Social Housing in New Zealand: Does Social enterprise fit into this mix?

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Introduction

Provision of shelter is a basic human need, however, the significance of housing reaches beyond providing a place to reside and sleep. Housing is significant to our quality of life. The location, duration and affordability of housing in turn influence our access to work and education, our health and wellbeing (The Salvation Army, 2015). Our ability to meet extended family commitments may be influenced by housing circumstances, as may our sense of safety and security.

Housing encompasses a broad spectrum from homelessness to home ownership. The focus within this paper is on social housing, a form of affordable housing[1]. In New Zealand we understand social housing generally as "the provision of assistance with housing to those who cannot otherwise meet their own housing needs" (Housing Shareholders Advisory Group, 2010; p.13). Assistance may take many forms, for example from rent subsidies to increase affordability or provision of a dwelling. As discussed later in the paper, participants in this research have defined social housing even further, whereby assistance may also include provision of social services support as may be required by tenants.

Internationally, the provision of social housing has increasingly become aligned with social enterprise (Czischke, Gruis, & Mullins, 2012), however these links are still tenuous in New Zealand's emergent approach to social enterprise (Grant, 2008; Kaplan, 2013). Housing New Zealand Corporation (HNZC), as the crown agent, has traditionally provided housing services to people in need (Murphy, 2003), but change is afoot. Social housing in New Zealand is facing a significant change with central government introducing major reforms in 2014 which reflect international trends of decreasing government involvement in housing provision (Clapham, 2005; Housing Shareholders Advisory Group, 2010). The key objective of these current reforms is to "create a market with a diverse range of providers and a greater role of other providers" (Ministry of Business Innovation and Employment, 2015). This aim could be interpreted to suggest scope to enhance social outcomes, but how such outcomes might be achieved are still to be decided. Social service providers, not for profit housing providers and local councils are now reflecting on how (or even if) they will fit into this new landscape. Amid the anticipated increase in community based social housing providers, the question of what contribution social enterprise might bring to this new dynamic (see for example Blessing, 2015; Czischke, et al., 2012) is but one of many to consider.

Although the intent and stated objectives of the reforms has been made clear by government, how this policy will become action is still being decided at a national level. Consistent with social constructionist concerns Marsh (1998) identifies how policy is but one influence which shapes social housing. Policy is located within the context of many other influences at macro and micro levels. For example, demographic, social and economic changes all have direct influence on social housing at the macro (national) level. Influences at the micro (e.g. regional/city level) may be more variable. Through this paper I present research in progress which seeks to understand how SE might fit into the emerging New Zealand social housing environment, with a specific focus on the Hamilton City/Waikato region. Analyses of conversations with participants and key themes which have emerged help indicate driving influences upon the strategy building process, which in turn helps determine where and how social enterprise might fit into this new environment.

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[1] Housing is defined by Centre of Housing Research (CHRANZ) as affordable when "a household spends no more than 30% of its gross income on housing costs, whether for rent or mortgage" (Housing Shareholders Advisory Group, 2010; p.13)

This paper is structured into four key sections. I begin with a brief review of housing as it is presented in scholarship, including consideration of how social enterprise fits into this area. My focus then narrows to consider the New Zealand context, first from a historical perspective and then more detailed consideration of the current reforms. Research methodology and design for this investigation is then presented before I present findings from the research conversations which informed this research. I conclude with discussion of what these insights might mean for social housing and more specifically social enterprise housing, in New Zealand. My hope is that understanding the emerging New Zealand context in this way may provide a foundation to further development, potentially incorporating international comparisons.

Housing in the literature

The provision of housing can be conceptualised as a continuum as is shown below in Figure 1.
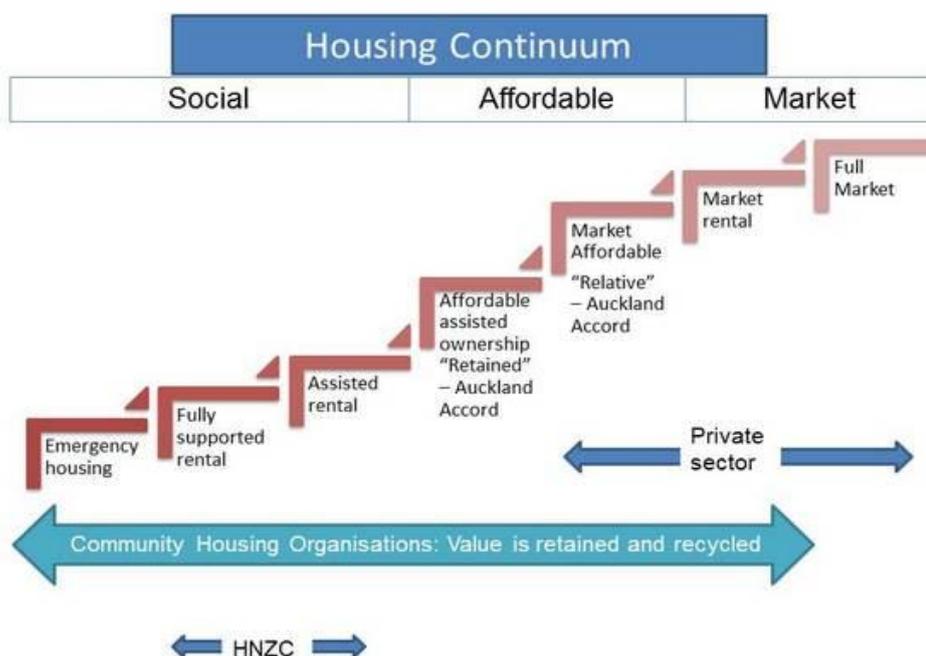

