



**UK COLLABORATIVE
CENTRE FOR
HOUSING EVIDENCE**

How should we evaluate housing outcomes?

Professor David Clapham and Dr Chris Foye (University of Glasgow)

29 March 2019

housingevidence.ac.uk

About the authors

Professor David Clapham is Professor of Housing and Urban Studies at the University of Glasgow and a Co-Investigator with the UK Collaborative Centre for Housing Evidence

Dr Chris Foye is a Knowledge Exchange Associate at the UK Collaborative Centre for Housing Evidence. He is affiliated with the University of Glasgow and is based in London.

Acknowledgements

We are grateful to the ESRC, AHRC and Joseph Rowntree Foundation for financial support through the UK Collaborative Centre for Housing Evidence.

We thank the following people for their valuable comments on various iterations of the paper, and hope that this report stimulates a more open discussion about what the ultimate purpose of housing policy and practice should be:

Richard Blyth, Royal Town Planning Institute (RTPI); Chris Brown, Igloo Regeneration; Hilary Burkitt, Shelter; Paul Hackett, Smith Institute; Laura Heykoop TCPA; Paul Hickman, Sheffield Hallam University; Yoric Irving-Clarke, Chartered Institute of Housing (CIH); David King, Local Trust; Graham Kinshott, MHCLG; Joy MacKeith, Outcomes Star; Alex Marsh, University of Bristol; Helen Nicol, Blue Chula; Gina Mirow, Social Finance; John Myers, London YIMBY; Clare Powell; Mary-Kathryn Rallings, HACT; Flora Samuel, University of Reading; Tonia Secker, Trowers and Hamlins; Pat Turnbull, London Tenants' Federation; Sophie Walsh, Ministry for Housing Communities and Local Government (MHCLG).

Contents

Introduction.....	Page 4
Motivation.....	Page 5
Part One: Evaluating housing outcomes	Page 7
What do we mean by 'evaluation of housing outcomes'?	Page 7
Part Two: Frameworks for evaluating housing outcomes.....	Page 10
Economic Metrics.....	Page 10
Subjective metrics	Page 13
Objective metrics.....	Page 15
Capabilities	Page 16
Recommendations.....	Page 18
Part Three: Process - who decides?	Page 19
Deliberative democracy.....	Page 20
Limitations of, and alternatives to, deliberative democracy	Page 22
Ideas for policy and practice	Page 26
References.....	Page 28

Introduction

The intention of this report is to raise important issues regarding the evaluation of housing outcomes, and the setting of policy/practice objectives, that are often overlooked in common approaches, notably the central role of values and of who defines them.

This report is not an evidence review. It does not review the effect of particular housing policies or practices on different outcomes. Rather, it digs deeper, asking: “how should we evaluate housing outcomes? How should we define progress? And who decides?”.

In part one of the report outlines the general issues involved in evaluation, emphasising the importance of values, and arguing that no evaluation is ‘neutral’ or ‘value free’. This raises the important question of who defines these values and who decides what represents progress.

Part two discusses the most common types of metrics used to evaluate housing outcomes which are the economic; the objective; and the subjective. The paper discusses the strengths and weaknesses of each of these metrics, focusing particularly on ethical considerations. The case is then made for ultimately evaluating housing outcomes on the basis of people’s capabilities - the effective freedoms and feelings that individuals have reason to value – and the policy implications of this are explored.

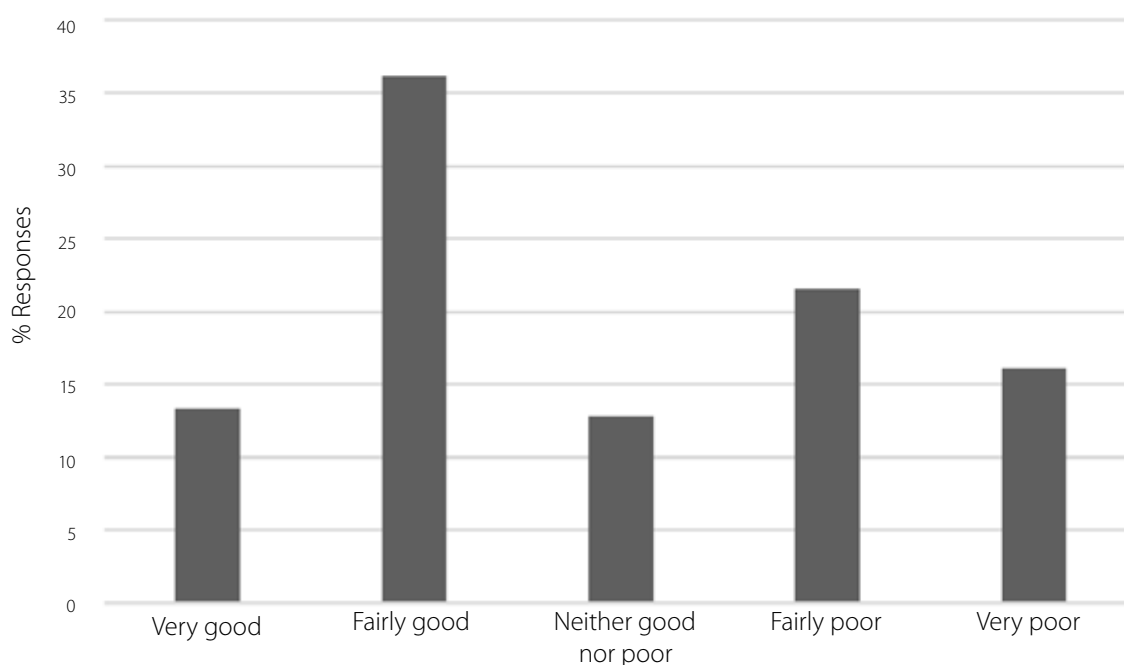
Part three of the report then addresses the question of who decides on the evaluative framework. We argue that bottom-up empowered deliberative democratic reasoning should play a much greater role in defining success, and provide some ideas of where this approach might be useful in practice.

Motivation

Whether we consider instances of housing policy/practice to represent progress or not depends upon how we define 'success', which itself, is an intensely value-based, political decision. Take Housing Market Renewal as an example. Between 2002 – 2011, central government spent £2.2 billion pounds and demolished 10,000 houses in an attempt to renew failing housing markets in the North of England (Wilson, 2013). Was the programme a success? Well, it depends on how we define 'success'. The evaluative framework used by government was dominated by two metrics - house prices and vacancy rates – and based on these, the project was arguably a success.¹ However, it is highly questionable whether this was an ethically appropriate evaluative framework in the first instance. For one thing, the framework did not consider the financial well-being of renters and aspiring home-owners, who would, if anything, have suffered from increased house prices (or associated rents). Neither did it consider the financial well-being of those owners whose homes were demolished, who faced a £35,000 average shortfall between the compensation received and the cost of a suitable alternative property (Cole and Flint, 2007).

In 2007, the National Audit Office proposed that subjective, resident satisfaction metrics be added to the evaluative framework (NAO, 2007), and while this would probably have helped, subjective metrics come with limitations too, as highlighted by the two graphs below from the 2008 English Housing Survey². The first (Graph 1) shows that approximately half of those people whose homes failed the objectively defined Space Standard rated the size of their living space as 'very good' or 'fairly good'. The second (Graph 2) shows that over 85% of residents who lived in Non-Decent Homes were very satisfied or fairly satisfied with their accommodation which was only slightly lower than the 89% of those living in Decent Homes .

Graph 1: Rating of size of living space for those who fail the Space Standard

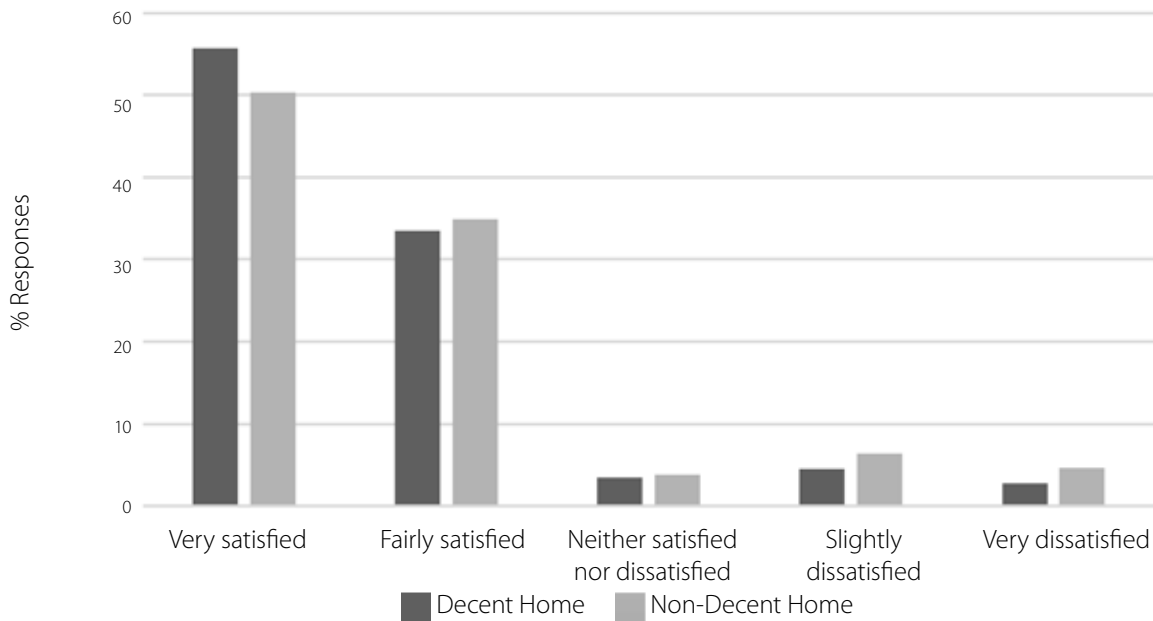


Source: 2008 English Housing Survey; n= 329

¹ As Peter Housden, then Permanent Secretary of CLG put it, "on its two key indicators— vacancy rates and the relation to regional house prices—the pathfinder areas are demonstrably succeeding in their objectives". (House of Commons Committee of Public Accounts, 2008, Housing Market Renewal: Pathways. Available online at: <https://publications.parliament.uk/pa/cm200708/cmselect/cmpubacc/106/106.pdf>)

² We use the 2008 version of the EHS because it has a wider range of subjective metrics than any subsequent version

Graph 2: Housing Satisfaction (split depending on whether individual passed or failed 26 category Decent Homes Standard)



Source: 2008 English Housing Survey ; n=7575

There are various ways of responding to this discrepancy between the objective and the subjective. At one extreme, we could argue that if someone is happy with an overcrowded, non-decent home, then we should not consider them to be disadvantaged. However, what if that individual is only happy because they have never known any better, and have adapted their aspirations to their surroundings? At the other extreme, we could argue that these people are not fully aware of the effects of living in an over-crowded, non-decent home on their health and well-being, so we should consider them to be disadvantaged even if they don't recognise this themselves. However, if we adopt that logic then there is a risk of top-down bureaucratic over-reach, where the state tells people what they ought to value about home. Clearly, there are ethical limitations with both objective and subjective metrics.

