

## Commission COMMENT

Bulletin No. 1

October 2008

### OVERVIEW

*This is the first of a regular series of Bulletins - called 'Commission Comment' - to be published by the Commission on Co-operative and Mutual Housing (CCMH) over the coming twelve months. This first Bulletin summarises the approach and activities of the Commission and research findings to date, and outlines plans for the next 12 months.*

### ABOUT THE COMMISSION

An independent Commission to explore the historic role of housing co-operatives and chart potential mutual futures for this diverse sector has been set in motion by the Confederation of Co-operative Housing, Co-operatives UK, the Co-operative Development Society, social housing providers Accord, Matrix, Hanover and Trident, and the Housing Associations Charitable Trust (hact).

The Commission is also supported by the National Housing Federation (NHF) and the Chartered Institute of Housing (CIH). All main political parties have signaled their interest and the work of the Commission was acknowledged in the recent CLG 'Communities in Control' White Paper.

The Human City Institute (HCI) and the University of Birmingham's Centre for Urban and Regional Studies (CURS) are carrying out independent research to inform the Commission's work.

The Commission will sit for around 15 months, publishing a series of interim reports, findings, and articles, organising a range of events to disseminate findings widely and promote the sector extensively with policy-makers, other sectors, residents and communities. An interim report will be published in Autumn 2008 and a final report in late Summer 2009.



## RESEARCH UPDATE

### Research Objectives

Wide-ranging research is currently underway or planned for 2009, including case studies of mutual housing organizations and a survey of co-operators, and focusing upon -

- The forms of co-operative, mutual and community-based housing that have been tried in England and elsewhere historically and in a modern setting.
- How successful these forms have been in terms of providing democratically-controlled housing, communities and neighbourhoods.
- The critical success factors for co-operative and mutual housing models.
- The factors which have undermined/are undermining the sustainability of co-operative and mutual housing.
- The forms of co-operative, co-ownership, mutual/community-based housing which might provide a sustainable model to deliver affordable, sustainable housing.

### Key Findings to Date: Barriers to Expansion

A series of persistent barriers to the expansion of the housing co-operative and mutual housing sector can be identified:

- a lack of sustainable finance;
- a lack of coherent support structures to facilitate and help mutual housing organisations and the wider movement develop and sustain itself;
- a lack of sustainable political support historically and currently;

- variable commitment from co-operators themselves over time.

### Key Findings to Date: Emerging Issues

While the first phase of the research, including in-depth case studies of mutual housing organisations is not complete, some key messages are beginning to emerge:

- ▶ the regulatory framework remains inappropriate for many mutual housing organisations;
- ▶ new KPIs may be required to portray more accurately the contribution and performance of housing co-operatives;
- ▶ mutual housing organisations are generally efficient housing managers;
- ▶ the added value to communities is demonstrable;
- ▶ there is a need for effective support for the development of new housing co-operatives and mutual housing organisations which relate to the essentially 'bottom-up' nature of these organisations.

### Who are the Housing Co-operators?

The following is a summary based upon an initial and cursory analysis of Continuous Recording (CORE) lettings data for the last five years.

- Level of Lettings Activity ~ The annual average number of lettings made by registered housing co-operatives in England (at 435) equates to 0.3 percent of the total made by all registered social landlords (RSLs).
- Household Types ~ Single adults below retirement age figure more frequently within the housing co-operative group (at 44 percent) than for RSLs overall (at 37 percent).

- Age ~ RSL tenants overall tend to be 'younger' (with 25 percent under 25 years of age) than those living in housing co-operatives (with 20 percent under 25 years old). Tenants of housing co-operatives are more likely to be in their 30s (at 29 percent) than those of mainstream RSLs (at 24 percent).
- Gender ~ There is virtually no difference between the gender of household heads in housing co-operatives and RSLs (around 56:44 percent females to males).
- Ethnicity ~ Almost double the proportion of tenants of housing co-operatives are from a BME background (at 32 percent) than within RSLs generally (at 17 percent). The equivalent ratios for those classifying themselves as 'Black' and 'Asian' being 13:7 and 12:4 percent respectively in favour of co-operative lettings.
- Disability ~ Lettings to disabled applicants tend to be lower (at 9 percent) in housing co-operatives than RSLs (at 17 percent) but this might relate to the 'younger' age group housed by co-operatives.
- Economic Status ~ Housing co-operators are far more likely to be working full-time (at 35 percent) than mainstream tenants (at 26 percent). Approaching half (47 percent) of housing co-operators are economically active compared to over one third (34 percent) of RSL tenants.
- Income ~ The two groups had similar average (mean) incomes (at £196 for housing co-operators and £192 for mainstream tenants). Both groups had 28 percent with incomes above £240 per week. Housing benefit eligibility, however, was greater amongst mainstream tenants (at 58 percent) than those of housing co-operatives (at 50 percent).
- Meeting Housing Needs ~ Homeless households were more likely to be housed by mainstream RSLs than co-operatives (at 18 and 7 percent respectively). Some 22 percent of lettings made by housing co-operatives were to overcrowded households compared to 17 percent of those made by RSLs overall.

