

## **Explaining Reforms – Post-New Public Management Myths or Political Realities?**

### **Social Housing Delivery in England and France**

#### **Abstract**

This article examines the assumption that recent reforms in social and public services can be understood as a transition from New Public Management to Post-New Public Management. English and French social housing delivery are selected as two cases in which to test out this assumption. For ostensibly these delivery structures share significant cross-national, Post-NPM similarities – a movement towards a more ‘enabling’ or steering role for central government, the creation of coordinating agencies, ‘decentralization’ initiatives, the extensive use of public-private arrangements to finance social housing and the involvement of a wide range of extra and semi-governmental organisations. However, further investigation reveals that these reforms of delivery structures have not been predominantly driven by an unfolding post-NPM managerial or governance logic as the thesis assumes. Rather the reforms have been driven by the partisan electoral and ideological goals of central government policymakers within the context of institutional legacies and entrenched social values.

#### **Points for Practitioners**

New Public Management and Post-New Public Management have become the conventional wisdom on administrative reforms particularly in a comparative context. This article argues that these ideas reflect an impoverished understanding of public administration given they assume that change occurs predominantly through the unfolding of managerial and/or governance logics. These logics exclude the critical role of the political parties and other socio-political factors, such as urban unrest, in driving change. This Anglo-French analysis of social housing delivery demonstrates the significance of these political factors in how policymakers define social problems, re-design and implement social housing service delivery systems.

#### **Keywords**

Central government, governance, local government, central-local relations, public-private partnerships, social housing

## **Introduction**

New Public Management (NPM) and Post-New Public Management (Post-NPM) have been widely applied to explain recent European reforms as the editors of this special issue point out (Klenk and Reiter, forthcoming). Yet, despite their ubiquity in the literature, these two ideas remain poorly defined as explanatory accounts of public management change. This article takes its cue from the editors to test out claims that recent public management changes reflect a transition from NPM to post-NPM. The exponents of the Post-NPM thesis assume that this transition results from the unfolding of a managerial logic or/and governance logic whereby policymakers have become disillusioned with the NPM model and sought to organise and manage public services in a new, Post-NPM way. They argue that policymakers are increasingly recognising the shortcomings of NPM in practice – that NPM is too focussed on the single organisation, neglects the wider, horizontal inter-organisational context; has led to fragmented service delivery chains and so contributed to poor, horizontal communication and informational deficiencies, and defines the user too narrowly as a ‘customer’. Consequently, policymakers have turned, or are turning, to a Post-NPM model which stresses inter-organisational or lateral relationships, and decentralization; and issues of coordination or ‘joined-up’ government; and questions narrow definitions of the public service user (Klenk and Reiter, forthcoming).

This article questions this Post-NPM thesis. The underlying argument is that public administration research should go beyond the narrow focus of many public administration studies on technocratic and managerial explanations and investigate how partisan, other political interests, economic pressures in the form of public sector austerity, and social events, like civil unrest, drive public policy and public management reform. The NPM and Post-NPM literatures do reference political interests but usually assign them very general agency. Specific reforms or reorganisations, such as those involving agencification and decentralization, are explained in terms of the influence of NPM or Post-NPM ideas on politicians and bureaucrats but the precise

mechanisms are seldom specified. One reason for the failure to go beyond generalised, managerial explanations is that the literature generally focusses on generic public management reforms and overlooks substantive policy issues which throw up significant redistributive questions. In contrast this study focusses on a substantive policy area, that of social housing delivery, in which critical redistributive issues are at stake. Thus the study is able to show specifically how elected politicians' party and ideological interests have led them to modify and create housing delivery structures. It also points out that Network Governance, which stresses similar changes to the Post-NPM thesis, has similar explanatory limitations. NG maintains that the policy initiative in contemporary society has shifted decisively to networks of actors and away from political parties and service delivery bureaucracies. For instance, Sorensen and Torfing (2007, p. 3) maintain that 'the formulation and implementation of public policy increasingly takes place in and through interactive forms of governance, involving a plurality of public, semi-public and private actors' and that 'the state is increasingly "de-governmentalized" as it no longer monopolizes the governing of the general well-being of the population'.

