

Meeting housing needs the co-operative way



Housing Co-operatives, Tenant Management Organisations, Community Housing Mutual, Community Gateway Association, Community Land Trust, Mutual Home Ownership Society, Co-housing

Co-operative values and principles

British co-operatives of all kinds work together through Co-operatives^{UK}, which in turn is an active member of the International Co-operative Alliance, the umbrella organisation of the global co-operative movement.

Internationally, co-operatives undertake to abide by the values and principles of the co-operative movement, as laid down by the ICA:

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the

co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter to agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

Introduction

Britain has a housing problem: the country needs more good quality homes for its people, at purchase prices or rent levels that everyone can manage.

Co-operative models offer innovative and affordable solutions which can help the country meet these challenges. The different forms of co-operative housing outlined in this brochure are there to meet different needs, but they have one fundamental thing in common: they put democracy and community ownership at the heart of housing. At a time when neighbourhoods are polarised by the stigma which still attaches to social housing, and when housing associations are merging into larger and more remote bodies, co-operative housing offers a refreshing alternative vision: a model that's in line with the natural instincts people have about the ownership and management of their homes.

Several hundred housing co-operatives in Britain provide quality social housing for their tenant-members, sometimes taking a lead in the provision of highly energy efficient housing. The co-operative housing movement has created other models, too: recent years have seen, for example, the development of the Community Gateway and Community Housing Mutual models applicable for large scale housing stock transfers,

the pioneering work of Tenant Management Organisations (which in some cases have moved on from tenant-run property management to actual ownership) and creative new ideas for affordable housing such as Community Land Trusts and Mutual Home Ownership. Co-housing schemes are developing, too, giving their members the advantages of living in strong communities whilst enjoying the benefits of owner occupancy.

Britain led the world a century and a half ago in the development of co-operatives, and this was as true in the housing field as it was in the consumer co-op movement. The housing co-op movement can trace its origins back to inspiring examples of collective action for decent housing in the early nineteenth century. The garden city idea developed at the very start of the twentieth century by Ebenezer Howard was another practical example of successful co-operative housing. So it's perhaps ironic that, today, co-operative ways to meet housing needs aren't as well known in Britain as they might be. Despite their proven track record, co-operative housing organisations don't make the headlines - and this means that they can be overlooked when public policy is created.

It's an omission which people in other countries would find

hard to understand. In Sweden, for example, co-operative housing occupies a central role in the country's overall housing sector: two large co-operative organisations together provide over 750,000 homes. In Canada and Norway, co-operative housing is seen as highly important when housing strategy is debated. And it's a similar story in many other countries worldwide.

This booklet has a simple aim: to focus attention on the full potential of co-operatives to meet housing needs. Co-operation not only gives people decent houses to live in. It also enables them to participate fully in the management and control of their houses, playing their part as members of democratic organisations dedicated to serving the needs of all. For co-operative housing, tenant engagement isn't just an add-on - it is central to everything they do.



Children in the play area at Edward Henry House Co-operative in London
© Bob Kauders Photography

1 Housing co-operatives: putting democracy into housing provision

Housing co-operatives bring democratic accountability and control to the heart of the rented housing sector. If you live in a housing co-op, you are individually a tenant of the co-op - but you can also share control jointly with your fellow tenants of all the houses owned by the co-op. It's a model which combines the individual spirit of home ownership with strong community support structures.

There are about 300 ownership housing co-ops in Britain, many of them with a successful track record going back for 25 years or longer.

Most housing co-ops are fully mutual: all the tenants are automatically able to be members of the co-operative and only tenants can be members. Most co-ops (though not all) are part of the social housing sector and are therefore also registered social landlords.

On average, housing co-operatives tend to own about 50 or so homes. Member participation can work particularly well in organisations of this size, though there are a number of well-run housing co-ops which demonstrate the success of co-ops with several hundred properties under their control.

According to Nic Bliss of the Confederation of Co-operative Housing, it's the informal networks which develop in co-ops which make the co-operative difference. "The interrelation between people means, for example, that anti-social behaviour problems that exist in larger associations only rarely exist in co-ops - they're nipped in the bud by personal interaction between the people involved," he says. "As well as this, in a co-op that is working well, repairs and other issues get dealt with at an early stage, because people are there on the ground. Places are looked after properly."

Housing co-operatives also work together. In Merseyside, for example, 29 co-ops have recently come together to set up the specialist housing services agency North West Housing Services. It's a mutual in its own right - in effect, a co-operative of co-operatives.

