



Guidance – People and Power

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This guidance is about the “people” requirements in community-led housing – what needs to be done to identify, support and develop people who want to be involved in community-led housing. It relates to **G1 What Is The Community Trying To Achieve** and **G3 How To Build Support In The Local Community** in the **Community Led Homes programme**.

People are the lifeblood of community-led housing. Without them, community-led housing schemes cannot exist. Community-led housing needs to be first and foremost about meeting the needs and aspirations of people.

But ensuring that there are people who want to participate in and/or support community-led housing can be the biggest challenge in making a successful community-led housing scheme, possibly more challenging even than obtaining land and finance to build schemes. Developing community-led housing groups is a journey – helping people to take power. In a housing environment that is predominantly not about communities having power and where most people have never come across it, the challenge is inspiring and motivating people to take responsibility for their housing solutions.

It can also be difficult to convince those in decision-making positions who are used to traditional “mainstream” approaches that they should support community-led housing solutions and relinquish power to them.

This guidance sets out how those who wish to pursue or encourage community-led housing options to address these problems. It considers the following areas:

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1 Who are the people?

The following people are or may be needed to ensure that a community-led housing scheme comes into being:

Who?	What?	They need to be or become:
The community group - it could be a new community organisation or an existing community organisation seeking to develop homes		
Governing body members	Members of the committee, Board or the full membership in a small organisation	Knowledgeable, enthusiastic
Other members	In most cases, the general membership of the community-led housing organisation	Informed and supportive (in some cases with resources)
Partners - people and organisations with whom the group works to set up the community-led housing organisation		
The local authority	Their strategic housing officers, the housing portfolio holder and local councillors	Supportive, committed, an ally
Partner developer	Housing associations and private developers (and possibly local authorities or architects)	Empowering, knowledgeable, resourceful
Consultants contractors	Architects, builders, quantity surveyors etc	Competent, value for money and customer focused
Investors	Could include public or private funders, landowners, others	Interested, adaptable, clear about what is needed, experienced in what will make a viable business
Community-led housing hub	A body that may be in existence to provide specific community-led housing advice and support	Knowledgeable and experienced in community-led housing, adaptable, community-orientated
Other partners	A range of other potential organisations and people	Interested and supportive

2 Why would people want their housing to be community-led?

There are many positive outcomes that can come from community-led housing, but they don't just magically happen because the organisations are community-led. At the outset, there is a need to identify and be clear about what intended outcomes can be delivered from a community-led housing scheme. It is also important to understand what outcomes that can be delivered from community-led housing are unique to community-led housing. If this is not done – then it is going to be harder for community-led schemes to gain support from those they need support from.

Outcomes are the potential benefits that can be derived from a community-led housing scheme. They are what has or will happen or change as a result of a scheme being community led. They are the things that make a difference for people and communities.

Sometimes trying to define outcomes feels a bit like the child constantly asking “why?”, but the key question is – how is this going to benefit people or the community? Possible examples of outcomes from community-led housing might include:

- ensuring a long-term supply of homes people can afford
- development of a strong local community organisation that will be able to do lots of positive things in the local community
- better and more responsive local governance
- locally focused & more effective management of some or all services
- building homes that otherwise would not be built
- building community assets and community capital
- building skills and individual capital

It is important to note that setting up a community land trust, a co-operative, a cohousing scheme or any other model of community-led housing is not an outcome and should never be the reason for setting up a community-led housing scheme. If someone says they want to set up a particular model, there should always be a discussion about what outcomes they are seeking to achieve to explore whether that model is the right way to achieve them.

Outputs are what has to be done to achieve an outcome – but of themselves, they are not the benefit that is derived. Setting up a steering group for a project or setting up the scheme itself may be an output but they are not the outcome.

Why is this distinction important?

- people and communities need to match how they do things to the outcomes they want to achieve
- people need to be guided first to work out what they want to achieve

- then the facilitator needs to help groups identify the right approach – which might be an existing model or might need to be something new
- different intended outcomes will call for different outputs and processes to achieve them

For example, if the people in a village want to provide affordable homes for local people, a housing co-op output is probably not appropriate. However, where a local group of people want to set up a scheme to house themselves in an urban area, it is unlikely that a community land trust is the right option.

It is often also the case that funding applications require identification of potential outcomes and outputs and generally – making the case for a community-led housing scheme will require that those advocating it can articulate what outcomes can be achieved through a community-led housing scheme and which can only be achieved through a scheme being community-led.