### **The context and characteristics of English and French housing**

The English and French social housing delivery systems have been selected as two cases in which to compare explanations in terms of managerial logics versus the electoral and ideological logics of party politics. England and France are Western European countries of comparable population size and presently have a similar housing tenure pattern (England, rather than the UK, has been selected as after the 1999 devolution, significant differences in housing and other policies have emerged between England and the three devolved UK nations). Both are centralized countries, but each in its own way. England has relatively few, large local governments and simple central-local relationships, France has 36,000 local governments and complex governing levels (*le millefeuille territorial*), but much stronger, intersecting central-local political links than in England. In England the strong Westminster executive can reorganize most local governmental functions without facing serious obstacles and has a history of so doing on many occasions. Although some governance theorists (e.g. Rhodes 2007) have argued that self-organizing networks capable of challenging central government hegemony have emerged to displace the traditional, hierarchical central-

local relationship. In social housing, there has been shift away from council provision through housing associations (see below). However, a housing network – including the housing associations, their trade body (the National Housing Federation) and the professional body (Chartered Institute of Housing) – exists but it remains on the policy margins (Laffin 2013).

In contrast, French central policymakers, in common with many southern European countries, are more constrained by institutional, corporatist-type structures in reorganising decentralized government and local service delivery (Ongaro, 2009, p. 250), and not least by local politicians who can veto reform through the Senate and multiple office-holding (the latter has been largely eliminated from 2017). Central government has close, neo-corporatist relations with key organisations within society, ‘Through subsidising voluntary associations, trade unions and professional associations, public authorities (central and sub-national government) bring social organisations into their public policy orbit’ (Cole 2008, p. 140). Thus the peak housing body, *L’Union sociale pour l’habitat* (USH) (USH 2015), represents social housing providers and related organizations, has a pact with government and works closely with policymakers through the government-led National Mobilization Committee and other channels; although these partnerships can often resemble central co-optation, the expectations for consultation generated often slow centrally-initiated change (Ongaro, 2009, p. 250). But this housing partnership bears little resemblance to a governance network as it is ‘very hermetic’ and exclusionary (Driant and Li, 2012, p. 95). Rather these ‘institutionalised social partnerships’ (Cole, 2008, p. 140) are rooted in French political culture and pre-date NPM and Post-NPM.

Secondly, as well as these institutional differences, significant contrasts exist between English and French political parties and dominant social values. The English Conservative party has been intent on rolling back the state through its politics of austerity while in Coalition with the Liberal Democrats and, after 2015, as the ruling party. However, the major French right parties remain strongly attached to the French social values inherent in their social welfare model and citizenship, ‘Politicians from the left (such as Jospin or Chevènement) or from the centre-right (such as Chirac or Villepin) made a strongly defensive political

appeal in favour of the French model, phrased in terms of defending French capitalism, protecting the social welfare model and supporting the integrative model of citizenship' (Cole, 2008, p. 193). Thus in France traditional ideas of 'solidarity' and citizenship still influence attitudes over social and support services for poorer fellow citizens on both the right and the left (Béland and Hansen 2000). For instance, while the English Conservative Party has shrunk the social housing sector, all the main French parties continue to support the principle of social housing (although the Socialists more strongly than the right).

Both English and French social housing delivery structures apparently exhibit a Post-NPM, governance-type transition. They are characterised by a mixed economy of social housing provision reliant on public-private partnerships, a proliferation of new, extra-governmental bodies delivering social housing, unified regeneration agencies, and official emphases on horizontal coordination and on 'decentralization' and 'localist' reforms. Nonetheless, English and French central policymakers face comparable implementation difficulties in social housing provision. Local governments have a strong interest in controlling local housing construction because they wish to control the composition of the local population. In particular, councils in wealthier areas frequently resist the efforts of mostly left, central governments to get them to build more social or low-income housing for the less well-off and ethnic minorities, preferring no development or just low-density, high cost housing likely to enhance their locality (e.g. Pollard, 2011, p. 47); although notably some left councils around Paris have promoted social housing to bolster their political position. Policymakers in both countries, too, face the challenge of how to involve tenants, as the service users, in service delivery yet ensure that the interests of those not already housed, and homeless or living in overcrowded and poor quality accommodation, are not forgotten.