Figure 1.Community Housing Continuum. Source: Community Housing Aotearoa (2015b)

Cox and Pavletich (2014) identify paradox in their consideration of housing as both shelter and a commodity. We all have a basic need for shelter, and as such housing is a necessity of life. But within our capitalist society, housing has increasingly been identified as a commodity, something which may be rented or owned (ibid). Gordon (1982 citing Basset & Short 1980) builds on this contradiction and explores need vs commodity contradictions further. Housing as a scare resource may be valued accordingly on 'the market', hence Gordon (1982, p.8) observes how "(i)n New Zealand, housing is constantly overvalued because of the network of intermediaries, speculators and power groupings who control the market".

Further contradiction can be seen when we consider housing as a form of social control (Gordon, 1982). Housing, more than most other social needs, requires good planning and long term programmes of policy implementation, as a) housing takes a long time to build, and b) once built housing is extremely durable (Gordon, 1982) Further, I would suggest housing has limited portability in most instances. All of these characteristics define housing as typically having a "durable nature" and as such Gordon (1982; p.31) suggests, housing is able to act as a form of social control. Such

control may be restrictive or enabling. As a stepping stone, housing may facilitate or constrain access to many other facets in our life, such as education, work and family (The Salvation Army, 2015). Hence, housing may be seen to provide a 'map of social relations within a city' (Gordon, 1982; p.6).

Housing and policy are inextricably linked (Marsh & Mullins, 1998). Provision of acceptable, affordable housing, and consideration of the role of state in the housing market with a view to ensuring citizens have 'adequate' housing is identified by Marsh (1998) as one of the most common topics in housing literature. Historical housing policy may have influenced homogeneity of housing type, which in New Zealand has traditionally been built to reflect nuclear family structures. There is now however, growing recognition that such premises no longer reflect the diverse cultures and family groupings that require shelter. Diversity in housing requirements and expectations means even an integrated housing policy approach is unlikely to satisfy all groups in society, while failure to meet changing requirements might be seen by critics as attempts by government to influence and control family group dynamics.

While my explicit focus here is social housing[2], i.e. as depicted between emergency housing and assisted rental categories in Fig 1 above, it became apparent early in my research process that 'social housing' is an ambiguous concept. Social housing is defined by the New Zealand government (Housing New Zealand Corporation, 2005; p.75) as "not for profit housing programmes that are supported but not necessarily delivered by government, to help low and modest-income households and other disadvantaged groups to access appropriate, secure and affordable housing." In contrast Housing Shareholders Advisory Group (HSAG) (2010; p.91) work with an alternative definition "the provision of assistance with housing to those who cannot otherwise meet their housing needs". HSAG (2010) qualifies their definition to note assistance may be provided in kind or 'in cash' e.g. through the transfer of subsidies (p13). This definition makes no mention however, of who is providing said assistance, or how it is funded. The provision of support/wrap around services, a key component noted by participants in this research, also remains unmentioned.

The paradox of need vs. commodity, suggests social enterprise and its orientation to balance both social and economic requirements may be a pertinent area in the realm of social housing. However, these concerns have received minimal consideration in scholarship. Although acknowledging some specific exceptions, such as Teasdale's (2010) work on homelessness, Czischke et al (2012) observe the links between social enterprise, entrepreneurship and social housing are poorly developed in relation to housing studies. In practice however, especially in Europe and the United Kingdom, social and affordable housing has long been delivered through mixed economy mechanisms (Mullins, Czischke, & van Bortel, 2014). The resultant hybrid organisations might be considered as social enterprises. The structure of social housing in Australia, New Zealand's closest geographical neighbour, appears similar to that in New Zealand. Public rental housing (owned by government) is the most dominant form (78%), followed by mainstream community housing (14%) and then specific indigenous housing (8%) (Australian Institute of Health and Welfare, 2013). Social partnerships to address issues such as homelessness are on the increase in Australia (McDonald, 2014).

New Zealand Context

Social Enterprise in New Zealand

Grant (2015) identifies the complex, and to some extent disjointed, environment within which the diverse range of social enterprise activity in New Zealand takes place. Partial assistance from government has provided scope and motivation for SE to evolve more "organically" than it may have in a policy-driven environment. While social enterprises bring positive social value to their

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[2] Affordable housing is becoming a very separate issue, with house prices in Auckland are rising at an extreme rate. In May 2015 it was estimated Auckland house prices were rising at just under $1000 a day (REF NZ HERALD)

communities through innovation and creativity, in many cases their efforts are constrained through a lack of resourcing and supportive infrastructure. Conceptualisations of social enterprise in New Zealand are influenced by a variety of ideologies, which in turn contributes to diversity in SE activity. Trading not for profits and community economic development organisations tend to be located more towards the social end of the social-economic continuum, whereas business-oriented social innovation organisations are more likely to be found at the economic end of the spectrum. Unique to New Zealand are a range of Maori organisations. Often iwi (tribal) based, these organisations typically draw on cultural traditions to guide and inform their practice. Dey and Grant (2014) demonstrate how the activities of many of these Maori organisations may be considered as social enterprise.