Therefore – examining the list of example outcomes listed above – the following may be reasons why a potential scheme may benefit from being community-led:

	Other housing providers can claim that they...	Community-led housing providers might be able to claim that ...
Ensuring a long-term supply of homes people can afford	... provide homes that people can afford that are permanently affordable	... making a scheme community-led might be the only way that a potential site would be made available
Development of a strong local community organisation that will be able to do lots of positive things in the local community	... are local community organisations themselves and do things in the local community	... they really are of the local community and that they will do things in their local community
Better and more responsive local governance	... have effective governance that meets business needs	... their governance is based in local communities and therefore more responsive locally
Locally focused & more effective management of some or all services	... high quality service provision	... they have local and quality service provision that is directly tailored to local needs

	Other housing providers can claim that they...	Community-led housing providers might be able to claim that ...
Building community assets and community capital	... build assets that can be used to build more homes nationally	... their local control of assets and their community capital puts them in a position to make change happen locally
Building skills and individual capital	... train and develop tenants and residents	... enable local people build entrepreneurial skills through community self-help

The point of the above table is that established housing providers can claim to deliver many potential benefits. Community-led housing organisations need to be able to articulate clearly why their being community-led will add value and beneficial outcomes to the development of housing schemes.

Vision, values, mission statement, objectives, strategies and action plans

What?	Example	Key features
<p>The Vision is the dream – what people want to achieve</p>	<p>Better homes better community</p>	<ul style="list-style-type: none"> • easily understood and shared by the “community” that the community-led housing is seeking to serve • a vision that can be supported by potential necessary partners. In particular, it may need to chime with the local authority’s housing strategy. • broad enough to accommodate diverse perspectives • inspiring and uplifting • short and easy to get across
<p>The Values are the central principles that are fundamental to the vision</p>	<p>Democracy; community membership, equality and diversity; sustainability. A nationally agreed definition for community-led housing (included at Appendix 1) includes the following values:</p> <ul style="list-style-type: none"> • meaningful community engagement and consent • ownership, management or stewardship of homes in a manner of the community group's choosing • clear definition of the benefits of community-led housing to the local area and/or specified community 	<ul style="list-style-type: none"> • about things that chime with people • enables the group to set out red lines, but values need to not be so restrictive that it is never possible to do anything

What?	Example	Key features
The Mission Statement is the What and the Why that will help achieve the vision	Effective local tenant management through a friendly community	<ul style="list-style-type: none"> • concise and outcome orientated • referring to what needs changing and point towards how it is going to change • a bit more reality but still not restricting the organisation unduly
The Objectives set out how much of what will be achieved by when	By 2020, we will build 50 homes for people in housing need	<ul style="list-style-type: none"> • a more specific aim that the organisation can be measured against
The Strategies are the How the objectives will be achieved	We will focus on the Park Lane site for development; we will work with Westminster Council on developing the site etc.	<ul style="list-style-type: none"> • strategies to achieve the objectives that will be reviewed and changed periodically by the governing body
The Action Plan is who will do what by when to make things happen	JB – talk to Westminster Council – by September 2019; AH – develop plans with local community group – by November 2019 etc.	<ul style="list-style-type: none"> • much more detailed • SMART targets (specific, measurable, achievable, realistic, time-orientated) that will be reviewed regularly to measure progress • about operational delivery that will contribute to delivering strategies and objectives • assembled and reviewed by those responsible for operational delivery

There are various reasons why setting out the vision, values, mission statement, objectives, strategies and action plan might be either important or useful.

Being able to communicate clearly what the community-led housing organisation is will be helpful for the group developing the scheme and for those who may be being asked to support it (including both the potential membership or the “constituency” and potential partners like the Council or a developer).

Setting the above out will help the group develop clarity, identify their potential redlines which are vital to them, work out how they are going to achieve their ambitions, ensure that group members take individual and collective responsibility, and review the group’s progress. Perhaps most importantly, having these fundamentals set out in writing will ensure collective and more democratic control of the community-led housing scheme. It potentially will enable everyone – including the least confident – to contribute to what the scheme is about.

Having clarity in the above areas will help to convince potential partners and others that the group is worthy of support and means business.

3 How can community-led housing groups be inspired and recruited?

The founder members of community-led housing groups can come from a variety of sources but one thing they will all have in common is that they will need to be or become inspired to support and treasure the vision and values behind the scheme.