Unfortunately recent government policy of channelling social housing funding through very large housing associations has made it difficult for housing co-ops to develop new homes, whilst keeping their independence. Co-ops have found ways to be creative (for example, in some

areas co-ops have worked in innovative partnerships with housing associations to develop new homes), but at present there's little encouragement for large housing associations to learn from these examples. So long-established co-ops, who continue to provide excellent service to their members, can be frustrated at the lack of growth opportunities.

There's a missed opportunity here, in other words, which co-ops would like government policy to address. But despite this, the British housing co-operative movement today is energetic and forward-looking, successfully providing social housing to many thousands of people. It's also acting as a think tank for new ideas in empowerment across the whole social housing sector.



Member tenants of a Bengali housing co-operative, Shahjalal, based in Birmingham

Belgrave: in the heart of Leicester's 'Golden Mile'

The Belgrave Neighbourhood Co-operative Housing Association owns 334 properties, mainly traditional terraced houses, in the area to the north of Leicester city centre. This part of Leicester is famous for its 'Golden Mile', the stretch of Belgrave Road which has some of the best Indian textile shops, jewellers, sweet shops and restaurants outside the Indian sub-continent.

The co-operative celebrates the neighbourhood's diversity. Its regular multi-cultural social events typically attract over 300 members and friends. Then there is the annual trip to the seaside: a good day out but also, according to Shantilal Makwana, the co-op's chair, a great opportunity for tenants to meet each other and to chat informally with the committee members. "The co-operative is not just about improving homes, it's also about building the local community" he says.

When it comes to meeting housing needs, Belgrave also seems to have got it right, ensuring that the properties it owns are maintained in good condition. The co-op has chosen to use the local Leicester housing association LHA-ASRA as its management agents, who handle the day-to-day administration and repairs work under a service agreement.

Belgrave housing co-op is now well-established, having been set up initially in 1975. It celebrated its 30th birthday with, among other things, the surely unique sight of Indian dancers and Morris men performing together!

From urban survival to urban renaissance

Starley Co-operative in Coventry was formed 30 years ago in order to conserve the last street of Victorian terraced housing in central Coventry after a long battle with the local council. Starley was an example of 'urban survival' until 2000 when they had the opportunity to take a leading role in Coventry's 'urban renaissance'. Starley were approached by Coventry's Town Centre Manager with a view to them building a major new housing development on a site alongside the original street. Starley were already working with Birmingham Co-operative Housing Services and it was logical for them to form a development partnership with BCHS and Accord Housing Group (which BCHS is part of). Last year Starley and Accord completed this flagship affordable housing scheme that combines 48 modern apartments with eight large town houses to create an integrated community in the heart of the city.

The whole concept and design of the project was developed participatively. The process included study visits to innovative housing projects, design workshops (including one for young people), visits to trade shows and the selection of a suitable architect. Working with Coventry Council's Housing Allocations Section, the co-op developed a lettings process that was designed to build a new community alongside the old. The properties were widely advertised with a focus on reaching excluded groups such as refugees, people with learning difficulties and so on. All applicants were interviewed by the co-operative using an especially designed community engagement questionnaire. As a result the co-operative has been able to bring together a mixed and inclusive community that fully reflects the diverse housing needs of the city.



Starley Co-operative in Coventry, which combines a new development with an existing community

Tenants in charge in Scotland

Back in the late 1980s West Whitlawburn was, in Billy Hunter's words, a grim, grey sort of place. The tower blocks and low-rise buildings a few miles south-east of Glasgow were becoming more and more run-down and dilapidated, and the estate was suffering. Crime was high, the turnover of residents was high, and not surprisingly few people wanted to move in.

But in 1989, the tenants decided to take things into their own hands - literally. The answer, they decided, was to create a housing co-operative, taking direct responsibility collectively for the development of their community. "The cynics and sceptics said it would never happen," Billy Hunter, the co-op's current chairperson, recalls. "But we did it, and the changes since then have been dramatic. People are now proud to say that they live in West Whitlawburn."

West Whitlawburn Housing Cooperative has full responsibility for allocating, managing and maintaining the 544 homes in the development, the majority of them in the six high-rise towers that dominate the skyline. With the aid of housing grants the co-op has been renovating its properties, bringing them to a high standard. The co-op is looking to grow, and recently obtained the go-ahead for a £14m new-build programme.