This article examines the evolution of social housing policies in the two countries, asking how the direction of change should best be understood – either as a shift in a Post-NPM, or Network Governance direction, or as the product of competitive partisan politics pushing against entrenched interests and institutional legacies. The next section outlines the post-war foundations of mass social housing provision as a necessary background to recent developments until 2016. The two main sections, then, analyse policy developments

since about 2000 in England and France. The conclusion returns to the issues posed in this introduction to assess the competing accounts of change in social housing. The article draws on research undertaken by the author in England, reported in (Laffin 2003; Laffin n.d) and secondary sources, but draws mostly on secondary sources in analysing the French case.

### **Post-War social housing policy in England and France**

In both countries social housing formed major housing programmes after 1945. The post-war UK Labour government, rather than nationalise provision, continued the pre-war dependence on municipalities to build social housing. Subsequent governments, Conservative and Labour, accepted housing municipalisation. By 1979 a third of the UK housing stock was council-owned and managed, the remainder owner-occupied with only 10% of the stock privately-rented (Whitehead, 2014, p.315). After 1979, successive Conservative governments (1979-97) engineered a major reduction in council housing. The 1980 right-to-buy legislation compelled councils to offer tenants their homes at substantial discounts. In what was the greatest Thatcherite privatisation 2.8m socially-rented dwellings were sold between 1980 and 2015, generating £58 billion in capital receipts for government (Murie, 2016, pp. 65, 37). The right-to-buy was explicitly intended to dismantle Labour's traditional council tenant constituency and create a Conservative-voting, house-owning democracy (Malpass, 1993, p. 28; Laffin, 2013), and continued to prove electorally and fiscally attractive to government. In 1988 the Conservatives further de-municipalised social housing by starting large-scale voluntary transfers of council housing into non-profit housing associations ('voluntary' as subject to the agreement of a majority of a council's tenants in a local referendum). These transfers and the right-to-buy involved major disinvestment in social housing and housing expenditure, as a proportion of GDP, dropped over the Conservative years and was not reversed until 2000 (Mullard and Swaray, 2006, p. 498). Currently, the English tenure pattern is council sector (7%), housing associations (10%) (i.e. total social housing 17%), privately rented (20%) and owner-occupied (63%) (DCLG, 2015).

The post-war French government expanded the organisations providing moderate (i.e. subsidised) rents (*habitation à loyer modère*, HLMs). The municipalities played, and continue to play, a key role in housing

allocations (Ball, 2012, p. 79-80) and one strongly cherished by mayors. Social housing has been sustained by the system of institutionalised partnerships at central and local levels, the embodiment of solidarity, but this system has tended to exclude already marginalised groups from social housing. Unlike in England local allocations policies are seldom publicly available and ‘the social housing allocation procedure is intrinsically opaque’ (Vroeland-Levy, 2013, p. 225). These allocation procedures amount to the ‘institutionalised representation of people with an interest in refusing disadvantaged outsiders’ (Ball, 2012, p. 332) as employers, unions and existing tenants are also involved with the local political elites in local, institutionalised decision-making structures which favour ‘insiders’ – existing tenants and the employed rather than the very poor or those from minority ethnic backgrounds who are excluded or allocated less desirable housing. Only recently has the French emphasis shifted to include the poor (Ball, 2012, p. 12) and recent efforts by the Hollande-Valls Government to reform these procedures have had little effect, reflecting how mayors are able to organise to defend their prerogatives. HLM housing is provided by public corporations, linked to regional and local authorities, and by large private, non-profit corporations. Unlike the British case, only a small minority are charities or cooperatives (Driant, 2011). The HLM sector presently houses about ten million people (about one in six) in over four million HLM dwellings. This housing has three tiers – standard social housing, ‘very social’ housing for lower income households which is largely temporary, and (unlike England) ‘upper income social housing’ (*PLS*) (Levy-Vroelant et al., 2014, p. 123); thus municipalities have the option of providing *PLS* housing as part of their social housing requirement rather than rehousing the poor. In the long-standing French tradition of private-public cooperation, funding is a private-public mix, a centrally-administered loan scheme (*Le prêt locatif aidé d’intégration PLAI*) which subsidises low-cost housing alongside social service programmes aimed at integrating those requiring additional support, plus contributions from municipalities and departments (Lévy-Vroelant and Reinprecht, 2014, p. 299). ‘France is one of the only European countries (together with Denmark) where the social rental stock is increasing both in absolute and relative terms’ (Lévy-Vroelant et al., 2014, p. 124). The numbers of owner-occupied and social homes have roughly tripled since the 1960s, while privately-rented dwellings have remained roughly constant but fallen as a proportion of the stock (Lévy-Vroelant et al., 2014, p. 123). Between 1980 and 2010 French housing starts rose from 316,000 a