Some important factors that will determine who the founder members of a community-led housing scheme can be include the following:

- **A non-resident community-led scheme** – some community-led housing schemes are developed by local people in the community with the intention that those developing it will not or may not live in the scheme. If this is the case, the founder members need to be a broad cross section of the people who make up the community and bring together the range of skills needed to make the scheme successful.
- **A resident community-led scheme** - otherwise, if a community-led scheme is being developed by people intending to be the scheme's first residents, some or all of the following issues may apply (and may also apply for the first residents of a non-resident community-led scheme):
- **potential scheme tenure/type** – a community-led housing scheme may be developed with a particular tenure in mind – ie. homes for sale, shared ownership homes, homes for market, intermediate or social rent, or a mixture of these. This will have an impact on who can be recruited as founder resident members because they will need to have particular income levels to enable them to either afford or qualify for the homes developed
- **income and equity levels needed** – some schemes will require that founder members have to have a certain income level or bring in a certain amount of equity to be able to afford to live in one of the homes developed
- **housing need criteria** – some schemes may be developed by Registered Providers for social or affordable rent. If this is the case, those housed and potentially the founder members will need to fulfil relevant housing need criteria – and in most cases be on the local authority's housing register. The homes built will also need to have the number of bedrooms that will house the relevant families being housed.
- **restrictions on who can be housed and/or who can be a member** – some schemes may place restrictions on who can be members, dependent on local community considerations – eg. having existing local connections or being within a certain age range

- **equality and diversity considerations** – some consideration should be given to the demographics of founder members and/or initial residents of schemes. If the gender or age profiles are not well mixed or if the race demographics of the people involved barely reflect the demographics of the local area, then steps should be considered to address imbalances.
- **building community capacity** – and of course, because it is intended to set up a community-led scheme, consideration needs to be given to the community group having the capacity to take on governance responsibilities.

There are also some important considerations to be considered dependent on the general approach to developing the community-led housing scheme. If the scheme is a “**group-led**” scheme where it is likely that a group of community participants will have grown organically:

- there needs to be some understanding about **which group members wish to be housed** or know someone who wishes to be housed. If people are participating on the expectation of housing being provided for them through the community-led housing scheme, they need to understand how realistic this expectation is.
- similarly, there needs to be some understanding about **the differing income and equity status** of individuals who wish to be housed, and whether it is realistic to expect that one community-led housing scheme can house all of the group's members. It is rarely easy to develop schemes that can meet the housing needs of people on widely different income levels. On the one hand, rental schemes that are subsidised by public grant through Registered Providers bring housing need requirements for who can live in the homes; on the other hand, schemes that require initial equity payments or particular income levels may rule out people on low incomes or in receipt of benefits. It may be possible to develop a mixed scheme, but it is not fair to expect people to donate their voluntary resources over a long period of time for a scheme that will not be able to house them.
- are the group's **ambitions realistic**? It's great for groups to be ambitious about what they want to achieve, but sometimes groups are unrealistic about what can be achieved. Because of the amount of capital involved, developing a community-led housing scheme is rarely easy, and group members in a group-led scheme need to understand they are taking on high levels of responsibility.
- does the group understand the **skills requirements** and **time commitments**? Similarly, the group in a group-led development need to understand that they will need to develop the skills (if they don't already

have them) to manage the development and possibly subsequent governance. This will necessarily involve a substantial time commitment.

- is it likely that the group will be able to build the **partnerships** it needs? The group also needs to understand that it may need to build support and partnerships – such as with the local authority. This may be dependent on the resources the group already has, but if the group wants some form of public support, partnerships may involve compromises. The group may need to make an assessment as to whether it wishes to make such compromises to make a successful scheme.
- the group also needs to consider if there are **any diversity issues**? Does the group reflect an appropriate demographic and one that fits with the local population? This is particularly important if the group wishes to receive public funding or support to develop the scheme, but there are potential reputational issues for any scheme that is particularly heterogenous.
- some consideration will also need to be given to **how the scheme will be owned/managed** once up and running. If it is intended that ownership and/or management will be transferred to another organisation post development, there is less need to consider who will live in the scheme once the homes are built. If it is intended that the scheme will be owned and managed by the residents, this will require that consideration will need to be given to long term community governance.

If the scheme is an “**extension of community-based activity**” scheme, where an existing community organisation is using its asset and/or personnel resources to develop community-led housing:

- the community group needs to consider whether the homes developed will be added to its existing assets, or whether the intention is to seed a new community-led housing organisation. If seeding a new organisation, how stand alone will it be?
- will those housed be eligible for membership of the existing community organisation or will the new scheme have a separate membership structure?
- does the community organisation already know who will be housed in the homes developed? Are there people in their existing membership who need homes? If not, where will scheme residents come from?
- if the new scheme is intended to have some “stand-alone” resident-led governance, how will residents be empowered and their capacity developed?

