the aid of social housing regulator, the Housing Corporation, and supported by the National Federation of Housing Associations (today's NHF). The formation of the new sector was supported by a series of Housing Corporation policy documents.

The Housing Corporation in 1986, ten years on from the Royal Assent of the Race Relations Act 1976, launch its Black and Minority Ethnic Housing Policy to directly and indirectly support existing and embryonic BME housing associations to develop housing, board members, staff and to add value to the local community.

Within five years, more than 40 BME housing associations had been created, later rising to more than 100. A second five year plan was published by the Housing Corporation in 1992 followed a final enabling framework in 1998. This policy development was punctuated by the Housing Act 1988, which enabled housing associations to raise greater levels of private funding and to set their own rents.[10]

---

[10] Beider (2012) Ibid.

In the early days, too, the Housing Associations Charitable Trust (HACT) provided support to BME housing organisations. Tom Murtha, Chair of HACT, remembers:

> "I am delighted that a number of the BME housing associations that HACT supported in 1980s are still providing a much needed service today. In my early housing career I helped to support a number of embryonic BME housing associations and I was chair of a charitable trust which provided revenue support for those on Merseyside. They were created to meet the housing needs of BME communities and to transfer power and control to them. BME housing associations also provided career development opportunities for some who became the first BME leaders in social housing. BME housing associations have always had stronger ties to their local communities, which is why they have retained the true values of social housing that are vital if we are to continue to provide homes for people in need. The BME housing sector has a proud history but also excellent work that is being done today and, hopefully, will continue into the future."

From 1990 onwards, BME housing organisations created employment, new skill sets and professional career paths for hundreds of BME people, some of whom moved into senior positions in the mainstream social housing sector (although still under-represented at senior levels) as well as much-needed housing.

Alongside regulator support, many mainstream housing associations, especially those working in areas of high BME concentration – typically inner London, Birmingham, Leicester, Nottingham, Sheffield, Bradford, Manchester, Liverpool and Bristol – formed housing development and management partnerships with the new BME housing associations.

These partnerships continued on and off for the next twenty to thirty years. In some cases, BME housing associations became successful and highly influential parts of group structures. Ashram as part of the Accord Group, Aksa as part of New Charter, Tung Sing as part of Your Housing Group and Pine Court as a member of the Sovini Group.

These housing associations have thrived within group structures by taking advantage of the economies of scale offered, shared services and realised internal transfer of housing. For example, Ashram is now Ashram Moseley having 'taken over' a mainstream provider – Moseley and District Churches within the Accord Group.

Other BME housing associations were less fortunate in their choice of housing group and were subsequently wound down and their housing stock assimilated into the parent housing association. Presentation HA was assimilated by Notting Hill Housing Association. Harambee disappeared into Prime Focus (now Midland Heart) following a brief spell as a housing association called Black Star. HAMAC was also subsumed into Midland Heart.

Some BME housing associations were able to grow through merger with each other – think Nehemiah and UCHA in the West Midlands. The Asra Group, based in the East Midlands, and now the largest BME housing association in England managing 14,000 homes, began when Leicester Housing Association, BME housing association Asra and Nottingham's Family First merged in 2006. Though the Asra Group is not strictly a BME-only housing association, it still retains the values of the

BME housing sector and houses large numbers of BME applicants. The same probably applies to the East Midlands Housing Group, which was led by Foundation HA, is led by a Chief Executive from a BME background and continues to support the BME housing sector in its region.

A noticeable feature since the demise of the Housing Corporation in 2008, is the lack of emphasis on 'race and housing' issues by successor regulators and the subsuming of such issues in wide equality and diversity policy. Although the Homes and Communities Agency covers equality and diversity in its regulatory remit and has created an E&D Advisory Group, 'race and housing' has slipped down the policy agenda. This slippage has coincided with a time when immigration has climbed up the public's ladder of priorities and is currently the major issue as chosen by the general public.

Yet the BME housing sector continues. It is to the shape of the BME housing sector today, that the report now turns.

3.

The Shape of the BME Housing Sector

Introduction

This section describes the shape of the BME housing sector in terms of the number of homes managed, their assets and turnover, their geography and chief characteristics based around a new typology. The section is supplemented by national and regional maps and charts showing the location of all 70 BME housing organisations known to exist today, although one or two may now be defunct since the research completed.

BME Housing Organisations Today

Today, BME housing organisations are a small, but certainly vital part of the social housing sector in England. They represent around 2-3% of the housing association stock. Collectively, the 70 BME housing organisations manage 65,000 homes, with an estimated annual turnover of £600m and controlling assets valued at around £1.8bn. Just over half are members of BMENational with the remainder staying independent of their representative body.

BME housing organisations house mainly South-East Asians, African-Caribbeans, Chinese, Vietnamese, Jewish, Irish, Filipinos, Tamils and Kurds. They increasingly assist non-BME people and new migrants (including from Eastern Europe). Refugees from various war zones past and present are also supported by BME housing organisations. BME housing organisations retain their role in meeting the special needs of BME communities but most have branched out over the last fifteen years into meeting general family needs, the needs of homeless people and refugees and asylum seekers.

BME housing organisations operate in around 100 local authorities with the average for each being seven local authorities. Concentrations of housing are in the following regions, which are the primary areas of high BME population concentration in England.

Given the large BME populations in the West Midlands and the North-West, these regions have lower numbers of BME housing than might be expected: largely explained by BME housing organisations losing their identity and stock following a period in group structures. Eleven BME housing organisations continue to operate successfully in nine group structures – mainly in the Midlands and the North.

Many others have formal links to development and procurement partnerships, community and social enterprises. BME housing organisations support more than 50 community organisations. Six BME housing organisations (or 9% of the total) are housing co-operatives. In terms of concentration of BME housing organisations, London has by far the largest number of BME housing organisations (60% of the total) with other regions containing eight to four (see charts over the page and the following maps)

Chart (1) - BME Housing Organisations by English Region
[Source: HCI Data Survey (2014/15)]

Region	Number of BME Housing Organisations
London	42
East Midlands	7
West Midlands	7
North-West	5
Yorkshire & Humberside	5
South-West	4

Number of BME Housing Organisations
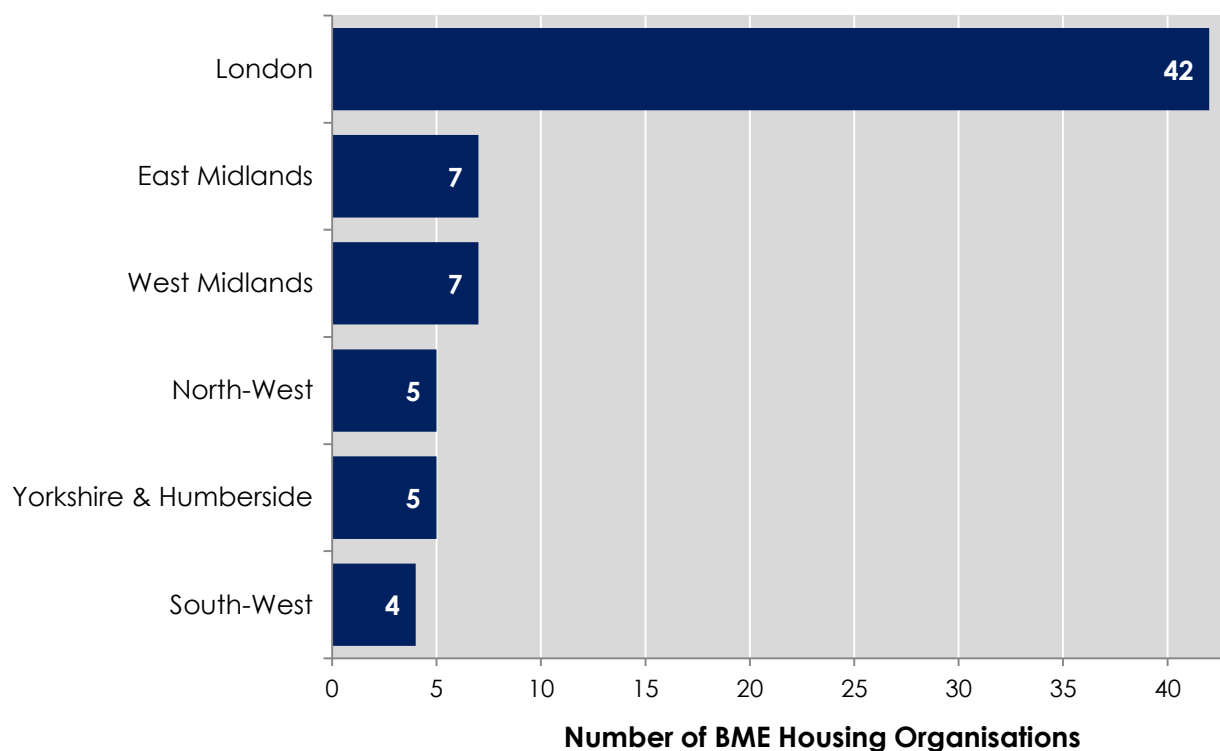
Chart (2) - BME Housing Stock by English Region
[Source: HCI Data Survey (2014/15)]

Region	Percentage
East Midlands	37%
London	25%
Yorkshire & Humberside	21%
West Midlands	7%
North-West	7%
South-West	3%

Percentage

Map 1 - BME Housing Organisations in England
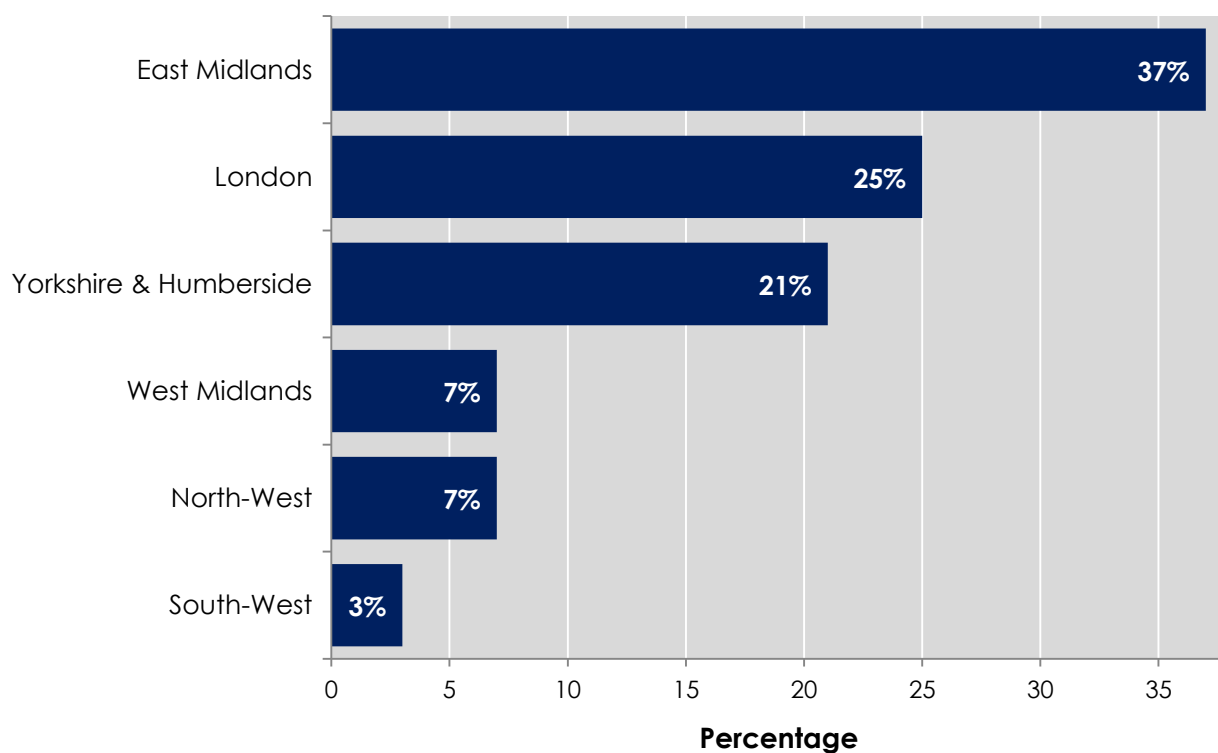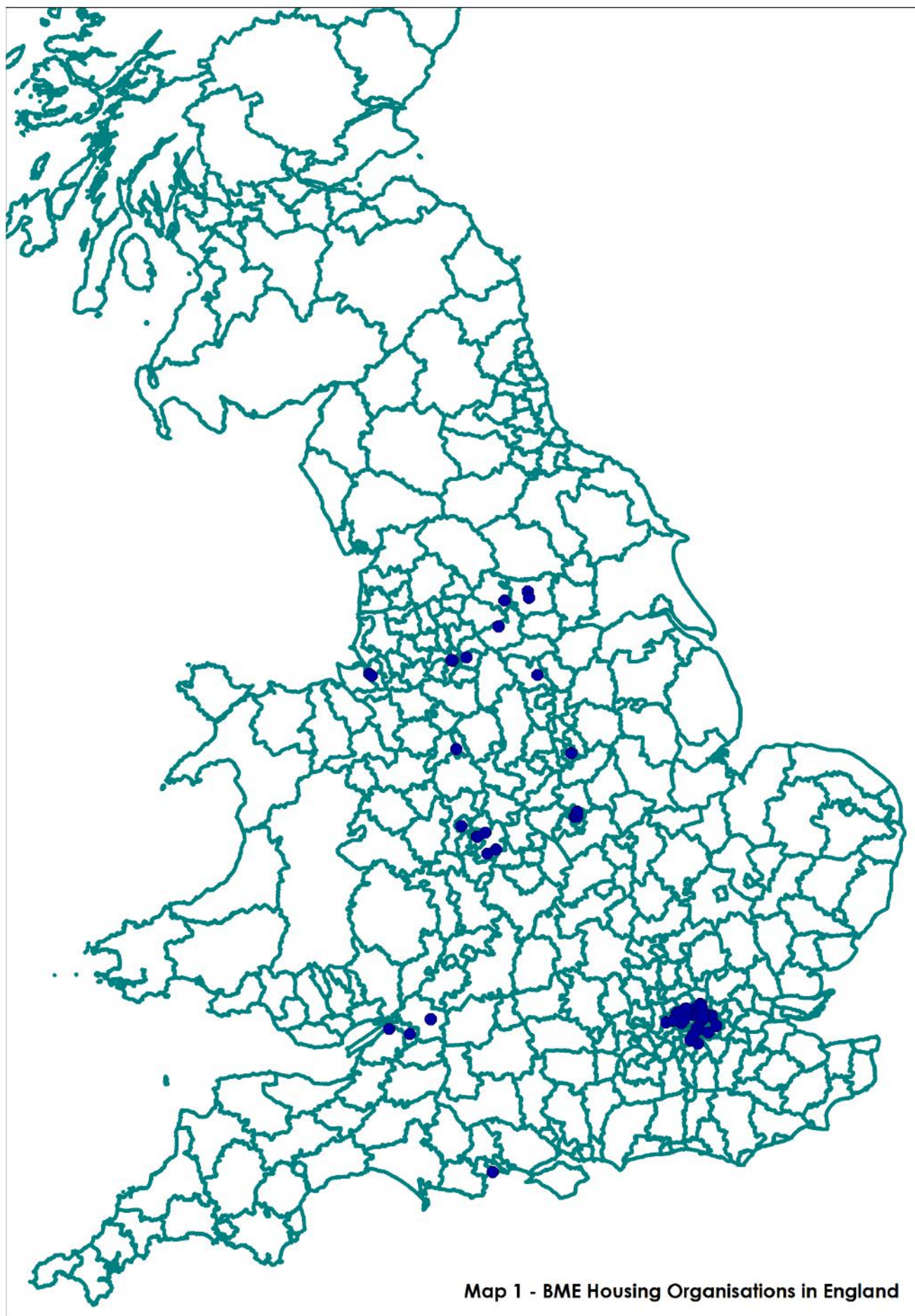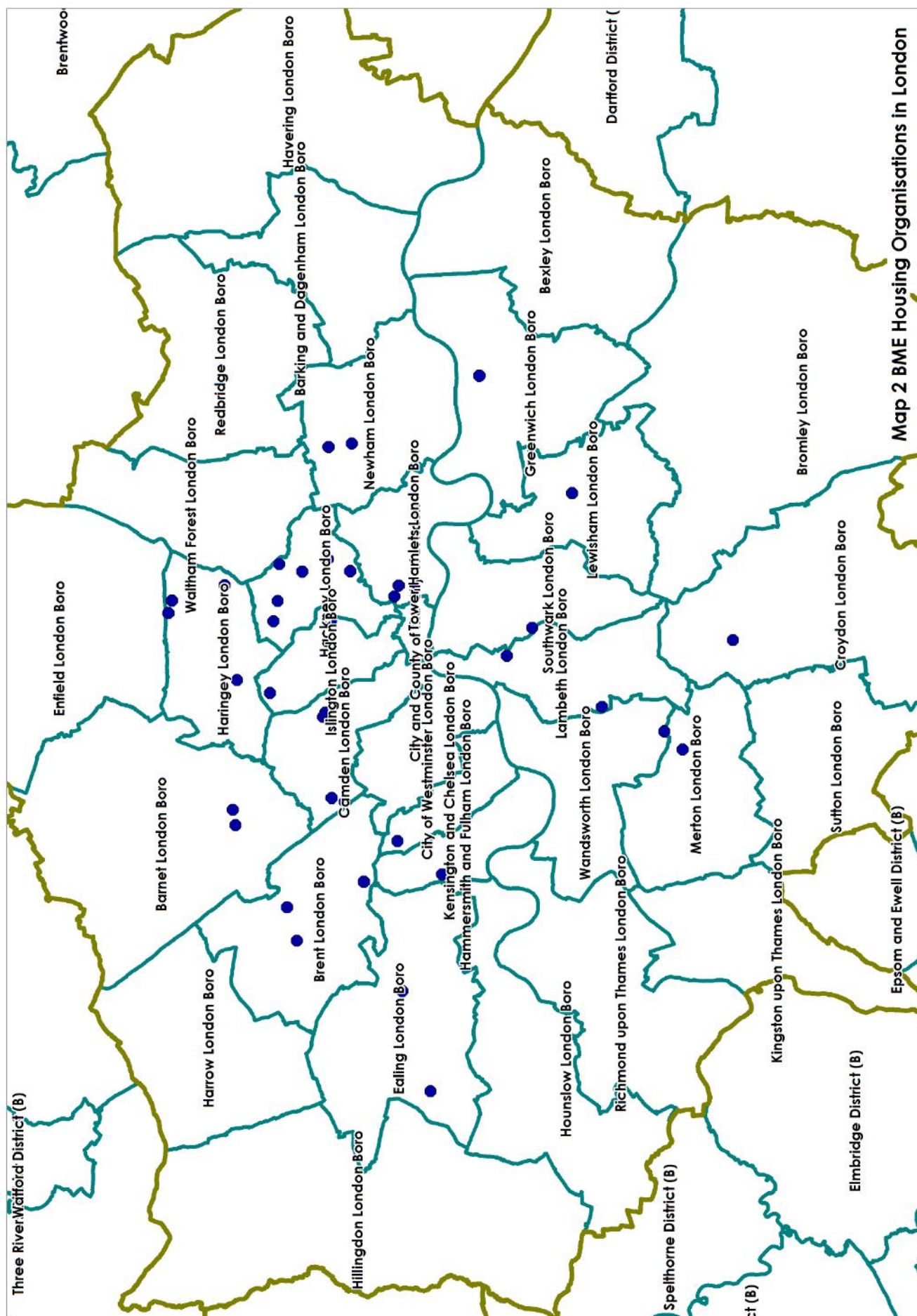
Map 2 BME Housing Organisations in London