Now established as fully mutual (all tenants are automatically co-op members), West Whitlawburn co-op has also been instrumental in helping to establish the new Co-operative Housing in Scotland (CHiS) network.

"The cynics and sceptics said it would never happen...But we did it, and the changes since then have been dramatic"



The local special needs club Millennium Gardening Initiative at West Whitlawburn

A co-operative answer to the bedsit blues

Finding somewhere to live if you're young and single is never easy in London, but Sanford Housing Co-operative near New Cross in south London provides a vibrant alternative to grotty bedsits or shared houses.

Sanford, originally set up more than 30 years ago by a group of student community activists, is made up of fourteen large purpose-built houses, each house providing individual bedrooms for eight to ten people who together share kitchens and other communal facilities. The houses, together with a small block of six bed-sits, mean that currently 129 people can have an affordable home not far from central London.

The co-op is very cosmopolitan, with around 30 different nationalities represented among the members. It's also a co-op which cares about climate change. In recent years the properties have been extensively refurbished to use sustainable energy, cutting carbon emissions by 60%. Sanford's 'C60' project includes installing bio-mass boilers, insulating cavity walls and introducing solar water heating. This is, the co-op claims proudly, the first time that a whole street of existing houses has been refitted to use sustainable energy.

“Sanford Housing Co-operative provides a vibrant alternative to grotty bedsits or shared houses”



Gail Bamford of Sanford Housing Co-operative with the biomass boiler that has helped reduce their CO₂ emissions by 60%

New homes established the co-operative way in Redditch

The story of Redditch Co-operative Homes goes back to the late 1990s when local councillor Ken Somner and his colleagues on Redditch Borough Council were looking for an innovative way to build new social housing. Their vision was a simple one: to find a way to create local communities where the people who lived in them took responsibility for their homes and the environment. The answer, they realised, was clear: housing co-operatives.

Vision turned to reality in 2000 when the first of the new houses began to be built. Now, seven years on, Redditch has five neighbourhood co-operatives which together look after over 250 homes. The co-operatives work closely together and each has a representative on the board of Redditch Co-operative Homes, which acts as the managing agent for each co-op.

Redditch Co-operative Homes is also actively building new co-operative social housing in the town. The aim here is an ambitious one: to create highly energy efficient low-carbon homes, suitable for the 21st century. For the most recent development, of twenty family homes and 16 bungalows, RCH has used the services of a Norwegian co-operative specialising in timber-framed eco-houses. For the next 20 new-builds, the target is even higher: a zero-carbon housing development.

Redditch Co-operative Homes has raised finance for the new houses partly from Housing Corporation funding, partly from planning gain, and also through commercial borrowing from the mortgage market. To do this has meant an innovative partnership with Accord Housing Association, which (together with Redditch council) is also represented on the RCH Board.

“The aim is to create highly energy efficient low-carbon homes, suitable for the 21st century”



Green housing delivered by Redditch Co-operative Homes

2 Tenants together looking after their estates

How do you ensure that Britain's publicly owned housing stock is well looked-after? You arrange for the tenants to collectively manage their own estates.

That's the clear message which comes through from independent research into Tenant Management Organisations (TMOs). In the words of one recent government study, "TMOs provide a model of what can be achieved by local people in socially excluded communities". There are "many good reasons to promote them", it added.

TMOs, co-operatively run democratic bodies controlled by the tenants themselves, have been operating successfully for over 25 years. Tens of thousands of homes are now looked after by the 250 or so TMOs currently going strong. Each TMO has a management agreement with its landlord, typically giving them responsibility for day-to-day repairs, allocations and lettings, tenancy management, cleaning and caretaking and rent collection.

But as Trevor Bell of the National Federation of TMOs explains, TMOs often do much more than this. "Many

TMOs are involved in wider community activities as well. The majority of tenants in TMOs say that they help to increase community spirit and the quality of life."

Council tenants have had the right to manage their homes since 1994. One problem up to now, Trevor Bell says, is that it has often taken many years to establish new TMOs. He welcomes recent government action to simplify the procedures.

No such 'right to manage' exists for tenants of housing associations, however. Indeed this is the one right which council tenants forfeit when stock is transferred away from local authority ownership. The NFTMO calls for housing association tenants to be given this right, too but meanwhile welcomes the new voluntary framework of support for housing association tenants who want to set up a TMO.