year, including about 50,000 social housing, to 420,000 per year, including 105,000 social housing units (Vroleland-Levy et al., 2014, p. 141). Consequently, France now has a similar housing tenure pattern to England with social housing (17%), private renting (22%), owner-occupied (58%) and other (3%).

In both countries post-war construction was mostly in the form of large, high density housing estates and, particularly in France, in high-rise blocks. By the 1970s both English and French policymakers recognised that such estates were concentrating deprivation and ethnic minorities. Subsequently policies moved away from large estate provision and involved more rehabilitation or even demolition of estates. In England, the right-to-buy has made a significant contribution to the residualization of social housing as more desirable homes have been sold, leaving the poor concentrated in the less attractive housing. Thus by 2006 68% of social rented sector tenants had no paid work compared with only 11% in 1970, while social tenants were more likely to be disabled, single parents or members of minority ethnic communities compared with owner-occupiers (Hills, 2007, p. 45). Social housing in France is less residualized overall, but ethnic minorities have tended to be concentrated in the less attractive estates (*banlieues*) built around Paris and other major cities in the 1950s and 1960s. Notably, right governments in both countries introduced demand-side, housing allowances to create unified, private-public rented markets – under the Barre reforms in 1977 and the Thatcher Conservative Government in 1982. Over recent years the ballooning cost of these benefits has become a significant issue in the financing of housing provision.

The English regeneration focus has been on reusing derelict land (through a central government agency: English Partnerships, then after 2008 the Homes and Communities Agency), controlling urban sprawl (protecting the green belt around major cities) and regenerating/gentrifying inner urban areas, while the French focus has been on social housing (Couch et al., 2011, p. 48). After the 1981 protests and demonstrations in Lyon and Paris, the Mitterrand Left Government responded with a new and wide-ranging *politique de la ville* (urban policy). This policy sought to integrate the *banlieues* – with their concentrations of social housing, of ethnic diversity, and of the poor – into the wider, urban setting (Epstein, 2011, p. 121; Garbaye 2005, p. 76). The policy broke with the French administrative tradition by decentralizing significant



powers to local municipalities, but for the Socialists the decentralization was facilitated by ‘a very active network of Leftist mayors’ in the urban municipalities (Jobard, 2011, p. 30). Nonetheless, the 1990s became a decade of urban disturbances and the ‘*crise des banlieues*’ became associated with social concerns and fears of crime (Jobard, 2011, p. 27) plus heated debates over immigration and Islam (Dikeç, 2006, p. 162). ‘The very word *la banlieue*, which creates an image of crime and indigence, graffiti and burned-out cars cut off from central Paris and other French cities, highlights the extent to which the extreme deprivation of segments of French society is marginal to the majority's daily existence and life chances’ (Béland and Hansen, 2000, p. 54). Dikeç (2007, pp. 1191-2) argues that successive riots reflected shared neighbourhood experiences rather than ethnicity or religion, but the French public widely perceived them in those latter terms. Consequently, the right parties felt electorally threatened by the extreme right Front National (FN). Garbaye (2005, p. 81) argues that from 1983 onwards, ‘the strength of the FN effectively brought the issue of immigration to the forefront of the electoral debate and kept it there ... Because (the other parties) on the whole clung to the consensual policy, they effectively cleared the way for the FN’. For the main parties, on the left and the right, were inhibited from taking up minority interests and instead adopted a ‘universalistic assimilationist’ attitude towards minorities, reflecting the ideal of *solidarité*. In contrast, as Garbaye (2005, p. 215) argues, the British political system was more open than the French system to ethnic minorities – most immigrants to Britain were Commonwealth citizens and thus could vote, while the then British multi-cultural policy assisted their initial settlement.