Community housing providers currently operating in New Zealand could be seen to fall under the social enterprise umbrella, and are more likely to identify with the not for profit and/or community development positioning than social innovation. In some areas, such as Auckland, partnerships between local and state government, property developers and sometimes community organisations, has seen the creation of special housing areas. These areas are created with the intention of fast tracking the availability of social and affordable housing in designated areas. There are also a number of Maori *iwi* based housing options around the country, such as the kaumatua (elder) housing offered by many Marae. Consistent with the general SE context in New Zealand, a lack of resourcing and supportive infrastructure are key challenges facing all of these social housing providers.

Housing in New Zealand

Government ministers English and Bennett (2015) identify two distinct housing policies as dominating New Zealand since the late 19th Century. Initially the dominant policy targeted government support for 'the New Zealand dream', a family home in the suburbs. Government support for this ideal was so strong during the first part of the 20th century that by the early 1960's more than half the homes being built in New Zealand were financed by the government owned State Advances Corporation. The family home was seen as "both the goal of those who laboured and their reward" (Ferguson, 1994; p.9). The second dominant theme became more obvious during the 1980s. By this time development of public housing was recognised by government as part of the wider social welfare system (Ferguson, 1994). Within this system, direct assistance to those 'living outside the dream' has become increasingly limited to provision of subsidised housing (Ferguson 1994). As government do not believe it is their role to provide a variety of housing or location choice to citizens (Cox & Pavletich, 2014) the extent to which this housing might meet the actual needs of prospective tenants is varied.

Social housing in New Zealand

Within the New Zealand context social housing is recognised as a subset of affordable housing, i.e. where a household spends no more than 30% of its gross income on housing costs, whether for rent or mortgage. Statistics from 2009 indicated social housing at that time accounted for one in five dwellings in New Zealand, i.e. residents in these dwellings received some form of housing assistance, either as a tenant of a state owned house or a recipient of a government provided accommodation supplement (Housing Shareholders Advisory Group, 2010). In New Zealand the government is the major supplier of social housing through Housing New Zealand Corporation, after which the next largest provider of social and affordable housing is local government (Community Housing Aotearoa, 2015c)[3]. A small number of NGOs and community groups also provide some dwellings, albeit on a small scale. While social housing is the lexicon typically invoked in policy

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[3] Based on the age of much of the council housing and the range of rents charged, Community Housing Aotearoa (2015c, p.16) suggest a significant portion of this stock is unsustainable. Further complicating this issue is the lack of a level playing field between local government and other community housing providers, distorting the market and bringing negative social and economic consequences (Community Housing Aotearoa, 2015; p. 17).

statements, the dominant role of the state as provider of such housing means in reality social housing more realistically equates to 'state subsidised housing'.

Comparatively New Zealand social housing is strong in terms of international benchmarks. For example, waiting lists are smaller and declining when compared to other countries, but pressure is still evident and growing (Housing Shareholders Advisory Group 2010). However, issues across the New Zealand social and affordable housing market vary significantly across the country due to local and regional conditions (Community Housing Aotearoa, 2015c). Affordability of housing has become an increasingly urgent issue in New Zealand. In addition to the need to demolish and rebuild many homes in Christchurch and surrounding areas following the 2010 and 2011 earthquakes, New Zealand's only major metropolitan market, Auckland, has been rated as 'severely unaffordable' in all ten (2003-2013) Demographia International Housing Affordability Surveys (Cox & Pavletich, 2014). Restrictive land use policies are identified as a key contributor to poor affordability ratings (ibid). However, although concern regarding policy and bureaucracy is growing, it is not new. Over 30 years ago Gordon (1982) suggested control was a dominant feature of the NZ housing market. Gordon (1982, p.12) identifies multiple stakeholders who might exert control, including agents, landlords, state agencies, speculators, real estate agents, and building companies. Control is also recognised by Gordon (1982) within process, be it legislation, loan or rental procedures. The inclusion of, and necessity to involve, intermediaries distorts what has the potential to be a simple transaction process; which in turn adds cost to the operation and potentially increases powerlessness of the buyer and/or potential tenants.

Community Housing Aotearoa (CHA) is an umbrella organisation established in 2005, representing 74 members, including local councils and not for profit organisations who deliver community housing solutions. Collectively the member organisations provide at least 4,021 homes with a minimum of 9,700 beds. CHA estimates that over 15,000 people go home each night to a home operated by a not for profit community housing organisation. There are four member organisations in the Hamilton area. Two provide housing and residential support to people in or nearing retirement, one supports mental health patients with housing and associated social service support and the fourth supports people with disabilities (Community Housing Aotearoa, 2015b).

Housing New Zealand Corporation (HNZC), the government owned provider of state housing, owns around 65,000 houses and leases 3000 more. In total, 4.5% of all residential properties across New Zealand are HNZC properties (New Zealand Government, 2015). Growing concern has been expressed by HNZC that some tenants seem to have an unfounded expectation of 'unofficial tenancy for life' rather than for the duration of their need (Research participant, personal communication 2014). With wrap around support services provided by separate, and already stretched social service agencies, such need risks becoming endemic. In conjunction with this issue, is growing recognition by government and other stakeholders that the HNZC property portfolio is no longer well aligned with the needs of current and prospective tenants. Many properties have been poorly maintained. There is an oversupply of larger (for example three and four bedroom) homes, often in locations with high unemployment. In contrast there are waiting lists, particularly for one and two bedroom homes, in Auckland and other cities where work is more likely to be found. The combined effect of these issues has provided impetus for major social housing reforms initiated by the government in 2014.

Current housing reforms.