## Some International Perspectives

The next phase of the research will include more international perspectives, but below are a few initial observations:

- ▶ Norway ~ From its foundation in the 1930s, the Norwegian co-operative housing movement has been a tool to implement housing policy in the country. The most recent figures show that Norway has 5,000 primary housing co-operatives and 89 co-operative housing associations (also called secondary housing co-operatives) whose membership varies between 100 and 220,000 members. Norway has around 750,000 tenant and non-tenant co-operators.
- ▶ Canada ~ Housing Co-operatives in Canada date back to the 1930s. Today, they continue to depend on Government support. A total of 250,000 people live in 2,186 Canadian housing co-operatives, which contain 92,000 units. These are spread across the country with the greatest concentration in the three largest cities.
- ▶ Turkey ~ The emergence of Turkish housing co-ops can be traced back to Ankara in the 1930s. Almost 70,000 housing co-operatives with 2.8 million members existed in 2002 but many of these were dissolved at the end of their scheme construction period since they were formed for this reason. However, housing co-operative units (developed and managed) represent 25 percent of Turkey's housing stock (at 1.4 million).

## RANGE OF ACTIVITIES IN 2009

### The Delivery Plan

This covers:

- ▶ Meetings and Liaison (covering the Commission, the Secretariat and meetings with other sectors).
- ▶ Gathering Evidence, Hearings and Opinion-Seeking (including housing co-operatives by region, other important sectors and 'political' groupings).
- ▶ Research and Development (covering completion of phase 1, second stage research, assessing existing and potential financial and development models, market research with co-operators).
- ▶ Publicity and Promotion (including media coverage and 'infrastructure' such as PR packs and website).

### Evidence Gathering and Opinion-Seeking

A general and targeted call for evidence will take place early November via a range of channels, including the general and trade media, emails and letter drops. Hearings with housing co-operatives are being organised by region and will take place throughout 2009.

Seeking opinions of significant others will also take place, including the social housing sector and housing management professionals, other resident and community-based organisations, regulators, funders and political parties. These will be face-to-face, via email, website or post.

Commission findings and recommendations will also be widely disseminated with housing co-operatives, social housing providers and regulators, policy-makers and the wider community. Events will be organised around the Party conferences in Autumn 2009, probably with the Fabians. Social housing and wider co-operative sector conferences will also be targeted.

### Promotional and Dissemination Activities

Commission infrastructure has been put in place, including a website, a PR/information pack, and regular Bulletins. A blog is in the pipeline.

Considerable coverage has been obtained for the Commission's work so far, including a 10 page Inside Housing 'special edition', and articles in New Start, the Birmingham Post and the National Housing Federation conference supplement. Further articles will be placed in a range of printed media in 2009. TV and Radio will also be targeted.

A series of 'horizon-scanning' focus groups with Commissioners and key observers of the co-operative housing sector will be organised to generate ideas. The first was held on 3<sup>rd</sup> October to develop a coordinated response to the White Paper 'Communities in Control'. A paper summarising the seminar is now available.

## TELL US YOUR VIEWS

***The Commission wants to hear the views of anyone with an interest in housing co-operatives, mutual housing organisations and resident/community-led housing organisations. We are particularly interested in what works, what works less well, the barriers to future expansion, and how housing co-operatives and mutual housing organisations can be supported so that they contribute to more balanced housing and community policies as we look to the future.***

### CCMH

Kevin Gulliver (CCMH Secretary)  
c/o 17 Kestrel Rd/Russells Hall/Dudley/DY1 2JU  
T 01384 230849  
F 01384 252297  
E [kevin.gulliver@fiscali.co.uk](mailto:kevin.gulliver@fiscali.co.uk)  
W [www.ccmh.coop](http://www.ccmh.coop)