What the above demonstrates is that underpinning any evaluative framework, or definition of 'progress', is a series of ethical assumptions, and it is the reasonableness of these ethical assumptions that this report grapples with.

Part One: Evaluating housing outcomes

What do we mean by 'evaluation of housing outcomes'?

When we think of evaluating housing outcomes, most of us think of a process that takes place retrospectively, after a project, policy or intervention has been completed. From this perspective, there are, broadly speaking, three different forms of housing outcome evaluation which place at a range of spatial and organisational scales;

- At a national level, analysts and commentators draw on a range of metrics from national surveys such as the English Housing Survey in order to judge overall housing progress. Economic indicators, such as affordability metrics, tend to attract most attention in the UK, but rates of homelessness, home-ownership and overcrowding are also commonly invoked as metrics of progress. We must also adopt a particular definition of progress when evaluating levels of housing (in)equality³ or identifying instances of housing poverty⁴.
- At a policy/ project scale, when a government introduces a new home-ownership subsidy, or a housing association oversees an estate regeneration, they adopt a particular set of metrics or 'targets' to monitor its progress and evaluate how successful it has been.
- Finally, at a more local/organisational scale, evaluation is conducted internally by local authorities, housing associations and charities to measure their 'social impact', and externally by regulators and funders to judge the performance of different social landlords⁵, something which the 2018 Social Housing Green Paper proposed to take even further⁶.

If we understand evaluation as something conducted retrospectively, as in the above, the role of evaluator could be seen as a relatively objective passive one. It is up to the government, housing association, or homeless charity to decide upon the political objectives, and then the National Audit Office, set of academics, or consultancy to evaluate the extent to which these objectives have been met, as well as uncovering any other consequences they deem worth mentioning. This distinction is tempting because it allows the evaluator – be it the National Audit Office, set of academics, or consultancy – to think of themselves as 'objective' 'scientific' adjudicators, sitting above the fray of political value-based judgements.

The problem with such a distinction, however, is that evaluation is never value-neutral. When the National Audit Office described the £850 billion bank bailout (over half of Britain's GDP at the time) as 'justified' (Davies, 2019: 30), they were adopting a particular set of value-based judgements about what British society ought to look like. Even in adopting or developing a particular metric, evaluators legitimise or reinforce a particular definition of what constitutes progress. The constant reporting of GDP figures, for example, has led progress to be understood in a way that bears little resemblance to people's everyday realities, meaning we have, in the slightly mind-boggling words of Nicholas Sarkozy, "wound up mistaking our representations of wealth for wealth itself, and our representations of reality for the reality itself." (Stiglitz et al., 2011).

³ Some, if not most, of us would consider inequality in housing outcomes a matter of injustice, but inequality of what? (Sen, 1992)? Inequality of housing costs? Inequality of living space?

⁴ Similarly, we ask 'deprivation or poverty of what?' There is no commonly accepted definition of housing poverty but housing deprivation is commonly viewed through the lens of physical housing conditions (e.g. Decent Homes Standard, Space Standards) or affordability.

⁵ See the 'Sector Score Card' www.sectorscorecard.com

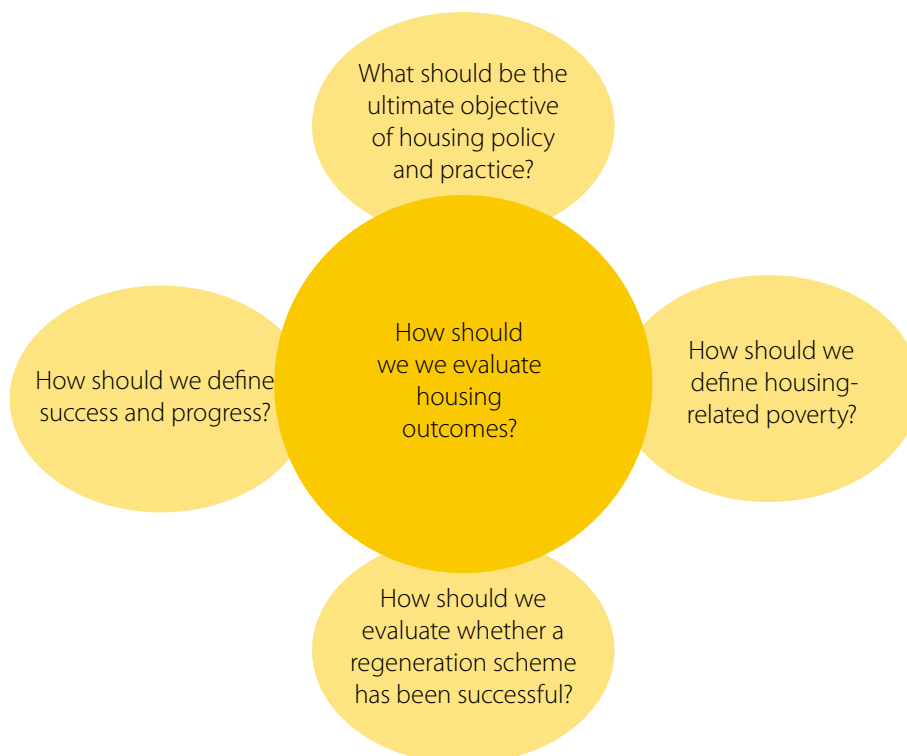
⁶ This was discussed by one of the authors in the CaCHE Blogpost on 22nd August 2018 * <http://housingevidence.ac.uk/social-housing-green-paper-potential-pitfalls-of-housing-association-league-tables/>

Generally speaking, the traces of value-based judgements are less apparent in quantitative metrics than qualitative ones. Drawing attention to the ‘indignity and destitution of families forced to live eight to a room’ appears more subjective and political than noting that the ‘the proportion of people in the bottom four income quintiles paying more than thirty percent of their income on housing indicates the affordability problem is getting worse’. The gloss of objectivity on quantitative metrics such as vacancy rates, house prices, or the Decent Homes Standard, makes them appealing to evaluators, policymakers and charities whose existence often depend upon appearing impartial and apolitical. As Porter (1996) puts it, “a decision made by numbers has at least the appearance of being fair and impersonal...Quantification is a way of making decisions without seeming to decide” (p.8)⁷.

In one sense, quantitative metrics are less subjective than qualitative judgements. Because metrics like the Decent Homes Standard or Affordability Ratios are developed according to some explicit and uniformly applied ratio, they demand minimal judgement on the part of the evaluators on the ground who merely have to go door-to-door, follow the instructions and ask the correct questions. However, someone must still make a value-based judgement about how a ‘Decent Home’ or ‘affordability’ is going to be defined. What the use of quantitative metrics does is to shift the responsibility of making value-based judgements away from the people on the ground and up to the people who are defining, synthesising and interpreting the metrics, and comparing them across time and space.

The key point, therefore, is that the evaluation of housing outcomes is inevitably value-based and political in the same way as the setting of a housing policy or housing programme’s objectives. It is impossible to address the question of ‘how should we evaluate housing outcomes?’ without simultaneously addressing a much more wide-ranging and fundamental set of value-based questions, namely “how do we define progress?” and “what should be the ultimate objectives of housing policy and practice?”.

Figure 1: Questions relating to the evaluation of housing outcomes



⁷For a brief review of the ‘perils of quantification’ in relation to mainstream economics, see <https://bostonreview.net/forum/economics-after-neoliberalism/ethan-bueno-de-mesquita-perils-quantification>

In this paper, when we talk about evaluating housing outcomes, we are not just talking about understanding the effects of housing policy/practice retrospectively, but are also talking about what the objectives of policy should be, as the decision of how to evaluate housing outcomes and what constitutes success is inherently intertwined, and in many cases contemporaneous with, the setting of a project or policy's objectives.

'So what?', some may retort, 'how we evaluate housing outcomes inevitably involves value-based judgements, but does it really matter whether we measure progress using subjective well-being indicators or space per person or affordability. Are these variables not all closely correlated and in harmony?' In many cases, this holds true. People who have lower incomes and higher housing costs are more likely to report difficulty in meeting their housing costs (e.g. Meen, 2018). People with low levels of living space report lower levels of housing satisfaction (e.g. Foye, 2018). However, there are also many occasions where different, apparently reasonable, evaluative frameworks conflict. People who are living in homes that fail Space Standards or the Decent Homes Standard may nevertheless be happy, putting subjective metrics in conflict with objective metrics (see above). Increases in the national income of developed countries do not tend to lead to increases in national self-reported happiness, implying a tension between economic and subjective metrics (Easterlin, 2005).

Taking the logic above, it follows that if and when different goods are in conflict - liberty with equality, social networks with number of units - then there is no 'neutral' position that the evaluator can adopt. If we judge a regeneration project's success purely in terms of its effects on employment rates and house prices, then we are making an obvious value-based judgement that these are the things that really matter to the target community (and broader set of stakeholders). If we make the mistake of thinking that the values of our organisation or evaluative framework are value-neutral, then we risk thoughtlessly and unreasonably imposing our own values, those of our organisation and/or of those most powerful in society.

A further retort may be that all value-based judgements are 'subjective', and therefore beyond the realm of reason - 'isn't all this just your opinion?'. Value-based judgements are, of course, partly subjective, as different people have good reason to emphasise different goods. In the allocation of social housing, for example, one community may want to add attachment to the local area as a criterion, while another community may consider the geographical history of the individual to be irrelevant. Both positions are arguably reasonable. However, this does not mean that value-based judgements are entirely personal, arbitrary and beyond the realm of reason. If we were to allocate social housing to someone on the basis that they had the same forename as us, then that would clearly be unreasonable. Some value-based judgements are more reasonable than others, and the best way to arrive at more reasonable value-based judgements is, quite simply, to reason with different perspectives, as this paper seeks to do.

Having demonstrated the importance of values in the evaluation of housing outcomes, we now interrogate the value-based judgments that lie behind three common frameworks for evaluating housing outcomes (economic, subjective and objective) before arguing in favour of a fourth, less commonly adopted framework - 'capabilities'.

