

CALL FOR EVIDENCE & VIEWS



Commission on Co-operative & Mutual Housing



MARCH 2009

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Commission Call for Evidence & Views

Introduction

In the current financial climate, where all housing options face their challenges, some believe that co-operative and mutual models, where local communities own and control their own housing, should be an available option and part of a balanced future community policy.

Co-operative and mutual housing models have a legacy dating from the 19th Century, but they are not well-known or understood in the UK today. The sector constitutes only a tiny percentage of the UK's housing provision, but nonetheless it may have resonance with a number of current agendas.

Launched in June 2008, the Commission on Co-operative & Mutual Housing (CCMH) seeks to investigate co-operative and mutual housing and the role it could play. So far, CCMH has carried out initial research through housing researchers, the **CENTRE FOR URBAN & REGIONAL STUDIES** at the **UNIVERSITY OF BIRMINGHAM**.

Commission findings to date are based mainly upon research by Rob Rowlands of the Centre for Urban & Regional Studies, University of Birmingham. The report is called:

Forging Mutual Futures - Co-operative & Mutual Housing in Practice: History & Potential

Some of the key issues raised in this report, which can be found on CCMH's website www.ccmh.coop/publications are discussed below, but in general, the report highlights the need for further evidence and research, which the CCMH is seeking to assemble during 2009.

A part of CCMH's evidence gathering is to launch a national **CALL FOR EVIDENCE & VIEWS** so that we can hear what you think about co-operative & mutual housing. We are pleased to hear anything you wish to tell us about housing co-operatives and mutual housing, but to guide interested parties we have assembled a number of key questions that cover the key topics the Commission wishes this consultations to cover.

Our Mission

'The Commission on Co-operative & Mutual Housing will independently research the co-operative and mutual housing sector, exploring its potential benefits, shortcomings and models, drawing conclusions about any current relevance and applicability of the sector, and promoting and publicising workable and desirable models that fit the needs of current and future housing, community and third sector strategies'.

Scope of Commission Research to Date

The CURS research explored:

- The forms of co-operative, mutual and community based housing that have been tried in the UK and how successful they have been.
- The critical success factors of co-operative and mutual housing models.
- The factors which have contributed to the limited application of co-operative and co-ownership housing in the UK.
- The scope for the development of existing and new forms of co-operative and mutual housing for the delivery of affordable, sustainable housing in the UK.

Key Research Findings

Key elements of the research report include:

- An analysis of why people co-operate in housing - under the headings human nature, efficiency and effectiveness, compromise.
- A critical analysis of the history of co-operative housing, detailing three phases of co-operative housing development:

- *co-partnership housing e.g. the garden city movement*
 - *co-ownership - early models of co-operative home ownership*
 - *common ownership & tenant management - the basis of the current co-operative & mutual housing sector*
- Identification of three persistent barriers to the development of co-operative and mutual housing:
 - *a lack of sustainable finance*
 - *a lack of coherent support structures to facilitate and help societies and the wider movement develop and sustain itself*
 - *a lack of sustainable political support*
 - An analysis of what the English co-operative & mutual housing sector currently consists of (247 housing co-ops registered with the Tenant Services Authority; 202 tenant management organisations; 4 Community Gateway Associations; and various other organisations - including housing co-ops set up through the Radical Routes movement). The research identifies that there has been limited growth in the sector, with only co-ops developed through Redditch Co-operative Homes being the only new co-op registered through the Tenant Services Authority in the last 15 years.
 - The report specifies that 'the advantages of co-ops are well known within the sector, but outside few people understand what a co-op is let alone their advantages.'
 - The report seeks to update previous positive research published by Price Waterhouse in 1995 and suggests positive performance against key performance indicators in areas including rent arrears, re-let times, stock meeting the decent homes standard, repairs and tenant satisfaction. However this initial research was based on a limited sample and on data that it was not possible to verify.

Findings from the Case Studies

The CURS report also encompassed three case studies.

- **Redditch Co-operative Homes** - 'An example of how a new housing co-op can be established under the existing housing finance regime. Its high tenant satisfaction levels are an advert for the organisation within the borough and it is recognised as a pioneering structure by the Audit Commission.'
- **Preston Community Gateway Association** - 'Demonstrates how a mutual model can provide real community ownership in the stock transfer process, how a culture of change can be delivered in replacement of a previously unresponsive organisation and how neighbourhoods can be managed with and not to local communities.'
- **Work for Change** - 'Highlights the positive contribution a co-op can make to a neighbourhood in spite of limited understanding of their ethos and culture by some partner organisations. It provides work space to facilitate spin-out of home-developed businesses and together with the associated housing co-op, Homes for Change, is a demonstration of a sustainable community in practice.'

Initial Research Conclusions

The CURS report concludes that 'the research provides a number of learning points if mutual housing is to play a key role in the challenges faced in today's society'. However, the report points out that gaps in our knowledge base remain based critically around the following:

- Our understanding of what housing consumers and particularly those who are in housing need require from their housing. Without this market intelligence new models cannot effectively be developed to meet their needs and aspirations
- The contribution of mutualism and co-operation to the benefits witnessed in these organisations. It is critical to understand how these values influences day-to-day activity, process and relationships.
- Whilst there is emergent innovation around co-ops and mutuals, there needs to be more to meet the myriad of needs appearing for housing. Consideration needs to be given as to how these can be financed in the short and long-terms.

How to Respond to the Commission Consultation

We are aiming this *call for evidence* at anyone or any organisation that wants to tell us their views on co-operative and mutual housing.

Who Should Respond?

We particularly want to hear from:

- People who live in or work with or who have specific knowledge of co-operative & mutual housing.
- People who may not currently have a detailed knowledge of co-operative & mutual housing but who are interested in it.
- Policy-makers and local and national politicians.
- Statutory, community and third sector organisations involved with housing, community and social enterprise strategies.