## **Social housing after 2000: England**

### ***Labour Governments 1997-2010***

The incoming Labour Government continued the de-municipalisation of social housing into the non-profit sector and left the (electorally popular) right-to-buy in place. De-municipalisation continued, driven by ministers’ distrust of municipal landlords and by the pressing need to repair deteriorating council housing stock by leveraging in more private sector investment through the housing associations (Laffin 2013). The associations now manage just over half of English social housing, although local authorities largely control housing allocation. The associations are the main social housing developers, mainly through raising funds

guaranteed by the Housing Corporation and (after 2008) the Homes and Communities Agency (HCA), plus (falling) government grants via the HCA, and through planning agreements under which private developers provide a percentage of their build for 'affordable' housing (which includes cheaper owner-occupied as well as social housing). After 1997 the critical challenge for Labour was the deteriorating quality of social housing after the Conservative years of under-investment. The Labour 'Decent Homes' programme funded a programme of renovation, and some demolition of poor housing, and about two million homes were improved 2000-10 (Raynsford, 2016, p. 58).

The other issues are housing shortage and affordability, especially in London and the south-east. Labour was slow to respond (Laffin, n.d.; Raynsford, 2016) especially in the south-east, the economic powerhouse of the UK, even though housing affordability has exacerbated skill shortages. The Government set an overall target of 250,000 homes a year, and reached 219,000 homes by 2006-07. Local authorities were given targets, although indicative rather than binding through the regional planning machinery, including for social housing provision. In 2008 the HCA was created, merging the two government housing agencies (the Housing Corporation and English Partnerships) to create a unified regeneration agency officially to improve policy coordination along post-NPM lines. But the main intention was to strengthen central influence over local government and housing associations, especially over those south-east, suburban local authorities which continued to resist affordable housing development (Laffin, n.d.). The Government also recognised that tenants were 'captive consumers' (Cave 2007) and sought to provide consumer protection through the Tenant Services Authority (Laffin 2013), subsequently abolished by the Coalition Government.

Meanwhile, social tenants remain 'captive consumers' who seldom enjoy the option of exiting their housing tenure (although the right-to-buy has given better-off English tenants improved opportunities to so exit). In England, tenants continued to be marginalised, especially in London where housing costs have soared, and they are no longer a significant electoral constituency. England has by means escaped urban riots (Waddington et al., 2011). The early 1980s saw riots in Bristol, Brixton and other major inner city areas, at least triggered immediately by repressive policing. In 2001 further major disturbances broke out among

Asian youths, provoked by the extreme right British National Party and the National Front in many Northern cities. The Labour Government responded by stressing 'social cohesion', modifying the earlier multiculturalism. Labour ministers saw ethnic spatial separation in these cities as the underlying problem and stressed 'Britishness', further reinforced by 9/11 attacks and the 2005 London bombings (Thomas, 2011). Unlike in France, the disturbances arose in the inner city, and not around any particular housing tenure type thus no specific social housing reforms followed these riots. Official reports stressed the challenge of ethnic segregation in the Northern cities, which is more pronounced in these cities than that in the *banlieues* (estimated as no official French ethnicity data is collected), and that segregation is perpetuated in these cities through 'white flight' out of cheaper, owner-occupier housing rather than social housing allocation policy (although ethnic minorities are disproportionately found in the poorer housing).