Part Two: Frameworks for evaluating housing outcomes

Broadly speaking there are three types of metric used to judge progress in housing outcomes: economic metrics; subjective metrics which, require the subject themselves to judge their own well-being; and 'objective' metrics which judge an individual's housing outcomes according to some uniform, commonly agreed standard. Due to the limitations of these three metrics, we follow Amartya Sen in arguing that (housing) outcomes should ultimately be evaluated in terms of people's capabilities: their effective freedoms to do and feel the things they have reason to value. Examples of these four metrics are given below.

Type of Evaluative Framework	Example Metrics
Economic	House prices, Rents, Affordability ratios, Level of subsidy
Subjective: how does the resident judge their housing outcomes?	Life Satisfaction, Customer Satisfaction, Satisfaction with regeneration initiative or programme
Objective: how does the evaluator judge a person's housing outcomes?	Rooms per person, Decent Homes Standard, Numbers of homelessness, Number of homes built
Capabilities: the effective freedoms individuals have to do and feel the things they have reason to value	The ability to prepare meals at home; the ability for children to study at home; the ability to commute to work in less than one hour; the ability to meet up with neighbours regularly

Most housing policy and practice evaluations do not rely on one form of metric. For example, the two main metrics used to evaluate Housing Market Renewal programme were objective (vacancy rates) and economic (house prices), and other regeneration scheme evaluations have also included subjective metrics (see Provan et al., 2016). Below, we briefly review the arguments for and against each of these metrics, focusing particularly on the ethical issues.

Economic Metrics

The economic framework is the predominant evaluation framework for assessing housing outcomes. The methodological benefits of economic metrics barely need stating: money is easily measured and the effect of different outcomes can be compared over time and across boundaries using one meaningful currency. The methodological limitations are also well documented: because the housing market is highly complex and imperfect, evaluating housing outcomes using only economic metrics is likely to obscure part of the picture.

The focus in this section therefore, is on the value-based judgements associated with economic metrics which are much less commonly discussed. We can think of two types of value-based judgements in relation to economic metrics. First, there is the choice between different economic metrics: choosing one economic metric over another inevitably involves a value-based judgement about whose economic welfare to prioritise. When we say that housing is unaffordable, for example, we are essentially saying that people cannot afford a reasonable standard of housing on a reasonable proportion of their income. In both cases, defining reasonable relies on a value-based judgement⁸.

⁸Take the 30:40 affordability ratio as an example, which defines someone as facing affordability problems if they are in the bottom 40% of the income spectrum and spend more than 30% of their housing costs. According to this metric, an individual in the 39th income percentile who spends half of his income (£750 per month based on current estimates) on a luxury studio would be classified as facing affordability problems. However, another person in the 19th income percentile who spends just less than 30% of his income (£350 per month) on a damp, cramped house share, so he can afford his commute to work would not be classified as facing affordability problems. The point is not to dismiss the 30:40 ratio, but to show that definitions of affordability depend upon the (value-based) judgment of what constitutes 'reasonable' living conditions. Incidentally, the same issue arises when defining over-consumption⁹ of housing.

Then there are the ethical arguments for and against using economic metrics in general. The ethical arguments for economic metrics are substantial. Economic measures respect individual freedom to choose: they do not pass judgement on whether an individual spends £100 on a new lick of luminous pink paint in their kitchen or duck-feather pillow. And economic wealth also tends to translate into other goods. If housing costs are more affordable relative to income then individuals are going to be in a stronger position to demand greater security of tenure, greater control over their homes, and a better designed and larger house.

However, economic metrics also have major ethical limitations. To appreciate these, it is perhaps worth briefly remembering the utilitarian foundations of today's mainstream economics. Utilitarianism holds that the best moral action is the one that makes society happier, and even if few economists today openly admit to being utilitarian, utilitarian assumptions underlie many policy prescriptions (Atkinson, 1999). The debate amongst economists has historically been about how best to measure happiness rather than about whether happiness is the only thing that matters. For the founders of modern economics (e.g. Francis Edgeworth, W.S. Jevons, Jeremy Bentham) the ultimate goal was to measure happiness directly. However, economists gradually departed from this aim, and placed increasing faith in choice behaviour (or 'revealed preferences') as a proxy for happiness (Read, 2007).

Thus, according to the mainstream economic theory today, individuals have certain preferences – preference for a garden, or detached home- which when met, leads to an increase in happiness. The objective of policy should therefore be to satisfy these preferences insofar as possible – through maximising incomes, reducing the cost of housing etc. – thus producing the greatest happiness for the greatest number. These preferences are revealed through people's behaviour in the marketplace, and therefore the value of something, indeed, anything, is equivalent only to what people are willing to pay for it, and nothing more. If people are willing to pay an extra £1000 per annum to increase their lifespan by six months (through, for instance, paying for better healthcare), and they are also willing to spend an extra £1000 per annum for a spare room, then both of these goods are of equivalent value⁹.

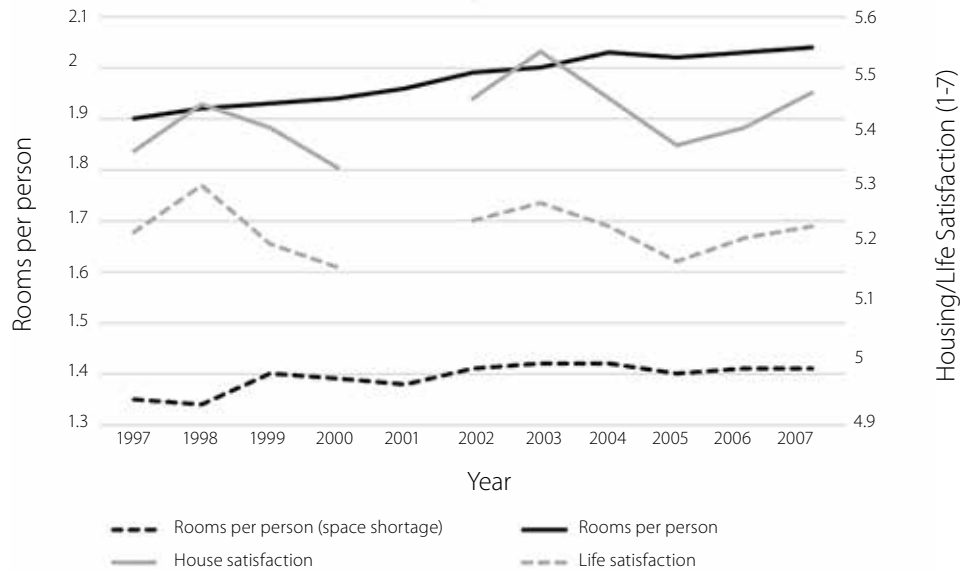
There are a number of factual and ethical weaknesses with the logic posited above. The major factual weakness is that improvements in economic metrics do not always lead to an increase in happiness. Humans are susceptible to all sorts of psychological biases, leading to 'irrational' decisions such as paying more for a house with a swimming pool in the summer than the winter (Busse et al., 2012). Moreover, individuals adapt to the improvement in objective living conditions, implying that any positive effect of economic metrics on happiness is likely to diminish over time. Studies have shown that, for about 20 European countries, a \$1 increase in the income of a household leads to a 60 cents increase (within about 2 years) in what people consider to be an 'excellent', 'good', 'sufficient' and 'bad' income (for review, see Van Praag and Frijters, 1999). This chimes with the findings of Foye (2017) and Nakazato et al. (2016), that an improvement or increase in living space leads to an initial increase in housing satisfaction, but that this uplift diminishes over time (by 1/3 in five years, in the case of Foye, 2017)¹⁰.

As well as varying over time, the relationship between economic metrics and happiness is also likely to vary according to one's social context, as individuals are concerned with their relative wealth as well as their absolute wealth. In a US study, Luttmer (2005) found that an individual's subjective well-being was negatively related to the income of their neighbours which is consistent with the work of Bellet (2018) in the USA, showing that an increase in the living space of the top ten percent of largest houses in the country has a substantial negative effect on an individual's housing satisfaction (presumably because space expectations are inflated as a result), implying that house size is a 'positional good': we not only care about having more space, but also care about having more space than (or as much space as) other people. The effects of adaptation and /or social status in shaping house size preferences can be seen in Graph 3 below. As average levels of living space in the UK have increased over time (solid black line), so has the average level of living space of those individuals self-reporting a space shortage (dotted black line).

⁹This logic is evidenced in Paul Cheshire's blogpost "Housing: the happy self-delusion of 'no shortage' Housing: the happy self-delusion of 'no shortage'" <http://spatial-economics.blogspot.com/2018/03/>

¹⁰See Clapham et al (2018) for a review of the literature on housing and subjective well-being, and Clair (2018) who focusses on childrens' subjective well-being.

Graph 3: Trajectories of rooms per person, housing satisfaction and life satisfaction over time



Note: To avoid skewing the data, observations were excluded if rooms per person exceeded 10.

Source: British Household Panel Study

The evidence above suggests that the conversion rate between economic resources and happiness will vary according to the social group to which one belongs: a 2 bedroom house containing five family members is likely to be a source of shame in the UK but the same house may be a status symbol in some developing countries. The conversion rate is also likely to vary according to one's health and ability (an individual with severe physical disabilities is likely to need more expensive housing than someone who is fully able to achieve an equivalent level of well-being). And, as the early economists recognised (Read, 2007), the conversion rate will also vary according to one's income level. An extra pound is going to bring more happiness to someone earning minimum wage than to a millionaire as income has a diminishing effect on happiness (Clark et al., 2008).

In sum, by focussing on resources as opposed to outcomes, economic indicators overlook the fact that money and happiness are imperfectly correlated.

Subjective metrics

Partly due to the limitations of economic metrics stated above, there has been something of a shift back to Jeremy Bentham's ideal of measuring happiness directly. Subjective metrics have been used to evaluate estate regeneration schemes (e.g. Provan et al., 2016), and the social impact of housing providers (Fujiwara, 2014). Customer satisfaction metrics are also used to compare the performance on housing associations using the Housemark STAR survey¹¹, and the Social Housing Green Paper (MHCLG, 2018) suggested that customer satisfaction indicators could partly determine the government grant awarded to different social landlords. The Treasury's 2018 'Green Book' (HM Treasury, 2019), the 'rulebook' of UK policy evaluation, explicitly states that economic appraisal should be based on the utilitarian principles of welfare economics, prioritising economic and subjective well-being metrics (section 2.3.).