If the scheme is a “**developer/community collaboration**” scheme where it may be possible that the community group does not exist at the outset:

- decisions will need to be taken regarding the tenure of the homes and income and equity levels needed amongst residents based on local need and what will make the scheme viable.
- the founder members/residents will need to be identified in accordance with the income and equity levels required.
- careful consideration will need to be given to “first contact” with potential residents/members. It is unlikely that those attending first meetings will have much knowledge of community-led housing and they may well be attending simply because they need somewhere to live. They need to understand at the outset that (a) they are expected to participate in a group development programme and that this is a condition of them being housed in the new scheme and (b) they will decide the level of community responsibility they take on in the new scheme.
- the developer partner needs to have a clear idea at the outset regarding how a group development programme will enable the founder members to be empowered and their capacity developed.
- clear plans need to set out how the scheme will be community-led. This needs to involve setting out (a) details of the legal and other frameworks that will enable community leadership; (b) details of the group development programme; (c) who will facilitate the group development process and what are their skills and experience of empowering groups; and (d) what steps they will take to ensure that all staff in their organisation develop understand of how to engage with a community-led group.

Finding initial residents and founder members

In some schemes, many of the initial residents or founder members may have already identified themselves. In schemes where it is intended to transfer management functions to another organisation, it may simply be a case of the initial residents being identified through the existing channels of that organisation. However, if it is intended that the initial residents become the founder members and have a governance role, then as many of the founder members need to be identified well in advance of completion of scheme development. How well in advance is a matter of debate:

When recruited?	Pros	Cons
Right at the start	Full participation in scheme development Potentially more community commitment	No certainty that the scheme will happen Those waiting for homes will wait a long time
As scheme design happens	Participation in group development	Still no certainty that the scheme will happen Still a long time before the homes are ready Limited input into scheme conceptualisation/design
When planning permission is granted	Greater certainty that the scheme will happen and potentially more attractive to a more diverse group Some idea of when the homes will be ready Time for a group development programme	No input into scheme conceptualisation and very limited input into scheme design
Shortly before scheme completion	Initial residents have less time to wait for a home	It is less likely that initial residents who have not participated in the group development programme will participate in the group
After scheme completion		Very unlikely that a community-led housing scheme could be established after scheme completion

A kernel of founder members for any community-led housing scheme (perhaps between 6 and 10 members) has to be recruited at least 6 months prior to scheme completion – and in some cases, it would be seen as beneficial if they had been recruited earlier than that. These founder members need to be facilitated to build the initial identity and ethos of the scheme. They also need to take responsibility for recruiting and inducting future members into the scheme.

Initial residents and founder members might come from a variety of sources dependent on the nature of the scheme:

- **word of mouth** – it is likely that a developing community-led housing scheme will start to attract some attention and many founder members could potentially be attracted through the grapevine. Where local connections are required to be a resident, it is probable that initial residents will already have come through word of mouth.

A potential difficulty with recruiting through word of mouth is that a “friends of friends” approach may not lead to a very diverse group and indeed such an approach could be discriminatory.

- **local authority and other registers** – especially where public grant has been involved in developing the scheme, there may be a need for initial residents to be identified in accordance with local authority lettings requirements. This is discussed below.
- **the wrong end of the waiting list** – where a scheme is not intended for those in the most severe housing need, or where a scheme needs to be pre-allocated some months in advance of completion, potential founder members/residents might be identified from amongst those on local authority registers who stand little chance of being housed through the local authority’s normal allocations processes
- **local authority custom build lists** – local authorities are required to enable people to register their interest in participating in “custom build” – ie. that they wish to self-build, either as an individual or as part of a group. Some of these people may be interested in a community-led housing scheme.
- **media networks** – some initial residents might be identified through the community group’s own website and/or through various networks that exist. There are growing numbers of community-led housing networks with growing public profile that could be used to advertise for potential initial residents or founder members.
- **community, works and faith networks** – it may be possible to advertise community-led housing schemes in community and faith networks and with large employers or through associated trade unions.

Market based schemes - where it is intended to establish a community-led housing scheme for market or intermediate rent, shared or full ownership, this means that the scheme is in competition with other forms of market-based housing. It is quite probable that scheme design and the community nature of the scheme will make it more attractive to potential residents, but there is a need to ensure that the costs of living in the homes are competitive and affordable and that the product is what people want. Some key issues in relation to costs might include:

- do residents need to bring in equity to live in the scheme?
- what levels of income do they need to live in the scheme?
- what will they be paying per month to live in the scheme? How does this compare to other local housing options?
- can residents get mortgages for the scheme if they need to?
- how much will fuel bills be for the scheme?

- who pays for major works and day to day repairs costs for the scheme? Factoring any of the major works or repairs costs into scheme charges is a competitive advantage against most other low-cost market products.
- are there additional service charge costs?
- are there additional benefits such as use of common facilities?

In all community-led housing schemes, it is important to carefully consider how to advertise the scheme to get across the unique community-led nature of the scheme. Community-led housing is not yet in the zeitgeist of what people expect in their housing options and so how the scheme works needs to be explained to potential residents (and to others – the local authority, developer partners, lenders, potential mortgage companies etc).