In 2014 cabinet agreed to a programme of reform which aims to improve the performance of the New Zealand government's investment in social housing including state housing. These reforms also sought to increase the number and diversity of social housing providers with a view to increasing choice and contestability. Ultimately government expects these reforms will grow the total quantum of social housing available to meet increasing demand (English & Bennett, 2015). The lexicon invoked by government to describe these reforms suggests the policies are focused on the supply side of the

housing equation, with an expectation by government that the market can be manipulated through institutional arrangements and other machinery of government.

The Housing Stakeholders Advisory Group summarises the objectives of government's social housing reforms thus:

- that New Zealanders have access to housing that meets their needs and is affordable;
- that assistance is available to those most in need for the duration of their need, and be delivered in a cost effective manner;
- that a suitable business environment is created for investment in affordable housing by providers, including non-governmental organisations (HSAG 2010, p11).

To achieve these objectives, government has made significant changes to social housing process and infrastructure. First, the manner in which a person's housing need is determined has changed. Previously housing need was assessed by Housing New Zealand Corporation, the state owned housing provider, and HNZC accommodation would be provided when possible. As part of the reforms, assessment of housing need has now been integrated with assessment for wider social support, with this responsibility residing with the Ministry of Social Development (MSD) (English & Bennett, 2015). Within this process is the introduction of tenancy reviews to ensure assistance continues to be provided to those who need it, for the duration of their need. HSAG (2010) observes how the move from a 'housing for life' approach to 'housing for as long as you need it' a significant change for HNZC.

Assessment of housing need determines the extent to which a person and/or their family are eligible for an Income Related Rent Subsidy (IRRS), which is then used by MSD to 'purchase' a tenancy from whomever MSD determines to be the most suitable provider. Government envisages that by empowering MSD as the single purchaser of social housing places, independent of any housing provider, access to social housing will no longer be determined by who owns the house. Further it is anticipated by government that making IRRS available to non-government community housing providers will help those providers grow (English & Bennett, 2015), although it is unclear what type of growth is envisaged by government.

Two new government bodies have been established as part of the reform process. The Social Housing Unit (SHU), Te Wāhanga Kāinga Pāpori, is a government agency established in 2011 as a semi-autonomous body within the Building and Housing Group of the Ministry of Business, Innovation and Employment. SHU's principle aim and priority is to facilitate an increase in the supply of social and affordable housing for New Zealanders by working with organisations, including not-for-profit, iwi, and private sector providers. The Unit allocates funding and facilitates partnerships, including land transfers and sale or lease of surplus state housing stock (SHU Website). Since its establishment, NZ$139 million has been provided in capital grants to community housing providers for developing 890 housing units (Ministry of Social Development, 2015). The Community Housing Regulatory Authority (CHRA) is another newly created entity rising from the reforms. Separate from the Social Housing Unit, but sharing some of their facilities, CHRA is also based within Ministry for Business, Innovation and Employment. CHRA has been established to accredit and monitor community housing providers, with the power to intervene if necessary. Community Housing Aotearoa has raised questions about the impact of CHRA when it was noted that the number of registered providers overseen by CHRA has decreased by nine in the 12 months to April 2015 (Community Housing Aotearoa, 2015a). Due to its state ownership Housing New Zealand Corporation, the state provider of social housing, is not recognised as a community housing provider (CHP) by CHRA. CHRA's focus is to assist the emergence of a diverse range of CHPs, and create a more level playing field between Housing New Zealand Corporation and CHPs. HNZC and community housing providers are both required to report to CHRA at the same level. The government strategy envisages an expanded role

in the social housing market for Community Housing Providers, as these organisations are recognised by government as better able to respond to the needs of specific tenants. Figure 2 demonstrates the roles and functions envisaged for the new social housing market.