In public policy, the most commonly used and comprehensively tested subjective metric is life satisfaction, measured by asking respondents how dissatisfied or satisfied they are with their lives (overall), with responses on a numerical scale. Life satisfaction indicators have been found to be reliable in that they yield similar scores when administered in the same condition (Pavot and Diener 1993) and are quite stable over time¹² (Fujita and Diener, 2005), as well as being valid in that they reflect thoughtful and reasonable evaluations people make of their lives¹³.

We know much less, however, about the reliability and validity of other subjective metrics used in the evaluation of housing outcomes such as housing satisfaction and customer satisfaction. These metrics are generally assumed to be components of overall life satisfaction: people are more satisfied with their housing and therefore happier with their lives. Problematically, however, the relationship may also run the other way. Turning back to Graph 3, we can see that trajectories of housing satisfaction (solid grey line) in the UK over recent decades have been more closely correlated to life satisfaction (dotted grey line) than they have average levels of living space (solid black line). This suggests that a decrease in housing and customer satisfaction may have more to do with other determinants of life satisfaction (e.g. precarious employment or a drop in incomes) than it does with a decline in objective housing standards.

Another problem with subjective metrics as applied to housing, is that because they are sometimes written in the language of the evaluator – 'customer service', 'satisfaction with housing conditions' – respondents may interpret them in different ways. Life satisfaction questions explicitly ask respondents to judge everything in their lives: the parameters of the question are clear. But when someone asks you how satisfied you are with your 'house' there is an inherent ambiguity: for some 'house' may associated only with physical conditions but for others it may also include psycho-social goods like security, homeliness or warmth.

Besides conceptual clarity, there is an even more fundamental requirement for subjective metrics: they should relate to concepts that people actually care about. In the qualitative literature, the value of housing is often described by residents in terms of the sense of homeliness, pride, belonging; an environment where people can 'be themselves' (e.g. Easthope, 2004). If, by adopting subjective metrics, we are seeking to measure and understand people's housing experiences, then we should really focus on concepts like these which we know are important to people. Even better, we should ask people directly what aspects of housing/home are most important to them and develop a set of subjective metrics in collaboration with residents. This is what Sensemaker¹⁴ seeks to do: getting individuals to define what is important to them, then using this to construct a 'triad' as a subjective evaluative framework (the respondent puts the 'x' in the place that represents how they feel about their home).¹⁵

¹¹<https://www.housemark.co.uk/subscriber-tools/benchmarking/survey-of-tenants-and-residents>

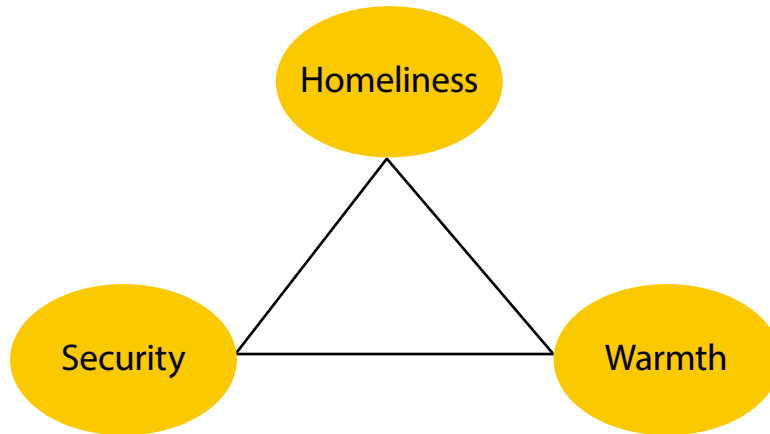
¹²Multi item scales are more stable over time than single item scales (Michalos and Kahlke, 2010).

¹³For example, when reports on the estimated life satisfaction of target participants are collected from family and friends, they show moderate correlations with the targets' self-reports (e.g. Schneider and Schimmack, 2009).

¹⁴<http://cognitive-edge.com/videos/introduction-to-sensemaker/> accessed on 7.1.2019

¹⁵Much of the thinking from these two paragraphs (above) came from a discussion with Helen Nicol of Blue Chula.

Figure 2: Illustrative subjective evaluative triad framework



If subjective indicators are conceptually clear and relate to something that stakeholders care about, then they potentially allow us to examine people’s happiness directly in a way that economic metrics cannot. However, subjective metrics are also vulnerable to a whole range of biases which makes them especially vulnerable to manipulation. When large-scale surveys like the English Housing Surveys are conducted, various steps are taken to ensure that the answers given by households are representative of the population. If the conductors of small-scale surveys do not take similar precautions, then they open themselves to the risk of (severe) bias¹⁶.

Given that subjective metrics are so vulnerable to manipulation, we should be very wary of using them as a basis for ranking organisations’ performance or distributing resources, unless we can be sure that they have been conducted in a uniform methodologically-robust fashion. We would do well to remember Campbell’s law, “the more any quantitative social indicator is used for social decision-making, the more subject it will be to corruption pressures and the more apt it will be to distort and corrupt the social processes it is intended to monitor.” (Campbell, 1979: 85)

Even if we were able to measure happiness with absolute precision then there are good **ethical reasons** why we would not want to use it as the sole basis for evaluating housing outcomes. In one sense, subjective well-being is a more appropriate informational space to evaluate housing outcomes, as happiness (or a ‘sense of home’, ‘warmth’ etc.) is something which people value in itself, as opposed to money which only has instrumental value. However, people also have good reason to value other things than happiness. Most of us would condemn racist allocation policies of social housing, regardless of whether they increase the overall subjective well-being or economic welfare of a community. Economic indicators and subjective metrics are ethically-deprived because they fail to account for the fact that certain things are morally right or wrong, regardless of their consequences.

¹⁶See OECD, 2013 for guidelines on how to measure subjective well-being, <https://www.ncbi.nlm.nih.gov/books/NBK189566/>

The second major ethical limitation of focussing on subjective metrics when evaluating housing outcomes is that we privilege those with high expectations at the expense of those with low expectations. As discussed above, peoples' preferences and what they judge to be the necessities of life depend on what they, and those people around them, have experienced in the past. Most of us would consider homelessness to be an instance of severe housing injustice, and something that societies should address as a priority. However, when Biswas-Diener and Diener (2001) surveyed 83 rough sleepers in Calcutta they found them to report slightly negative levels of life satisfaction but positive levels of satisfaction with 12 life domains. Biswas-Diener and Diener attributed this positive domain satisfaction to strong social connections but the stunted aspirations of those surveyed are also likely to have been a contributing factor. Someone who has only ever experienced poor, insecure housing, is likely to have very low housing expectations, meaning they will be happy with relatively little. Take this older ex-homeless man who, asked how he felt about only being offered a 5 year fixed term tenancy instead of a lifetime tenancy, offered the following,

"I didn't really take that much notice to tell the truth, because it was—like I said, I was so grateful to have a roof over my head, especially after being there [hostel] so long ... I didn't really think that much of it because knowing that I needed a roof over my head I just accepted, right, what was on the plate as such."
(Fitzpatrick and Watts, 2017)

Deprived persons' housing expectations can be stymied by powerful interests, meaning that instead of rebelling against injustice, they may lie down and accept their lot.

Objective metrics

Many of the ethical limitations and methodological weaknesses of subjective metrics can be addressed through the use of objective¹⁷ metrics like rooms per person, rates of overcrowding, the Decent Homes Standard and health outcomes. By using a commonly agreed standard of measurement, there is no favouritism of those with high standards, and no opportunity for adaptive preferences as everyone's housing conditions are measured on the same scale. Objective metrics also allow for us to classify certain policies as unjust, regardless of their consequences: we can rank different housing associations on the inclusiveness of their allocation policies, and we can judge filthy, overcrowded living conditions to be inadequate even if the tenant is satisfied with them as a result of having known nothing better.



¹⁷We use 'objective' here its weaker, epistemologically-naïve, sense as something that is based on uniform, commonly agreed standard.

However, by taking the power of judgement away from individual citizens, and concentrating it in the hands of the evaluator or regulator, we run the very serious risk of undue paternalism: that the organisation doing the evaluating will impose their vision of the good life onto the organisation or citizens who may have an entirely reasonable but rivalling conception of the good life. A prime example of this relates to overcrowding. The ethnographer, Ellen Pader (1994, 2002) has demonstrated how overcrowding regulations in the USA are used to impose a Western-centric view of how space should be used on immigrant populations, many of whom share the same room out of choice rather than economic necessity. This is vividly illustrated in the following quotation from a housing attorney interviewed by Pader (2002);

“I never really thought about how I lived until I was an attorney working city cases where the state was moving to take kids away from their families. One case had a very young social worker, 24, and she was just outraged that a grandmother was sleeping in the same room with her grandchild. [The social worker] said it’s “inappropriate and we have to intervene in this family and take this child out. How could you have two generations ... sleeping in the same bedroom ... It’s totally inappropriate.”

If we are to use objective metrics to evaluate housing outcomes, then we need to be sure that these metrics are reasonable and rooted in everyday conceptions of the good life, not just those of public health officials or regulators.

Capabilities

All three of the metrics above have one limitation in common: they share an all too narrow focus on one particular ‘good’. By focussing only on resources, economic metrics ignore the fact that different individuals are going to require different incomes to achieve the same basic functionings or happiness. By considering only feelings, subjective metrics disregard the possibility that certain things (education, health, home) may be reasonably considered good in themselves regardless of their effect on happiness. By looking only at people’s physical conditions, objective metrics risk universally imposing a particular vision of the good life, thus ignoring the possibility that there may be many different, conflicting definitions of good or decent housing.

By adopting a much richer informational space for evaluating progress, the capabilities approach escapes this narrowness. Advanced most notably by Amartya Sen (e.g. Sen, 2009) and Martha Nussbaum (e.g. Nussbaum, 2011), and used to inform the UN Human Development Index¹⁸ and the Gender Inequality Index¹⁹, the core claim of the capability approach is that judgements about justice or equality, or the level of development of a community or country, should focus ultimately on the effective opportunities that people have to lead the lives they have reason to value – their capabilities.

The key virtue of the capabilities approach is that it accounts for the plurality of goods which individuals have reason to value, including both means (i.e. freedoms) and ends (i.e. happiness). It accounts for the intrinsic importance of happiness, as having the effective freedom to do the things that one has reason to value will generally enhance one’s happiness. But, by allowing people to decide upon the effective freedoms they value, it also accounts for the fact that certain freedoms can be reasonably considered right or wrong regardless of their consequences. It allows for the fact that someone may want, in principle, to remain near to their mother with severe dementia, even if neither party is any happier or economically better-off for it (subjective metrics and economic metrics, in contrast, would consider such a state of affairs as sub-optimal). It allows for the fact that not everyone wants a home that meets the Decent Homes Standard, and that some people are quite content with having a house that is technically over-crowded (some objective metrics would see both as obstacles to progress).