Dependent on the nature of the scheme, there is also a careful balance to be struck between:

- a) **people taking on high levels of responsibility** – which could be off putting to all but the exceptionally committed
- b) **people taking on low levels of responsibility** – which could result in the potential benefits of community-led housing not materialising.

Local authority nominations

Some people involved in community-led housing express concern about local authority nominations because it may be perceived that those nominated are unlikely to actively participate in the scheme. As well as this, where a self-defined group has come together to secure housing for themselves, there may be concern that members of that group may not be nominated if it is subject to local authority nominations. Where public grant is being used to subsidise rental homes, it is important that discussions take place with the local authority at an early stage about their nominations.

There are dangers, both for individual community-led housing schemes and for the sector generally, relating to community-led housing being seen as negative about local authority nominations. Local authorities, especially those in high demand areas, have a duty to house large numbers of people in housing need. Some local authorities perceive community-led housing as a means of circumventing systems that ensure that those in the greatest need secure very scarce homes

There is a need for some flexibility regarding local authority nominations to community-led housing – particularly in relation to the initial residents/members of a scheme. Sufficient numbers need to be pre-allocated to enable the development of a viable community group, which limits the numbers of those with urgent housing needs who can be housed amongst the first residents of a scheme.

However, most local authorities – if they understand the *raison d'être* behind a community-led housing scheme – are prepared to enter into negotiations about how nominations could be done for initial residents. Some councils have been prepared to advertise a community-led housing scheme broadly to their register and permit pre-allocations from those that come forward.

Some may also be prepared to discuss local lettings arrangements for subsequent lettings – but this may be harder in high demand areas like London and the South East.

4 How can community-led housing groups be developed?

Developing a community-led housing group means facilitating them to get from A to B:

At point A, they may well have no understanding of governance and management – and in some cases – no clear desire to take the responsibility they need to take to make a successful community-led housing scheme work

At point B, at least a core group of people need to have taken responsibility for whatever they are owning, controlling or managing within the community-led housing scheme.

For some – that may not be an easy journey to take. Some may be frightened or lack the confidence to take on levels of responsibility. Others may be over-confident and domineering! Some people think that governance is simply a matter of mates around the table agreeing what they are going to do – and there is no need for formal frameworks and documentation. “Mates governance” can work, but it is not sufficient where (a) there is a need to be accountable to outside funding bodies and (b) where there are disputes between participants. Formal governance systems ensure clarity, fairness and democracy. They are needed to ensure broad participation and so that the less confident can have their say.

Various codes of governance exist that set out what is expected in a well governed organisation. The CCH has a [code of governance](#) (developed with the National Housing Federation) that sets out governance standards in a community-led housing organisation. The CCH also publishes overall [guidance on governance and management](#).

Some early sessions that might be common to the development of any community-led housing group might include:

- **introductory sessions** – getting across what the scheme is; what it means to be community-led; examples of community-led housing
- **getting from A to B** – building the programme; helping the group develop its own development programme
- **basic governance principles** – understanding what governance is and how it works; discussing an outline code of conduct; discussing how to manage conflicting views
- **equality, diversity and fairness** – understanding what principles of equality, diversity and fairness are and how they are applied in practice in a community-led housing context

- **committee roles** – understanding the basic officer and committee roles
- **reflecting on and assessing progress** – discussing how the group can self-assess the progress it is making so that it can demonstrate to itself and others its governance achievements.

Group development sessions need to be delivered in an interactive way, encouraging group participants to discuss issues involved and reach their own conclusions as to what will work for them. Group exercises, exercises done individually or in smaller groups, role plays and scenarios etc. are necessary to make these sessions come alive and to get group members to start to think through the issues they will need to become conversant with.

The development programme would lead on to scheme related sessions – much of which might be learning as the group goes along and various forms of community activity. The group may also wish to arrange visits to other community-led housing schemes.

How a group develops will be partially dependent on the type of community-led housing development it is:

- in a “**group led**” scheme, the group will probably develop its capacity through its scheme activity. However, the group will also need to develop knowledge of formal systems of governance and management.
- In an “**extension of community-based activity**” scheme, there may not be a need for group development, but if there is, it would be similar to group development needed in a developer/community collaboration scheme
- In a “**developer/community collaboration**” scheme, a long-term programme will be needed to run through the development programme to build the capacity of the group. At the outset of such a scheme, there may no pre-existing community members.

Resourcing a group development programme

Resourcing a group development programme for a community-led housing scheme may be challenging, but some national or local Government revenue funding may be available, alongside other sources of funding. It is important to ensure that sources of funding do not tie the group to a particular approach that is not appropriate for them. Once there is certainty about the development of a scheme, group development costs can be “capitalised” – ie. added into the costs of the scheme.