Map 3 BME Housing Organisations in the Midlands
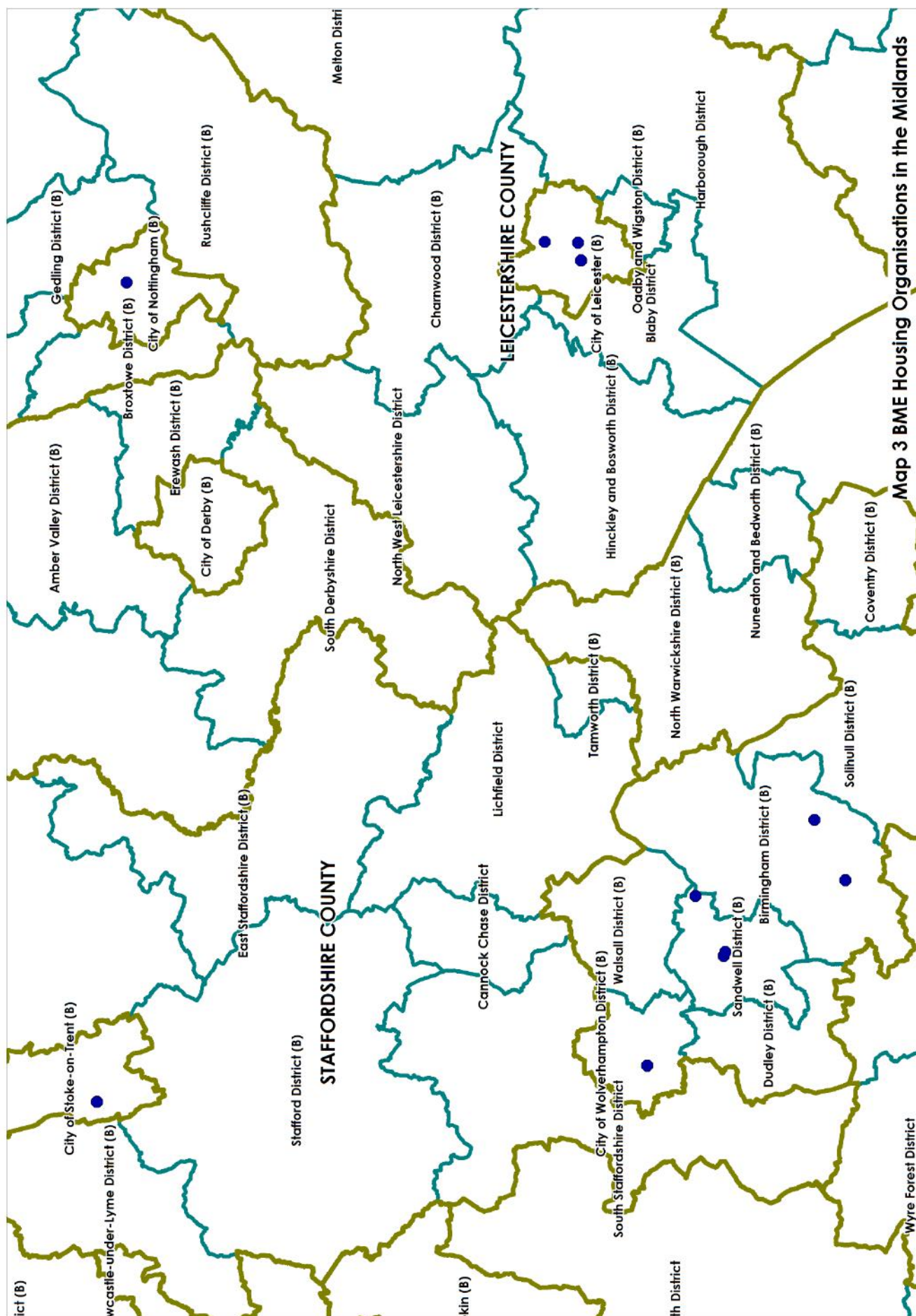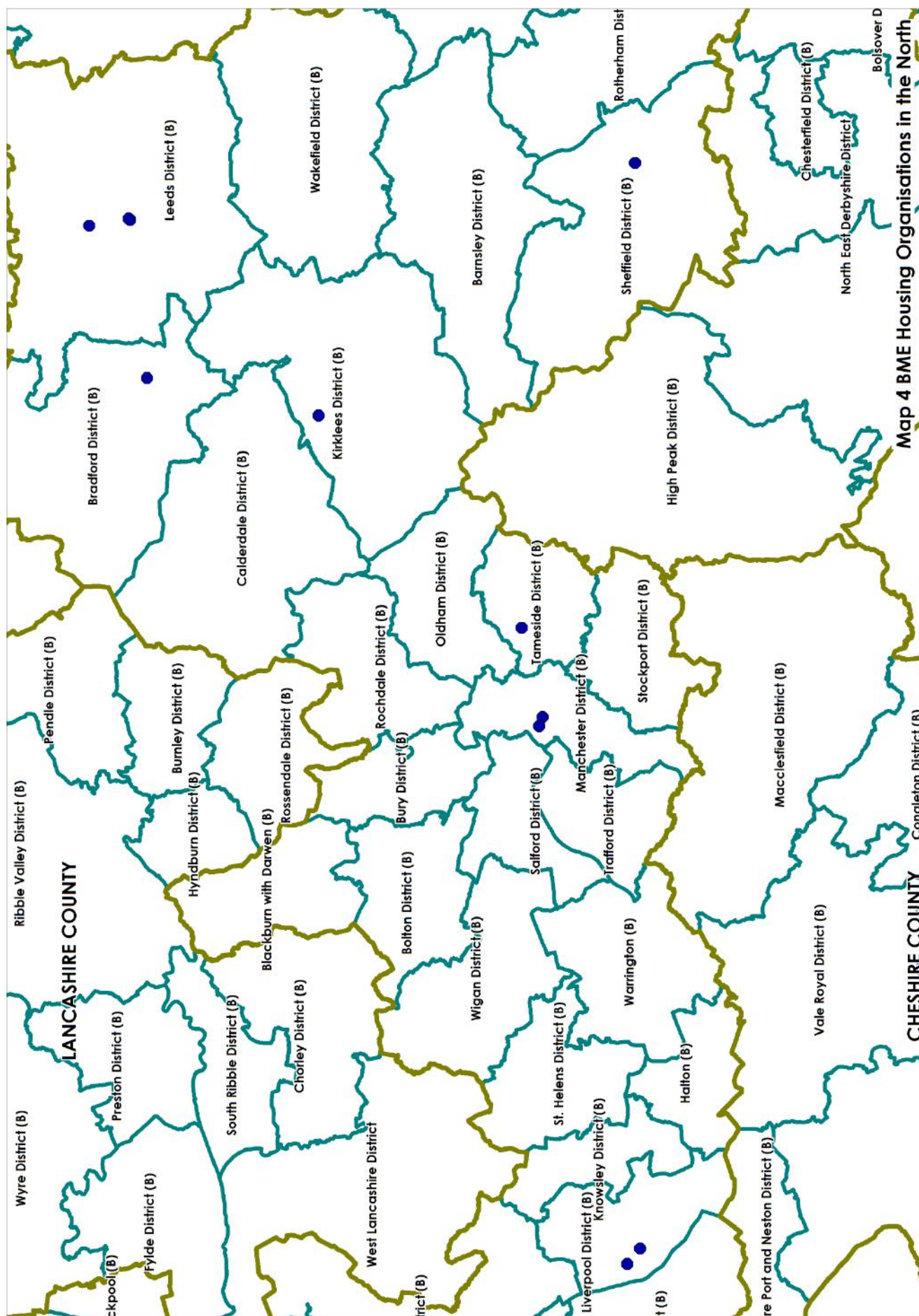
Map 4 BME Housing Organisations in the North

Organisational Characteristics

BME housing organisations today fall into four identifiable groups with recognisable typologies, which are described below. However, it should be noted that these are not discrete groups. Some of those BME housing organisations falling into each group also share characteristics of other groups.

Independents: These are the majority of BME housing organisations, operating as independent housing associations and as registered providers under regulatory auspices of the Homes and Communities Agency (HCA). Many also act as community anchors and investors using a broad social enterprise model, and advocating on behalf of specific BME communities. Most are located in London, such as BMENational members *Apna Ghar*, *Arhag*, *Bahay Kubo*, *Bangla*, *Ekaya*, *Innisfree*, *Inquilab*, and *Shian*, but there are also longstanding examples in the Midlands and the North too, like *Arawak Walton*, *Manningham*, *Nehemiah UCHA*, *Steve Biko*, *Tuntum*, and *Unity*. Some work in unison and have partners in the local authority, housing association and third sectors. Many of the independent BME housing organisations also have work undertaken on their behalf by larger housing associations.

Subsidiaries: These are members of housing association group structures. Examples of successful group structure working are *Aksa* of the New Chart Group, *Ashram Moseley*, *Gharana* and *Adullam* of the Accord Group, *Dorcas* of the Trident Social Investment Group, *Pine Court* of the Sovini Group, *Sadeh Lok* of the Incommunities Group, and *Tung Sing* of the Your Housing Group. Some BME housing organisations which have entered into group structure arrangements have eventually been subsumed, sometimes for sound financial and governance reasons but not always, into the mainstream housing associations and lost their identities.

Hybrids: These are housing organisations with largely BME legacies but which have since branched out into the mainstream, even while retaining their BME values framework and being supportive and active members of BMENational. There are three notable examples – ***Ashram Moseley***, which merged with mainstream Moseley District Churches within the Accord Group to double its size; the ***Asra Housing Group***, which has developed into one of the largest housing groups in the country, operating in the East Midlands and London; and the ***East Midlands Housing Group***, again a large grouping that has branched out into mainstream provision but remains committed to BME housing issues.

Mutuals and Self-Builds: The BME housing sector includes a number of housing co-operatives of longstanding. Of particular note is the ***Shahjalal Housing Co-operative***, made up of Bangladeshi co-operatives created in 1970s Birmingham, which is the main Bangladeshi-run mutual in England.[11] The Asra Housing Group supports four BME housing co-operatives, especially ***Ross Walk*** and ***Maynard***. London is home to the ***Arneway Housing Co-operative***. Alongside, the ***Tamil Housing Association*** is a specialist self-build mutual.

The contribution of BME housing organisations remains relatively small quantitatively, if important qualitatively. Mergers have strengthened some organisations, such as Arawak Walton and Nehemiah UCHA. But the overall contribution of the sector has been somewhat eroded in the last decade as many organisations have been subsumed by mainstream social landlords.

---

[11] Gulliver K. & Prentice D. (2015) The Untold Story: The Bangladeshi Community in Birmingham. Human City Institute. Birmingham

4.

Community Investment, Social Value and Value for Money

Introduction

Considering the impact of BME housing organisations on the communities they serve is of crucial importance when considering their contribution to improving the lives and life chances of BME people. This section explores the community investment role and the economic and social value created by BME housing organisations, and presents a range of case studies of some of their community-based work. It then moves on to take a brief look at their VFM.

Community Anchors

BME housing organisations act as key community-based agencies with which BME people can identify. They reach out to disadvantaged communities, meet 'hidden' housing needs and offer culturally sensitive services. But perhaps most importantly, BME housing organisations are deeply embedded in the most disadvantaged communities, creating significant social value through a range of community initiatives.