¹⁸<http://hdr.undp.org/en/content/human-development-index-hdi> accessed on 28.1.2019

¹⁹<http://hdr.undp.org/en/content/gender-inequality-index-gii> accessed on 28.1.2019

Of all the metrics above, the capabilities approach is arguably most closely related to objective metrics, as the focus is on opportunities to do things, rather than on feelings (as with subjective metrics) or on resources (as with economic metrics). However, to avoid the same charge of paternalism which are rightly levelled at objective metrics, the capabilities approach takes two steps.

First, it makes a distinction between people's *functionings*, the actions or experiences that people have reason to value, and their *capabilities*, the effective opportunities to achieve these functionings. Through emphasising the latter, the capabilities approach mitigates the risk of paternalism. To continue with the example of overcrowding, a family would only be judged impoverished if they did not have the choice, or the 'effective freedom' to each have their own room. If the family had sufficient space but just chose not to use it, then we should not consider them to be deprived. By looking at people's effective freedoms to have or do things, rather than whether or not they exercise these freedoms, the capabilities approach avoids the imposition of a particular vision of the good life.

The second way in which Amartya Sen's (2009) capabilities approach mitigates the charge of paternalism is through giving the individual or community the power to decide on their own set of capabilities, thus promoting individual agency²⁰. It may be that some individuals value having a large living space, while for others it is unimportant (Pader, 2002). In the final section, we discuss this bottom-up deliberative process of arriving at an evaluative framework in more detail.

Like most works of moral philosophy, the capabilities approach has been developed through cool abstract, logical reasoning which arguably makes it ill-equipped for the messy social world in which evaluators work and people live (Sayer, 2011). It can be extremely difficult to measure capabilities, as you must measure all the options potentially open to an individual (Robeyns, 2006). Ascertaining whether someone would have access to an adequately sized home if they wanted is much more difficult than calculating the number of rooms per person. For this reason, researchers attempting to measure capabilities on a large-scale basis often just end up measuring functionings (see Coates et al., 2018 for an example of this applied to housing)²¹.

It is also unclear the extent to which the capabilities approach can capture the complex subtlety and passivity that characterizes people's relationships with their home. The capabilities approach works well for substantive freedoms that can be discretely separated out and defined – the freedom to access green space or to cook one's meals or to have a space to spend time alone – but there are a lot of senses and feelings that people value from homes such as 'homeliness', 'security' and 'the ability to be themselves' which cannot be neatly 'pigeon-holed and padlocked' into 'effective freedoms'. This chimes with G.A. Cohen's critique of the capabilities approach for espousing an all too 'athletic' image of the human deriving happiness only from what they can do (Cohen, 1993, pp. 24±5), and ignoring the many passive ways in which humans derive happiness.

Therefore, when it comes to housing, there may be good reason to expand the definition of capabilities to include feelings, meaning that we would ultimately evaluate housing outcomes in terms of *'the feelings and effective freedoms that people have reason to value'*.

²⁰Martha Nussbaum's version of the capabilities approach, by contrast, sets out ten core human capabilities that are hypothesised to be universal

²¹Other practical issues are reviewed by Robeyns (2006).

Recommendations

If we are saying that what *ultimately* matters in housing is not people's mental states, or their wallets, or their objective conditions, but rather the effective freedom they have to do and feel the things they have reason to value, then it implies (at least) two things in relation to the evaluation of housing outcomes.

First, it implies that people with severe disabilities should be provided with greater resources (e.g. housing benefit/subsidised rents) so they can achieve the same capabilities. If, for example, a physically disabled individual cannot afford a home that has an adapted bathroom, then there is a strong ethical argument that the state should step in so that that individual can have the same basic housing capability - is to be able to wash, clean and go to the toilet in their own home - as everyone else.

Second, it implies that if someone *chooses* to live in a home or neighbourhood that policy considers 'non-decent', 'unsafe', or 'over-crowded', then we should not consider them to be deprived, nor should they be involuntarily moved, unless it is clear that they are behaving 'unreasonably'. These are murky waters, so we cannot be too prescriptive²², but to take two extreme examples: if an alcoholic is living in a house doused with petrol, then it would be reasonable to remove them to protect their well-being, but if a family chooses to rent a two bedroom flat so that their two adolescent children can share the same bedroom, then it is difficult to see what is unreasonable about that.

While arguing that housing capabilities represented the most reasonable method for evaluating housing outcomes, we also recognised that, in practice, it is difficult to operationalise, especially at larger-scales. Therefore, it is reasonable that evaluators use subjective, objective and economic indicators as *proxies* for housing capabilities. If the vast majority of people value more living space, then it would seem reasonable to use objective metrics of overcrowding as a metric of progress, provided we remember that it is the underlying *capability* to have non-overcrowded conditions that is important. Likewise, if the vast majority of people value being happy, then we could use subjective well-being indicators (such as life satisfaction) as metrics of progress, provided we remember that people also have good reason to value freedoms that are irrelevant, or even detrimental, to their happiness. And there is a good argument for prioritising economic affordability metrics, such as the 30:40 ratio (Meen, 2018), as the main measure of progress but only insofar as these metrics are correlated with effective freedoms that individuals have 'reason to value'.

Finally, we would argue against the notion that housing outcomes should always be boiled down to a single monetary value. The idea that social impact and outcome evaluation is more meaningful and precise when it is monetised has been advanced most notably by the Treasury's Green Book (2018: 74) which states that "proportionate effort should be made to monetise all costs and benefits of each option". However, evaluating housing outcomes using a complexly calculated single monetary value is not necessarily any more 'scientific' than looking at several different outcomes side-by-side. When we are applying for a job, deciding what to have for lunch, or whom to date, we conduct our evaluations using multiple informational spaces (personality, price, location etc.) not one. There is no reason why we cannot do the same when evaluating housing outcomes.

²²See Watts et al (2018) for a discussion of how top-down intervention may be morally justified in the context of homelessness.

Part Three: Process - who decides?

Whereas the previous sections of the paper have critically discussed the different metrics or 'informational spaces' used to evaluate housing outcomes, this section is concerned with the optimal *process* for arriving at an evaluative framework.

In the crudest terms, we can think of two types of *process* for deciding on an evaluative framework, namely; top-down and bottom-up. Top-down approaches require the evaluators to decide what constitutes success on behalf of the intended beneficiaries. Thus, the evaluator may decide how to define affordability (on behalf of citizens) and then use this metric to evaluate a particular housing policy. Top-down processes are well suited to interventions which have a very clear, obvious and socially uncontroversial objective, but which rely upon a set of technical skills which most citizens do not possess. When judging the success of a heart by-pass operation, for example, most of us would defer to doctors and medical experts to evaluate outcomes on our behalf. Likewise, most of us would not expect the gas inspector to ask our advice when evaluating the risks of a leak in our home.

However, the limitations of such top-down processes when it comes to housing policy and practice evaluation are twofold. First, as evidenced by burgeoning 'meaning of home' literature (e.g. Clapham, 2005), individuals value their home and neighbourhood for a whole host of diverse reasons, which a top-down approach may overlook. The philosopher John Dewey quipped that "the man who wears the shoe, not the shoemaker, knows best where it pinches" (Dewey 1984; cited in Fung, 2006), and the same might be said of the resident vis a vis the policymaker/practitioner.

Second, the different ends to which home and neighbourhood are (reasonably) valued are often in conflict or tension with each other. Thus, the proposed demolition of a block of flats may lead to reasonable disagreement between one group emphasising security, belonging and street-activity; and another group cleanliness, order, quiet and security. When a cash-strapped local authority is evaluating planning proposals for a high-value piece of public land, the reasonable objective of maximising social housing output is likely to be in tension with the reasonable objective of maximising the sale value to maintain social care provision in the face of brutal local government cuts (Gray and Barford, 2018). A top-down process for evaluating housing outcomes risks glossing over the inherently political nature of much housing policy and practice, unreasonably (and unwittingly) advancing the values and objectives of those most powerful in society. One of the criticisms of the Housing Market Renewal programme, for example, was that in evaluating progress in terms of house price increases, it prized middle class understandings of home as a financial asset and status-symbol over more practical working class meanings of home (Allen, 2008). Similarly, the positive attachments that residents feel towards their neighbourhood may remain opaque to evaluators, who see only physical deterioration (Feldman & Stall, 2004, p. 86).

It is primarily for these two reasons that Amartya Sen argues that capabilities should be developed and prioritised from the bottom-up through a process of 'public reasoning' involving arguments from different quarters and divergent perspectives. This prompts a number of practical questions though such as 'who should be included in the development of the evaluative framework?', 'what about policies which are highly complex?' and 'what if an organisation lacks the resources to develop an evaluative framework from the bottom-up?'. To address these more practical issues, we turn to the literature on deliberative democracy and democratic innovations.

Deliberative Democracy

Broadly defined, deliberative democracy refers to the idea that legitimate law making issues from the public deliberation of citizens (Bohman and Rehg, 1998). In practice, deliberative democratic models have been used to: shape the Icelandic constitution (Gylfason, 2013); inform the choices for the Irish referendum on abortion law²⁴; and make decide budgeting decisions in Port Allegre, Brazil and Scotland (Harkins and Escobar, 2015)²⁵. As we will see, there are also green shoots of deliberative democratic models of governance emerging in housing outcome evaluation.

Whereas representative or direct democracy allows people to express their values simply through voting (for example, on whether to regenerate an estate or not²⁶); deliberative democracy gets people to explain and justify their point of view to others, especially those with conflicting viewpoints. Whereas direct democracy takes people's opinions and values as given, deliberative democracy gets people to critically reflect on their values in recognition that all individuals are capable of being unreasonable, and will therefore benefit from a 'critical-friend' who gets them to rationalise and justify their value-based judgements.

The Outcomes Star is a good example of a deliberative process in evaluating housing outcomes. Rather than relying on the worker or the citizen alone to arrive at a set of evaluative criteria, the approach requires service users and frontline workers to collaboratively define the problem, identify and implement possible solutions, evaluate their impact and reflect on the learning. The Outcomes Star emerges through a dialogue between service user and worker which may result in a change in the perceptions of both parties (MacKeith, 2011).