Figure 2: Roles and functions in the new social housing market
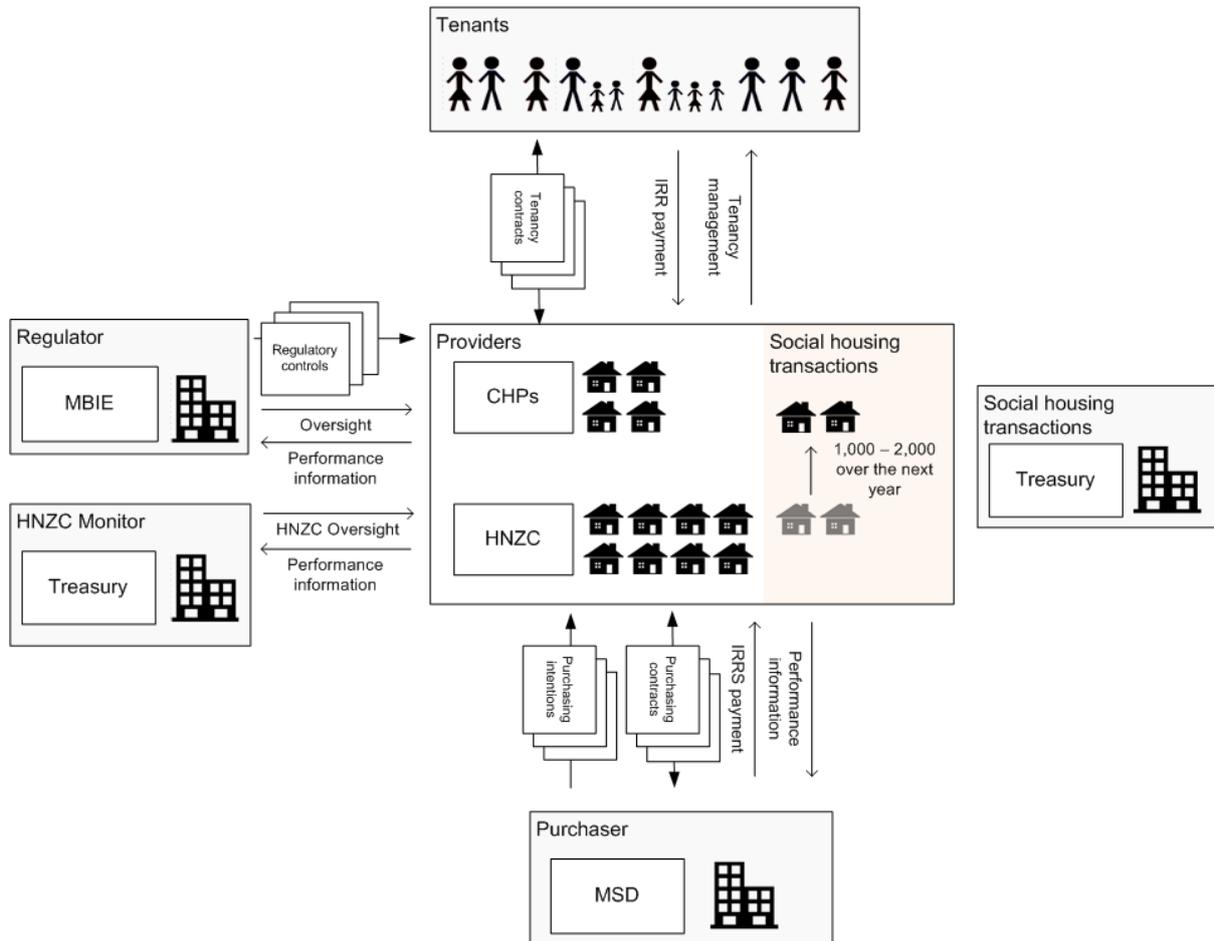
Source: Ministry of Social Development, (2015; p.10)

Government anticipates the availability of social housing to increase through a number of reform outcomes. Through its ongoing programme of sales, reinvestment and redevelopment, HNZC as part of its business as usual asset management, expects to see ownership of some of their properties transferred to Community Housing Providers. For example, in April 2015 HNZC announced the transfer of 2800 houses to Tamaki Redevelopment Company, a joint venture housing provider established by Auckland Council (59%) and the New Zealand Government (41%). Further, better use of HNZC land is anticipated by opening it up for redevelopment. For example rezoning which allows for high density housing may facilitate the demolishment of a three or four bedroom home on a traditional quarter acre section to provide three x two bedroom town houses (English & Bennett, 2015).

At a strategic level, the stated intent of these reforms is to provide quality and affordable housing. The overall number of houses provided (through a mix of providers) is set to increase, although HNZC will remain the largest housing provider. At an operational level however, there is less certainly as to how (or if) these outcomes will be achieved. Even though details of how surplus HNZC stock might be transferred to CHPs is still to be decided, one of the nation's largest CHPs, the Salvation Army, has

already publically declared that they will not purchase any stock, as they believe the stock to be substandard and too expensive to bring up to an acceptable standard. Likewise many community groups are in a 'holding pattern' as they 'wait and see' the details at an operational level before deciding what level of commitment to bring to this new market.

In terms of the local focus on Hamilton and the Waikato region for this paper; this new and relatively uncertain social housing environment has already seen some significant change. The Hamilton City Council has voted to continue to reduce its involvement in this area and in September 2014 signalled its intention to sell off their stock of pensioner housing to local community housing providers (Hamilton City Council, 2014). Despite strong protests from several sectors (Leaman, 2014) social housing providers have six months to express interest in purchasing the housing portfolio from 15 February 2015(Hamilton City Council, 2015) . In contrast, Te Runanga o Kirikiriroa (an urban Maori authority which seeks to support all Maori, regardless of their iwi/tribal connections) through its subsidiary, Nga Rau Tatangi, is building on its Community Housing Provider status to re-develop land previously owned by HNZC. The NZ$17 million new development, Wairere Village, is founded on communal kaupapa Maori principles, and seeks to promote, develop and maintain collectivist ideologies found in many traditional Maori customs. For example, communal gardening and use of shared recreational spaces will be encouraged through the deliberate decision to not fence off individual back yards (Lewis, 2015).

Methodology and Research design

"Housing is defined as a set of activities…at different times and for different groups of people, housing has diverse meanings (Gordon, 1982 p.5). Through these various activities and groupings, housing reflects social relationships. It is a high-profile indicator of social status, class differences and power relationships (Gordon 1982). Recognising this foundation of interaction, it was important to me that I value these social dimensions within the research process. Challenging the traditional tendency to apply positivist approaches to housing research, Clapham (2005) and Jacobs and Manzi (2000) advocate for a social constructionist approach which ensures the discourse of stakeholders is recognised as important, along with their interactions and negotiations. Building on this epistemological approach, collaborative, participant based action research (Reason & Bradbury, 2001) allowed me to work alongside key local stakeholders seeking to develop a social housing strategy for Hamilton. I began by identifying key stakeholders and inviting them to participate in first one on one interviews, and later a group discussion. To a certain extent a snowball technique was applied during participant selection, as participants were also invited to suggest others who might be interested in participating. This primary research was complemented by a review of relevant literature covering social housing, social enterprises and more specifically the New Zealand housing context.