### ***Coalition and Conservative Governments 2010-Present***

After the 2010 election the new Conservative-led Coalition Government cut annual housing expenditure by two-thirds as part of its public sector austerity cuts in public spending. It eliminated social and other housing targets, stressing a market-driven rather than the more statist-leaning Labour approach. The post-2008 Credit Crunch contributed to a post-war, house-building low (plateauing at 110,000) and even by 2013-14 was still a third below that in 2009-7 (DCLG, 2015, p. 3) and half of what most housing experts argue is necessary (Wilson et al., 2017). Ostensibly the Government has decentralized. It clipped the HCA's powers and spend. It has sought to push planning decision-making down to the sub-municipal level, that of parish and town councils. These local 'communities' can acquire new right-to-build powers allowing them to approve small developments, offering incentives to local communities to allow housing development but has not sought to encourage them to provide low-income or social housing rather than higher income housing. Similarly, the 2011 Localism Act has provided greater local freedom to modify social housing allocations policy. In response to heightened public concerns over immigration, councils can now require potential tenants to demonstrate a 'local connection' and this has pushed significant numbers off social housing waiting-lists. However, this decentralization has been seriously compromised by continued, heavy cuts in the financial support to councils which limit the extent to which they can use these new freedoms.

The 2015 Conservative Government, now free of its Coalition partner, has portrayed social housing as a source of social problems, and as creating Labour voters. Conservative ministers have continued to reduce the social sector, downgrading tenancies by eliminating life-time tenure for new tenants, promised a new right-to-buy for housing association tenants, increased Right-to-Buy discounts and provided demand-side supports for new home owners. Housing associations are increasingly dependent on raising funds privately and have raised rents, although the government ultimately picks up part of this cost through increased housing benefits. The associations depend increasingly heavily on planning gain, particularly in expensive areas around London, whereby local planning authorities can require developers to contribute towards the provision of affordable housing, until recently about half of new affordable housing provision has been supported through this mechanism (Whitehead, 2014, p. 328). However, the latest planning bill threatens to eliminate planning gain. In Greater London, many local authorities (both Conservative and Labour) are redeveloping social housing estates with private developers as mixed housing provision but often with reduced numbers of social housing units. Such redevelopments mean moving tenants often against their will. Councils argue that that they have no alternative given escalating London house prices and severe public sector financial constraints (Beckett, 2016). These developments and the long term neglect of tenants' interests (Laffin 2013) have been highlighted by the 2017 Grenfell tower block fire in Kensington and Chelsea, when over eighty people died.

### **Social housing after 2000: France**

When the Socialist Jospin become prime minister, in cohabitation with President Chirac, he initiated a new policy wave of decentralization plus financial incentives to promote intercommunal cooperation. At the core of this policy was a re-emphasis on social and local community involvement in urban regeneration (Fraser and Lérique, 2007, p. 142) and the realisation that intercommunal institutions were necessary to mobilise 'local politicians around a common urban development project encompassing housing, transport, the control of land use and economic activity' (Mazet, 2000, p. 159, quoted in Couch et al. 2011, p. 25). In practice, Kantor et al. (2012, p. 176) maintain that in the Île-de-France these measure produced 'unregulated

competitive decentralization' rather than workable intermunicipal arrangements. The Jospin Government also passed the *Solidarité et renouvellement urbain (SRU)* Law 2000 mainly to reverse the concentration of immigrants in the *banlieues* by compelling all larger municipalities to have at least 20% of their housing as HML housing (Droste et al., 2008, p. 173). The then Housing Minister declared, 'urban segregation plays a major part in social injustice and it may threaten the Republican Pact. . . . [The main issue for] a sustainable city is not to fight against urban sprawl, but against social disintegration' (quoted in Blanc, 2010, p. 266).

### ***Chirac and Sarkozy 2002-2012***

After Chirac's re-election and the end of cohabitation with the Socialists, housing policy shifted rightwards and re-emphasised physical and economic considerations (Fraser and Lérique, 2007, p. 146). Even so, the 'new model of policy governance' allowed inter-municipalities greater housing responsibilities, such as over building permits and allocating state assistance, provided they agreed a contract with central government (Hoekstra, 2013; Le Hervet, 2013). The other key housing initiative was the creation of the Urban Renovation National Agency (*Agence Nationale de Rénovation Urbaine, ANRU*) in 2003 with some similarities to the English HCA. ANRU simplified the funding channels and created a single, central agency to coordinate a National Urban Renewal Programme (PNRU) and a Social Cohesion Plan to promote social mix. Municipalities and HLMS were to collaborate more to improve the social housing stock through demolition, renovating existing stock and house-building (Droste et al., 2008).