A process of democratic deliberation can lead to the creation or discovery of common interests which may well transcend and contradict individual participants' original dispositions (Melo and Baiocchi, 2006). Take the case of one community who, funded by the Big Local National Lottery Fund²⁷, looked to develop their own community plan. Initially, when surveyed, many in the community were resistant to the idea of new housing, preferring a more regular local bus service instead, but the case was made that the only way to make a more regular bus-service financially viable was to boost the effective demand by increasing the number of residents in the local area. Convinced by this argument, the community overwhelmingly voted for an increase in the number of homes in the community plan referendum. Although only anecdotal, this example illustrates the ability of deliberative democratic reasoning to go beyond simply aggregating individual preferences, as representative democracy does, but actually transform and reconcile conflicting preferences. Deliberative democracy recognises the inherently political nature of collective decision making, emphasising the ability of individuals to reason with each other, find common ground, or agree to disagree in which case decisions are typically made through a majority vote.

In the case of housing and neighbourhood design, deliberation may also involve experiencing different environments, as well as engaging with different perspectives. For someone living in a poorly lit, and ill-proportioned home, it may require them to experience a well-designed home to realise what physical aspects of their built environment they value most.²⁸ The charity Big Local commonly uses the experience of different build environments to stimulate deliberation. Rather than getting an urban designer to say 'but what about density and air pollution' they take a community to see a high street with lots of well-designed spaces that is used by 'people like them'²⁹. All of these instances can be broadly understood as forms of deliberation.

²⁴<https://www.theguardian.com/commentisfree/2019/jan/22/irish-readers-citizens-assembly-worked-brexit>

²⁵For empirical review of different (empowered) deliberative democratic 'experiments' see Fung and Wright (2001)

²⁶<https://blog.shelter.org.uk/2018/08/what-the-introduction-of-estate-regeneration-ballots-will-mean-for-london/> accessed on 7.1.2019

²⁷The Big Local Trust awards (National Lottery) funding to local communities, who collaboratively agree on a long term spending plan (see <http://localtrust.org.uk/our-work/big-local/about-big-local> for more details)

²⁸Thanks for Flora Samuel for provoking this thought.

²⁹Thanks to Chris Brown and David King for making this point originally

Shelter's Living Home Standard is perhaps the most ambitious attempt to develop a framework for evaluating housing outcomes through a bottom-up deliberative democracy. Drawing heavily on the philosophy of JRF's minimum income standard³⁰, the Standard was "the first definition of what home means that has been defined by the public, for the public. It defines what the public believes an acceptable home should provide, something that we should all expect from our home in order to secure our wellbeing and provide a foundation from which we can build and live our lives."(Shelter, 2016).

The process was democratic, starting from the bottom-up and asking residents what they value about home and neighbourhood – not making assumptions on their behalf. The process was also deliberative: the idea wasn't to produce a long wishlist of housing attributes, incorporating and aggregating everyone's preferences, but to draw people towards a common view about what an acceptable home would look like. The 16 focus groups required people to reason with each other, justify why they valued certain attributes over others, and to compromise³¹. Findings from other citizen juries suggest that participants are open-minded, willing to engage and change their mind, and prepared to take the process seriously, providing recommendations that can be realistically implemented³².

Starting from the bottom-up has other benefits. Evaluative frameworks that have been developed from the bottom-up are likely to be more legitimate (Burton, 2009). While democratic deliberation offers no guarantee that consensus will always result, it is assumed that participants will come to accept collective decisions as fair and justified. Deliberative democratic institutions might help foster new forms of solidarity, develop stocks of social capital, and improve the ability of all citizens to engage and reason with each other in political discussions (Barnes et al., 2007; Burton et al., 2006), deepening the ways in which ordinary people can effectively participate in and influence policies that directly affect their lives.³³

³⁰See <https://www.lboro.ac.uk/research/crsp/> for more details

³¹Compromise was also central to the 2000 surveys where respondents were forced to choose between different housing attributes. In the final survey, 42% of homes in the UK were found to fall short of the Living Home Standard, but 58% met it, indicating that an evaluative framework developed from the bottom-up need not be unrealistically ambitious. For more details see the full report at <http://www.shelter.org.uk/livinghomestandard>

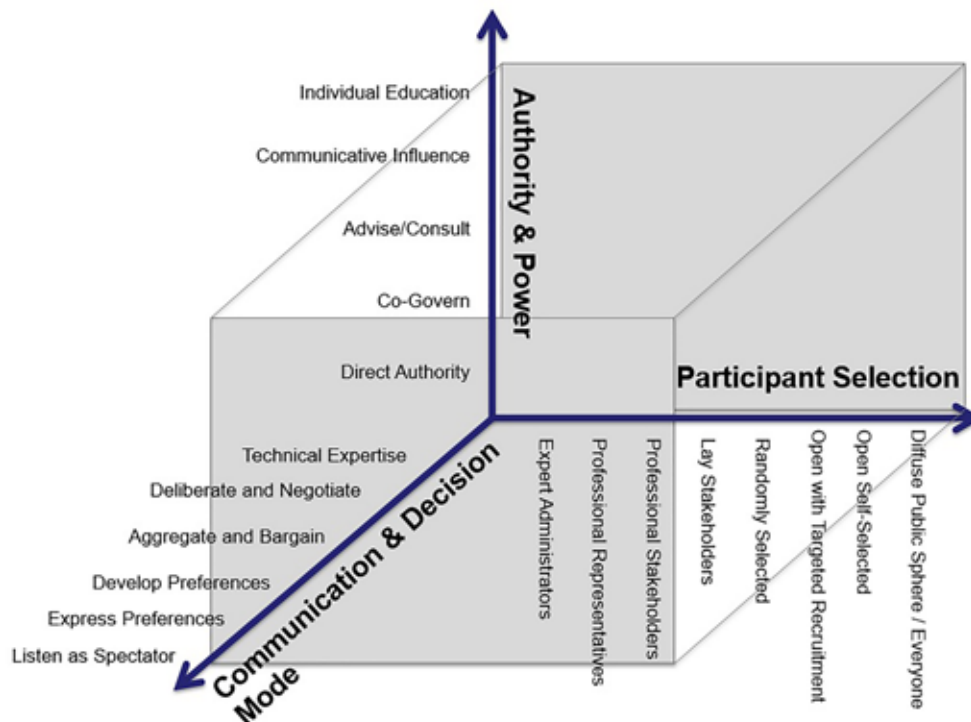
³²See, for example, the findings from a citizen assembly on Social Care undertaken in June 2018 (https://www.involve.org.uk/sites/default/files/field/attachemnt/Citizens%27%20Assembly%20on%20Social%20Care%20-%20Recommendations%20for%20funding%20social%20care_0.pdf) or the citizen assembly on Brexit which was undertaken in 2017 (<http://citizensassembly.co.uk/wp-content/uploads/2017/12/Citizens-Assembly-on-Brexit-Report.pdf>)

³³As Russell Dalton, a leading authority on political attitudes and behaviour, notes: 'By almost any measure, public confidence and trust in, and support for, politicians, political parties, and political institutions has eroded over the past generation' (Dalton 2004: 191).

Limitations of, and alternatives to, deliberative democracy

There are, however, a number of limitations with deliberative democracy, so it should not be interpreted as a panacea. To compare the merits of deliberative democracy vis a vis other forms of democratic participation (e.g. direct democracy or tenant scrutiny panels), it is worth introducing the diagram below, in which Archon Fung (2006) identifies three important dimensions along which forms of democratic participation vary.

Figure 3: Fung's (2006) Cube of Democracy



Source: Fung (2006)

The first dimension “communication and decision mode” specifies how participants exchange information and make decisions. The second dimension “authority and power” describes the link between discussions and policy or public action. The third “participant selection” concerns who participates. Together, these constitute a space (or cube) in which any particular mechanism of democratic participation can be located (Fung, 2006).

Deliberative democratic forms of governance are, by definition, strong on “communication and decision mode”, involving high levels of deliberation, consideration, negotiation and compromise. It is partly because their decision making is informed and considered, that deliberative democratic forums also tend to be given significant power and authority (Fung’s middle axis).

The main limitation of deliberative democratic models of governance lies in their resource intensiveness. Developing a process where citizens listen to and negotiate with a wide range of divergent perspectives, and ultimately make a decision, is likely to require a substantial investment of time, money and expertise. One only has to look at the cost of a jury trial (the most widespread form of deliberative democracy) to appreciate the potential costs of running a proper deliberative democratic process.³⁴

³⁴It has been approximated that involving a jury doubles the cost of court proceedings <https://www.bbc.co.uk/news/uk-11683903>

This resource intensiveness explains why deliberative democratic forums only tend to involve a random or representative sample of the intended beneficiaries, scoring lower on Fung's third 'participant selection' dimension. Social media and technological innovations have sought to reconcile this conflict, by trying to include a large number of perspectives without losing the deliberative component of this³⁵, and in the future, mass video-conferencing could provide a valuable medium for engaging a large number of citizens in face to face deliberation at very little expense³⁶. Until this is the case, however, deliberative democratic forms of governance will score poorly on inclusiveness, and may need to be supplemented with more inclusive forms of governance such as referenda or 'liquid democracy'³⁷ when it comes to major initiatives.³⁸

Given the characteristics of deliberative democracy, above, when is deliberative democracy necessary, and when might other less deliberative forms of citizen participation suffice? Below, we identify three key variables upon the answer to this question is likely to hinge.

Impact on citizen's lives: Because of their resource intensiveness, deliberative democratic forms of governance should only be used to evaluate, influence or determine policies which have a significant impact on citizens' lives. There is no point in holding a citizens' jury to decide what colour the park fence should be painted.

Spatial scale and type of expertise: Deliberative democratic models of governance tend to be applied to quite local, practical problems where they can convene and empower those citizens close to the points of action who possess intimate, tacit knowledge about relevant situations, and may know how best to improve the situation. In these highly local contexts, citizens also have incentives to develop the capacities and master the information necessary to make good decisions because they must live with the consequences of poor ones (Fung and Wright, 2001).

This is not to say that more complex, technical and abstract problems like setting the Bank of England base rate, or deciding on how to finance a social housing development, should be completely isolated from democratic participation; rather, that in these cases, democratic participation may need to involve a smaller group of citizens, who are paid to become highly informed on these issues, but only play a less influential role on the decision-making body.

Value conflict and value- divergence: At a larger spatial scale, deliberative democratic models tend to be applied to those policy problems which are highly political and/or highly personal. Social care, abortion law, and euthanasia – these problems all arguably revolve around a conflict in reasonably value-based judgments, more than a disagreement about the 'facts' and causal mechanisms. In a country where 63% of people (i.e. home-owners) have an interest in increasing the cost of housing, while the other 37% has an interest in decreasing housing costs, many housing problems (tenant rights, housing supply, land use) arguably fall into this category, and could therefore be progressed through more deliberative governance models.