It is part of the CCMH's remit to define what we mean by co-operative & mutual housing, but for purposes of this call for evidence, we are including a wide range of organisations, that includes housing co-operatives, tenant management organisations, community gateway associations, co-ownership and co-housing societies, community land trusts and some community membership owned housing associations and community development trusts.

As well as this, there are various organisations that provide or could provide services to co-operative and mutual housing, and other organisations which operate in similar ways which could be considered part of the co-operative and mutual housing sector.

Key Response Headings

CCMH is researching co-operative & mutual housing under the following headings:

- **Why is it a good idea to research co-operative & mutual housing?**
- **What tenure options are available in England now?**
- **What are people looking for out of their 'tenure choices'?**
- **What does co-operative & mutual housing have to offer?**
- **How well do existing co-operative & mutual housing organisations perform?**
- **What is the role of co-operative & mutual housing in other countries?**
- **Is there evidence of a demand for co-operative & mutual housing in England?**
- **How is co-operative & mutual housing financed, and what could encourage further development?**

We would be happy to receive your views on any of the above issues, but we have prepared a list of questions below which are intended to assist with responses. We are not expecting responses to every question for every person or organisation that responds.

Consultation Questions

The questions and sub-questions on the following pages have been prepared to assist you with your with responses.

We are not expecting every person or organisation responding to answer all of these questions - please feel free to only respond where to those questions which apply.

The Commission is also pleased to receive responses in email or letter form. Feel free to provide us with any other materials.

1. Why is it a good idea to research co-operative & mutual housing now?

- Mutual housing might mean housing where its residents come together as a community and are united by some form of common bond. Or it might mean housing that is democratically controlled by a community membership. What do you think 'co-operative and mutual housing' means? How would you define it?
- Do you think co-operative and mutual housing should play a more significant role in housing and community policies?
- Do you think there are particular current circumstances that make researching co-operative and mutual housing particularly relevant now?

2. Could there be demand for co-operative & mutual housing?

- Do you think there could be public demand for co-operative & mutual housing? Which groups of people might be particularly attracted to it?
- Of the things that people are looking for from their housing, neighbourhoods and communities, what features and qualities of co-operative & mutual housing might make it attractive to people?
- Does co-operative & mutual housing present a potentially attractive option in the current economic circumstances? If so, how? How could this potential be realised?

3. What does co-operative & mutual housing have to offer?

- What do you think are the benefits and challenges of a housing organisation being owned by a community membership? What have been the historic successes and failures of UK co-operative and mutual housing, and what can be learnt from these?
- If you are part of, or have knowledge of, specific co-operative and mutual housing organisations, can you tell us of:
 - *any specific individual or community benefits that have come about through a co-operative or mutual housing organisation*
 - *any specific examples of innovation and good practice*
 - *any particular problems or challenges faced by co-operative and mutual housing and how they may have been dealt with?*
- What do you think are the specific features and practices of co-operative and mutual housing that makes it effective?

4. How could co-operative & mutual housing organisations be developed?

- Why does co-operative & mutual housing not form a much greater part of the UK's housing now?
- What needs to happen to enable the development of co-operative & mutual housing? What are the barriers to expansion of co-operative and mutual housing in the UK?
- Could existing housing associations and local authorities develop co-operative & mutual housing? If so, why is this not already happening? What would help larger housing organisations develop co-operative & mutual housing?

5. What is needed to make co-operative & mutual housing successful?

- What support structures would be beneficial for co-operative and mutual housing organisations?
- What levels of participation do you think are necessary to make co-operative & mutual housing effective? What do you think are the critical factors in encouraging active participation in co-operative & mutual housing?
- Do current regulatory arrangements bring out the best possible benefits from co-operative and mutual housing organisations? If not, how could regulation be improved?
- Would you like to see more best practice guidance available for co-operative & mutual housing organisations? If so, in what areas?

6. What is needed to make co-operative & mutual housing successful?

- What support structures would be beneficial for co-operative and mutual housing organisations?
- What levels of participation do you think are necessary to make co-operative & mutual housing effective? What do you think are the critical factors in encouraging active participation in co-operative & mutual housing?
- Do current regulatory arrangements bring out the best possible benefits from co-operative and mutual housing organisations? If not, how could regulation be improved?
- Would you like to see more 'best practice' guidance available for co-operative & mutual housing organisations? If so, in what areas?

7. Learning from co-operative & mutual housing

- What, if anything, could existing housing organisations learn from co-operative and mutual housing models?
- Could the co-operative and mutual approach impact positively on the culture of large scale housing organisations? What incremental steps could existing housing organisations take towards mutuality?

8. Is there anything else you would like to tell us?

Please provide the following with your response. Thank you.

Name of Organisation:	
Type of Organisation:	
Postal Address:	
Telephone:	
Email Address:	
Contact Person:	

Publication of Responses

CCMH may publish the full text of responses received, or summaries of responses, to this consultation on its website www.ccmh.coop.

If you do not wish for your response to be published in this way, please indicate in your response.

How to Respond

Please respond to this consultation by 29th May 2009 by email or post to:

Commission on Co-operative & Mutual Housing

Kevin Gulliver (CCMH Secretary)

c/o 17 Kestrel Rd/Russells Hall/Dudley/DY1 2JU

T 01384 230849 **F** 01384 252297 **E** kevin.gulliver@tiscali.co.uk

www.ccmh.coop

If you are responding to this consultation as an organisation, please let us know the name and remit of the organisation.

Thank you for your help and we look forward to hearing from you.



Adrian Coles

Chair of the Commission on Co-operative & Mutual Housing



www.ccmh.coop