

Chapter 2

Setting Up the Housing Action Trust



Public meetings were held in the run up to the HAT being established.

Housing Action Trusts were an experiment. The transfer of social housing stock to Non Departmental Public Bodies was a radical and unproven idea in 1993. So when it came to setting them up, there were few precedents to learn from. The only comparable organisations were the other Housing Action Trusts, all of which were finding their feet and had distinct local conditions to contend with.

Castle Vale Housing Action Trust was formally designated on 30 June 1993. It was the penultimate of the six Trusts set up between 1991 and 1993. Only the chairman, Richard Temple Cox, who worked for two days a week in Castle Vale, and a 12-strong Board consisting of three local authority councillors, four elected resident representatives, and five independent members with relevant skills and experience, had been appointed. It wasn't until 23 November 1993 that the first permanent member of staff was in place, Angus Kennedy as chief executive¹.

"I had two immediate challenges. First, dampen people's expectations. There had been a long period of build-up to the HAT. Now that it had been announced everybody wanted their share of the pot of gold. I had to explain that we needed to work up a feasibility study to spend the funds appropriately over a period of several years. Decisions could not be made quickly," says Kennedy. Perversely, his second challenge was to spend £2 million in five months.

To people unaccustomed with mechanisms of government it often comes as a surprise to find that all publicly-funded organisations are obliged to spend their annual budget allocations by the end of each financial year (31 March). If there is a surplus the government judges that it has given too much and will reduce accordingly for the following year. "I worked out that if we continued spending at the current rate we would under-spend by 95%. I had to find a way to spend the money in four months and one week," says Kennedy.

The bulk of the £2 million was spent on securing planning approvals and a start on site for two housing developments of 60 units at the eastern end of Farnborough Road, one of Castle Vale's three former runways. "The contracts were signed on 31 March 1994. We did it by the skin of our teeth," says Kennedy.

The experience provided further evidence of the need for a long-term spending structure that would address the needs of Castle Vale, and comply with the Trust's statutory objectives. But that wasn't all. Other challenges included recruiting over 100 staff to deliver a diverse programme of improvements, establishing a democratic forum for communication between residents and the Trust, and securing some 'quick wins' to build the confidence of local people.

With hindsight it is no surprise that the first few years were fraught with tensions and mistakes. The Housing Action Trust was learning on its feet.

Securing funds and establishing a time-frame

"At the outset we had no idea of our lifetime costs, nor how long we would be around," says Kennedy. "It had been suggested that the government would be prepared to contribute £78 million towards a total cost of £130 million. But there was nothing in writing, no guarantees. We needed clarity."

Between April 1994 and the end of the following year Kennedy and his growing team of directors set out to establish exactly what Castle Vale Housing Action Trust was expected to achieve. Their starting point was the list of statutory objectives in the 1988 Housing Act.

- 1) To secure the repair or improvement of housing accommodation for the time being held by the Trust
- 2) To secure the proper and effective management and use of that housing accommodation
- 3) To encourage diversity in the interests by virtue of which housing accommodation in the area is occupied and, in the case of accommodation which is occupied under tenancies, diversity in the



(left to right) Carole Rafferty MBE, member of the former Community Action Team (CAT), views plans in 1993 for a new Castle Vale with Patrick Allen (centre) and Richard Temple Cox CBE, Chairman of the HAT Board.



During 1994/95 public meetings and planning for real events were held to help determine a master plan for the regeneration of Castle Vale (also shown opposite right top and bottom).

identity of landlords, and

4) Generally to secure or facilitate the improvement of living conditions in the area and the social conditions and general environment of the area².

The Housing Action Trust also devised a detailed masterplan, to define development priorities, and commissioned research, to establish the true extent of investment required in health, employment, crime reduction, education, and other issues relevant to the delivery of its holistic agenda. “Out of that came a costed programme and business plan,” says Kennedy. The next stage was to secure funding.

“At the beginning some had an aspiration that the work could be done in six or seven years. But in 1993 we had a budget profile of £2 million one year, £3 million the next year, £5 million the following year ...,” says Kennedy. “That wasn’t going to get us anywhere. We needed to achieve a genuine transformation in Castle Vale, and our research told us that would cost £225 million, and take about ten years,” says Kennedy.

At the end of 1995 the Department of the Environment, the government department that funded the Housing Action Trusts,

offered Castle Vale lifetime costs of between £140-160 million.