³⁵The platform Pol.is does not allow people to reply to comments (discouraging trolls) and clusters together the most popular arguments of different people who vote together, so that people are exposed to wide range of (hopefully, reasonable) perspectives. More details here https://www.technologyreview.com/s/611816/the-simple-but-ingenious-system-taiwan-uses-to-crowdsource-its-laws/?utm_source=MIT+Technology+Review&utm_campaign=81f3daa14b-weekly_roundup_2018-08-23_edit Thanks to John Myers for pointing us this article

³⁶Thanks to David King for this insight

³⁷Liquid democracy is a form of democracy whereby an electorate has the option of vesting voting power in delegates rather than voting directly themselves, power which the electorate can withdraw at any time.

³⁸This is what happened in the case of the Irish referendum on abortion <https://www.theguardian.com/world/2018/mar/08/how-99-strangers-in-a-dublin-hotel-broke-irelands-abortion-deadlock>

Which perspectives should be included?

The scrupulous reader will have noticed that, until now, we have argued that the ‘rightful beneficiaries’ of a housing policy/project should be included in deliberations without defining whom this group consists of. The reason is that this, in itself, is a value-based judgement (that would be ideally reasoned over by a representative group of citizens, and made transparent so that it can be publicly scrutinised), and the answer will vary from case to case. The rightful beneficiaries of the community led housing fund are going to be different from the rightful beneficiaries of a new town development. Nevertheless, there are several perspectives which should arguably be included by default.

The first is the perspective of future generations. If we are to avoid imposing an environmental catastrophe on future generations (and a proportion of the current generation), we need to dramatically reduce our carbon emissions through building greener, and developing more environmentally sustainable communities. Future generations cannot obviously be included in person, but their perspectives can be recognised in other ways through the inclusion of green activist groups in deliberations, or the top-down imposition of a baseline environmental standard (e.g. BREEAM³⁹).

The second is the expert. We all have informational blind spots. Despite looking fine, new-build housing may in fact be environmentally unsustainable, poor quality or structurally unsound. An area that feels dangerous to local people may, according to the data, be relatively crime-free. By providing citizens with evidence and making them more aware of the effect that housing (policy) has on the effective freedoms and feelings that they value, experts can improve the informational base upon which an evaluative framework or policy’s objectives are constructed. As Breckon et al (2019) note, juries are perfectly capable of grappling with complex research, given time, patience, and empathetic expert witnesses.

The third is divergent and critical perspectives. As well as having informational blind spots, history also tells us that each generation suffers from its own moral blind spot(s), be it racism, homophobia, sexism, slavery etc. The only way to mitigate the risk of these blind spots occurring is to engage and test the reasonableness of perspectives that differ from our own (Sen, 2009). If, for example, a group of citizens promptly rejects the need for a new development to provide shelter for rough sleepers on the grounds that the homeless suffer because of their own actions, then they should be required to hear the stories of how those people ended up sleeping on the streets.

Power imbalances

It is one thing to identify the rightful beneficiaries of a particular housing policy/practice, but another to engage them. A notorious problem with public participation has been the apparent difficulty of actually achieving effective participation by all sections of the public, particularly those less powerful and politically active, and particularly in relation to public policies which affect large numbers of individuals, but to varying degrees (Rydin and Pennington, 2000).

The obvious, and well-worn, example is with regards to new housing supply. It is relatively easy to mobilise a local home-owner community to oppose a nearby housing development, as the stakes are likely to be high. It is much more difficult, however, to mobilise all those ‘outsiders’ who would benefit from a reduction in house prices, as their participation is unlikely to have enough of an impact on the political process to make up for the costs of engagement. Models of tenant participation (McKee, 2008), and neighbourhood planning (Davoudi and Cowie, 2013) have been found to suffer from a similar unevenness in the perspectives represented. A common argument against the widening of citizen participation is that it favours the strongest and excludes groups with few resources and low status (Cooke and Kothari, 2001).

³⁹BREEAM is a standard used to rate the sustainability of buildings. Its categories evaluate energy and water use, health and wellbeing, pollution, transport, materials, waste, ecology and management processes. Buildings are rated and certified on a scale of ‘Pass’, ‘Good’, ‘Very Good’, ‘Excellent’ and ‘Outstanding’. <https://www.breeam.com/>

Because they only seek to involve a representative sample of rightful beneficiaries, deliberative democratic models are in a much better position to address this problem than other more 'inclusive' form of democratic participation. Nevertheless, for citizens, and especially disadvantaged citizens to get involved, it is important that they are empowered and properly compensated. This will be costly, but these costs would arguably pale into insignificance when compared to the costs of not building enough social housing, or abandoning a regeneration scheme midway through.

Even if we ensure that all stakeholders are included in the development of an evaluative framework, alongside critical and expert perspectives, then high-status members of society are still likely to have a disproportionately large influence in the democratic process. One of the key findings to emerge from qualitative research on tenant board members of housing associations is that formal presence within governance structures is no guarantee of active influence over governance processes, partly because tenants may come to the board lacking the social, cultural and educational capital to engage effectively with other board members or the executive (Marsh, 2018). Participation costs more for lower class citizens – most notably through the risk of shame and humiliation – but yields less as they are less likely to be listened to.

A deliberative democratic approach also remains susceptible to the 'tyranny of the majority' hijacking any evaluative framework to advance their own interests. For example, home-owners living in a neighbourhood designated for regeneration could vote to ensure that house price 'growth' (or 'inflation') is included as a positive metric of progress, thus skewing the evaluative framework towards their own economic self-interest. In cases like these, there may be a need for some independent party (or parties) without 'skin in the game', to oversee the process and ensure that the bottom-up process for arriving at an evaluative framework is genuinely deliberative, and that the basic housing capabilities of minority groups are not compromised.

Power structures can also work in more subliminal ways, shaping what we consider to be in our best interest. Successive governments have consistently portrayed home-ownership as the only 'normal' tenure in the UK, synonymous with 'settling down' and 'family-values' (Gurney, 1999), with the implication that renting is somehow inherently unnatural. Newspapers and commentators talk of housing markets 'performing strongly' and celebrate house price inflation (Munro, 2018), thus putting a positive-spin on what is an affordability problem for those without property.

In sum, taking a bottom-up approach does not guarantee that the evaluative framework will be ethically reasonable. We are all fallible beings. We can all identify unreasonable value-based judgements that we made in the past and therefore can't exclude the possibility that we are making unreasonable value based judgements in the present. And power imbalances will always distort the reasoning process.

Ideas for policy and practice

In this section, we identify some of the key areas of housing policy and practice where deliberative democracy might help evaluate, and thus improve, housing outcomes.

Home

Had we been writing this concluding section five years ago, then our first recommendation would have been to initiate a bottom-up process of democratic deliberation to identify what it is that people value from their homes and neighbourhoods. Thankfully, however, something like this already exists in the form of Shelter's Living Home Standard. This standard could be incorporated into the English Housing Survey (and UK equivalents), so that the dataset measures and tracks attributes of home that citizens value. This would then provide both an empirically and ethically reasonable basis for measuring the progress of housing outcomes, and would allow researchers to sense-check different measures of housing related poverty, inequality and affordability. Housing poverty, for example, could be reasonably defined as the proportion of people who live in homes which do not possess the essential Living Home attributes and, as discussed above, different metrics of housing affordability should be tested for their correlation with the Standard. There is also a strong ethical argument that future iterations of the (evolving) Decent Homes Standard, or any other national housing standard, should be more informed⁴⁰ by bottom-up democratic deliberations, so that they better reflect the attributes that citizens have reason to value from home.

Neighbourhood

Socially controversial decisions at the neighbourhood level are particularly well-suited for empowered democratic deliberation, as it should be relatively easy to identify and involve the key stakeholders who, in turn, will have a strong incentive to be careful in their deliberations. When it comes to a significant piece of public land, or an estate in need of physical repair, local authorities could allow a citizens' jury to decide which planning proposal represents the best long-term value to the community. This jury would be elected, employed and empowered for the length of the development, and would include a representative selection of existing residents who command wide-spread support, as well as any other group who would be affected or deservedly stand to gain from the project such as those outside the neighbourhood on the social housing waiting list. A similar process could be undertaken for determining local authority social housing allocations' policies, writing local and neighbourhood plans (Parker et al., 2015), or procuring public sector services⁴¹.

Nation

At a national scale, deliberative democratic forums could be used to break the impasse on highly political questions like: what proportion of land value uplift should a landowner be entitled to as a result of gaining planning permission? Or, what should happen to house prices over the coming decade?

⁴⁰Note that the Decent Homes Standard is not entirely top-down. In the recent Social Housing Green Paper, for example, people were invited to respond with requests for what they would like to see included in the revised standard.

⁴¹The Public Services (Social Value) Act 2012 requires all contracting authorities to consider how they can secure wider social, economic and environmental benefits of the "relevant area" (i.e. the area(s) of whose behalf a public services contract is intended to be made).

Institutional reform

For all the ideas above to be feasible, however, institutions will need to be reformed to properly empower deliberative citizens. Citizens are only likely to be willing to devote their time and energy to deliberating what is in the public good if they know that their decision is going to be consequential. “Don’t give me that participation bullshit man, we want power!” was the plea of one community organiser (Marcuse, 1970). Giving power to citizens likely means taking power away from someone else, be it a local authority, housing association or central government. In the case of public land disposal, proper citizen empowerment would require the Treasury (and MHCLG) to ease pressure on local authorities to sell their land to the highest cash-bidder⁴², so that deliberative citizens can decide what constitutes the best social value for the community. When procuring public services, a citizens’ jury should not necessarily have to demonstrate, through some complex Green Book-certified quantitative methodology (e.g. Cost-benefit analysis, Social return on investment etc.), that their choice represents the best social value, as in some cases, trust in deliberative citizens should take priority over trust in numbers.

‘Empowerment’ must also go beyond ‘damage limitation. In May 2010, David Cameron and Nick Clegg outlined their localism agenda to “promote decentralisation and democratic engagement” in a bid to “end the era of top-down government”⁴³. In the ensuing five years, however, local authority budgets were cut by over 50%, with the vast majority of these cuts falling on the most deprived local authorities (Gray and Barford, 2018). If citizen juries are similarly used only as a means for outsourcing unpopular decisions, then we should not be surprised if they do more to divide than unite citizens.

