

Loftus Village Association



19 homes
Shared ownership

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Part of the regeneration of the former site of East Newport's Pirelli factory, Loftus Village Association (LVA) is a shared ownership co-operative. It was developed by the Seren Group (now called Pobl) as one of the Welsh Government's *pioneer* co-operative housing schemes, with support provided by CCH through the Wales Co-operative Centre programme funded by the Welsh Government.

Seren Group developed co-operative shared ownership to offer a variation to their traditional shared ownership product that would prove attractive to those interested in a community-led approach. As well as being a co-operative, Seren Group intended that the entry point to shared ownership at LVA would be lower, where founder members are only required to buy a minimum of 30% of their homes, as opposed to between 50% and 70% in their traditional shared ownership. Whilst Welsh Government has assisted in making this possible for LVA, the model developed is flexible and does not necessarily rely on grant funding.

The founder members of the 19 home LVA development were recruited a year before they moved in and worked together during that year to shape the co-op. Whilst the emphasis on the scheme has been that it will initiate as a shared ownership co-op, mixed tenure has remained possible. Of the 19 founder member households, 17 are shared owners, one has bought their home through outright sale, and one is a tenant.

Founder members initially invested just over £1m in the 18 homes being sold through shared or outright ownership,

36% of the development value. This personal equity investment was either be through individual members' savings or through personal mortgages. Shared owners have the right to staircase up to full ownership of their homes, but a sales covenant requires permanent membership of the co-operative for both existing and future homeowners. Shared owners pay a rent of between 3% and 3.1% of the housing association investment in the scheme relating to the proportion of the home that remains owned by Seren Group, and all members pay a small annual estate management fee. Average rental payments are about £230 per month. These rental rates are much less than what would have been required had it not been for Welsh Government grant subsidy.

LVA is an independent housing co-operative that has a management agreement with the Seren Group to manage aspects of the shared ownership relationship, including collecting the shared ownership rent, receiving initial queries about shared ownership, managing a local communal garden and a communal space and receives an allowance from Seren Group to carry out these functions. With LVA members responsible within their leases for their own repairs and maintenance, LVA offers the opportunity to carry out collective repairs and gas servicing facilities. In time, the co-op could also play roles in relation to management of communal areas on the wider Loftus Gardens Village, from which LVA could also recruit other shared homeowner members.



We are proud to have worked with LVA's founder members to developing this new exciting shared ownership housing co-op. The future residents have worked really hard to shape the co-op and we look forward to seeing how it develops. With shared ownership becoming more of a housing option, we think that there is scope to develop similar approaches elsewhere.

Bronwen Lloyd, Pobl Group



It's was excellent working together as a community to develop Loftus Village Association, and as we moved into our new homes, it became a great new community. We are the sort of community where people help each other out and developing our communal garden has been really good.

Luana Dee, Loftus Village Association