TMOs' experience of the stock transfer process in recent years has been a mixed one. Some have encountered difficulties in their relationships with housing associations and arms-length management organisations, and unfortunately some TMOs have actually closed down

as a consequence. On the other hand, about 50 TMOs have moved across with stock transfer and are now working under contract to housing associations.

And a small number of TMOs have seized the chance to go the whole way, and have arranged for their properties to be not only managed but co-operatively owned by the tenants. This is what TMOs in Walsall have achieved, and some London TMOs are actively thinking of doing the same.

According to Trevor Bell it's a model which could work extremely well elsewhere too. It's simply a question of reminding politicians and housing professionals that there are co-operative solutions to the way social housing is organised in Britain.



Terry Edis Chair of Burrowes Street Tenant Management Organisation (TMO)

Walsall shows the way

Terry Edis is justifiably proud of what the members of Burrowes Street Tenant Management Organisation (TMO) have collectively achieved in the 13 years they have had responsibility for looking after their neighbourhood of Walsall.

Terry, a retired engineer and the current Chair of the TMO, recounts how the tenants took over responsibility for all aspects of the management of their high-rise properties from Walsall council in 1994. As well as tackling the practical tasks such as housing repairs, rent collection and arrears management, the TMO has focused on estate security and the state of the environment, two issues which were at the top of residents' concerns.

The difference shows in the appearance of the estate today. Indeed, the TMO now even has its own greenhouse, growing many of the 5,000 plants which have been planted around the estate. There's a new community centre, too, which the TMO was able to get funded, and which has become the focus of neighbourhood life.

But the success of Burrowes Street TMO is only half the story. When in 2001 Walsall began the stock transfer process, Burrowes Street and the seven other TMOs with management agreements with the council were understandably concerned at what the future could hold. Their response was an inspired one. All eight bodies would come together, they decided, to form the Walsall Alliance of TMOs, and WATMOS itself would negotiate with the council to take over the ownership of the 1,700 or so homes they together managed. The tenants, through their own co-operatively run TMOs, would become their own landlord.

It took much hard work but in 2003 the transfer took place. Each TMO continues to be responsible for managing their own estates, but now their agreements are with their own organisation WATMOS, rather than the council. Although for tax reasons WATMOS Community Homes had to be established with a housing association legal structure, Terry Edis stresses its co-operative credentials.

"WATMOS is tenant-led both in terms of governance and service delivery" he says. Indeed, each of the eight TMOs nominates one tenant member to WATMOS's 12 person Board (the other four directors are independent members, chosen for their professional expertise).

In the summer of 2006, WATMOS carried out a full survey of all its tenants to gauge their satisfaction with the new arrangements. The results were very encouraging. For example, 85% of the 900+ tenants who responded said that they were satisfied with the way repairs were dealt with, a massive increase on the 56% satisfaction rate in 2002 when Walsall council was landlord.

***"WATMOS
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3 New co-operative models for large-scale social housing

There's no doubt of the potential success of co-operative management and ownership of social housing, but unfortunately the co-operative message is all too often ignored, for example when housing stock transfers are discussed. The recent development of the Community Housing Mutual and Community Gateway models has the potential to change that, however. Both models reverse the usual arrangements whereby tenant involvement is often seen as a necessary hurdle to be faced and instead places tenant empowerment at the heart of social housing provision.

The Community Gateway model has been devised by the Confederation of Co-operative Housing and Co-operatives^{UK} in conjunction with the Chartered Institute of Housing, and it's already being used successfully in stock transfer. Preston council has transferred its 6,500 homes to the newly established Preston Community Gateway, and the same model is being used in Watford, Lewisham and Braintree.

Tenant control is built in throughout the model. At the apex, the Community Gateway Association, the housing association which owns the homes, is a membership organisation which tenants have the right to join. Tenants

have a major presence on the CGA Board.

The Community Gateway also has a commitment through its rules and structure to encourage neighbourhood involvement, everything from informal engagement in local issues to structured solutions such as tenant management. Key to this is the Community Empowerment Strategy, which is embedded in a CGA business plan. The CGA model also calls for the creation of defined Local Community Areas, reflecting real neighbourhoods, within which programmes to define community needs and visions are required to be carried out.