⁴²Since 2003 the Local Government Act has given councils powers to accept ‘less than best consideration’ of up to £2million below market value per transaction and £10million over a year. But despite the leeway, ‘the natural expectation that the Treasury expects councils to secure the largest cash receipt from the sale of land is deeply embedded in the culture of councils, the profession and indeed the public at large.’ See “Making the case for affordable housing on public land” (July, 2017) by Alice Martin of New Economics Foundation, <https://neweconomics.org/2017/07/affordable-housing-public-land>

⁴³HM Government, The Coalition: our programme for government, May 2010, p.11

References

- Allen, C. (2008). *Housing market renewal and social class*. Routledge.
- Atkinson, A. B. (1999). The contributions of Amartya Sen to welfare economics. *The Scandinavian Journal of Economics*, 101(2), 173-190.
- Barnes, M., Newman, J., & Sullivan, H. (2007). *Power, participation and political renewal*. Bristol: Policy Press
- Bellet, C. (2017). The paradox of the joneses: Superstar houses and mortgage frenzy in suburban America. *CEP Discussion Paper*, 1462.
- Biswas-Diener, R., & Diener, E. (2001). Making the best of a bad situation: Satisfaction in the slums of Calcutta. *Social Indicators Research*, 55(3), 329-352.
- Bohman, J., & Rehg, W. (1997). *Essays on reason and politics: Deliberative democracy*.
- Breckon, J., Hopkins, A., & Rickey, B. (2019). *Evidence vs Democracy*.
- Burns, S., MacKeith, J., & Graham, K. (2008). *Using the Outcomes Star: Impact and good practice*. Triangle, 1.
- Burton, P. (2009). Conceptual, theoretical and practical issues in measuring the benefits of public participation. *Evaluation*, 15, 263–284.
- Burton, P., Goodlad, R., & Croft, J. (2006). How would we know what works?: Context and complexity in the evaluation of community involvement. *Evaluation*, 12, 294–312
- Busse, M. R., Pope, D. G., Pope, J. C., & Silva-Risso, J. (2012). Projection bias in the car and housing markets (No. w18212). National Bureau of Economic Research.
- Campbell, D. T. (1979). Assessing the impact of planned social change. *Evaluation and program planning*, 2(1), 67-90.
- Cheshire, P., & Sheppard, S. (1989). British planning policy and access to housing: some empirical estimates. *Urban Studies*, 26(5), 469-485.
- Clair, A. (2018). Housing: An Under-Explored Influence on Children's Well-Being and Becoming. *Child Indicators Research*, 1-18.
- Clapham, D. (2005). *The meaning of housing: A pathways approach*. Policy Press.
- Clapham, D., Foye, C., & Christian, J. (2018). The concept of subjective well-being in housing research. *Housing, Theory and Society*, 35(3), 261-280.
- Clark, A. E., Frijters, P., & Shields, M. A. (2008). Relative income, happiness, and utility: An explanation for the Easterlin paradox and other puzzles. *Journal of Economic literature*, 46(1), 95-144.
- Coates, D., Anand, P., & Norris, M. (2013). Housing and quality of life for migrant communities in Western Europe: A capabilities approach. *J. on Migration & Hum. Sec.*, 1, 163.
- Cohen, G. A. (1993). *Equality of What? On Welfare, Goods, and Capabilities*. The Quality of Life. M. C. N. a. A.Sen. Oxford, Oxford University Press.
- Cole, I., & Flint, J. (2007). Housing affordability, clearance and relocation issues in the housing market renewal pathfinders.
- Cooke, B., & Kothari, U. (Eds.). (2001). *Participation: The new tyranny?*. Zed books.
- Dalton, R. J. (2004). *Democratic Challenges, Democratic Choices. The Erosion of Political Support in Advanced Industrial Democracies (Comparative Politics)*. Oxford University Press, UK.
- Davies, W. (2018). *Nervous States: How Feeling Took Over the World*. Random House.

- Davoudi, S., & Cowie, P. (2013). Are English neighbourhood forums democratically legitimate?. *Planning Theory & Practice*, 14(4), 562-566.
- Dewey, J. (1984). *The later works, 1925-1953. 2. 1925-1927:[essays, reviews, miscellany, and" The public and its problems]* (Vol. 2). SIU Press.
- Diener, E., Suh, E. M., Lucas, R. E., & Smith, H. L. (1999). Subjective well-being: Three decades of progress. *Psychological bulletin*, 125(2), 276.
- Dolan, P., Peasgood, T., & White, M. (2008). Do we really know what makes us happy? A review of the economic literature on the factors associated with subjective well-being. *Journal of economic psychology*, 29(1), 94-122.
- Easterlin, R. A. (2005). Feeding the illusion of growth and happiness: A reply to Hagerty and Veenhoven. *Social indicators research*, 74(3), 429-443.
- Easthope, H. (2004). A place called home. *Housing, theory and society*, 21(3), 128-138.
- Feldman, R. M., & Stall, S. (2004). *The dignity of resistance: women residents' activism in Chicago public housing*. Cambridge University Press.
- Fitzpatrick, S., & Watts, B. (2017). Competing visions: security of tenure and the welfarisation of English social housing. *Housing Studies*, 32(8), 1021-1038.
- Flyvberg, B. (1998). *Rationality and power: Democracy in action*.
- Foye, C. (2017). The Relationship Between Size of Living Space and Subjective Well-Being. *Journal of Happiness Studies*, 18(2), 427-461.
- Friedman, M. (1953). *The methodology of positive economics*.
- Fujita, F., & Diener, E. (2005). Life satisfaction set point: stability and change. *Journal of personality and social psychology*, 88(1), 158.
- Fujiwara, D. (2014). *Measuring the social impact of community investment: the methodology paper*. London, Housing Associations Charitable Trust (HACT).
- Fung, A. (2006). Varieties of participation in complex governance. *Public administration review*, 66, 66-75.
- Fung, A., & Wright, E. O. (2001). Deepening democracy: Innovations in empowered participatory governance. *Politics & Society*, 29(1), 5-41.
- Gray, M., & Barford, A. (2018). The depths of the cuts: the uneven geography of local government austerity. *Cambridge Journal of Regions, Economy and Society*, 11(3), 541-563.
- Gurney, C. M. (1999). Pride and prejudice: Discourses of normalisation in public and private accounts of home ownership. *Housing studies*, 14(2), 163-183.
- Gylfason, T. (2013). 'Democracy on ice: a post-mortem of the Icelandic constitution', Retrieved from <http://www.opendemocracy.net/thorvaldur-gylfason/democracy-on-ice-post-mortem-of-icelandic-constitution>
- Harkins, C., & Escobar, O. (2015). *Participatory budgeting in Scotland: an overview of strategic design choices and principles for effective delivery*. Glasgow: GCPH, WWS. Available at: www.gcph.co.uk/assets/0000/5467/Participatory_budgeting_in_Scotland.pdf
- HM Treasury (2018) *Green Book*. Available online at; https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/685903/The_Green_Book.pdf
- Luttmer, E. F. (2005). Neighbors as negatives: Relative earnings and well-being. *The Quarterly journal of economics*, 120(3), 963-1002.
- Mackeith, J. (2011). The development of the outcomes star: a participatory approach to assessment and outcome measurement. *Housing, Care and Support*, 14(3), 98-106.
- Marcuse, P. (1970). *Tenant Participation--for What?*.
- Marsh, A. (2018) *Social housing governance: an overview of the issues and evidence*

- McKee, K. (2008). Transforming Scotland's public-sector housing through community ownership: The reterritorialisation of housing governance?. *Space and Polity*, 12(2), 183-196.
- Meen, G. (2018). How should housing affordability be measured?.
- Melo, M. A., & Baiocchi, G. (2006). Deliberative democracy and local governance: towards a new agenda. *International Journal of Urban and Regional Research*, 30(3), 587-600.
- Michalos, A. C., & Kahlke, P. M. (2010). Stability and sensitivity in perceived quality of life measures: Some panel results. *Social Indicators Research*, 98(3), 403-434.
- Ministry of Housing, Communities and Local Government (2018). A New Deal for Social Housing. Access online at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733605/A_new_deal_for_social_housing_web_accessible.pdf
- Munro, M. (2018). House price inflation in the news: a critical discourse analysis of newspaper coverage in the UK. *Housing Studies*, 33(7), 1085-1105.
- Nakazato, N., Schimmack, U., & Oishi, S. (2011). Effect of changes in living conditions on well-being: A prospective top-down bottom-up model. *Social Indicators Research*, 100(1), 115-135.
- NAO, 2007 Department for Communities and Local Government Housing Market Renewal: Report by the Comptroller and Auditor General/HC20 Session 2007^2008 National Audit Office (The Stationery Office, London)
- Nussbaum, M. C. (2011). *Creating capabilities*. Harvard University Press.
- Pader, E. J. (1994). Spatial relations and housing policy: Regulations that discriminate against Mexican-origin households. *Journal of Planning Education and Research*, 13(2), 119-135.
- Pader, E. (2002). Housing occupancy standards: Inscribing ethnicity and family relations on the land. *Journal of Architectural and Planning Research*, 300-318.
- Pavot, W., & Diener, E. (1993). Review of the satisfaction with life scale. *Psychological assessment*, 5(2), 164.
- Porter, T. M. (1996). *Trust in numbers: The pursuit of objectivity in science and public life*. Princeton University Press.
- Provan, B., Belotti, A., Power, A (2016), Moving on without moving out: the impacts of regeneration on the Rayners Lane Estate. Available at <http://eprints.lse.ac.uk/67851/1/casereport100.pdf>
- Read, D. (2007). Experienced utility: utility theory from Jeremy Bentham to Daniel Kahneman. *Thinking & Reasoning*, 13(1), 45-61.
- Robeyns, I. (2006). The capability approach in practice. *Journal of Political Philosophy*, 14(3), 351-376.
- Rydin, Y., & Pennington, M. (2000). Public participation and local environmental planning: the collective action problem and the potential of social capital. *Local environment*, 5(2), 153-169.
- Sayer, A. (2011). *Why things matter to people: Social science, values and ethical life*. Cambridge University Press.
- Schneider, L., & Schimmack, U. (2009). Self-informant agreement in well-being ratings: A meta-analysis. *Social Indicators Research*, 94(3), 363.
- Sen, A. (1992). *Inequality reexamined*. Clarendon Press.
- Sen, A. K. (2009). *The Idea of Justice*. Harvard University Press.
- Stiglitz, J. E., & Sen, A. (2011). Report by the Commission on the Measurement of Economic Performance and Social Progress. www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf.

Van Praag, B. M., & Frijters, P. (1999). 21 The Measurement of Welfare and Well-Being: The Leyden Approach. *Well-Being: Foundations of Hedonic Psychology*, 413

Watts, B., Fitzpatrick, S., & Johnsen, S. (2018). Controlling homeless people? Power, interventionism and legitimacy. *Journal of Social Policy*, 47(2), 235-252.