The ANRU and PNRU, like the English HCA, do have some post-NPM characteristics – a stress on unifying programmes and 'contractual' central-local arrangements substituting for bureaucratic controls. However, PNRU was essentially the Right's response to the Socialist SRU and intended to focus *politique de la ville* financial resources on breaking up the big social housing estates (Dikeç, 2006, p. 160). Vroeland and Tutti (2007, p. 86), too, see PNRU's role as 'breaking the ghettos ... to deal with spatial segregation problems, not to satisfy unmet housing needs' (2007, p. 82; see also Kipfer, 2015, p.5). Even so, the government did not question social housing in principle. It retained SRU but failed to confront the issue of some municipalities using PLUS housing to attract middle class tenants as part of the 20% requirement. Notably a

broad, across-party consensus on social housing continued with ‘only a few ultra-liberal thinkers suggest[ing] ceasing to provide social housing, which is what private landlords wish’ (Driant and Li, 2012, p. 95). Although the English right-to-buy has sparked some debate, the right has lacked enthusiasm for the policy, let alone for sanctioning the substantial discounts necessary to make the policy ‘successful’. PNRU planned over 200,000 demolitions, 200,000 new build and 200,000 refurbishments, which produced significant controversy, especially as the principle of a new house for each one demolished was not followed (Vrolent and Tutin, 2010, p. 128), comparable to that arising from the English Housing Pathways programme (Minton, 2009). Epstein (2011, p. 124) argues that central policymakers assumed that urban planning and architecture could solve social and security problems, thus essentially PNRU regeneration meant that ‘the former transversal and local *politique de ville* was replaced by a town planning policy monitored from Paris’. Joubert (2011, p. 34) notes ‘a kind of authoritarian powerlessness ... incorporating an insistence on militarised forms of policing ..., a recentralisation of decisions and resources in the hands of the central state and ... [maintaining] the *politique de ville* as a political slogan, even though it has been reduced from 2002 onwards as a mere urban destruction/reconstruction programme.’

Despite PNRU, three weeks of riots broke out in 2005. The riots produced a shift in public opinion, being widely perceived in ethnic and religious terms rather than in terms of socio-economic deprivation (Dikeç, 2007, pp. 1191-2). Sarkozy, then Interior Minister, exploited popular fears, defining the problems in public order terms. Waddington et al. (2010, p. 229) argue that he later won the Presidency by ‘relentless ideological manipulation of social fears resulting from of the 2005 riots,’ encouraging FN voters back to the conservative mainstream. Once in office Sarkozy sought to curtail tenant’s conditions. He reduced social housing subsidies (Driant and Li, 2012, p. 92), in 2009 he lowered the income ceiling for social tenants and, for the first time, higher income tenants were required to leave social housing, although few did in practice (Blanc, 2012, p. 93), and he introduced new incentives to encourage home ownership. However, the Government introduced a right to housing in 2007 – after a popular public lobbying campaign by a homeless charity, following a devastating fire in temporary low-income housing – to give formal priority to very poor households whom SRU was failing (Houard and Levy-Vroeland, 2013). It renewed PNRU 2009-14 with a

budget of €40 billion, a mix of government subsidies, private-public funds, and tax exemptions (Lévy-Vroelant and Fijalkow, 2015, p. 75), plus (more positively and in the service of *solidarité*) a new *Plan Espoir Banlieue* to fund social and education programmes.