Appreciative inquiry is recognised as a process for change (Cooperrider & Srivastva, 1987; Cooperrider & Whitney, 2000), so provides a useful starting point for the method of this research. Both the one-on-one conversations and the group discussion were framed to be consistent with critical appreciative processes (CAPs) (Grant, 2006; Grant & Humphries, 2006). Much of the value in CAPs resides in the ontological intent rather than technicalities of a specific form of implementation (Grant, 2006). Thus, while the initial questions loosely followed the 4D cycle of appreciative inquiry (Cooperrider & Srivastva, 1987); participants were encouraged to take an enhanced view of appreciation looking beyond 'what is good' to also "know, be conscious of, to take full and sufficient account of" (Grant, 2006; p.310) their consideration of the social housing context. In this way, provision was included throughout the research process to consider not only positive aspects but also potentially less positive issues such as power and influence.

The blend of appreciative and critical perspectives encouraged within CAPs continued during the analysis phase of a mix of primary and secondary research. A combination of discourse and thematic analysis was then undertaken to consider not only the themes which shape the perspectives

espoused (and potentially resultant actions) but also the lexicon employed across the discussion and documents.

Conversation Findings

Interviews with key stakeholders were loosely structured around the 4D appreciative inquiry cycle (Cooperrider & Whitney, 2000), and sought to identify participants' perceptions of the current situation, their aspirations for the future of social housing in Hamilton, and what role(s) their organisation might play in these plans. Through such discussion, I was also able to gain insight into key influences in the Hamilton social housing environment.

From the onset it was apparent that participants viewed 'social housing' as far more encompassing than what government policy or discourse might suggest. There was no common definition espoused across all participants, but there was agreement that the concept means different things to people across different cultural contexts, and that wrap around social support services must be included where necessary. A common concern raised during discussions related to the disjuncture between this diverse understanding and that increasingly implied through government policy. Disagreement was evident among participants as to whether social housing was the responsibility of government alone, but it was agreed that the government action taken through HNZC was too narrow a focus. Overall there was agreement that at least some change might make progress, and the majority of participants were confident that not for profit/community organisations could bring a positive contribution to the new environment. Some participants noted however, that if the private sector could successfully meet the need for social housing, it would have done so by now.

At a local (Hamilton) level all participants were pleased to see growing awareness of the need for social housing to be taken seriously, and believed we have some highly skilled and motivated people working in this area. The small population (when compared to Auckland or Christchurch for example) facilitates networking where "*everyone knows one another*", and the decision to be proactive at a local level was well supported by participants. Words such as '*co-opetition', 'partnership' and commitment'* featured as participants described both current and future action and strategies – although no firm commitments to any particular action or strategy were evident at this stage.

Yet amid the anticipation, and to some extent excitement, about the new environment unfolding, there were also plenty of concerns expressed. Doubts were expressed as to how the solutions proposed by government might be effective across different socio-economic levels. Perceptions that state mechanisms were only 'propping up' the market based approach to housing underpinned the greater concern of what was actually being done to address the causes of growing demand for affordable and social housing in the first place. When encouraged to identify the most pressing social housing issue facing Hamilton currently a range of issues were noted. Lack of strategy was reiterated by several people, but was also supported by concern for a lack of information at the operational level which might better inform any strategy development. For example, while a tacit understanding was shared by all those involved, 'hard' evidence was identified as being needed to help convince funders of the full extent of need present in the region. Recognition that housing only addresses a segment of the wider issues associated with poverty and community development saw a call from participants for social housing to grow; but such growth should not be driven by market ideologies. The need for profitability (to the extent that costs are covered) in provision of housing was acknowledged, but there was a firm belief among all participants that imposition of a full market model would only grow inequality rather than reduce it.

The scarcity of operational details from government at this point bred frustration among all participants at not knowing how the new environment was going to develop. One expressed concern about the third sector/community housing providers being treated as 'guinea pigs'. Only three participants identified their organisations as taking a clear and defined role in the current environment, and being able to take some sort of lead or make a specific contribution in the 'new and emerging'

context. Being well established was a current strength two of these organisations identified, although only one identified their ability to bring a business focus *"we are a well run business, we bring business acumen with social emphasis".* Others saw their role(s) linked more to an operational level, as well as generating awareness, providing assistance, and/or advocacy. Still others were uncertain as to what their role may be in this new environment. One such participant was however, adamant that despite being uncertain on what position his organisation would be in, they were not prepared to become a 'last resort' provider, i.e. serving those tenants who other providers did not want to work with.

Embedded and collaborative partnerships which were part of an overall shared strategy were a common vision when participants were invited to share their 'dream' for how social housing in Hamilton might look in five years time. This said strategy would be aimed at providing quality, affordable homes pepper potted around the city, with lots of green space and good urban design. Interestingly few participants' envisaged government to be the sole provider of housing in five years' time, yet only one organisation was so bold as to proclaim they would be taking a lead role city wide. Other participants expressed a desire to '*be at the tabl*e' and motivation to '*broaden their portfolio'*, but did not identify an overt desire for leadership.

Long term commitment from all parties was an agreed action identified by all participants as necessary to meet enhanced social housing needs in Hamilton. Strategy, commitment and action were mentioned repeatedly, with a key point being all sectors must play a part if we are to move forward and achieve social housing growth. Indeed a multi-agency approach seemed almost expected from participants. For example, local government must enable and support, while third sector organisations are recognised as knowing what is happening on the ground, being aware of challenges and getting things done, and investment in capability and capacity is needed from government. Information sharing, innovation and investment in collaboration provided key themes on how to achieve progress. Co-opetition was recognised by one participant as being part of the 'new era'.

