
PARTICIPATION PROGRAM POLICY

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1. Introduction

This paper offers background information to help prepare for discussions with Co-ops and members being held during 2017 to develop a Participation Program Policy.

The policy will give clear guidance to Co-ops on what participation requirements are appropriate within the Program and how Co-ops and CEHL can respond when participation obligations are not met.

The Program currently has a participation dilemma. While participation has always been seen as a cornerstone of the Program, CEHL is hearing increasingly diverse feedback from members on the opportunities and challenges that it presents.

Some members see participation as one of the great personal benefits of the Program in the way that it fosters the development of new skills and capabilities and contributes to a Co-op's sense of community. For others, there is a sense that the workload demands on members have never been greater nor more unfairly distributed.

As a Registered Housing Association, CEHL also faces a dilemma regarding how our Program should respond when a Co-op member does not meet Co-op participation requirements, whilst ensuring that we still meet our responsibilities to offer secure housing to people in need.

This paper will provide the context for a participation discussion, explore the different roles and responsibilities of Co-ops, members and CEHL in relation to participation, and propose questions in each section to prompt further thinking by members.

2. Context

Every Co-op must determine a level of participation by its members that will ensure that they can deliver the best of what Co-op is about – member control, co-operation and concern for community.

For Co-op members, participation is their opportunity to have a say in decisions regarding their own housing. It also meets the obligation to share the Co-op's workload that they accepted when joining their Co-op.

For the Program, participation should ensure that our membership can have genuine influence over our future and give life to the Program Principles, in particular the Participation and Security Principles.

The Participation Principle talks of the need for members to share activities and decision-making to ensure Co-ops meet their responsibilities and continue operating. Equally important is the Security Principle, which identifies the primary goal of the Program as offering safe, secure, long-term tenure. These two principles collectively provide a balanced frame through which a constructive discussion on participation can take place.

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Co-ops are also governed by the Co-operative National Law Application Act 2013. On participation, or active membership, the Act broadly defines a Co-op member as being active if they in some way support the Co-op in it carrying out its primary activity or activities, as specified in the Co-op's rules. The Act allows for the cancellation of an individual's membership if they are not deemed to be active. However, given that membership cancellation in our Program has a flow-on effect for the cancelled member's tenancy, the relationship between participation, cancellation and security of tenure is a complicated one.

3. The Role of Co-ops

Co-ops are responsible for identifying in their Co-op Rules the participation activities that their members must meet. These activities need to directly support the housing of members, given that this is a primary activity of member Co-ops.

The Co-op functions that are most fundamentally dependent on member participation are those things that are central to its structure and ongoing operation – such as determining the Co-op's aims, meeting its financial and management responsibilities and recruitment of members. These decision-making activities can collectively be referred to as the Co-op's governance function and they can only be carried out by members of the Co-op.

As members of our Program, Co-ops also have a responsibility to contribute to the development of the Program by providing feedback on draft policies or attending regional forums, etc. How much of a contribution Co-ops make, and how this is included in their member participation requirements, is a decision for each Co-op.

Co-op members may also share in the day-to-day workload of housing management, with most CERCs including responsibility for tenancy management and maintenance co-ordination as part of their participation requirements. These functions do not necessarily need to be undertaken by Co-op members, however, and Co-ops may choose to buy these services, or adopt a structure such as a CMC where these responsibilities are retained by CEHL.

The way a co-op plans its workload will have an impact on its finances as well as its participation requirements and how easily it might find new members. Over time, a Co-op may need to consider new options to the way work is planned appropriately to the capacity of its members.

In identifying participation requirements for members, it is important that Co-ops demonstrate the value and relevance of the requirements and how they support the essence of what it means to be a housing Co-op. If the connection between the participation requirements and the aims of the Co-op is unclear, not only will it be difficult to get members to actively participate, it may be unfair to expect them to do so.

Co-ops have a responsibility to support their members to meet their participation requirements. This involves both setting requirements that are accessible to the widest range of individuals, while still ensuring that the Co-op's needs are met, and being flexible in finding ways to make the requirements work for members who either temporarily or permanently might need particular support to enable them to contribute. Co-ops need to develop succession plans and identify what training members need to be able to meet their participation requirements. Not only does this support the Co-op's governance function, it's a practical application of the Member Support and Development Principle.