“Even at the top end we knew it wasn’t enough. It seemed crazy for a government to set up a programme and then refuse to pay for it. So we asked them which part of the estate they would like back,” says Kennedy. The tactic worked.

In December 1996, following another round of negotiations, Castle Vale was offered £205 million. At last the Trust knew how much money it would have, and how that money would be spent.

Building the team

During the four years of behind-the-scenes haggling, the Trust hadn’t been standing still. It had found premises at Castle Vale Comprehensive School, space left vacant by declining attendance – in 1993 the school had only 362 students. It was built to accommodate at least twice that number.

More significantly, the Housing Action Trust had also established eight ‘sub-groups’, to guide the various aspects of the Housing Action Trust’s work, including housing, health, leisure, finance, employment, and education. They were led by Board members, and composed of community representatives, Housing Action Trust, and other interested parties³. They reported directly to the Board.



From the outset residents were involved in reshaping Castle Vale.



²The HAT Board subsequently added economic development to its internal objectives. “Our Board wanted the additional scope that it would give us,” says Angus Kennedy. ³Each sub-group had up to six places. The groups were chaired by a Board member with relevant skills and experience.



Sir George Young, then Minister for Housing, formally launched Castle Vale HAT in Spring 1993. During his visit he met pupils and teachers of Castle Vale School.

The sub-groups played a vital role in ensuring that key stakeholders and service providers became engaged in the regeneration programme. They also ensured that local people were integrated into the decision-making process, enabling them to influence the Trust's actions⁴. In addition, meetings of the Housing Action Trust Board were open to the public, creating a platform for residents to air their views. "During the 12 years the HAT was around, there were 84 Board meetings. Residents attended on every occasion," says Richard Temple Cox.

On the ground a good deal of work had already been started by a workforce that had demonstrated great skill and commitment despite the uncertainties surrounding the longevity of the Trust, and their own short-term contracts.

"Staffing-up was just another challenge that had to be met. It was the subject of numerous arguments with the Department of the Environment. We had to get them to agree 117 different job descriptions, and there were disagreements about salary levels," recalls Kennedy. The most serious disputes concerned two posts that Kennedy regarded as vital, but the DoE considered peripheral.

"The biggest debate was about Economic and Community Development [ECD]. The Department couldn't understand why a

Housing Action Trust would have anything to do with economic development. HATs were seen principally as physical programmes. So yes, we'd need a finance director, a development director, and a housing director. But an economic development director on a comparable salary was another matter," says Kennedy.

The complexity of staffing the directorate was one of the problems in ensuring that Economic and Community Development was accepted. An unusual range of people with a diverse set of skills was required to deliver the aspects of the Housing Action Trust's remit that other regeneration organisations didn't cover. It required specialists in business development, jobs and training, public arts, and health. "I also had to explain that, given the diversity of the role we were unlikely to find a director with all the relevant skills," says Kennedy. In late 1994 Rod Griffin, formerly in the economic development department of Birmingham City Council, was appointed as the inaugural director of Economic and Community Development.

Kennedy's other argument with the Department of the Environment concerned the appointment of a Planning and Policy Manager. The Board had decided early on that one of its priorities was to help local people realise their potential. It had also been decided that a dedicated member of the staff would be needed to achieve this.

"We wanted this person as deputy to the Director of Housing, with responsibility for the resident empowerment programme and the succession strategy. To us that combination of responsibilities just made sense, but the government couldn't understand it," says Kennedy.

In the mid-1990s resident empowerment and succession were seen as optional extras, not issues at the core of regeneration policy. But the Board got its way. Carole Wildman was appointed in December 1994.

Empowering residents

"It was my job to set up a forum for tenants and residents to communicate with the Trust," says Wildman, who subsequently became Director of Housing. "It was vital for the community to have a point of consultation, and to be part of the process of transformation."

Until the beginning of 1995 the Community Action Team (see chapter 1) had acted as the principal conduit for communication between residents and the Housing Action Trust. The trouble was that the Community Action Team members were all self-appointed. Things had to be moved on to a more democratic footing.

Initially the various resident associations and community activists in Castle Vale tried to establish a democratic system of self-representation among themselves. "They formed an association of interested parties called the Unity Discussion Group. I think they only met twice. They were constantly at each other's throats. It was like trying to hold the former Yugoslavia together," recalls Wildman.