Most of their contractors are local ensuring that investment stays in the community. BME housing organisations remain anchored in the communities that founded them. And they are bridges between communities and key vehicles for local people to have a say in how their housing is managed and developed. BME housing organisations are major successes for BME communities enabling local assets to be controlled by these communities and considerable social capital to be built.

Their legacy and current work includes the creation of significant economic value in often fragile local economies. More than £200m in Gross Value Added (GVA) is generated from investment in development, repairs and maintenance, local procurement and expenditure in direct and indirect supply chains. This investment sustains 1,000 jobs in local economies on top of the 3,500 people employed directly by the BME housing sector. The presence of BME housing organisations in the most disadvantaged communities is a bulwark against poverty, discrimination and austerity at a very difficult time for people on low incomes and benefits. They invest £150m yearly in communities. Overall, for every £1 spent by the BME housing sector, between £2 and £5 in additional social value is generated.

The table over the page summarises the estimated investment in neighbourhoods made by BME housing organisations across a range of physical, economic, social and environmental activities. The analysis is based upon NHF neighbourhood audit data and case study evidence.

Table (1) –

BME Housing Association Community Investment Activities in England (2012/13)

Activity Headings	Activities	Community Investment
Physical:	Decent Homes, Repairs & Maintenance	• £60m invested pa employing many hundreds of people via DLOs, contractors & supply-chains • 40 facilities
	Neighbourhood Facilities:	• Investment in £18m pa (£7m pa from own resources)
Economic:	Employment & Enterprise:	• 35 services delivered, 40,000 people benefitted, 45 staff employed directly • Investment of £5m pa (£1.5m from own resources)
	Education & Skills:	• 50,000 services delivered, 12,000 people benefitted, 45 staff employed directly • Investment of £4m pa (£2m from own resources)
	Poverty & Social Exclusion:	• 984 services delivered, 368,000 people benefitted, 450 staff employed directly • Investment of £45m pa (£26m from own resources)
Social:	Well-Being	• 30 services delivered, 18,000 people benefitted, 30 staff employed directly • Investment of £2m pa (£1.5m from own resources)
	Safety & Cohesion:	• 75 services delivered, 80,000 people benefitted, 35 staff employed directly • Investment of £5m pa (£1m from own resources)
Environmental:	Environmental:	• 65 services delivered, 40,000 people benefitted, 25 staff employed directly • Investment of 4m pa (£1m from own resources)
	Green Initiatives:	• Range of 'green' schemes, strategies & policies including affordable warmth, carbon footprint measurement, recycling

Source: Estimates Based Upon Data from the NHF (2013) Neighbourhood Audit and 30 BME HA Case Studies using HCI's PESE model of social value demarcation

BME Housing Community Investment Case Studies

Twenty-eight case studies of the community investment of BME housing organisations were undertaken. Below are short summaries of the results.

Aksa Homes ~ works in some of the most disadvantaged parts of the North-West with high levels of unemployment and benefit claimants. Its Stepping into Work programme aims to up-skill tenants from a very low base so that they are in a position to access work opportunities. It has opened its own Social Enterprise Hub and provides support to tenants who wish to move into sustainable self-employment and enterprise. The nature of Aksa's tenant base and the local job market mean that these latter options are more attractive to its tenants.

Apna Ghar ~ emphasises helping tenants in financial difficulty; especially because of welfare reform. The Tenant Welfare Fund not only makes numerous 'crisis' payments to residents to cover unexpected emergencies, since the abolition of the Social Fund, but also helps support community events such as the Fun Day. Alongside, Apna Ghar's My Advice Gateway is a free information portal to help London residents claim benefits, look for a job or training opportunities, access banking and insurance services, and manage debt.

Arawak, Walton ~ places a premium on local economic development, green initiatives and supporting community leisure. The organisation is actively involved in Local Employment Action Projects (LEAPs), which create work, training and apprenticeship opportunities for BME people in Manchester, Trafford and Stockport. The Millennium Green Fund Day, in partnership with Mosscare

and City South, promoted healthy living while local people enjoyed the local environment. And Arawak Walton also supports the large, annual Moss Side carnival.

Arches Housing ~ has worked with Sheffield Hallam University to provide a range of opportunities for work experience and placement opportunities. The development of future housing managers has been a primary objective, with recruits encouraged to study for the BA in Housing and Professional Studies. Offering apprenticeships has been a growing element in the work of Arches. The association also stresses local partnership working – for example with the Citizens Advice Bureau – to offer advice on welfare changes, money management and debt.

Arhag Housing ~ runs a scheme rewarding residents who, for example, make regular rent payments and take part in the annual gas safety. Qualifying residents can win vouchers and electrical items like mini-iPad. Arhag also involves residents extensively in its management and community work through its annual residents' conference. Working with training partners to improve residents' skills, help local people get jobs, providing advice to residents on benefits and money management, and business start-ups all help the local economy.

Ashley Community Housing ~ concentrates mainly on bringing empty homes back to life, training BME tenants, offering support to refugees and asylum seekers, and helping to improve the health and wellbeing of often disadvantaged communities. Ashley's gardening project, called Beans, Peas and Plums, involves transforming the outside space of our tenants' homes into brand new self-sufficient gardens. This not only provides healthy, fresh food for tenants on low incomes, so reducing the recourse to food bank, but tackles isolation and depression.

Ashram Moseley ~ seeks to support young BME people to develop their skills, take part in social campaigns and self-start businesses. Social Breakfast is an online hub where young people of

Birmingham and the surrounding areas can create change by running campaigns and getting involved with blogging and social media. The A Fund is a means of helping young BME people access business start-up support. And Ashram Moseley's Holiday Kitchen targets low income families who depend on school meals and struggle with food costs out of term time.

Bahay Kubo ~ as well helping Filipinos in Greater London to gain access to quality, affordable housing, Bahay Kubo offers services to enable them to lead fuller and more independent lives through community support. Advice, support and translation services are all in the mix. Bahay Kubo also organises leisure activities for Filipinos, including days out to the seaside and other community events. The association is also moving into employment and training with other partners in Greater London.

Bangla ~ helps over 700 people annually through its Community Advice and Support project, offering help with form filling, online home bidding, debt advice, interpreting and translation services. Bangla also runs regular workshops and seminars for its communities covering healthy living, civic responsibilities, children's educational support, and engaging local young people in sports. It is equally involved in tackling illiteracy and innumeracy in the community. Bangla was one of the first BME housing associations to become a Living Wage employer.

Dorcas ~ provides a range of projects beyond repairs and refurbishment services. In particular, it tackles the health and wellbeing issues of the African-Caribbean community in Birmingham and the Black Country, while offering advice and mentoring services to young black people. Dorcas also offer an Apprentice Administrative Support services to local apprenticeship placement providers; runs an Empty Homes Project to refurbish dilapidated homes; a Mortgage Rescue service to struggling home owners; and a 'guns and gangs' project.

Ekaya ~ stresses support for low income families and lone parents. At its Happy Nursery Days scheme, Ekaya works in partnership with parents and carers to support a thriving nursery that boasts an expansion with a baby room catering for 21 under two year olds, with occupancy for 24 toddlers and 24 pre-schoolers, offering a total of 69 places. Ekaya is equally committed to geographical and social mobility, taking an active part in the national Homeswapper service, and moving into training and education opportunities for residents.

Imani ~ is an African-Caribbean housing co-operative working in Wandsworth that seeks the fullest participation of its members. Imani provides members with the opportunity to develop their potential and relevant skills through effective educational and training facilities or via other support networks. In partnership with others, Imani operates as an advocate to secure and access resources to improve the quality of life, including work and training, for co-operative members and the wider African-Caribbean community.

Innisfree ~ is committed to supporting the Irish community in London. Innisfree delivers a range of support and wellbeing initiatives under the Emigrant Support Programme project, and offers resident services that tackle the impact of welfare reform. The Friends of Innisfree extends the association's reach into the community and the local business sector. To date, the Friends have provided 'crisis' payments to residents, gardening support, environmental improvements, college course fees for residents, and new play equipment for local children.

Inquilab ~ offers support services, especially around money and debt advice, and health and wellbeing. Training and employment opportunities are well developed, with Inquilab working with partners on programmes that help people back into work. The association directly offers a number of apprenticeships and short term Internships to local people who need training and experience

as a springboard to employment. Inquilab has also pioneered new work on domestic violence within BME communities and set up an Asian Women's Refuge.

LJHA ~ supports the Jewish community in Leeds. LJHA is particularly focussed on providing employment and training opportunities. It enables volunteering opportunities, offers, community-based employment and runs and apprenticeship scheme. Tackling financial exclusion is a key priority for LJHA and the association offers support to help residents access financial services and ensure they are claiming the correct benefits. It also offers support to help residents who may be struggling to pay their rent.

Manningham ~ runs the Oasis Project, which has an established track record in providing domestic abuse services since 1999. Oasis was set-up to provide emergency accommodation with support for larger families in refuge. Later it created emergency accommodation in family homes which are dispersed in the community. Manningham offers an environmental improvement service that ensures estates are kept free of illegal dumping and abandoned vehicles, monitors open space, removes graffiti, and educates communities on green issues.

Nehemiah UCHA ~ launched in 2013, the Nehemiah UCHA Academy and Charitable Aid Foundation (CAF), enables tenants and local communities to acquire new and invaluable workplace experience that can help them with their career aspirations and enhance their life chances. This community venture, which works in partnership with community organisations and educational establishments such as universities, colleges and schools, involves graduate internships and work experience placements, as well as educational grant support.

Sadeh Lok ~ working in Huddersfield, Sadeh Lok prides itself on its corporate social responsibility ethic, including developing sustainable communities, managing its environmental impact, and promoting wider sustainable development through procurement practices. It is equally committed to offering residents and local communities a range of training opportunities, including BTEC sports courses, personal development and employability training, basic IT drop-in sessions, and open access to ICT by residents.

Shahjalal ~ is a strong advocate for the Bangladeshi community in Birmingham, and seeks to provide services to combat poor health, meet the needs of Muslim women and young and old people, while campaigning for more community and leisure facilities. Through controlling community assets and embedded mutualism, the Bangladeshi community in Birmingham has a viable 'aspirational' vehicle in Shahjalal. It has recently opened a community office with a dedicated worker to support the local community.

Shian ~ helps residents with financial exclusion, including obtaining home contents insurance that is affordable, to protect their belongings and gain peace of mind knowing if the unexpected happens. Shian helps residents with money advice and a range of support services to ameliorate the effects of welfare reform. The association also helps run groups that support residents in the community: for example on the Kingshold Estate. The Ferry Lane Action Group (FLAG) was founded to aid residents in Tottenham.

Steve Biko ~ is involved in promoting lifelong learning in the community and celebrates the educational achievements of local people. For the past three years, the association has run its 'young achievers' awards to mark 18 to 25 year olds obtaining formal qualifications. Steve Biko offers ICT access for a range of areas - CV writing, the property pool, local services, benefit applications and job and training search facilities. On Facebook, the association also runs its Job Spot to help promote and increase awareness of employment and training opportunities.

Tamil Community ~ started out by borrowing empty properties from Haringey and Hackney councils and creating shortlife housing. Today it has moved into supporting a self-build programme for people of Tamil background. Tamil Community support moves into employment, including mentoring schemes for young people and supported housing for people with special needs, such as, learning difficulties, mental health problems or physical illness.

TunTum ~ manages Sound as a Pound with other local housing providers - a five year Big Lottery Funded financial inclusion programme. It offers visits at home for social tenants in the Nottingham City area to carry out a financial health-check, gives tailored advice around benefits, debt, rent

arrears, budgeting, and signposts to relevant services. Tuntum is renowned for supporting the Nottingham Carnival, which is attended by 22,000 people annually over a weekend. The Carnival celebrates diversity, through music, food, the funfair rides and hundreds of spectacular costumes.

Unity ~ incorporates Unity Enterprise – managed workspace for the community. Facilities include office and conference space, audio and visual recording studios, media lab, industrial space and a cafe. As a not-for-profit social enterprise, it provides a spectrum of access points and a secure and friendly environment which has enabled many inner-city enterprises and voluntary sector organisations to prosper. Unity Enterprise manages three business centres - Leeds City Centre, Leeds Media Centre and Chapeltown Enterprise Centre.

Your Tung Sing ~ as part of Your Tung Sing's commitment to improving lives and communities, the association is currently supporting a range of activities that benefit health and well-being, skills and employment, digital Inclusion, and services for young and older people. Gardening activities and bite-size ICT and social media courses are popular with residents. And the Young Persons Bursary helps young people with opportunities to access educations and employment via our Young Persons Bursary. This year, there were 12 applicants with 7 successful.

Value for Money

Using (albeit limited) benchmarking data, it can be tentatively concluded that BME housing organisations are good value for money, well-managed and deliver well-received, culturally

sensitive and community-focused services, despite some organisations falling by the wayside over the last three decades. VFM statements, where available in a handful of cases since most BME housing organisations are outside the formal VFM reporting because they have less than 1,000 homes, have enabled some attempt at sectoral assessment of VFM.

The majority of BME housing organisations are within the top half for KPIs, and score closer to the top quartile on tenant satisfaction, taken from published STAR surveys. Their unit costs also compare favourably. There is evidence that being mostly small organisations is not an insuperable barrier to cost-effectiveness, especially when economic and social value are taken into account.

Comparing the sector as a whole, with 3,500 staff managing 65,000 homes, with a large national and mainstream housing association, reveals that the BME housing sector actually has a lower staff to housing stock ratio, although there are more senior staff.

As with all housing associations, BME housing organisations will be required to trim their costs to meet HM Treasury-dictated rent reductions over the next four years. This impact on VFM and the cost base of the BME housing sector, and other emergent policy changes, is where the report turns next.

PART II - FUTURES

5.

The Emergent Operating Environment

Introduction

This section reviews the chief characteristics of the environment in which BME housing organisations operate and the significant challenges they face. The review covers the changing housing world of rent reductions, the extended Right to Buy, regulation, the changing role of social landlordism, and policy debates around immigration, refugees and asylum seekers, and choice-based lettings. These are taken in turn below.

A Changing World

Since the international financial crisis hit in 2007/08, and the subsequent formation of a Conservative-Liberal Democrat Coalition Government, a programme of austerity and welfare reform has been pursued. Following the election of a majority Conservative Government in 2015, the goal of reducing the nation's structural deficit by 2019, mainly through cuts to public expenditure at the local level, to capital investment in social and affordable housing, and welfare benefits, has been accelerated.

Rent Reductions: Loss of rental income will severely impact the ability of BME housing organisations to invest in new and existing homes. BMENational estimates that its members will lose between £600k and £2.5m each over the next four years, dependent on their size. As relatively small organisations, lower staff numbers and salary levels already recognise the need to provide greater VFM. The rent reductions will further curtail the impact BME housing organisations have on the most deprived areas in major cities, where we chiefly operate, through our acknowledged expertise in delivering culturally sensitive services and highly valued community investment. This research suggests that the cumulative loss of rent roll over the four years will be between £100m and £200m, dependent upon business plan assumptions (see that table over the page).