The Community Housing Mutual model similarly stresses the centrality of tenant control. Developed in Wales (and promoted by the Welsh Assembly Government), it has already been adopted in Rhondda Cynon Taf, where tenants voted in late 2006 to approve transfer of council housing stock to a new community mutual housing organisation called RCT Homes, and in the Torfaen local authority area where the new mutual is known as Bron Afon Homes. Other areas of Wales are also actively looking into using the idea.

As with Community Gateways, a key feature of this model is that housing assets are

held collectively, with all tenants eligible to become shareholders in the housing mutual organisation. The mutual's rules also provide for community assets to be protected against future disposal or demutualisation. The Board is made up of elected tenant members, local authority nominees and independent members.

There are provisions for moving, through active tenant empowerment and engagement, towards a situation where housing management control is devolved down to local community level. The Community Housing Mutual model also seeks to integrate housing investment with regeneration programmes.

Although associated with stock transfer, advocates of the Community Housing Mutual and Community Gateway ideas say that they have wider relevance, for example as a way of managing council-owned housing stock or to take ownership of other social housing. The overall objective is summed up by Nic Bliss of the Confederation of Co-operative Housing: "The more power tenants and communities have to run their own neighbourhoods, the better they are run," he says.

Preston puts the Community Gateway idea into practice

When Preston council first floated the idea of transferring its housing stock, its existing tenants were hostile. But that changed when the Community Gateway model was proposed for the transfer, with tenants actively involved in the early planning work. When the postal ballot for transfer came to be held, in December 2004, over 80% of those voting came out in favour of the move.

Gill Lawson, one of the seven tenant members of the Board (there are also three councillors and five independent Board members) is a strong supporter of the new arrangements. She talks of the change in culture she believes is taking place: "Our members are encouraged to do things for themselves. We have Gazebo Days – we go on to an estate with a gazebo, plant it where people will come by, and ask them to use post-it notes to say what they like, what they want changed. Several community groups have been set up as a result. We've now got seventeen community groups up and running."

She also points to the end of the old 'them and us' approach between tenants and staff. "Staff are so much happier, and much more focused," she claims.

She and her colleagues have been encouraging tenants to take up their right to be members of the Preston CGA which currently has over 2,000 members. Well over 100 made the effort to attend the most recent AGM, held in Preston's Guildhall, where they took part in lively discussions with the Board members about the CGA's strategy and plans.

Gill herself now finds the invitations are arriving asking her to visit other parts of the country. "I've been to Wales twice, and am about to go again, this time to Rhondda Cynon Taf" she says.

*"Our members
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to do things for
themselves"*



Tenant members of Preston Community Gateway

4 The co-operative way to make housing more affordable: Mutual Home Ownership

Community Land Trusts (CLTs) are a way of preserving land value for community benefit. They are not for profit organisations whose membership is open to local people and who own land and property on trust for the benefit of the community. Assets can pass to a CLT, for example, through individual gifts and philanthropy, through the endowment of publicly held property, through planning gain or indeed through purchase. Once owned by the CLT, the enduring value of the land is captured for community benefit in perpetuity.

CLTs draw on a rich heritage of innovative land reform in Britain, stretching back to the Garden City movement and beyond. In recent times, CLTs have increasingly captured the imagination of community groups across the country. CLTs have also been endorsed as a valuable tool by, among others, the Countryside Agency (now Natural England) and the Housing Corporation.

The key advantage of a CLT is that it can separate the value of the land from the cost of the property on it. Put the CLT idea together with co-operative principles and a way emerges to create a new intermediate

housing market that will remain permanently affordable. That's the principle behind Mutual Home Ownership.

Under the Mutual Home Ownership model (developed over the past few years by CDS Co-operatives), home-owners pay indirectly for the build costs of their houses but not the land which remains in the ownership of a CLT. Residents in a new housing development are, together, members of a Mutual Home Ownership Society (MHOS) which acquires the lease of the land at a peppercorn rent and which works in partnership with a developer who builds the houses. The MHOS itself takes out a long-term corporate mortgage to finance the development costs.

Once complete, the value of the properties is divided into units of property equity (typically £1,000 units) which residents fund themselves through their own mortgages. The number of units they 'buy' can increase as their income increases, and units are linked to an index combining average earnings and local housing market values. This means that when residents leave to move on up the property ladder, they benefit from equity growth in the units

they have held. Because the MHOS is a mutual, this growth is tax free.