Discussion & Conclusion

Our understanding of how social enterprise might fit within the current social housing reforms can be developed from several areas: consideration of government policy, rhetoric and subsequent reporting of responses; reflection from the conversations held with research participants in this investigation; and finally the research process itself. Each of these areas is considered below.

Government policy, rhetoric and reporting thereof

Government policy and reporting thereof has a tendency to make the assumption that provision of state housing equates to social housing, yet more often than not the 'product/service' provided is no more than subsidised rental accommodation. The provision of wrap around social services where required, a key defining characteristic identified by all participants in this research, is noticeably absent from most government discussion and policy documents.

The government has explicitly noted its intention to use the market and mechanisms of government to manipulate it accordingly (English & Bennett, 2015). The policy reforms as presented so far can be described as a move to supply side control. There is a stated focus on increasing both the number of social housing places available as well as diversifying the range of social housing providers. Both of these intended outcomes are supply focused, and take no account for identifying and/or addressing those factors which influence the need/demand for social housing. The issue of housing unaffordability receives almost daily press coverage in New Zealand, so it will be near impossible for this one sided focus to be maintained for any lengthy duration.

Government seeking to control, or at least manipulate, the social housing market signals conflicting ideological messages. Reduction in the role of state by increasing the range of community housing providers is consistent with neoliberal discourse seen in New Zealand over the last 30 years (Aberbach & Christensen, 2001; Kelsey, 1997, 2002). However, explicit acknowledgement that government will "use a variety of levers (contracting and transactions)…" (English & Bennett, 2015, para 5) to control the market is contrary to neoliberal ideology which supports minimal interventions to allow the market to determine its equilibrium (Boston, Martin, Pallot, & Walsh, 1991; Schick, 1996). One explanation might be government has recognised that a capitalist economy cannot be socially just, but that given democratic society expects justice, state intervention is required (Gordon, 1992). However, recent history also suggests an alternative and potentially more likely explanation. Such contradiction is reminiscent of the incomplete devolution which occurred in New Zealand during the 1980s, when government responsibility was reduced through the process of contracting community organisations to deliver services (McKinlay, 1990). This supposed devolution proved to be incomplete however, when adequate resourcing was not similarly diverted by government to those providing services. Kelsey (1997; p. 291) describes these government attempts at decentralisation and/or devolution as the "privatisation of dependency".

Research participants

Many of the participants subscribed to the HSAG vision for social housing [4], which is more holistic and encompassing than just the provision of state housing. Aspirations of green spaces and quality urban design as expressed during the 'dream' phase of the conversations seem contradictory to the high density approach suggested by government and/or council policy; suggesting some of the operational aspects of social housing reform assumed by government may need better/wider consultation. Governments' intention to create a mixed market of social housing providers is however better received by participants. As noted in the findings section above, all participants expected a multi-provider environment to be established in the near future, and many were interested in the possibilities that partnerships might facilitate development of such an environment. However, participant perceptions already reflect concern over how partnerships between different types of providers might work successfully. With only three participants identifying their organisations as taking a clear and defined role in both the current and emerging environment, some clear leadership and/or guidance may be needed if partnerships are to be established in a timely manner

Acceptance of, and belief in the market driven system of social housing provision by participants appears to be limited. Only one participant openly acknowledged their '*business expertise'*. Conversations revealed how many participants perceive the growth of the capitalist system and its associated neoliberal mechanisms as contributing to growing inequity, which in turn is recognised as a key driver of demand for social housing. A healthy disrespect for 'the system' is not unusual among community organisations, but such attitude raises an ever present concern from a social enterprise perspective. If the market has been a substantial contributor to the current context, why do we continue to use the same system in an attempt to rectify said issues (Humphries & Grant, 2005)? Despite, or perhaps because of , these concerns there is already clear evidence of participants' understanding of market influences. For example, recognition of competitive influences can be seen as one organisation notes their intention to 'not become last resort supplier, but rather supplier of

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[4]HSAG Vision for future of social housing in New Zealand: "We envisage a future in which the public, private, non-government sectors and iwi all work in concert to ensure that every New Zealander has decent, affordable housing. It is a future where help for people with the highest level of need goes hand in hand with opportunity for those who are ready to move on. It is a future in which all providers of social housing play to their natural strengths, concentrating on the core activities that they do best" (HSAG, 2010; p.4)

choice'. Potential consequences of competition for tenants are forecast by Gordon (1982; p.35) who notes that if the state is put in the role of "last resort" provider of housing, state housing becomes a charity.

Research process

Perhaps one of the greatest sources of insight and understanding on influences driving social housing is reflection on how the conversations informing this paper developed. As noted above, a series of one on one conversations were held with key stakeholders. Following these discussions I sought permission from participants to share a summary of each conversation with a wider group in Hamilton seeking to develop a local social housing strategy. The two participants who were quickest to respond to sharing their conversations with the wider group, are also those 'leading the charge' in the current environment. Is this ready engagement with a wider group a signal of their commitment to the cause – or more specifically does it indicate leadership/dominance in the area? My initial reflections suggest it may be a little of both influences shining through, which in light of the observation above that leadership will be crucial in coming months is not all together a bad thing.