Extended Right to Buy: The extended Right to Buy, put in place by voluntary agreement with the National Housing Federation in September, will severely curtail the ability of BME housing organisations to meet housing needs in the country's most deprived communities, even if there is a speedy one-for-one replacement, which evidence suggests will not be forthcoming. The reliance upon selling off council housing to fund the Right to Buy for housing association tenants has not only caused friction between local authorities and their housing association partners, but will further reduce the availability of social housing; especially in London. It is estimated that the BME housing sector may lose a net 3,000 to 6,000 homes in the next four years.

Affordable Rent: The emphasis has been on moving towards a 'consumer' model of social housing management accompanied by the introduction of the Affordable Rent Programme where rents are set up to 80% of market rates on new homes largely funded primarily from private financial

institutions. There are pressures on social landlords to reduce costs with savings deployed to subsidise new housing to help reduce the structural deficit as part of the government's austerity programme. The focus is moving towards the provision of affordable, rather than social housing, with no or very little capital grant.

Table (2) - BME Housing Sector: Impact on Net Rents of 1% Reduction (2%, 3% and 4% Real Terms Reductions) Per Annum for Next Four Years

Region	Average Rent *	No. of Homes **	Weekly Rent Roll	Annual Rent Roll	Year 1 – 2% Rent Reduction on Business Plans ***	Year 2 – 2% Rent Reduction on Business Plans ***	Year 3 – 2% Rent Reduction on Business Plans ***	Year 4 – 2% Rent Reduction on Business Plans ***	Cumulative Four Year Loss of Rental Income on Business Plans ****
Midlands & North	£ 88	40,000	£ 3,520,000	£ 183,040,000	£ 3,660,800	£ 7,321,600	£ 14,643,200	£ 29,286,400	£ 54,912,000
London	£ 116	25,000	£ 2,900,000	£ 150,800,000	£ 3,016,000	£ 6,032,000	£ 12,064,000	£ 24,128,000	£ 45,240,000
England	£ 99	65,000	£ 6,435,000	£ 334,620,000	£ 6,692,400	£ 13,384,800	£ 26,769,600	£ 53,539,200	£ 100,386,000

Region	Average Rent *	No. of Homes **	Weekly Rent Roll	Annual Rent Roll	Year 1 – 3% Rent Reduction on Business Plans ***	Year 2 – 3% Rent Reduction on Business Plans ***	Year 3 – 3% Rent Reduction on Business Plans ***	Year 4 – 3% Rent Reduction on Business Plans ***	Cumulative Four Year Loss of Rental Income on Business Plans ****
Midlands & North	£ 88	40,000	£ 3,520,000	£ 183,040,000	£ 5,491,200	£ 10,982,400	£ 21,964,800	£ 43,929,600	£ 82,368,000
London	£ 116	25,000	£ 2,900,000	£ 150,800,000	£ 4,524,000	£ 9,048,000	£ 18,096,000	£ 36,192,000	£ 67,860,000
England	£ 99	65,000	£ 6,435,000	£ 334,620,000	£ 10,038,600	£ 20,077,200	£ 40,154,400	£ 80,308,800	£ 150,579,000

Region	Average Rent *	No. of Homes **	Weekly Rent Roll	Annual Rent Roll	Year 1 – 4% Rent Reduction on Business Plans ***	Year 2 – 4% Rent Reduction on Business Plans ***	Year 3 – 4% Rent Reduction on Business Plans ***	Year 4 – 4% Rent Reduction on Business Plans ***	Cumulative Four Year Loss of Rental Income on Business Plans ****
Midlands & North	£ 88	40,000	£ 3,520,000	£ 183,040,000	£ 7,321,600	£ 14,643,200	£ 29,286,400	£ 58,572,800	£ 109,824,000
London	£ 116	25,000	£ 2,900,000	£ 150,800,000	£ 6,032,000	£ 12,064,000	£ 24,128,000	£ 48,256,000	£ 90,480,000
England	£ 99	65,000	£ 6,435,000	£ 334,620,000	£ 13,384,800	£ 26,769,600	£ 53,539,200	£ 107,078,400	£ 200,772,000

Notes

* Calculated from CORE returns for BME housing organisations for the last four years combined with DCLG average social rents per region.

** Assumes neutral impact of loss of stock through Right to Buy against replacements, new housing development and inwards stock to BME housing sector.

*** Equates to 1% reduction plus 2%, 3% or 4% loss on Business Plan projections (CPI + 1%) dependent upon CPI.

**** Total loss for England does not equate precisely to the Midlands, the North and London combined because of weighting and rounding.

Welfare Reform: Since 2010, and with the Conservative Party obtaining an overall Parliamentary majority after five years of coalition government, the welfare reform policies commenced in the 2010 to 2015 period are being accelerated and, since the Budget 2015, new policies are being introduced. Of particular concern to BMENational members are the impact of the Bedroom Tax on BME families, which are larger than the average. The Benefit Cap is also affecting BME disproportionately. Welfare reforms are of particular concern to London BME housing organisations, where household incomes are generally higher.

The Regulatory Framework: The HCA's regulatory framework incorporates standards for social housing providers with required outcomes and specific expectations. Where relevant, they reflect the Secretary of State for Communities and Local Government's directions on specific regulatory standards. These are the Governance and Financial Viability standards, the Value for Money standard and the Rent standard. 'Consumer' standards include Tenant Involvement and Empowerment, Homes, Tenancies and Neighbourhood and Community. Alongside, there are a range of requirements around Equality and Diversity. The majority of BME housing organisations fall outside the major part of the regulatory framework since they manage less than 1,000 homes.

The Social Landlord Role: The social landlord role is being questioned, with increased emphasis on new house building rather than housing and neighbourhood management. Austerity policies and the need to maximise the number of homes from dwindling resources have pushed the social housing sector into seeking new ways of working and fresh sources of private finance. BMENational contends, however, that much policy discourse around the future of social landlordism tends to advantage larger organisations. BMENational argues that social housing and tenants are best served by a pluralist and community-focussed sector, with the 'social' remaining a major part of the BME housing sector 'offer'.

Immigration, Refugees and Asylum Seekers

The Debate: In the wake of the General Election, immigration remains relentlessly in the public's top three issues. And linkages between immigration and the shortage of affordable housing have not escaped the notice of the tabloid press. As so often in times of economic recession, such as the UK has lived through since 2008, immigrants are scapegoated for a range of societal ills and blamed for shortages in public amenities; especially housing.

While there are genuine concerns arising from the public's view that the UK is taking more immigrants than it can accommodate in contrast to competitor nations, although this is factually

incorrect, the tabloid press and political parties with a vested interest in keeping immigration high on the political agenda are the driving forces. The recent Syrian refugee crisis has put this argument into sharp relief with a partial U-turn by the British government in agreeing to accept around 10,000 Syrian people for settlement in the UK.

In reality though, immigration is far less an issue than it has been in the past. Taking a longer term view of public opinion polling reveals that the number of Britons who think immigration has 'gone too far' is actually much lower than fifty years ago, decreasing from just over 80% to a little more than 50% over five decades. An Ipsos Mori poll in December 2014 showed that even in recent years, immigration may have been exaggerated as a growing concern. The poll recorded that the number of people in the UK saying that immigration is discussed too much has risen from 11% to 37% since 2011. Those indicating that immigration is not debated enough has halved to 38% over the last three years.

The Benefits of Immigration: The chief concern of the public seems to be that immigration is contributing towards overload of the education, health and housing systems as funding is cut and local government services retrench. It is rising demand for housing and choked off supply that are challenging community cohesion as austerity reigns in one of the world's richest economies. Yet it is immigrants who get the blame.

The National Housing Federation skewers immigration myths, exposing the real reasons behind the mismatch between the supply and demand for housing. The main factor driving demand is natural population increase with births exceeding deaths.

Net inwards migration has declined by two fifths over the last decade. On the supply side, housing completions have halved over the same timeframe.

Anyway, as a surfeit of recent independent reports illustrate, immigration is actually good for the UK economy. As the Institute of Fiscal Studies has calculated, immigrants are more likely to be of working age, more likely to be paying taxes and less likely to have relatively large sums of money spent on them for education, for long-term care, for healthcare and for pension expenditure.

The government's financial watchdog, the Office of Budgetary Responsibility agrees with the IFS that the economy is reliant on migrant labour and the taxes paid by immigrants to keep funding public services.

Reports by the Home Office, the Institute of Public Policy Research, Oxford University's Migration Observatory and the House of Lords all chronicle the economic and cultural value created by inwards migration. The net economic value of immigration to the UK has been calculated as between £2.5bn and £4bn annually once the costs of the welfare state have been stripped away.

Alongside, immigration from South-East Asia, China and Eastern Europe all cement the UK's interconnectedness with expanding regions of the global economy, standing the UK in good stead for future economic development and world trade.

The cultural value created is immense too. From extending the UK's cuisine – think Birmingham's Balti Belt run by British Bangladeshis[12] and employing 4,000 people - to developing the arts such as West Indian musical influences – immigration has enriched our country.

Despite claims to the contrary, studies show that the UK has remarkably integrated communities between ethnic and faith groups. For instance, human geographers like Professor Danny Dorling have discovered that poverty and inequality are greater predictors of less cohesive communities than ethnicity and faith.

Social Housing and New Migrants: Recent research by the London School of Economics (LSE)[13] reveals the extent of letting to new migrants in the UK and challenges popular opinions that new migrants get preferential treatment. The research concludes that, since the late 1990s, people in the UK have consistently rated immigration as one of the most important issues facing the country, with preferential access to social housing often cited as a reason for their concern. With lower average rents than the private rented sector and greater stability of tenure, social tenancies are viewed as valuable in the UK.

For migrants to be offered a social tenancy, they must first be eligible to access local housing registers operated by local authorities. There has never been an automatic eligibility for social housing for anyone in the UK, and in the past 'residential qualification' were operated, although they were considered to be indirectly discriminatory. The Localism Act 2012 has given local authorities more power to refuse applicants and 'residential qualifications' are returning.

The LSE points out that diverse eligibility criteria are now so complex that it is difficult to work out how many new migrants are eligible for social housing. However, as a general rule, UK citizens (whether acquired by birth or naturalisation) will generally have eligibility, as will immigrants from the European Economic Area (EEA) who have the right to reside in the UK, and non-EEA immigrants who have indefinite leave to remain. But as the LSE research concludes:

> "Just because most migrants have eligibility to apply for social housing does not mean that they will get access to it. Once on a list, most councils operate a points or banding system, which gives priority to certain types of households. Councils have considerable discretion in the nature of this system, but all use some assessment of needs, for example, household size and economic circumstances."

So although most migrants are eligible to apply for social housing, as the LSE research concludes, there is no evidence (once demographic, regional and economic circumstances are controlled for) that they have preferential access to social housing. The LSE researchers conclude that the reverse is the case.

---

[12] Gulliver K. & Prentice D. (2015) The Untold Story: The Bangladeshi Community in Birmingham. Human City Institute. Birmingham
[13] Battiston D., Dickens R., Manning A. & Wadsworth J. (2014) Immigration and the Access to Social Housing in the UK, CEP Discussion Paper No. 1264.
DETR (2000) Quality and Choice: A Decent Home for All. Green Paper

But it does seem that there is less discrimination against immigrants and ethnic minorities now than in the past and this removal of discrimination, coupled with a failure to increase the social housing stock, has reduced the availability for UK native households.

Choice-Based Lettings

Choice-based lettings (CBL) originated in Holland in the mid-1990s and were imported into the UK five years later. The government aimed to have CBL implemented across England and Wales by 2010, although the approach is far from universal. CBL schemes differ but are intended to have the goals of offering choice, tackling social exclusion, aiding the creation of sustainable and coherent communities, and encouraging the effective use of the housing stock. There are downsides to CBL.

A range of studies[14] have been published in recent years which provide some insight into how well CBL allocations schemes operate in providing equal housing opportunities and whether they foster integration or segregation along ethnic lines. These studies have used Continuous Recording (CORE) data to assess whether the CBL letting process pushes BME households to different types of destination neighbourhood compared to the previous needs-based allocations systems.

The analysis of CORE data[15] has enabled national, regional and sub-regional assessment of the comparative proportions of BME applicants accessing social housing via both CBL and non-CBL routes for the last four years.

At a national level, considering lettings made by all social landlords of all types, there is some difference between lettings patterns to BME applicants for the CBL and non-CBL routes. Non-CBL is more successful in providing housing outcomes for BME; but only marginally so. Some 27.1%of lettings made via non-CBL over the last four years went to BME applicants in contrast to 23.8% for CBL. African Caribbean applicants in particular were more likely to obtain social housing via non-CBL.

Against this backdrop of a rapidly changing operating environment, BME housing organisations need to underscore their continuing contribution to national housing policy. The report considers this next.

---

[14] Van Ham M. and Manley D. (2012) Segregation, Choice Based Letting and Social Housing. Discussion Paper 6372. Research Institute for the Built Environment. Delft

Van Ham M. and Manley D. (2015) 'Choice-Based Letting, Ethnicity and Segregation in England', Urban Studies April 1, 2015 52: 823-840

[15] Gulliver K. (2015) Progress on Equality & Diversity Housing BME Communities in the North-West. Human City Institute. Birmingham

6.

Why BME Housing Organisations Remain Important

Introduction

Section 6 seeks to provide a coherent argument of why BME housing organisations should continue to operate and, indeed, why they should be expanded. This argument is based on the fact that BME communities still experience disproportionate levels of housing, health and economic need. This is firm evidence of why BME housing organisations need to continue and expand – as housing and service providers, exemplars and advocates. A second element in the argument is whether these needs are met by the mainstream housing sector.

Housing Needs of BME Communities

Individuals from a BME background are more likely to be homeless than those from a White background. While accounting for 1 in 7 of the total population in 2011, BME households represented 1 in 3 of those accepted as statutorily homeless by local authorities. BME people are also more likely to be among the non-statutory and/or hidden homeless.

Homelessness is growing proportionately among BME communities. In 2001, 28% of total statutorily homeless households were from a BME background. By 2011, this had grown to 33% and has since increased further to stand at 37% in 2013. The charts over the page graphically portray the rise in both the numbers and proportion of BME homeless acceptances in recent years.[16]

BME households in England are more likely to be living in overcrowded or poor housing than their White neighbours. Although overcrowding, based on number of rooms per household member, decreased overall between 2001 and 2011, ethnic inequalities persist. While only 6% of the White population is classified as overcrowded, between 15 and 35% of BME households are overcrowded depending on ethnic group (Black Africans and Bangladeshis are most overcrowded and Indian and Chinese households least overcrowded within the BME population).