David Rodgers of CDS Co-operatives says that, underneath the detail of the Mutual Home Ownership model, lies a simple principle which already is familiar from the operation of money purchase occupational pension schemes: the idea of maintaining a common fund with members who join when taking up employment and leave on retirement. MHO, CDS Co-operatives argue, is a new form of tenure which can increase the supply of affordable market housing without requiring a major increase in capital investment from public funds.



Community consultation

From hospital eyesore to homes for all

The community at Cashes Green near Stroud, Gloucestershire, has put forward plans to develop an old NHS hospital site, which has been derelict and decaying for the past 19 years, to transform it into the first large-scale demonstration of Mutual Home Ownership in Britain.

But four years hard work by local activists to develop the site as a community land trust has run up against problems with English Partnerships, the current owners of the site. English Partnerships originally looked set to support the project to transform it into 77 new homes, 50 of which would have been affordable to members of the mutual home ownership society living in them; an arrangement designed to enable the homes to remain affordable to people on low incomes in perpetuity. However, English Partnerships has now concluded that the project proposed by the local community does not meet the 'value for money' criteria it is required to use in assessing the project. English Partnerships has therefore offered the local community land trust, Gloucestershire Land for People Ltd (GLP), between half and one third of the site for a community land trust project. English Partnerships has decided that the original project planned by the community cannot proceed and has embarked on an 'Enquiry by Design' project to consult the local community and determine the way in which the site will be developed and disposed of.

"The difficulties that this pilot project has encountered illustrate the problems communities face in trying to get community land trust projects up and running," said David Rodgers, Executive Director of CDS Co-operatives who acted as technical advisors to GLP in developing the original Mutual Home Ownership project proposals. "The methodology English Partnerships used to assess the 'value for money' of this project was crude and simplistic and does not take account of true costs or the long term value of an innovative, sustainable and permanently affordable form of ownership" said Rodgers.

Gloucestershire Land for People's Board has decided to follow a twin-track approach to the development of the site. The first is to work positively with English Partnerships to progress its 'Enquiry by Design' process while, secondly, continuing to put the case to ministers for the original project which is what the local community wants because it provides the most permanently affordable housing.

The idea of co-operation in housing is not new to the Stroud area, for a short distance to the north is the Whiteway community, a settlement based on Tolstoyan principles of common ownership and co-operation first established in 1898. More than a century on, some of the same ideas of community ownership of land have re-emerged through the CLT movement.

"I find the CLT concept more and more fascinating - and of course its application is not limited just to housing"



Members of Gloucestershire Land For People Ltd at the Cashes Green hospital site in Stroud
©UNP

Island communities take control

The purchase of the Isle of Eigg by the island community for £1.5m in June 1997 was a landmark in the Scottish land reform movement. The Eigg Heritage Trust now owns most of the island and the pier, and leases crofts, farms and workspaces. The Trust's board is made up of four representatives of the island's residents association, two from the Highlands Council, two from the Scottish Wildlife Trust and an independent chair.

Eigg's pioneering was valuable in 2001 when the inner Hebridean island of Gigha was put up for sale by its absentee landlord. A steering group of islanders proposed a community buy-out, and with help from grants and loan finance the £4.15m purchase price was raised. The purchase included 41 of the 67 houses on the island.

The Isle of Gigha Heritage Trust has since developed six houses for sale and is developing a further eighteen homes with a local housing association. The Trust also operates a hotel on the island, a number of holiday homes and three dairy farms. In 2004 it repaid on time the £1m loan from the Scottish Land Fund. Gigha's population is now increasing after many years of decline, and the number of school children on the island has more than doubled.

On 1 February 2008 Eigg's community-wide electricity grid was switched on. For the first time in the UK, locally generated wind, hydro and solar energy are combined to provide continuous power to the community.



© Mick Garratt

Providing affordable rural housing in Wales

Ceinws is a close-knit community of about 300 people in west Powys. But, as in other rural areas, a combination of rising house prices and the sale of council housing has meant that local young people are finding it impossible to stay in their village.

Thanks to community involvement and the creation of a Community Land Trust, however, Ceinws may have found an answer to the problem. The newly established Bro Dyfi CLT is arranging with the Forestry Commission to take over part of a former forestry camp on the outskirts of the village for a token price of £1.

The land, which will be held in perpetuity by the Land Trust, will provide plots for five new affordable houses, which will be built to high energy efficiency standards as well. "We're hoping also to utilise local materials, particularly Welsh timber," says Jonathan Brown of Land for People, which is working with the CLT. Land for People is also exploring how the mutual home ownership idea can be successfully introduced in a rural situation.