In an “**extension of community-based activity**” scheme or a “**developer/community collaboration**” scheme, the existing organisation or the developer partner may be able to provide some group development

support, and they may be the best people to outline how housing management works. However, there may also be a need for someone who is versed in community-led housing group development to have an independent overview of how the group is developing and to ensure that the group is shaping how they will manage their scheme in accordance with their needs and aspirations.

Managing conflict

It is likely and desirable that members of a community-led housing group will have many different views about how their organisation will be set up and operate. The group needs to form consensus amongst its members about how to proceed in such a way that all of its members generally support the direction of travel.

A standard pattern of group development is that groups:

Form – things are new and exciting and relationships and ideas develop

Storm – people start to form strong opinions on how things should be done and sometimes fall out with each as a result of different opinions

Norm – hopefully people accept different opinions and reach consensus

Perform – the group starts to deliver good progress

This cycle can repeat itself many times! Where there is conflict, this needs to be managed in ways that will lend themselves to strengthening relationships between the members of the group. Where conflict becomes intense, there may be a need for the group to manage it in formal ways. Some pointers for doing this might include:

- clearly identifying what the conflict is – doing what is necessary to separate the conflict issue from the people involved – removing the personality issues
- ensuring that the parties to the conflict listen to each other's points of view (perhaps asking them argue for the other point of view)
- ask the participants to the conflict to speak to each other and propose a resolution between themselves
- ensure that the facts are clear and explained to all group members
- have either a member who is impartial to the conflict or someone external to the group mediate between the participants to a conflict
- if it is not possible to resolve conflict, it may simply be necessary for the group to vote on courses of action, but where there are split votes this can result in irreconcilable differences.

A code of conduct

Written structures, policies and procedures are an essential part of a group's democracy – they protect the less confident in a group. It is suggested that a community-led housing group develops and its members sign up to a written code of conduct at an early stage.

A community-led housing code of conduct might include:

- an introduction referring to the group's vision, values and mission to remind people why there is a need to comply with the code of conduct
- a statement about the need for probity and high standards of conduct
- a section on behaviour at meetings, setting out that people should respect other opinions, support each other, speak through the chair, and refrain from threatening and abusive behaviour
- a statement of support for equality, diversity and fairness and a reference to the group's equality and diversity policy
- a code of confidentiality – ensuring that group members respect confidentiality where necessary. This is particularly important where group members may come into contact with personal data which needs to be managed in accordance with data protection principles
- a clause relating to declarations of personal interest – where individuals may have conflicts of interest in relation to subject matter under discussion and how they will be handled
- a clause relating to management of hospitality and gifts – both where external organisations may offer hospitality and gifts to group members and where the group may offer hospitality and gifts to people external to the group
- a section setting out how breaches of the code of conduct will be handled

Equality, diversity and fairness

Equality, diversity and fairness is vitally important in any organisation, but particularly so in a community-led housing organisation. A community-led housing organisation must always uphold high standards of equality, diversity and fairness – sending a clear message that the organisation aims to be

inclusive in everything it does, to strive to tackle discrimination in all its forms, and to recognise and value diversity.

Equality, diversity and fairness is about:

- treating people fairly and ensuring basic human rights
- the elimination of discrimination
- recognising and valuing differences; recognising a diversity of needs, skills, ways of living
- tackling exclusion by removing barriers to services, resources, information, education and employment.

Discrimination exists in many forms and any community and values-based organisation needs to be constantly working to eliminate it. It can be overt – but hopefully this will be rare in a community-led housing organisation. However, it can also happen in ways where the organisation is less aware that it is discriminating, such as:

- not taking active steps to ensure that membership, Board membership and services are open and accessible to all
- advertising the available of community-led housing opportunities in such a way that particular groups of people would be unlikely to respond
- operating, holding its meetings, or projecting a culture in ways that potentially puts particular groups of people off from participating
- not having fair and equal practices in relation to recruitment and governance – not taking steps to address any imbalances
- not having written policies and procedures that enshrine fair operational practice and guarantee rights for all those who the community-led housing organisation engages with.

A set of protected characteristics have been defined in law and in relation to which it is legally required that any organisation may not discriminate. The protected characteristics are age, disability, gender, transgender (gender identity), sexual orientation, race & ethnicity, religion or belief.

A community-led housing organisation may wish to consider other issues in relation to equality and diversity, such as health, mental health and learning difficulties, domestic abuse, appearance, responsibilities for dependents, unrelated or spent criminal convictions, being HIV positive, economic circumstances, trade union affiliation and cycling. This is not intended to be an exhaustive list. Community-led housing organisation members may consider that there are other potential discrimination areas.