Around one quarter (24%) of BME households live in the oldest pre-1919 built homes which are more prone to poor housing conditions. Some 15% of BME households live in a home with a category 1 hazard (designated as 'poor housing') under the HHSRS (Housing, Health and Safety Rating System). This rises to 18% for BME households living in the private rented sector. Using the Hills definition of fuel poverty – taking into account housing costs and the 'fuel poverty gap' – reveals that 16% of BME households live in fuel poor households compared with 10% of White households.[17]

---

[16] DCLG Live Tables

[17] Finney N. & Harries B. (2013) Understanding Ethnic Inequalities in Housing: Analysis of the 2011 Census. Better Housing Briefing 23. Racial Equality Foundation

Chart (3) - Accepted as Homeless by LAs by Ethnicity (%)
(Source: DCLG Live Tables (1998-20145]
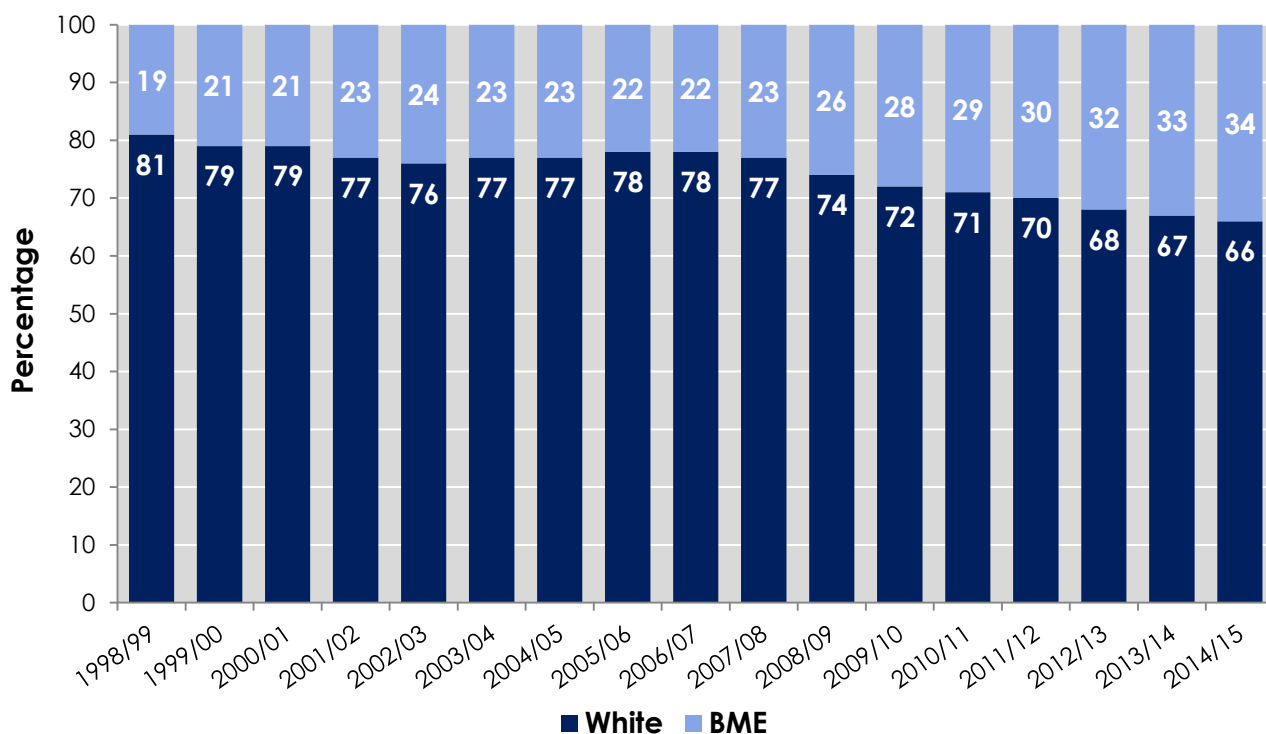
Chart (4) - Accepted as Homeless by LAs by Ethnic Group (Number)
(Source: DCLG Live Tables (1998-20145]
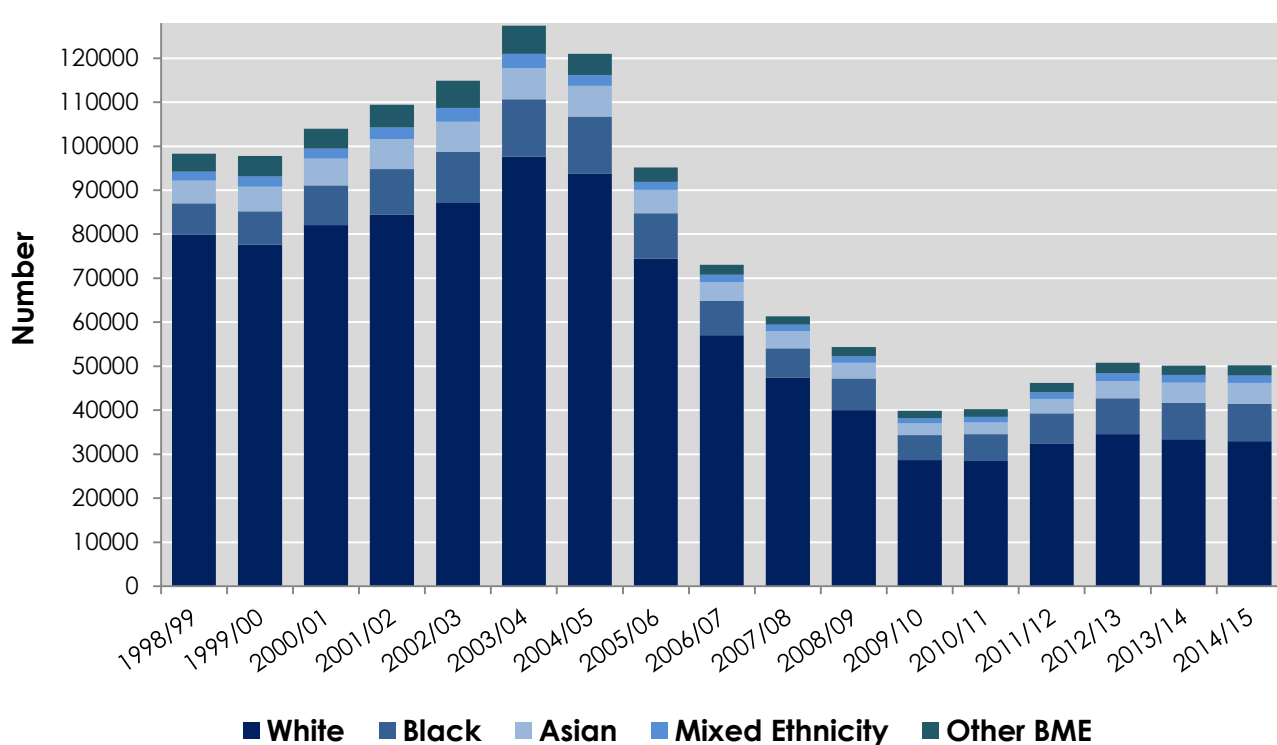
Rates of home ownership have fallen for all ethnic groups over the 2001 to 2011 period. However, BME households have experienced the greatest drop in home ownership, especially Chinese, Pakistani and Indian households. Rates of home ownership among some BME groups has fallen are unlikely to recover in the foreseeable future.

Interest in social and private rented housing is increasing among BME groups who had minimal interest before. Rates of private renting among BME communities has sky-rocketed with Chinese, Asian and African households seeing the largest proportional increases. At the same time, the presence of most BME groups within social housing has declined, especially for African-Caribbean and Bangladeshis.

BME populations, particularly Asian communities, are over-concentrated in inner city locations compare with the White population. Deprived neighbourhoods have concentrations of poorer, older housing associated with fuel poverty and overcrowding, higher than average unemployment, low incomes and high benefit eligibility, lower grade built environments, and poorer air quality.

Some of these problems - particularly housing problems, unemployment and low incomes - are likely to intensify as austerity and welfare reform bite deeper into the social fabric.

Economic Needs

BME communities still face discrimination in the jobs market, are more likely to be disadvantaged socio-economically, are more frequently located in the inner cities of Britain's large cities and towns and tend to live in higher density neighbourhoods with older housing.

Since access to good schools is a key factor in social mobility,[18] being able to move to neighbourhoods with such schools is crucial to stop disadvantage becoming embedded across generations. But fear and the threat of racism away from settled communities remain concerns. The growth in political parties and movements with an anti-immigration agenda is contributing to these concerns.

BME communities still face discrimination in the jobs market, are more likely to be disadvantaged socio-economically, are more frequently located in the inner cities of Britain's large cities and towns and tend to live in higher density neighbourhoods with older housing.

Since access to good schools is a key factor in social mobility, being able to move to neighbourhoods with such schools is crucial to stop disadvantage becoming embedded across generations.

But fear and the threat of racism away from settled communities remain concerns. The growth in political parties and movements with an anti-immigration agenda is contributing to these concerns.

Health and Care Needs

Health inequalities have an ethnic dimension. BME communities tend to have lower life expectancy and higher morbidity rates beyond lifestyle explanations. Some Asian communities have much lower life expectancies (especially Pakistani and Bangladeshi men).[19] This is more pronounced in deprived neighbourhoods.

BME populations, particularly Asian communities, are over-concentrated in inner city locations compare with the White population. Deprived neighbourhoods have concentrations of poorer, older housing associated with fuel poverty and overcrowding, higher than average unemployment, low incomes and high benefit eligibility, lower grade built environments, and poorer air quality.

Some of these problems - particularly housing problems, unemployment and low incomes - are likely to intensify as austerity and welfare reform bite deeper into the social fabric.

Differing care needs are also an issue. Demand for culturally sensitive services by BME communities remains, especially from older BME people. This is where BME housing organisations have a continued niche and where BME housing organisations need to work with mainstream housing providers to create housing and services that appeal to all communities.

Today, BME communities still suffer greater housing stress, have poorer life expectancy and morbidity rates and are less likely to hold professional, high paying and permanent jobs.

---

[18] Gulliver K. (2015 forthcoming) A Matter of Mobility: Enhancing Life Chances in Social Housing. Human City Institute. Birmingham
[19] Randhawa G. (2007) Tackling Health Inequalities for Minority Ethnic Groups: Challenges and Opportunities. Better Health Briefing 6. Racial Equality Foundation

Social Lettings to BME Applicants

The proportion of lettings made by all social landlords (including local authorities and housing associations) in England over the ten years between the Censuses in 2001 and 2011, rose from 14 to 16%, as the chart depicts. During this time, the proportion of the population associating with a BME background increased from 7% in England to 14%.

Chart (5) - Lettings to BME Applicants by All Social Landlords
(Source: Continuous Recording (CORE) Lettings (2001-2014)]

Year	Percentage
2001/02	14
2002/03	15
2003/04	15
2004/05	18
2005/06	14
2006/07	14
2007/08	16
2008/09	15
2009/10	16
2010/11	16
2011-2014	19
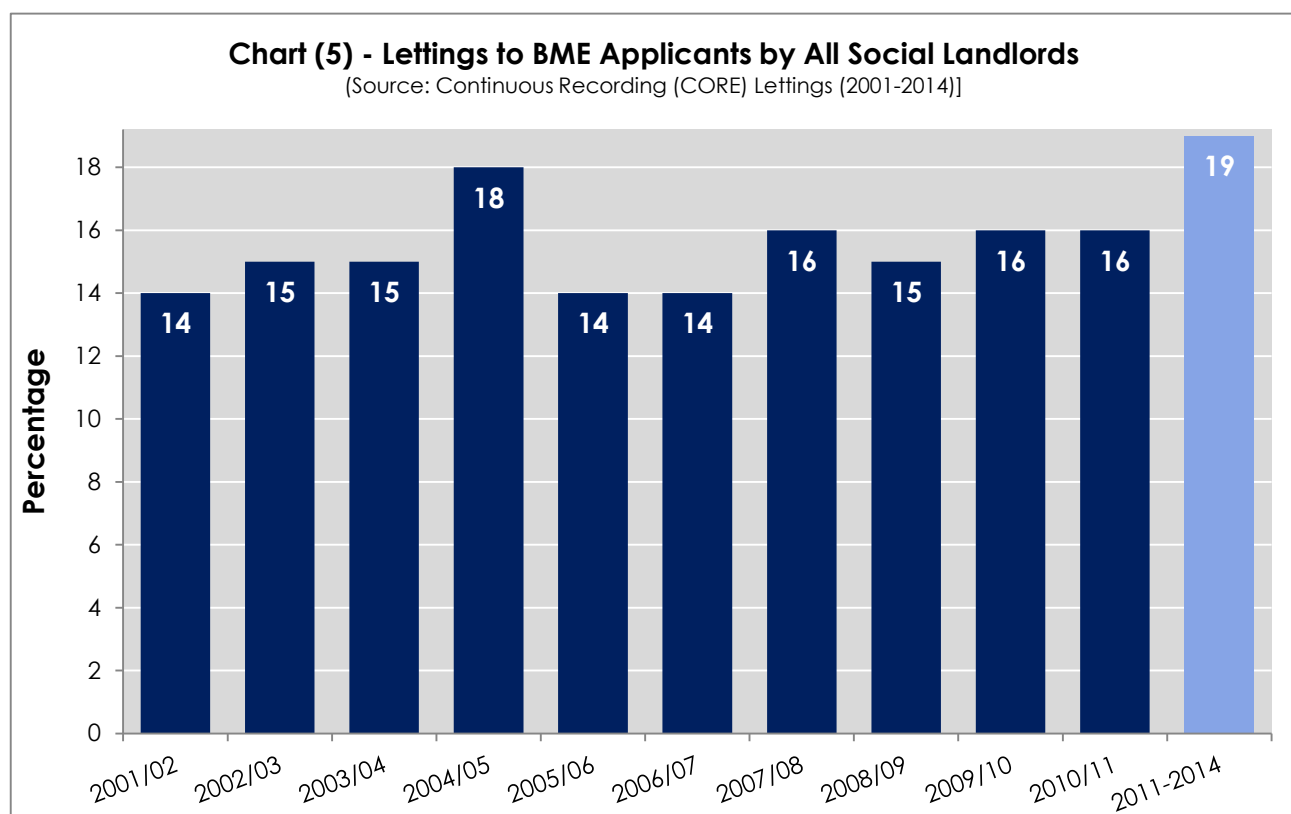
So social lettings to BME applicants stayed ahead of the proportion of BME households in the population but this trend has slowed. For instance - 14:7% in 2001 and 16:14% in 2011. This means that social landlords are less likely to be housing BME applicants in relation to the size of the BME population today than ten years ago.

Since BME communities experience disproportionate levels of housing need, as portrayed on previous pages, it is suggested that social landlords as a sector should be concerned that the number of lettings to BME applicants has fallen relatively over time.

This concern should spill over into variable levels of service satisfaction: Satisfaction with services delivered by mainstream housing providers is lower for BME tenants than their White counterparts (74% contrasted with 84%).

The report now considers, therefore, what tenants of BME housing organisations want from their BME social landlords and what they most value.

7.

What Tenants Want

Introduction

This section provides an overview of the chief characteristics of the tenants of BME housing organisations in contrast to White tenants of all social landlords. It then explores the views of tenants of BME housing organisations, based on the research's nine focus groups.

Tenant Profile

The tenant profile is broken down into key areas: ethnicity, nationality, household type and size, gender, disability and economic status.

Ethnicity and Nationality: More than four in five tenants of BME housing organisations are from a BME background compared with one in five of tenants across the mainstream social housing sector. Twenty-one per cent are from an Asian background, 29% are African Caribbean, 9% are of Mixed Ethnicity, tenants of Irish origin account for 6%. Eighty per cent are UK nationals compared with 90% for all social landlords (see charts overleaf).

Household Type and Size: BME tenants are more likely to be single, lone parents and extended families, than their White counterparts within the mainstream housing sector. Their average household size is larger (at 2.8 compared with 1.9 for White tenants of mainstream social landlords). Six per cent of tenants of BME housing organisations have three or more household members in contrast to just 2% of White tenants.

Age and Gender: One quarter of BME housing tenants are under 25 years and one fifth are over 60 years. Almost two thirds are female headed households.

Economic Activity: Lower levels of economic activity are recorded amongst tenants of BME housing organisations and higher levels of disability, as the charts on page 72 show. The average household income of BME tenants is significantly lower.