### ***Socialist President and Government 2012-17***

The Socialist Hollande Government sought to restore the social sector by making public land available for new social housing and tightening SRU implementation. Notably, Paris City itself had met the 20% of its 2.2 million households living in social housing in 2015 (Lévy-Vroelant and Fijalkow, 2015, p. 82), although the wealthier suburban municipalities to the east side of Paris continued to ignore the target. However, overall SRU was not successful. Escafré-Dublet et al. (2014) concludes, in a literature review, that social mixing strategies have not reversed ‘the concentration and impoverishment of immigrants in deprived neighbourhoods’. Korsu (2016) reaches a similar verdict on the failure of these strategies in Paris and Lyon, and Kantor et al. (2012, p. 172) note that the east-west gap, between the poorer and wealthier parts of the greater Paris area, had actually increased. PNRU was renewed for 2015-2020 but with reduced funding. In 2015 the Hollande-Valls Government launched a new housing initiative, partly influenced by the January 2015 terrorist attacks widely associated with *banlieus* dwellers not integrated into French society. The initiative involved an attempt to use hierarchical, central power to compel municipalities to implement SRU law (by now raised to 25%) through giving prefects powers to compel recalcitrant mayors by removing a mayor’s social housing quota and even replace mayors (*Le Monde*, 13/04/16). Socialist governments continued to fund social housing regeneration programmes, although they largely failed to curb resentment in the *banlieus* partly because *banlieus* residents did not see the French Socialist party as a channel of protest as it had historically shown little interest in recruiting members of minority groups, unlike the British Labour Party (Garbaye 2005, Bleich 2003).

### **Conclusion**

Three main sets of conclusions can be drawn from these cases. Firstly, these developments in social housing do not follow the unfolding of a managerial or a governance logic as the post-NPM transition thesis claims.

In France arrangements like public-private partnerships and the extensive involvement of extra-governmental organisations, however novel they may appear to many British commentators, have long characterised French housing and central-local relations, before even NPM became a fashionable, academic label. In both countries official ‘decentralization’ and ‘localism’ initiatives and the alleged reform of hierarchical, central-local relationships, typically mask the use of state powers to reduce or disperse social housing perceived as sites of political intransigence or even opposition. In England, the right-to-buy privatisation was essentially a Conservative initiative to gain electoral advantage and cash in the historical investment in council-owned housing. In France, right governments have maintained a broader commitment to social housing provision, reflecting their *dirigiste* view of the state but, under electoral pressure from the FN, they have focussed urban regeneration on the *banlieues* to try to disperse minority ethnic and (particularly) Islamic populations. Thus the two coordinating agencies in regeneration (HCA and ANRU) were essentially about unifying central funding and policy instruments, thus the central governments have not become ‘de-governmentalized’ (Sorensen and Torfing, 2007). ANRU was less about ‘a new model of policy governance’ and decentralization than focusing *politique de ville* funding on social housing demolition and renovation. Decentralization took place ‘only within a framework controlled by the state’ (Pollard 2011, p. 47; see also Epstein 2015). Similarly, the official rhetoric around the HCA was about coordination, but again it was essentially about the central pressurising of suburban local governments. On consumer rights, too, despite the post-NPM theorists stress on these rights, the trend has been towards the dilution of social housing tenants’ rights particularly in terms of tenure and engagement.

Secondly, these two cases illustrate the difficulties of actually achieving significant reforms likely to benefit marginalised groups against entrenched, protectionist interests able to use their institutional positions to veto reform. The English right-to-buy was a very ‘successful’ policy as it was designed to ensure that individual Labour councillors would face large fines if they denied tenant requests to purchase their homes. In contrast, left governments in both countries have been seriously constrained by local government resistance, especially from wealthier municipalities, in their search to increase low-income housing provision and to counteract the concentration of the poor and ethnic minorities in less desirable housing.



Finally, there are important implications for future public management research. The research agenda should focus much more on issues where significant interests are at stake rather than the existing emphasis on less consequential reforms (at least in redistributive terms), such as agencification, reflecting the continuing hold of the NPM-Post/NPM discourse over public management research. Research on changes in substantive policy areas, such as the delivery of social housing, provides richer explanations of public management change beyond a stress on changing management fashions. Public management studies need to explore how public management reforms are an intrinsic part of the interplay of party political interests, other political interests, economic constraints, social movements and civil protests.

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