By the middle of 1995, with formal lines of communication between residents and the Housing Action Trust still largely dysfunctional, it was agreed that an independent consultant should be appointed to work with the Vale's key opinion formers, to establish a way forward. Enter Birmingham Cooperative Housing Services.

"We arrived in July 1995, two years after the Housing Action Trust had been set up" says John Stevens, director of BCHS. "It was clear that there was serious conflict across the estate. There was a lot of anxiety and confusion around. Some people didn't want the HAT, some didn't trust the HAT, some didn't know what the HAT was, and some just wanted to get on with it. One group, the Tenants Forum, was particularly hostile. They were actually campaigning for the HAT to be wound up."

The Tenants Forum, a small group loyal to traditional Labour values and the local council, was unconvinced about the quango, particularly



Public meetings were held in 1995 to mark the publication of the masterplan.





Regular consultative meetings were held between HAT staff and members of the Tenants and Residents Alliance.

its commitment to working with residents. “And some staff members were very arrogant,” says Mike Olley, a local councillor then highly sceptical about the Trust⁵.

The perception that the Housing Action Trust was ploughing ahead regardless of resident’s wishes resulted in a number of displays of dissent, including the ‘Frolicking on the Greens’ incident, in which the Tenants Forum and their anti-Trust allies exploited primary legislation which states that if members of the public can prove that an open space has a tangible value to the community - including frolicking - it cannot be used for development; Forum members produced ‘You’ve Been Quangoed’ t-shirts especially for the occasion. From the Trust’s perspective the event was a reminder of the urgent need to establish a democratically-elected group of residents to represent the interests of the whole community.

One of the problems was that by the middle of 1995 the Housing Action Trust had been around for two years, but it was still not clear how the programme would be rolled out, or who would be first in the queue. “There was a growing sense by a minority that perhaps the HAT wasn’t all it was cracked up to be,” says Stevens.

And while all this was going on, the Housing Action Trust was under

pressure to start delivering on the ground, which created additional tensions. It was clearly important to start knocking down tower blocks and tackling unemployment, but if the improvements were going to last, a great deal of thought was required, and that took time. Mutual understanding was required.

The role of Birmingham Cooperative Housing Services was to establish a process for the democratic election of a group of residents to communicate with the Trust. “We dedicated one of our workers to spend several months meeting all the interest groups on the estate, to find out how solid they all were, what their understanding of the situation was, and on what basis they might be prepared to work with other people. We were looking for common ground,” says Stevens.

It was clear that there were all sorts of splits within the community, but one split appeared unbridgeable, the divide between the tenants and owners-occupiers.

In the eyes of the tenants the Trust was first and foremost a landlord. So they regarded housing management issues as paramount – repairs, rents ... But the Housing Action Trust’s role was much broader than that, extending across the entire estate.

“We had hoped to create a unified Estate Forum, but quickly realised that a two-tier structure might be our only option,” says Stevens. By the beginning of 1996 a steering group, composed of representatives from the various resident and interest groups on the estate, had agreed that the forum would be composed of the Tenant Representative Board, Housing Action Trust tenants concerned with matters of tenant interest, and the Community Council, residents representing the entire estate, regardless of tenure. “It was convoluted, but it was the only way we were going to make progress,” says Stevens.

The next stage was to divide the estate into constituencies, formalise the Estate Forum constitution, and run the inaugural elections. Each of the constituencies elected representatives of the Community Council and Tenants Representative Board. “To get the community together and maximise the turnout the inaugural election was called Democracy Day. It was quite a carnival, and it’s been held every year since,” says Stevens.

The Housing Action Trust had reservations about the Estate Forum. “We weren’t thrilled. It was such a complex solution, but it did mean that people had to become part of it, or remain outside. It was time to put up or shut up,” says Carole Wildman.

The division between tenants and residents meant that problems were almost inevitable. In April 1998, after two years of stuttering progress, the Tenants Representative Board and Community Council merged to form the Tenants and Residents Alliance, and that stuck.

Overcoming opposition

Despite the establishment of a democratic body to represent the interests of the community, some people were still not happy. The period between 1993 and 1997 saw a range of opponents express their frustration at the Trust, well-founded or otherwise. Some opponents were within, others external.