Chart (6) - Tenants' Ethnicity (BME Sector and All Social Landlords)
[Source: Customer Profiles & CORE (2011-2014)]

■ White British ■ Irish ■ Other White ■ Mixed Ethnicity ■ Asian ■ African Caribbean ■ Other BAME
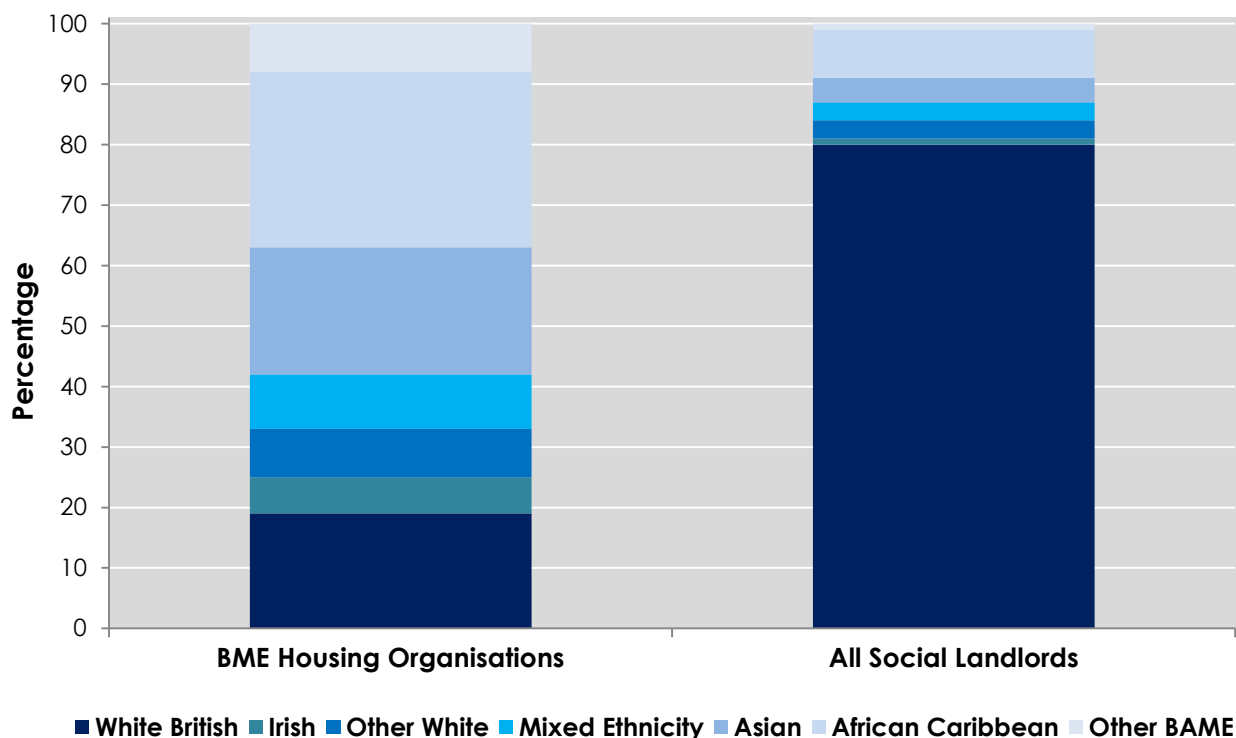
Chart (7) - Tenants' Nationality (BME Sector and All Social Landlords)
[Source: Customer Profiles & CORE (2011-2014)]

■ UK National Resident ■ European Union ■ Other EEA ■ Other Country
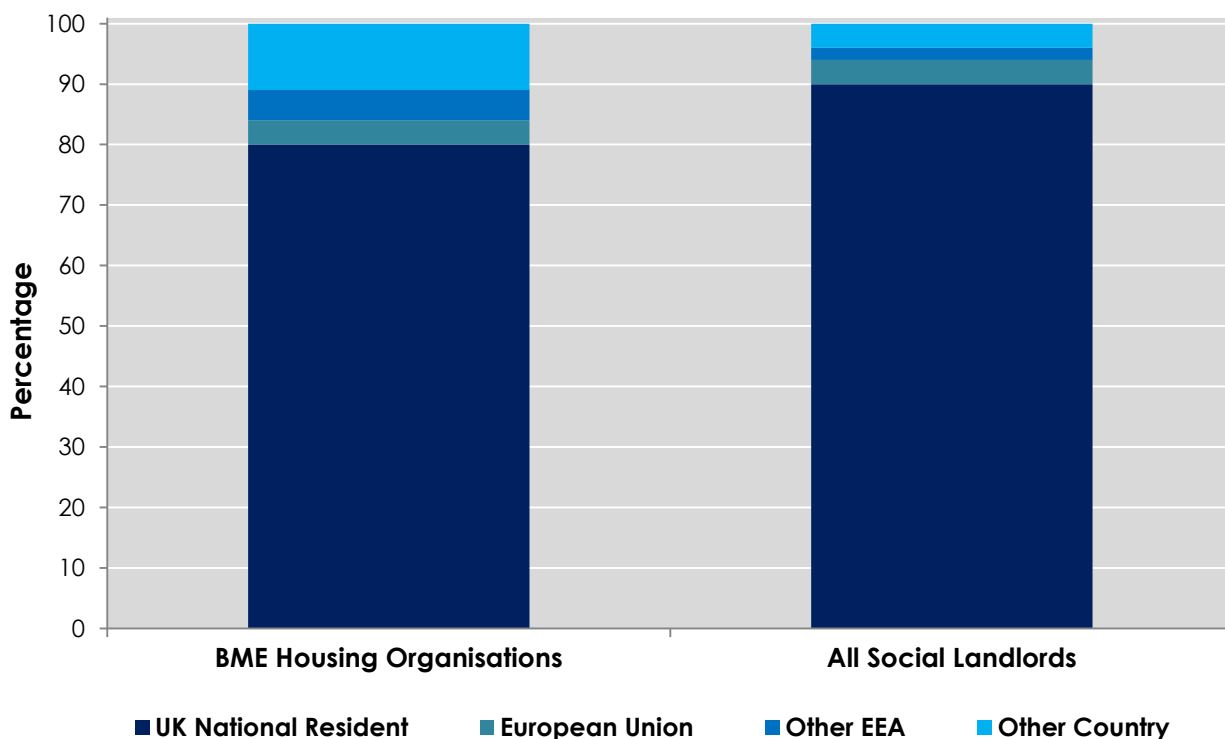
Chart (8) - Economic Status of BME Housing Tenants
[Source: HCI CORE 2011/11 to 2014/15 & TSA Survey (2009/10)]

Category	White tenants of mainstream social landlords	BME HA tenants
Working full-time	22	19
Working part-time	8	11
Education or training	2	6
Unemployed	21	18
Looking after the family	18	20
Fully retired	18	15
Sick or disabled	10	9
Other	2	2

■ White tenants of mainstream social landlords   ■ BME HA tenants

%
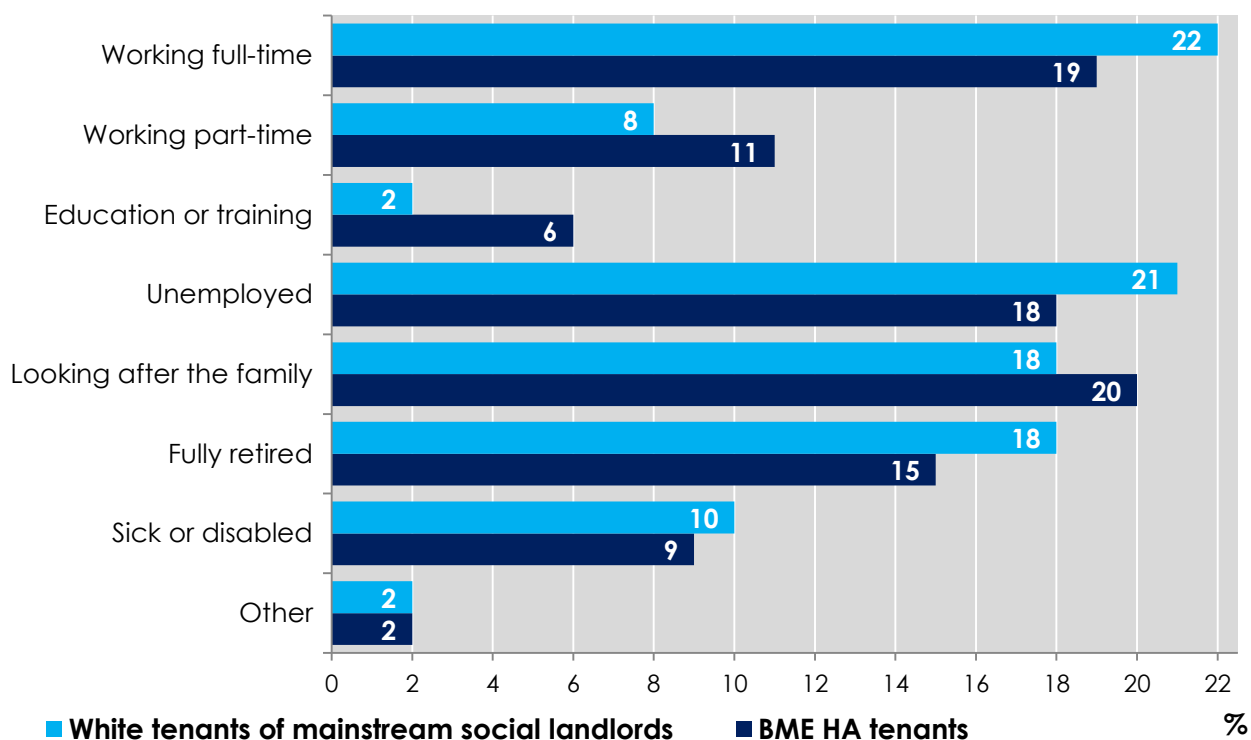
Chart (9) - Referral Source & Homeless Status of BME Housing Tenants
[Source: CORE 2010/11 to 2014/15 & TSA Survey (2009/10)]

Category	White tenants of mainstream social landlords	BME HA tenants
Internal transfer	14	11
Tenant applied directly	48	23
Nominated by LA	32	49
Voluntary/community agency	3	11
Other	3	6
Homeless	15	28

■ White tenants of mainstream social landlords   ■ BME HA tenants

%
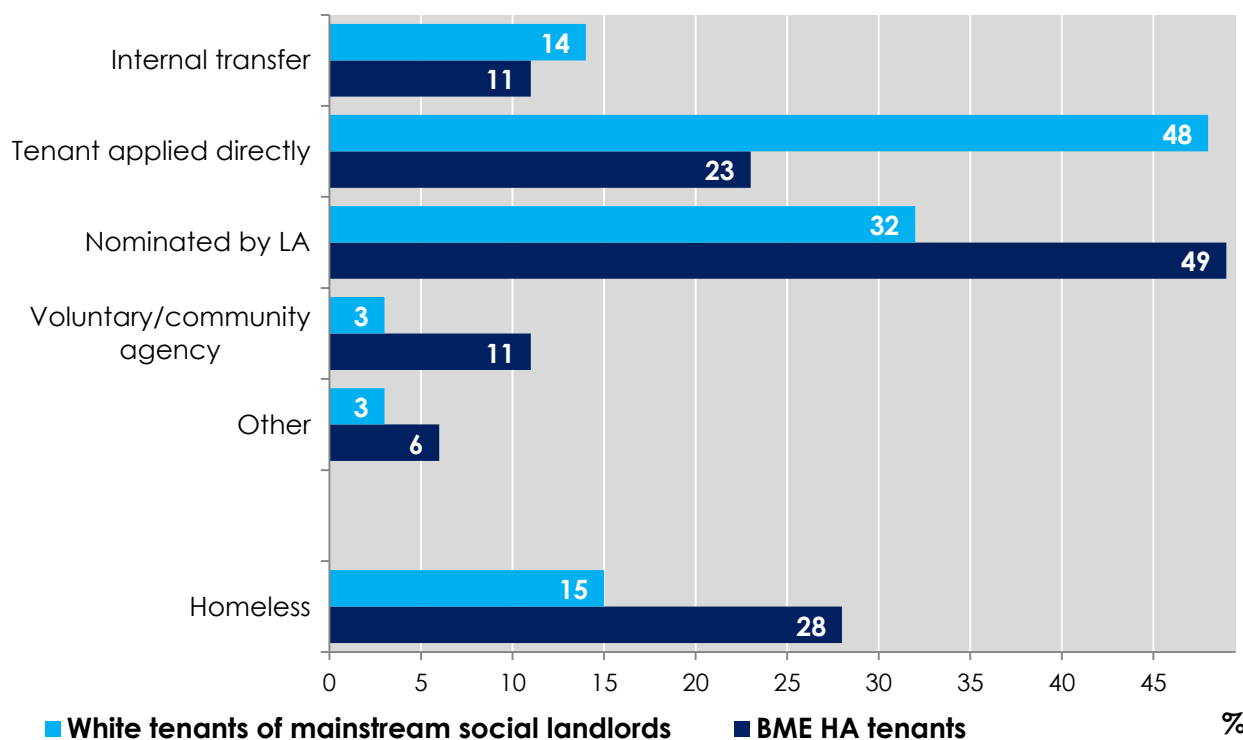
The Views of Tenants

The nine focus groups, held with more than 100 tenants across the country were broadly representative in geographical and ethnic terms of the BME housing sector tenant group overall. Focus groups were posed a series of questions. Here are summaries of what tenant said:

What do tenants think is good about being a tenant of a BME housing organisation?

- Service (e.g. repairs and maintenance) is generally good.

- They are quick to resolve issues.

- Responsive and efficient – they get things sorted.

- Fair rent for a good quality home.

- Everyone is treated equally and fairly.

- They are open about everything and you can access any information.

- They are welcoming.

- They have mother and baby units. I like seeing women of colour.

- They understand our ways and promote caring amongst resident.

- Some people get worse with age but most people get more tolerant and the focus of the organisation promotes harmony and tolerance.

- Close to the communities.

- Better understanding of needs.

What is the added value, if any, you feel about being a tenant of a BME housing organisation over another housing association or local council housing department?

- They feel like family and we are part of that family and it feels good.

- They cater for our families and provide larger homes.

- They are considerate and cater for all groups including white people.

- They have a great reputation built on their performance.

- They sort ASB and other community problems well.

- They are trustworthy.

Is there any benefit in to you in your BME housing organisations providing culturally sensitive services that benefit someone like you with a specific ethnicity or faith?

- They understand why we need larger homes and they keep families together.

- They bring different cultures together.

- They understand that communities want to be together as it is the way we want to live.

- They help BME people, because they know that they want to be together and they help them to build their own local network.

- They promote tolerance amongst different communities.

- We all have to live together and we embrace each other's culture and welcome each other, nobody wants to leave their home.

- They put tenants first and ask what we want and like.

- They have a variety of interpreters as well as translations.

- The level and depth of their understanding.

- I wanted to be with Irish people.

- They make you feel you are part of the extended family – one big happy family.

- People couldn't survive without their cultural needs catered for.

- They understand changing communities, such as Eastern Europeans.

What is the extra bit that is good about your BME housing organisations that houses you in terms of community projects?

- The community events are for everyone and bring us together.

- They provide apprenticeships for residents.

- They host open days for residents to apply for jobs.

- They have community care grants - they encourage schemes to apply together but residents have to organise the events.

- They support gardening projects.

- They set up youth groups during holidays.

- They provide IT training and support you so you can access training and jobs.

- They provide Money Advice services and they will help you to understand benefits and support available to you. They are supportive and have people trained to do this job.