Any community-led housing organisation should consider equality, diversity and fairness at an early stage in its development – developing a policy and leading to procedures to ensure equality and diversity consideration permeates throughout the organisation. All the organisation's policies and procedures should be considered in relation to equality and diversity objectives and many organisations have specific clauses in policies where they set out equality and diversity considerations.

Some particular issues that a community-led housing organisation should consider in relation to equality, diversity and fairness include:

- does the membership of the community-led housing organisation fairly reflect the demography of the area and/or the people who could potentially be members of the group?
- if it doesn't, what active steps is the organisation going to take to investigate why the organisation does not reflect local demography? What barriers are preventing particular groups from participating? Has the group considered the culture and its operating methods to ensure that there isn't anything that is preventing wider membership? Has the organisation reached out to other organisations who may have expertise in relation to equality and diversity who could assist in establishing greater diversity?
- does the make-up of the community-led housing organisation's governing body reflect the demography of the membership and the local area? If not, what steps are being taken to address this problem?
- do those attending the organisation's general meetings and any other general membership activities reflect the demography of the membership and the local area?
- has the community-led housing organisation considered what it means to provide a fair and equal service to all its members or residents which takes account of the potential differences between people and any special needs that members or residents may have? Has the community-led housing organisation passed on such values through provision of the group's equality and diversity policy to any partner organisations it is working with?
- where a community-led housing organisation employs staff, has it considered fair and equal treatment in employment and recruitment?

Community-led housing organisations are generally formed from a base of high ethical standards where participants wish to develop fairer systems of housing and community. However, this ethical base should not be taken as a

proxy for enshrining equality and diversity standards. Any organisation needs to periodically review potential ways to improve its equality and diversity.

The governing body role

There can be various structures for governing bodies – they could be elected or selected committees or boards. In smaller organisations, the governing body can be the full membership. This section discusses the roles of the governing body as a whole and its members. Such roles are often referred to as “committee roles” – but we have referred to governing body to refer to all potential structures.

The role of the governing body is to lead and control the organisation. Its members are the directors of the community-led housing organisation. Its primary role is “**strategic**” in that it sets the strategies, policies and frameworks within which the organisation operates – and it delegates the “**operational**” functions to people who carry them out. Particularly in smaller organisations and at the start of a community-led housing organisation, the people to whom operational functions are delegated are the volunteer members of the governing body, but it is important to understand that:

- a) anyone who has operational functions delegated to them are always accountable to the strategic control of the governing body, and
- b) as the organisation develops it is likely to enter into arrangements where some operational functions are delegated to staff, service providers, consultants, contractors or others – and those relationships must also be accountable to the strategic control of the governing body.

There are some basic strategic functions that any governing body has to perform including:

- ensuring that the organisation sets values, vision, mission and strategic objectives for the community-led housing organisation, agrees them with the general membership and then ensures compliance with them
- maintaining control over the organisation's finances, approving each year's budget, business plan and annual accounts
- establishing, overseeing and reviewing annually the organisation's operational arrangements, ensuring that functions are delegated appropriately
- establishing and overseeing a risk management framework to safeguard the organisation and its assets

- appointing and potentially removing volunteers who carry out operational roles for the organisation, as well as any staff (the most senior member of staff if there is more than one member of staff), service providers, contractors and consultants (all dependent on structures used in the organisation). The governing body also needs to decide what each will be paid and the terms of their appointment.

Each governing body member has a primary role to act as part of the governing body to ensure that the above functions are carried out. As governing body members, they are required to act in the interests of the organisation and accept collective responsibility for the decisions taken by the governing body.

Governing body roles and sub-committees

The governing body can choose to appoint its members to various roles or sub-committees as it sees fit. The chair, secretary and treasurer are seen as standard roles, but how or if the governing body appoints them and what roles are given to them are within the governing body's gift.

The standard function of the **Chair role** can be to:

- guide the community-led housing organisation to achieve its aims
- have an overview of the organisation's activities and governing body
- have overall responsibility for ensuring participation
- chair meetings of the organisation
- represents the organisation to external bodies
- manage the most senior member of staff

The chair function might include:

- being aware of and having an overview of the organisation's activities
- ensuring and supporting other people to carry out their roles
- understanding decisions that need to be taken by the governing body and facilitating it to make decisions
- promote participation for all members
- being responsible for the smooth and fair running of the organisation

The standard function of the **Secretary role** can be to:

- ensuring that the organisation's legal and other liabilities are met
- being aware of the rules or Memorandum & Articles and ensuring they are complied with
- ensuring that documentary legal requirements are met, such as filing annual returns, ensuring insurances are kept up to date, have an overview of health & safety, managing data protection functions
- ensuring that the membership register is kept up to date
- having overall responsibility for the filing and storing of records
- ensuring minutes of meetings are kept

The secretary role is sometimes referred to as the Company Secretary – where the role is responsible for ensuring legal liabilities, but how these things are done can happen in various ways.