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Questions for further discussion

- How can Co-ops have greater choice in how they establish their structure and operating model?
- What are the implications of choosing a particular Co-op model on Co-op finances, Co-op goals and the participation requirements of members?
- Do the participation provisions in the model Co-op Rules make sense for Co-ops operating in 2017?
- What participation requirements will best connect to the Co-op's stated aims?
- How can Co-op's develop sound succession plans and ensure that the Co-op's key functions are maintained?
- How can Co-ops adapt their workload to meet their changing capacity over time?

4. The Role of Members

Individuals who apply for and accept membership of one of the Co-ops in our Program must accept that some level of participation is a fundamental obligation of their membership.

At its core, this means that members must contribute to the good governance of their Co-op. Members can do this through a variety of ways, including contributing to their Co-op's future planning (such as via the Future Directions Project), undertaking education and training opportunities and encouraging others to do so, and learning about and living the values and principles of co-operation and co-operative housing.

This is supporting the true essence of what Co-ops are about.

Members of a Co-op that manages its own tenancy management and maintenance functions should be aware that there are a range of options for meeting these functions and make collective decisions about how this workload should be managed.

There are instances when it is clear that the participation requirements of co-operative housing, or at least one particular model of it, are not the right fit for a member, despite the best efforts of the Co-op and member.

These instances highlight a need for our Program to be able to meet its obligations under the Security Principle, while recognising the financial and workload implications for Co-ops. The Participation Program Policy will need to define appropriate responses by members, Co-ops and the Program where participation requirements cannot be met.

Questions for further discussion

- What is an appropriate minimum participation requirement for Co-ops in our Program?
- Should being a good tenant, who is up-to-date with their rent and gets on with their neighbours, be considered part of a member meeting their participation requirements?
- How can Co-ops minimise barriers to participating and better engage members?
- How can a Co-op (or our Program) recognise people who do more than their fair share? How can we reduce the need for this happening?
- Should a member be able to pay more rent in exchange for 'opting out' of non-governance participation requirements? What are the pros and cons of this idea?

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- How can our Program assist people to find Co-ops with participation requirements that best meet their capacity?
- If a person loses their membership because they fail to meet agreed minimum participation requirements, what consequences should apply – for the member? – for the Co-op?

5. The Role of CEHL

The health of the Program is very much dependent on well-run and soundly governed member Coops. As the Program Manager, CEHL has an obligation to resource Co-ops to effectively carry out their functions and meet their stated aims. This includes providing advice on implementing strong governance structures and offering training to Co-op members to allow them to acquire the skills necessary to actively participate in their Co-op.

As a registered housing agency, CEHL also has a responsibility to ensure that its property portfolio is managed effectively and in compliance with regulations. CEHL therefore needs to take a Program-wide view and ensure that there is a range of housing and Co-op models that gives members real choice in how they meet their housing needs.

CEHL is also responsible for the overall viability of our Program, ensuring that all our obligations can be met within the finances received. One reason offered for the establishment of the CERC model was to minimise costs through the active involvement of members in tenancy and maintenance functions. Offering a range of participation options in the Program has already seen the development of two distinct levels within our rent model. Further expansion of these options is likely to require wider range of rent models to ensure related costs can be met.

Where there is a significant issue with the active participation of a member that, despite the best efforts of the Co-op and member, cannot be resolved, CEHL must consider what responsibility, if any, the Program has to meet that member's ongoing housing needs. This may involve identifying an alternative Co-op within the Program that represents a better fit, managing their tenancy directly in the same or different property or facilitating a more appropriate housing option outside of the Program.

Questions for further discussion

- What other possible Co-op models, with different member participation requirements, should CEHL offer and resource?
- What rent models do we need to ensure costs can be met if participation levels change?
- What level of access to training and support should Co-ops be provided, based on their Co-op model?
- What is the appropriate Program response in instances where a person has lost Co-op membership by failing to meet agreed minimum participation requirements?

6. Conclusion

This paper has explored the background and some of the issues that currently exist in relation to participation in our Program. The questions posed are intended to get members to start to think about what participation could look like in the future. These questions will be explored in the discussions with members that will be held in the coming months, which will ultimately lead to the development of a Participation Program Policy.

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