And that's just the start. Once the houses are built, the rest of the Ceinws site will be tackled, with a range of community facilities including a children's play area, a central biomass heating plant and a set of small workspace units all being planned.

5 Co-housing: a co-operative solution to individual housing needs

Co-housing provides a way of living co-operatively without giving up the sense of security and privacy which can come from having a place that's your own. It offers the traditional benefits of home ownership without some of the downsides: without, for example, the isolation which can come from living in an atomised unit in a neighbourhood where people don't know each other. Co-housing is a significant part of the housing mix in other European countries, and the idea is beginning to take off in Britain too.

Typically, members of a co-housing group have their own space in a flat or house in a larger development - perhaps a substantial mansion house or farmstead which has been converted into units - which is also equipped with shared communal facilities. Each individual unit is leased from the co-housing association or company limited by guarantee which owns the freehold (or in some cases the head lease) of the property. At the same time, however, the members of each household are also automatically members of the co-housing body, meeting together regularly to undertake the work of managing and

looking after the whole property.

Whilst co-housing allows members to enjoy their individual homes, there's an emphasis on community activities as well. As one well-established co-housing association has put it, "The aim of the group is to live co-operatively, jointly managing the land and communal facilities, informally sharing skills and support and generally enjoying each other's company. We do not want an institutionalised feel, but we do want to be more than simply a housing estate".

Perhaps one of the most exciting potential areas is in relation to housing for older people, where co-housing could rapidly emerge as a significant alternative to conventional housing solutions for the ageing baby-boomer generation. The idea is already actively being discussed and developed. As journalist Joan Bakewell put it in a recent newspaper feature, "A number of wise and prescient older people have been getting together among themselves to discuss just how they would like to grow old, and to plan to bring it about." Among the ventures looked at by Joan Bakewell is the Older Women's

Co-Housing project, open to women over 50, which is planning to develop its first co-housing community in north-west London. The group talk of their aim of building a community which is actively managed by its residents, and where members' skills and talents are valued and developed.

The UK Co-housing Network links both existing co-housing projects and new projects still in the planning phase. It has recently formalised its structure and has set up as a company limited by guarantee to act as a resource point for planners and housing professionals as well as forming groups.

Springhill, a successful new build co-housing scheme in Stroud, incorporates many environmental features in its design.



Springhill environmental housing

25 years of co-housing in Yorkshire

Thundercliffe Grange, a fine 18th century house on the border of Sheffield and Rotherham, has been many things in its life: the home of the third Earl of Effingham, a private mental asylum and, later in the last century, a children's residential home. But now Thundercliffe has found a new role, as a co-housing venture.

The house, its service wings and stables have been turned into 12 flats which together are the homes of about twenty-five people, ranging in age from teens to early 70s. Each household leases its flat from Thundercliffe Grange Ltd, a company limited by guarantee which holds the legal ownership of the house and the 22 acres of park and woodland around it. The company itself is owned co-operatively by the leaseholders, each of whom is also automatically a director.

Thundercliffe has been a successful co-housing venture for over 25 years, ever since an initial group of friends (many of them local government workers) sold their own houses and used their money jointly to purchase the house from the local health authority. Tony Wilson, one of the group, says that the group's aim has been to preserve individuals' privacy and autonomy whilst sharing the benefits of the house and its park. The people who live at Thundercliffe share the work of looking after the property and the grounds, with Sundays put aside for practical work parties. The ground floor of the main house provides communal areas such as a workshop, dining room and laundry.

Many of the original pioneers still live at Thundercliffe, but there is an effective mechanism which enables people when necessary to sell their flats on the open market. If a potential purchaser is unacceptable to others in the co-housing group, the company itself is obliged to take over the property at market valuation - though in practice it's never been necessary to invoke this safeguard.

Adults and children build a co-housing community in Sussex

About 70 people, adults and children in roughly equal numbers, together make their homes in the Laughton Lodge co-housing venture near Lewes in East Sussex.

Laughton Lodge itself was an old residential hospital complex, made up of three large buildings and some smaller properties which was acquired in the late 1990s. After major renovation and building work, what was once an institution was reborn as a set of seventeen pleasant homes. The group also received planning permission to build four new houses.

The Laughton Lodge freehold is owned by a company limited by guarantee, the Community Project. Members purchase their individual homes from the company by leasehold and are also automatically directors. The group say that they aim to work by consensus decision-making, and so far have never needed to use the fall-back voting procedure.