- They provide aids and adaptations. They involve us e.g. new kitchens and showers, we can choose what colour and finishes we want.

Do you consider your BME housing organisation to be an important part of the local community and why?

- Everyone knows who they are.

- They are accessible.

- They are well established and have a good reputation.

- They started small but have grown to try to meet community needs.

- They educate you about other cultures.

- They promote diversity awareness and tolerance.

- They have a real understanding about who we are and what we need, want and like.

- Being culturally sensitive isn't just a box to tick, it isn't about being PC, it is a real understanding of people and the way they live and responding to that. It is more important than the rest of the service.

How satisfied are you with your BME housing organisation?

- We are satisfied and we love our homes and the people who provide the services because they understand us and care about us.

- Very satisfied because they understand the way we live, the things we like even the clothes we choose to wear and they respect us for who we are.

- The staff are supportive of new migrants and likely to be supportive of any new comers e.g. Polish – they work hard for poor wages and need affordable homes.

It is clear that tenants of BME housing organisations value the work of their social landlords. Of particular note are the premium placed on being close, community-oriented, approach of the BME housing sector.

8.

Critical Success Factors
for BME Housing Organisations

Introduction

Section 8 assesses what are the critical success factors for BME housing organisations based around the views of stakeholders from in-depth interviews and roundtables plus the views of BME housing organisation leaders. This research was undertaken before the latest changes to the social housing sector most notably the introduction of the Right to Buy and the rent reductions.

Stakeholder Views

Stakeholder views were sub-divided into a SWOT analysis framework covering strengths weaknesses, opportunities, and threats. These are summarised in the table over the page.

However, David Orr, Chief Executive of the NHF summarises the SWOT:

> "BME housing associations have been remarkable in the delivery of homes and services to BME communities. Since their creation, they have been instrumental in the journey towards a fully integrated multi-racial society. They have a strong current and future narrative, particularly as a 'collective' and need to communicate this clearly, proudly and coherently, whilst ensuring that they capture the essence of their offer and proposition for the future."

Table (3) – BME Housing Sector: SWOT Analysis	
STRENGTHS	**WEAKNESSES**
- Embedded in communities. - Provide culturally sensitive services. - Have local knowledge and expertise. - Are responsive to local needs. - Actively promote community involvement, - Strong advocates for BME communities. - Constructive and vital role models to BME communities. - Extensive social value creation.	- Lack of sufficient assets on which to build expansion. - Sometimes precarious financial position. - Governance issues in a few cases. - Seen as peripheral to mass house-building, - Identified as niche players. - Don't communicate achievements well. - Lack degree of sectoral co-operation. - Long-term planning and rebranding.
OPPORTUNITIES	**THREATS**
- New housing via financial innovation. - Inwards stock transfer from social landlords. - Working with others (LAs, HAs, private/third). - Mergers, groups, consortia, partnerships. - Development of sectoral vehicles/markets. - Broadening the service offer (health, care, support, needs assessments, local intelligence). - Meet emergent needs of new migrants. - More active promotion of sector.	- Regulation (VFM, protecting assets, niche retention, size, finances). - Right to Buy could reduce stock and asset base. - Governance issues in some cases. - Pressure to acquiesce to take-over by mainstream social landlords. - Inability to grow and contribute to meet housing needs because of significant financial constraints.
Source: 25 stakeholder interviews and six roundtables (2014/15)	

The views of stakeholders are described below:

Strengths: BME housing organisations are embedded in communities, provide culturally sensitive services, and have local knowledge and expertise. They are seen as responsive to local needs, while actively promoting community engagement. At the same time, they are strong advocates on behalf of BME communities, and constructive and vital role models to BME people, employing a majority of BME staff and with mainly BME board members. They also create significant levels of economic and social value.

Weaknesses: They lack sufficient assets on which to build expansion, since their asset bases (i.e. their housing) were built mainly post-Housing Act 1988 with a greater level of private finance than older, mainstream housing associations. This, and the reduction in capital grant-funding, leaves them in a marginal financial position. They are seen as peripheral to current debates about mass house-building. Governance issues are identified by a few stakeholders. An inability to work collaboratively, a lack of long-term planning, and an under-developed brand and communication are seen as weaknesses by some.

Opportunities: BME housing organisations need to explore innovation to provide new homes. Inwards stock transfer from other social landlords could be possible as part of VFM stock rationalisation but is threatened by the Right to Buy. Partnerships are seen as key. There is potential for mergers, group structures, and consortia within and without the sector. Development of intra-sector vehicles and markets may offer growth opportunities, as will broadening the service offer BME housing organisations can make.

Threats: Some stakeholders see regulation, especially VFM requirements as being threatening to the smaller BME housing organisations. Alongside the Right to Buy could reduce stock numbers and asset bases. The 1% rent reductions, scheduled for the next four years, will severely hamper their ability to deliver community-based services. Pressure to acquiesce to take-over by mainstream social landlords can only grow. Their inability to grow and contribute to meeting the nation's housing requirements may marginalise them.

What BME Housing Organisation Leaders Say

BME housing organisations were asked in a questionnaire to describe their strengths and weaknesses. These responses are shown in terms of priorities in the two following charts. As can be seen, many of the leaders' responses accord with the views of BME housing sector stakeholders. BME housing organisations are generally seen as good at community-based and culturally sensitive service delivery but have financial weaknesses related to their size and limited asset base.

Chart (10) - Self-Selected STRENGTHS of BME Housing Organisations
[Source: HCI BME Housing Survey (2015)]

Strength	Score
Community-focussed & engaged	21
Culturally sensitive services	16
Distinctive mission & 'offer'	14
Impact on inner city disadvantage	14
Investment in fragile local economies	12
Reputable brand & proven track record	11
Much more than housing provided	9
Produce BME leaders	8
Promote cohesion & integration	6
Other	3

Score - Number of Organisations
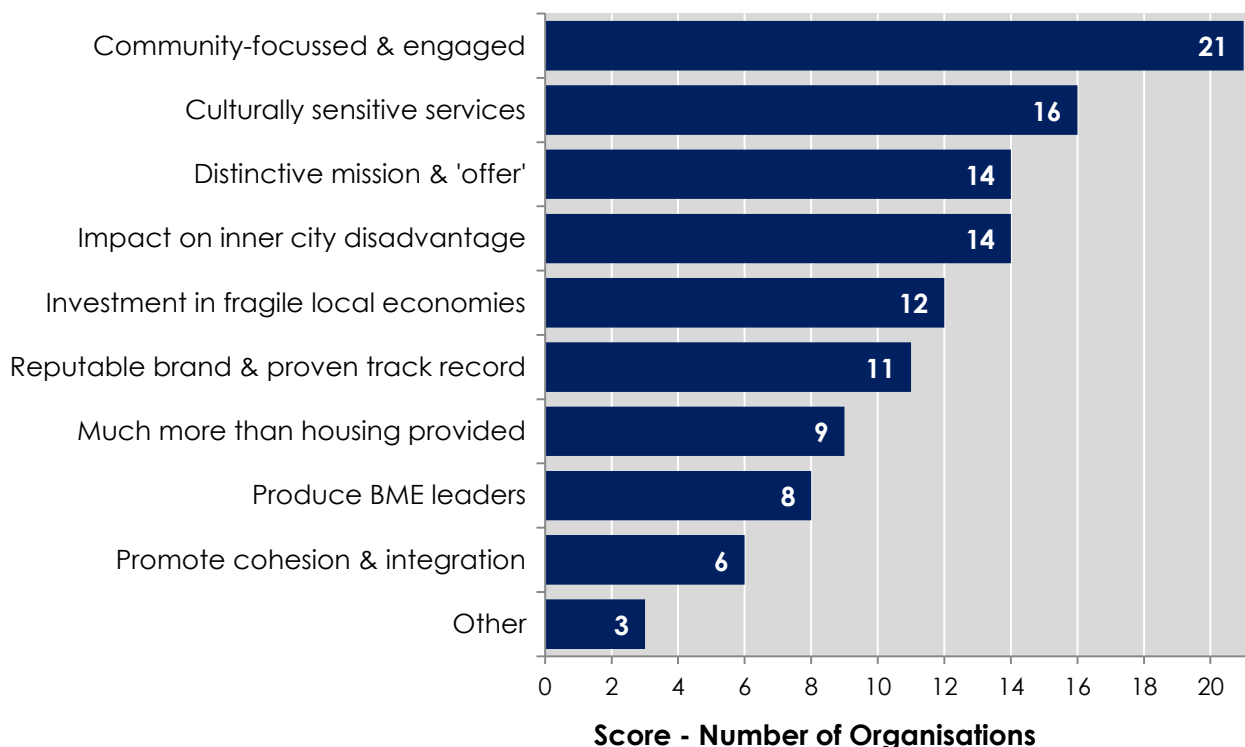
Chart (11) - Self-Selected WEAKNESSES of BME Housing Organisations
[Source: HCI BME Housing Survey (2015)]

Weakness	Score
Size - generally too small	22
Insufficient resources	20
Lack of access to resources & finance	19
BMEs no longer political priority	16
Don't work collaboratively sectorally	12
Lack strategic direction	12
Limited geographically	9
Ill-defined brand & communication	7
Not considered as strategic partners	5
Other	2

Score - Number of Organisations
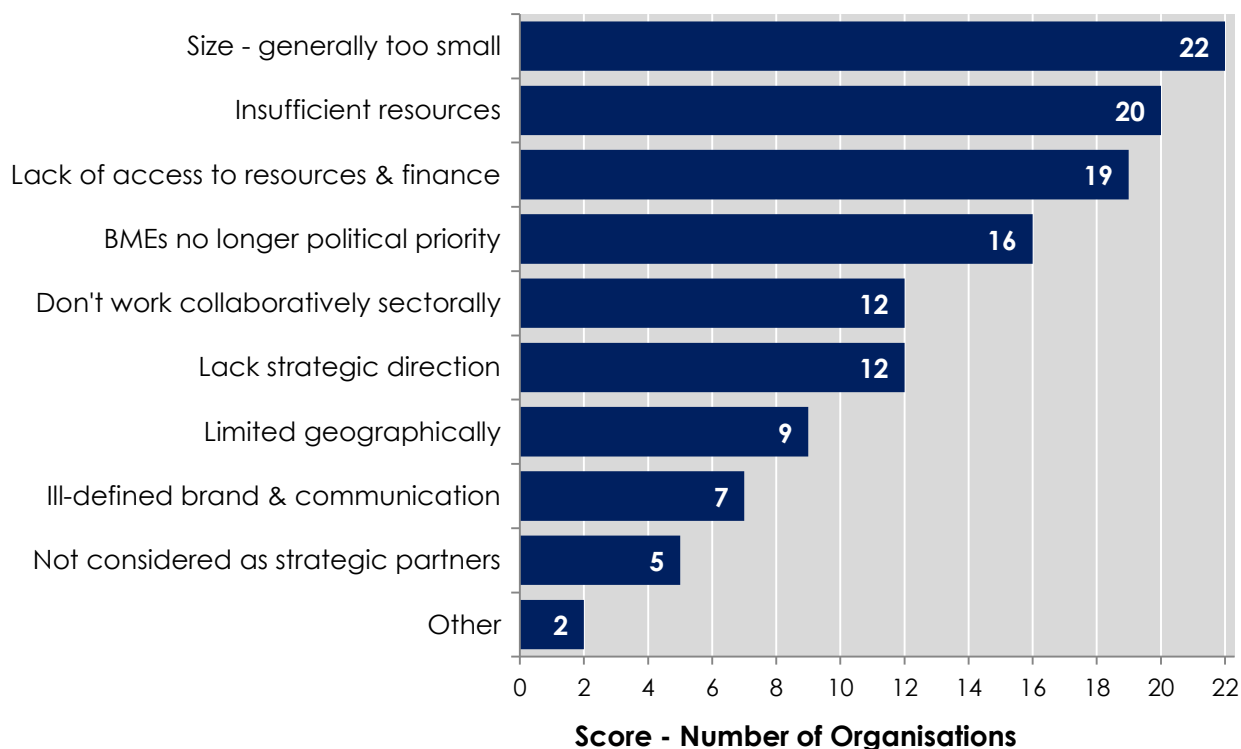
Here are a selection of quotes from BME housing organisation leaders who describe their key strengths:

"BME-led and majority BME staff means that we have an affinity and empathy with our residents. We have developed strong links with our communities and provide community-based services as well as housing services."

"We have deep connections to our communities and partnerships with other grassroots organisations. So we understand that challenges and difficulties on the ground"

"We are employers of BME people, enabling personal growth and development. We also produce black leaders and act as sector role models."

"We are key players in keeping local economies vibrant through procurement, employment and investment in communities."

"We are provide much more than housing, including employment and social enterprise which are sensitive to cultural and religious requirements."

"Provide more than housing services – employment support, community facilities, enterprise."

"BME housing associations have a proven track record in promoting community cohesion, diversity and equality. We have stayed true to our values."

"BME associations have a history steeped in inner city areas and therefore we are able to impact on poverty and equality of access issues. We invest significant resources in these areas and are able to help the 'hardest to reach' groups."

In terms of weaknesses, BME housing organisation leaders say:

"Capacity and size are key issues. Small and vulnerable to financial instability. Access to finance is limited. We also have limited resources to showcase our work."

"We are not perceived as key players in some areas or able to deliver solutions. Size and capacity issues. Limited geography in most cases."

"A lack of strategic focus means that we are preyed on by larger organisations and then our brand, ethos and legacy are lost once subsumed into group structures. There are only a handful of examples where this has worked well."

"Not seen as key players when addressing deprivation issues related to health, wellbeing, and employment. Seems down to mainstream HAs."

"We lack strategic co-operation. And often don't use our collective strengths to advance the causes of BME communities."

"There is often a lack of positive communication about what we do. BME organisations need to communicate with one voice."

"Not as cohesive as we could be as a group so sometimes missed opportunities to have a greater impact."

"Sometimes we are not clear on our USP. Not able to demonstrate our social impact."

"The political agenda has changed. No longer recognition of the need for services to BME communities."

Grainia Long, former Chief Executive of the CIH, summarises the present position of BME housing organisations:

"BME housing associations have an in-depth understanding of the needs inside and outside the BME sector. They have highly skilled and well educated staff, who are committed to professional standards respected throughout our industry. This is a perfect time to press the reset button in terms of why there is a need for BME housing providers. To be successful as a 'collective' the BME sector must focus on a long term plan by setting priorities and articulating clear objectives."

With these critical success factors in mind, the report now turns to consider potential futures for individual BME housing organisations and the BME housing sector more widely.

9.

Potential Futures

Introduction

Section 9 provides an overview of potential futures for BME housing organisations. This section is based on the views of BME housing organisations themselves, the stakeholder survey, the stakeholder roundtables and the review of literature.

Continuance

BME housing organisations will most likely continue, and indeed should, play a pivotal role in many inner city neighbourhoods, from which they were born, and to which they retain their focus. They have a proud record of supporting local economies, creating employment and generating social value. Financial capacity issues, exacerbated by recent changes in housing policy and regulation, will probably remain problems for the sector.

Today's operating environment emphasising VFM, austerity and welfare reform could squeeze many BME housing organisations – not because they are BME-managed per se but because of their size and lack of individual financial clout. BME housing organisations, perhaps wrongly, are

often perceived as poor value for money and lacking financial viability, although there is no strong evidence to support this contention. The majority are small by flourishing social enterprises linked to the BME communities which founded them

A Brief History of the Future

The research has revealed a series of potential futures for BME housing organisations, which are discussed below. However, these are not mutually exclusive options, but a potential 'shopping list', which individual BME housing organisations, regional collectives or BMENational as a representative body, can use to enhance the BME housing sector and ensure it has a vibrant future.