Interestingly, the participant who expressed an explicit desire to lead during the one on one conversations, was in fact least collaborative in terms of engaging with the wider group. It is unhelpful to speculate without further information, as this lack of response may be simply a matter of overwork. However, I note this organisation has access to several key funding sources that other organisations would be un/less able to tap into. The possibility that this organisation is better placed to drive their own agenda (in comparison to some other community groups) – and hence work independently-cannot be discounted.

Does social enterprise fit into this new social housing environment?

The need for social justice amid concerns over housing control mechanisms, which may for example distort mapping of social relationships, highlights the inadequacy of applying a market solution to a social issue. Yet, despite, or perhaps because of, these shortcomings all participants in the research investigation foresee a mixed provider/multi agency solution unfolding, complete with a competitive element. As such, it could be interpreted that social enterprise might be part of the new environment. Blessing (2015; p.217) observes how the "mobilisation of housing associations as social enterprises has been a project of state policy, with market based reforms presented as a more rational, modern, and morally legitimate way to move forward than direct state involvement in funding or provision." But I do not anticipate the process will unfold easily, or in a straight forward manner in the New Zealand context. Many details remain unclear, such as are how this mix will be formalised, where the balance of power might reside, and how this balance might be determined? The discussions with participants summarised above suggest conflicting expectations are already emerging. For example potential conflict is evident on the supply side. The largest community housing provider in the country has already refused to purchase HNZC homes identified as eligible for transfer, and the preferences for mixed tenure developments with lots of green spaces expressed by participants are contrary to government plans for high density housing in designated areas. Management of demand also seems to be skewed. While a market model might be seen to imply that 'consumers' have 'choice', the role of MSD as the single purchaser, to determine 'the most suitable provider' and then to purchase social tenancy on a person's behalf, suggests otherwise.

While social enterprise may be part of the solution, it is not surprising that the nomenclature did not feature in the conversations which formed part of this research, or indeed in government discourse. Social enterprise as a concept has a reasonably low level of public recognition in New Zealand, despite the activities of many organisations falling under this conceptual umbrella definition (Grant 2015). Government has begun a series of public private partnerships across a range of public service and asset provisions, particularly to facilitate development of infrastructure or innovate procurement (Asquith, Brunton, & Robinson, 2015; Liu & Wilkinson, 2011). For example, in April 2015 the first

privately run prison which contracts to provide service to the Department of Corrections was opened in May 2015 (Collins, 2015). It is not inconceivable that social housing solutions might be provided in a similar way. Asquith et al (2015, p.181) observe there is "no uniform model for either public-private partnerships…nor the names by which they are known". Ideological differences between partners are identified as a potential stumbling block by Asquith et al (2015), with reciprocity of understanding each partner's culture, values and business identified by the authors as lacking. The authors also observe how the relative small size of New Zealand's economy (and hence potentially smaller nature of possible partnerships), coupled with mistrust fuelled by "a transitory political process" have created an environment where establishing shared provider systems may not be straight forward (Asquith, et al., 2015). Evidence of such an environment developing with regards to social housing as already been noted in this paper.

Community Housing Aotearoa (2015c) identifies several barriers to sector development which I suggest may potentially be addressed through social enterprise endeavours. Key to social housing developments is growth in the number of housing places available, rather than merely rearranging ownership of existing stock. Consistent with partnership opportunities mentioned above, Community Housing Aotearoa's (2015c) identification of a need for funding tools, and development of a contracting, purchasing, investing framework signals potential for social enterprise activity; in particular the proposed development of Housing Bonds to provide a bridge between up-front capital requirements and future IRRS income streams. In June 2015 Government announced the initiation of New Zealand's first social bond, launched under the umbrella of the Ministry of Health. Social bonds see private and not-for-profit organisations partner to fund and deliver services to improve social outcomes. If the nominated service provider achieves agreed results Government will pay the investors back their investment plus a return. Investor returns depend on the level of results, up to an agreed maximum (Ministry of Health, 2015). Government discourse suggests this tool will become increasingly evident in the New Zealand Government's approach to social investment – including social housing (English & Coleman, 2015), although concern and potential dissent for this approach is already growing in the social sector (Leaman, 2015).

The dominant position of state owned HNZC as the provider of the majority of social housing will take some time to change. Unlike the UK and Europe, housing associations have a relatively low profile in New Zealand, and perhaps more importantly, do not necessarily bring much power to the housing 'table'. Combined, these observations suggest silos in housing provision must be broken if we are to move forward. Some of the most obvious development (although perceptions of progress are being challenged in the media) in Auckland's social housing sphere is through partnerships between council, government, property developers and community housing providers. Hamilton does not have housing providers operating on the same size scale, and the recent signal from Hamilton City Council of its intention to exit the housing market leaves a further gap if any such partnerships are to develop in the Hamilton/Waikato region. With the exception of the Te Runanga o Kirikiriroa's Wairere Village project (under development), there are no other plans in the local public arena. As identified in the conversations with research participants, a strategy and some clear leadership is needed to progress.

Areas for further investigation

This research to date has considered a mix of discourse from government and community housing providers. The influence of media has not been considered at all, yet the inclusion of housing oriented commentary in the news on a daily basis suggests this influence must be considered more closely. Further the research presented here has a specific focus on the Hamilton/Waikato region. The presence of extreme areas of housing need in Auckland and Christchurch has been recognised, but the overall picture for New Zealand should be considered at a greater level. Doing so will assist with international comparisons, which will be the next step in this research.

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