The sense of being in a wider community is important at Laughton Lodge. One of the original buildings, Shawfield, has been converted primarily into communal space, and here there is a hall, a large kitchen and dining areas, meeting rooms, guest rooms and an office complex. The kitchen is used particularly every Friday when all members are able if they wish to eat together.



Laughton Lodge members

6 The way forward: how government can help develop co-operative housing in Britain

Co-operatives have much to be proud of when it comes to providing effective and democratic housing solutions - but the co-operative movement also knows that potentially it has much more to offer.

Co-operative values, of empowerment, community engagement and environmental concern, chime exactly with the key concerns of government. Co-ops have already, in a quiet way, helped bring about some of the aims now being addressed through the EcoTowns initiative and the government's forthcoming empowerment white paper, for example.

Co-operatives can point to solid achievements on the ground, not simply to policy concepts as yet untried in practice. We know that ideas such as the Community Gateway and Mutual models and the Community Land Trust concept really work - because they're working in different parts of the country already.

But if co-operative housing is to play its full role in meeting Britain's housing needs,

public policy needs to bear in mind the particular needs and requirements of the co-operative sector. Our 10 Action Points below point the way forward.

Action points for change:

- **Embed co-operative housing solutions at the heart of the government's overall housing strategy**
- **Use the establishment (for England) of the Homes and Communities Agency to review and develop the housing co-op sector**
- **Create more genuine opportunities for housing association tenants to have local influence and control over their housing, including the option to establish a TMO backed by a statutory right to manage**
- **Define the nature of a Community Land Trust in law, as community owned membership organisations**
- **Set up a revolving loan fund for communities wanting to establish CLTs**

- **Issue supplementary planning guidance to create a presumption in favour of consent for development of CLT owned land**
- **Support the development of the Mutual Home Ownership model by extending the legal arrangements for commonhold to cover MHO tenure**
- **Ensure that tenants are able to consider Community Gateway/ Mutual options at the start of stock transfer proposals, and that they have access to advisers who understand the models**
- **Promote the idea of Community Gateways/ Mutuals to local authorities**
- **Commission a review of the Community Gateway/ Mutual experience to date, to promote good practice**



Community consultation in Stroud

Useful contacts

Co-operatives^{UK}

Holyoake House, Hanover St,
Manchester M60 0AS

www.cooperatives-uk.coop

The central membership organisation for all types of co-operative in Britain. Also provides the online directory of housing co-operatives at housing.uk.coop

Confederation of Co-operative Housing

Fairgate House, 205 Kings Rd, Tyseley,
Birmingham B11 2AA

www.cch.coop

The UK organisation for housing co-operatives and tenant-controlled housing organisations

Co-operative Housing in Scotland

c/o Co-operation & Mutuality Scotland, Robert
Owen House, 87 Bath Street, Glasgow, G2 2EE

www.scotland.coop

National Federation of Tenant Management Organisations

c/o Burrowes Street TMC, Resource Centre,
Burrowes Street, Walsall, WS2 8NN

www.nftmo.com

Community Land Trust

www.communitylandtrust.org.uk

UK Cohousing Network

c/o 15 Laughton Lodge, Laughton, East Sussex,
BN8 6BY

www.cohousing.org.uk

CDS Co-operatives (The Co-operative Development Society Ltd)

3 Marshalsea Rd, London SE1 1EP

www.cds.coop

London-based co-operative housing development and service agency

Redditch Co-operative Homes

Britten House, Britten St, Redditch, B97 6HD.

BCHS

Fairgate House, 205 Kings Rd, Tyseley,
Birmingham B11 2AA

www.bchs.org.uk

Birmingham-based co-operative housing and community regeneration agency

North West Housing Services

19 Devonshire Rd, Liverpool, L8 3TX

www.nwhousing.org.uk

Provide services to housing co-operatives in the North West



About Co-operatives^{UK}

Co-operatives^{UK} is the national member-owned association for all types of co-operative enterprise throughout the UK. It works to increase awareness and understanding of co-operative values and principles, supports the development and growth of new co-operatives and helps existing co-operatives to achieve high performance levels and good governance. It is a focal point for the co-operative movement, a forum for innovation and best practice, and a strategic voice for the co-operative movement.

Co-operatives^{UK} represents co-operative enterprise throughout the United Kingdom of Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

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