Recognition should be given, nevertheless, that the status quo probably is not a future option. The BME housing sector needs to demonstrate commitment to new rounds of innovation, imaginative collaborative working, and, in some cases, merger, development of consortia and new partnerships, and moves into group structures where these are beneficial to the future of BME communities.

A Strategic Approach: A brighter future for BME housing organisations requires a more strategic approach by the sector. The BME housing sector needs a long-term vision and strategy that incorporates collective endeavour and draws in partners from housing, local government, third and commercial sectors. This new strategic approach should be based on a rebrand and recast values, and communicated widely to stakeholders.

BMENational as a Collective: Working together significantly greater bargaining power is available, enabling a stronger voice in policy discussions and formulation. The role of a strengthened BMENational will be vital to a strategy to offer greater housing opportunities for BME people of all ages, but especially the growing number of elderly and young people experiencing the worst of austerity.

Joint Services and Sharing Expertise: There are a range of activities that might be shared, many of which have working examples elsewhere in social housing or local government. Vehicles to raise private funding, the creation of ethical private lettings, joint procurement – possibly like the Fusion 21 model - and sharing back office services to achieve greater VFM are all in the mix. Some form of asset pooling, as recently developed by Scotland's housing associations, has potential. Alongside, BME housing organisations should consider creating an internal 'market' for services; possibly brokered by BMENational. In addition, there is great potential for creating a knowledge bank with the BME housing sector whereby valuable expertise and information can be pooled. Something along these lines is already partly happening.

Expansion through Partnerships: Expansion also requires commitment from the wider social housing sector to support BME housing organisations by joint development approaches, partnerships, alliances and group structure arrangements in some cases, and a commitment to stock transfer so that a BME-community-based approach can be extended. Stock transfer needs to be revisited with some mainstream partners encouraging this although the majority shy away. Partnership working between BME housing organisations and with mainstream providers should enable expansion. Sharing assets to generate new funds for BME housing organisations and some further stock rationalisation were seen as primary ways of achieving further development.

Consortia, Mergers and Groups: As the research has shown, the BME housing sector is far from homogeneous. The future is likely to be increasingly heterogeneous, with some BME housing organisations considering merging with each other and with non-BME partners where there is strategic fit and values can be retained. Some will embrace consortia working to deliver new housing and services. Moving into mainstream groups may enable growth and greater financial for some. However, this should only move forward where the future, brand and values of BME housing organisations can be retained. It is clear that the results of groups structures in the past have been mixed – some highly successful and others resulting in BME housing organisations being subsumed.

New Markets and New Migrants: There are potential new or expanded markets for BME housing organisations related to health and wellbeing, employment and training, creation of social enterprises, foundation of commercial vehicles, and picking-up outsourced local authority services as local government retrenches. BME housing organisations need to reach out more to new migrant communities, especially from Eastern Europe.

Community Investors: BME housing organisations have built considerable capacity going back more than three decades. This is seen by stakeholders as a primary feature of the sector and one of its most attractive attributes and achievements. Their role in generating social value is

recognised and appreciated in their partnership work with larger housing providers. And their access to 'hard to reach' communities is viewed as a positive characteristic. This is a key area for future expansion, especially with local authorities which are seeking community partners to deliver local services.

Mutualism: There are a range of opportunities to develop mutual models to house BME communities, and to work with secondary co-operatives and development agencies, such as CDS and BCHS. The Right to Manage in council housing offers a further avenue to enable BME communities to manage their housing, aided by BME housing organisations. Community Land Trusts, Community Shares schemes, and Co-Housing schemes offer additional opportunities for the BME housing sector to embrace mutualism.

PART III – BME HOUSING MOVING FORWARD

10.

Conclusions and Recommendations

Terrie Alafat, Chief Executive of the Chartered Institute of Housing summarises where BME housing organisations have come from, and where they need to go:

> "BME housing associations have a long established track record of meeting the needs and aspirations of the neighbourhoods and communities they serve. We know they are committed to operating to the highest professional standards as they continue in their work. And as we face a radically changed operating environment now is the perfect time for the BME sector to take the time and space to reflect on its role and purpose in a radically different world. To be successful, the BME sector must focus on a long-term plan by setting priorities and articulating a clear mission and objectives."

Conclusions and recommendations are synthesised below under three key headings related to BMENational, working arrangements for BME housing organisations, new markets and activities, and the social landlord role.

BMENational

- BMENational needs to engage in long-term planning over at least a ten year period and possibly matching the NHF Hothouse 2033 time frame. BMENational needs to revisit its vision, values and brand to embed a strong current and future narrative which should be

communicated consistently, clearly and coherently over the coming years. The Future Strategy and Prospectus being developed from this research by September 2015 will be a major step forward in realising these ambitions. A Communications Strategy for the next three years should sit alongside these key documents to enable BMENational to continue to lobby and advocate on behalf of the sector once the research and campaign come to a close.

- BMENational needs to lead on supporting BME housing organisations to demonstrate why they are different and what they have to offer that adds value and then to promote their offer proudly. They need to carve out their niche more effectively and to become much more focused about what they provide to partners in housing, the third sector, local authorities and regional and sub-regional bodies. The documents mentioned above should help here. However, the development of three regional forums – North, Midlands, South – could aid this endeavour (while the London Directors group can represent the capital). Despite some notable examples, BME housing organisations also need to become more active in other forums such as Placeshapers, the Northern Housing Consortium, and the G320 in London being good examples.

- The future of BME housing organisations can (and should) be in their own hands providing they band together. The BME housing sector needs to be a movement of 'many voices' but within a collective framework. In particular, BMENational needs to make much more of the collective power, resources and reach of BME housing organisations and develop collective activities, projects and vehicles. Some key examples include raising funding together via the collective asset base (possibly through a bond issue), sharing services and introducing joint procurement, establishing commercial vehicles with lower risk, creating a good practice bank, developing

a new services sub-group, creating a collective fund to support research and campaigning and commissioning research into emergent funding streams beyond housing.

- The lack of satisfactory sectoral data has been touched on in the conclusions. A lack of up-to-date and reliable information about the BME housing sector will be partly answered by the current research. That having been said, an ongoing project needs to be initiated to ensure that information about performance, VFM and the creation of additional economic and social value are crucial to a serious trade or representative body. A BME housing sector benchmarking club (although one currently existing there need to be far more BME housing participants to enable sectoral performance to be evaluated), publication of an annual report and an ongoing research programme are key. All of this needs to draw in those BME housing organisations that remain outside of the BMENational framework.

Consortia, Mergers, Group Structures and Partnerships

- It is clear that group structures with mainstream housing providers offer BME housing organisations significant opportunities to thrive through sharing back office functions to reduce overheads while enabling greater access to public grant and private finance on which growth strategies can be built. Group structures also allow BME housing organisations to provide services to other group members and to share knowledge and experience of BME communities. However, while there are some honourable exceptions, not all group structures have been supportive over the long-term with BME housing organisations losing their identities and housing stock. BME housing co-operatives have thrived well with secondary co-operatives providing services – for example BCHS in Birmingham, Northwest Housing in Liverpool and Asra in Leicester. The lesson here is that choosing a group should be from a position of strength and that continuance of the BME housing organisations should be enshrined in any agreement.

- Mergers between BME housing organisations, and mergers with mainstream housing organisations, have been ways in recent times in which BME housing organisations have grown and improved their financial position. This trend will probably continue but needs to ensure that the sector's commitment to meeting the needs of BME communities, and others within disadvantaged neighbourhoods should be underscored in any merger or partnership negotiations.

- Working with local government, commercial and third sectors provide considerable opportunities for BME housing organisations to wider their repertoire of services and to develop strategic partnerships to support the communities they serve. A national, regional and localised menu of current activities and potential to take on a wider range of service provision could aid this move. Case studies of partnership working might also aid greater partnership working. BMENational might also reach out to other BME forums, such as those associated with small business and social enterprise.

New Markets, Needs and Services

- There is considerable scope for BME housing organisations to access new markets. Integrated health, social care and wellbeing policy areas offer various and multiple opportunities;

especially since health inequalities persist in BME communities. BME housing organisations need to work with Clinical Commissioning Groups (CCGs) and Health and Wellbeing Boards that sit within local authorities. Other neighbourhood services commissioned by local authorities provide further prospects for BME housing organisations.

- Undertaking needs and housing requirement assessments, promoting community cohesion and tackling extremism are continuing and/or emergent markets that BME housing organisations might access from central or local government. BME housing organisations have unique local insight into what's happening on their 'patch' which could provide vital local intelligence to planners and housing developers and managers. Alongside, BME housing organisations could aid the promotion of community cohesion, reduction of extremism and eradication of gang culture by accessing Home Office funding for instance.

- There is a range of needs of new migrants that BME housing organisations could specialise in meeting. The needs of Eastern European economic migrants, refugees and asylum seekers, those of gypsies and travellers and other groups that emerge in the coming years all require consideration alongside potential funding pots to meet such needs.

- BMENational should commission research into potential funding routes for members from a variety of government, LEP and European Union funding sources, especially around economic development, improving employment prospects of local people and reducing financial exclusion.

The Role of Funders and Social Housing Partners

- The BME housing sector needs to make the case, as both a collective and individually to public, private and commercially philanthropic funders to support expansion of the BME housing sector since the sector offers VFM across a range of policy areas (including health and social care, supporting welfare to work and reducing social exclusion and disadvantage while promoting social mobility).

- The VFM and viability case needs to be made in particular to the HCA. Conversations also need to be opened-up with the HCA and the private sector about the creation of sectoral vehicles to achieve greater VFM and bring more resources into affordable housing. This should be supported by research into the options.

- Stock rationalisation needs to be revisited. Both local authority housing departments and housing associations need to be lobbied to support such approaches. If just % of stock was transferred to BME housing ownership or management over the next five years, that would mean an increase in the sector's total stock of two thirds to stand at 100,000. However, more likely is small growth of around 3,000+ homes, which, with the Right to Buy for housing associations becoming active, might only replace lost homes.

- Mutual approaches, including the Right to Manage within council housing, offer BME communities living in social housing opportunities to create devolved management structures within existing social housing organisations and provide more control of housing and community assets by such communities. Community Land Trusts, Community Shares schemes, and Co-Housing schemes offer additional opportunities for the BME housing sector to embrace mutualism.

Select Bibliography

Battiston D., Dickens R., Manning A. & Wadsworth J. (2014) Immigration and the Access to Social Housing in the UK, CEP Discussion Paper No. 1264.

Beider H. (2012) Race, Housing & Community|: Perspectives on Policy& Welfare. Wiley-Blackwell. Oxford

Finney N. & Harries B. (2013) Understanding Ethnic Inequalities in Housing: Analysis of the 2011 Census. Better Housing Briefing 23. Racial Equality Foundation

Gulliver K. (2000) Social Concern and Social Enterprise: The Origins and History of Focus Housing. Brewin. Birmingham

Gulliver K. (2010) Beacons of Hope: The Historic Role of Housing Associations Tackling Poverty, Disadvantage and Inequality. Human City Institute. Birmingham

Gulliver K. (2015) Progress on Equality & Diversity Housing BME Communities in the North-West. Human City Institute. Birmingham

Gulliver K. (2015 forthcoming) A Matter of Mobility: Enhancing Life Chances in Social Housing. Human City Institute. Birmingham

Gulliver K. & Prentice D. (2015) The Untold Story: The Bangladeshi Community in Birmingham. Human City Institute. Birmingham

Garside P. (2000) The Conduct of Philanthropy: William Sutton Trust 1900-2000.Athlonme Press. London

Henderson A. & Karn V. (1983) Race, Class and the Allocation of Public Housing in Britain. Runnymede Trust.

Malpass. P. (2000) Housing Associations and Housing Policy: A Historical Perspective. Macmillan. London

Murray K. (2010) The Guardian, 8th December – 'Black housing bodies helped build communities'

Randhawa G. (2007) Tackling Health Inequalities for Minority Ethnic Groups: Challenges and Opportunities. Better Health Briefing 6. Racial Equality Foundation

Tenant Services Authority (2010) Existing Tenants Survey. TSA. London

Van Ham M. and Manley D. (2012) Segregation, Choice Based Letting and Social Housing. Discussion Paper 6372. Research Institute for the Built Environment. Delft

Van Ham M. and Manley D. (2015) 'Choice-Based Letting, Ethnicity and Segregation in England', Urban Studies April 1, 2015 52: 823-840

About the Partners

About BMENational

BMENational is a collective of around 70 BME housing organisations operating in England. It acts under the auspices of the National Housing Federation collaborating with the NHF to influence national housing policy and providing a consultative and promotional platform for BME housing issues. BMENational highlights the contribution BME housing organisations make to successful, vibrant and integrated communities while promoting equality and diversity in the delivery of housing and services.

http://www.bmenational.wordpress.com/

About the Human City Institute

HCI is an independent, charitable 'think tank' based in Birmingham undertaking research into 'human city' issues, investigating exclusion, and promoting solutions to the problems of the most disadvantaged groups in today's complex and diverse cities, towns and communities. HCI works around research themes that incorporate new visions for housing, mutualism and social value, health, wealth and life chances, no community left behind, and studies of age cohorts such as the young and older people.

http://www.humancity.org.uk

aksa homes
Part of the New Charter Group

asra
HOUSING GROUP

Black Country
Housing Group

Bolton
at Home

Leeds
Federated

Matrix
housing partnership

together
HOUSING GROUP

THT
TRAFFORD HOUSING TRUST

TRIDENT
THE SOCIAL INVESTMENT GROUP

ACCLAIM
HOUSING GROUP

adactus

Affinity Sutton

AGHA
APNA GHAR HOUSING
ASSOCIATION

AmicusHorizon
Making homes, helping people

Arawak
Walton
Housing Association

ARCHES
HOUSING

arhag
HOUSING ASSOCIATION

Ashley
Community
Housing

ashram
moseley

BAHAY KUBO
Housing Association

Bangla
Housing Association

calico homes

CIH

EKAYA
HOUSING
ASSOCIATION

emh group

family
mosaic

FURNISHING HOMES
FURNISHING LIVES

HOUSING
DIVERSITY
NETWORK

imani
HOUSING CO-OP LTD

Innisfree

INQUILAB

LHT
Part of Symphony
Housing Group

LJHA

manningham
HOUSING ASSOCIATION

NATIONAL
HOUSING
FEDERATION

Nehemiah UCHA
Creating Successful Diverse Communities

Oldham Housing
Investment Partnership

PINE COURT HOUSING
ASSOCIATION

PlaceShapers

Progress
HOUSING GROUP

RBH
ALL TOGETHER
BETTER LIVING

Riverside

sadeh lok

Shahjalal
HOUSING
CO-OPERATIVE LTD

Shian

Sovini

STEVE
BIKO
Housing Association

TCHA
Tamil Community Housing Association
தமிழர் சமூக வீட்டுவசதிக் கழகம்

Tuntum
housing

Unity
Homes & Enterprise

Your
TungSing

BME
national

humancity

T: 0161 272 6094
F: 0161 273 4080
Tw: @bmenational
E: BPandya@arawakwalton.com
W: www.bmenational.wordpress.com

The HUMAN CITY institute
T: 07894 828697
Tw: @humancityinst
E: human.city@btinternet.com
W: www.humancity.org.uk