Outside the estate was Birmingham City Council, a powerful Labour-led organisation which had only accepted the Housing Action Trust reluctantly. “The council was indifferent to us,” says Wildman. “Our quickest planning permission was 29 weeks [the national standard is closer to ten].” Kennedy, a former council employee, agrees: “I think it’s fair to say that we could have done things quicker if the council had been more cooperative.”

Within the estate there were those who perceived the Trust as anti-democratic and yearned for the day when they could return to Birmingham City Council, notably the Tenants Forum. Others were



HAT Board meeting in 1995 with members of the public in the background.



The formal launch of the HAT on the estate was marked by a community 'fun day'.

politically opposed to the Housing Action Trust, seeing it as a Conservative ploy to ensure back door privatisation of social housing stock. And then there were the owner-occupiers, some of whom felt disconnected from the entire process. It was also taking time for the Estate Forum to bed down.

“In retrospect it would have been better if the Forum had got their office space sooner,” says Carole Wildman. That didn’t happen until early 1996. By then, with tensions still running high, BCHS had been invited back to help the Forum develop.

Some of the tensions were purely practical. “The Forum still had to work out who the resource workers were going to be, how they were going to be funded, and how they were going to communicate with the HAT,” says John Stevens.

There were also tensions related to the nature of the Housing Action Trust model.

Because it was a quango, the Trust’s Board members were paid for their work. Three of those Board members were tenants, another was a private homeowner. It was a situation that provoked heated debate.

“The Estate Forum, generally quite politicised people, thought that resident Board members shouldn’t accept the money [then £5,000 per year]. They also wanted to rubber-stamp the Board members.” But the Trust refused to bend. The sting was eventually taken out of the problem because some tenant Board members were also elected to the Estate Forum, notably Carole Rafferty and John Newton.

The length of time that it took to get the Estate Forum set up and running smoothly certainly created problems for the Housing Action Trust. By 1996 it was already moving ahead with development and housing work, and making some fairly crucial strategic decisions. “In the eyes of the Forum it was a case of shutting the barn door after the horse had bolted,” says Stevens. It also intensified the pressure on the Trust to deliver solutions that were popular and well-managed.

“While we were building up the programme there was a tension between the speed of delivery and quality,” says Angus Kennedy. “We were trying to go too fast. As a result we went through a period of purgatory with the community for about 12-18 months. But we came out stronger.”

One of the problems concerned the early refurbishment schemes, notably the project on Brabazon Grove, near the main shopping centre. George and Margaret Hadley were among the first to go through the process. “The contractors moved in on 7 August 1995. We were told it would take eight weeks. But it took closer to five months. During that time we lived like squatters. All our furniture was in storage, our front-room was a shed. At one time we had eight teams of contractors in the house. We had a terrible time.”

It was an unhappy episode for all involved. The Housing Action Trust sued the contractors, and the residents of Brabazon Grove initiated legal action against the Housing Action Trust – which was settled out of court. To some extent the early refurbis undermined the Trust and fuelled the fire of its opponents.

Things reached a head in 1997, when the Estate Forum sent Birmingham City Council a dossier cataloguing all the Housing Action Trust’s perceived mistakes. “We were sent a copy,” recalls Wildman. “But instead of responding to all the issues in turn, and getting into a game of tennis, we said, ‘OK, you’re obviously not happy, we’re getting things wrong, so what do you want us to do?’”

This conciliatory approach resulted in the creation of the TRA

Consultative Committee, a monthly forum for tenants to air their grievances. “It was supposed to address strategy issues. But we’d talk about tap washers if we had to,” says Wildman. It also led to the Tenants’ Expenses Package.

The package, a suggestion of the Tenants and Residents Alliance, was designed for and with tenants, to give them compensation in advance for the turmoil and upheaval of refurbishment. “We also arranged a deal which penalised contractors for over-running, so that further compensation would be paid to residents,” explains Kennedy⁶.

Despite the difficulties, by 1997 the Housing Action Trust was an established organisation. “It took us that long to reach a reasonable level of dialogue with the community,” says Wildman. Significantly, the housing development programme was also beginning to produce results. Even its most committed opponents had to acknowledge that the Housing Action Trust could deliver as well as make promises. At last it had reached calmer waters.



Chairperson of the Centre 8 Liaison Group Harry Poyner and HAT Chairman Richard Temple Cox, launch the start of demolition of the Centre 8 tower blocks in May 1995.



HAT Development manager Richard Millward (back, right) visited local schools in 1995 to inform children of developments happening in their neighbourhood.