The standard function of the **Treasurer role** can be to:

- be responsible for the management of income and expenditure
- be responsible for preparing and reviewing financial plans including long-term finance plans and the annual budget
- be responsible for maintaining books of account
- agree payments up to a delegated level
- work with others involved in finance operations
- oversee the organisation's risk management framework
- report to the governing body on financial matters
- liaise with the auditors

The governing body could choose to appoint to the above roles, to split the functions above in various ways and to establish other function related roles as it sees fits. It may particularly be useful to have a role with an overview of equality and diversity. It could also choose to establish sub-committees to have an overview of particular functions and task and finish working groups in particular areas. Sub-committees and working groups would normally be chaired by governing body members. It is good practice to agree written role definitions and terms of reference for sub-committees and working groups that set out the purpose of the role/group, levels of authority that have been delegated to the role/group, and how they are expected to be accountable to and report back to the governing body.

Assessing progress

It may be helpful for a community-led housing group to collectively assess their progress as they develop. Below is a table that may help in assisting a group to measure the progress they have made. The tables set out five areas that they may wish to assess:

- **the basics** – qualities that any community group would need to be able to function effectively
- **running a community-led housing organisation – general skills** needed to make a community-led housing organisation effective
- **running a community-led housing organisation – policy areas** – specific competences that the community-led housing organisation will need, dependent on the aims and purposes of their group.
- **organisational issues** – things that need to happen in order to establish the community-led housing organisation

- **individual competences** – are there people fulfilling various roles in the organisation?

Some competency areas have been suggested – but they will need to be adapted to fit the circumstances of the group. In the early stages, the group may need assistance from someone who understands what the group are seeking to achieve to identify the competences they will need.

The intention of this approach is that the community-led housing organisation will periodically assess their progress, scoring themselves from 1 to 9 – enabling the group to see how far they have come in their development and how far they still have to go.

The model is dependent on the community-led housing group being honest to themselves on how far they have come! Where possible, the community-led housing group should consider the evidence behind their assessment decisions, and they may benefit from an external independent assessment.

Community-led housing organisations may also wish to consider the CCH's guidance on [governance and management for community-led housing organisations](#), which sets out what an “excellent organisation” is and what a “dysfunctional organisation” is in respect of various governance and management criteria. Most community-led housing organisations will lie somewhere in between the two extremes!

Community-led housing – group development assessment

The basics	1	2	3	4	5	6	7	8	9
a. getting the basic idea of the community-led approach									
b. everyone getting on with each other									
c. some people taking responsibility									
d. support for the community-led organisation									
e. able to agree vision, values, mission									
f. ability to engage with the membership/community									
g. understanding of what good governance is									
h. understanding/support for equality and diversity									
i. able to plan and review									
j. good relationships with external organisations									

Running a community-led housing organisation – general skills	1	2	3	4	5	6	7	8	9
a. able to run effective meetings									
b. setting agendas/keeping minutes									
c. able to understand the funding environment									
d. able to understand the housing environment									
e. negotiation skills									
f. communication skills									
g. able to develop policies and procedures									
h. understanding of service culture									
i. able to control finance & budgets									
j. able to develop/monitor business plan									
k. able to manage staff, contractors, consultants									

Running a community-led housing organisation – policy areas	1	2	3	4	5	6	7	8	9
a. development of homes									
b. the planning system									
c. procurement									
d. health and safety									
e. data protection regulations									
f. managing complaints									
g. working with partners									
h. housing management									
i. asset management									

Organisational issues	1	2	3	4	5	6	7	8	9
a. setting up the governing body									
b. appointing officers									
c. setting up sub-groups									
d. incorporation									
e. achieving funding arrangements									
f. agreeing legal agreements									
g. finance systems set up									
h. developing the business plan									
i. planning application									
j. planning approval									
k. buildings on site									

Individual competences	1	2	3	4	5	6	7	8	9
a. is someone/are people fulfilling the chair function?									
b. is someone/are people fulfilling the secretary function?									
c. is someone/are people fulfilling the treasurer function?									
d. is someone/are people fulfilling other legal/regulatory roles?									

5 How can grass roots support be built?

How grass roots support is developed depends on the reasons needed to build grass root support. The following are possible reasons why it may be necessary to build grass roots support (there may be other reasons):

- bringing in founder members/residents
- demonstrating that the community-led housing scheme has support to decision-makers
- building support for a community-led housing scheme where otherwise there might be opposition
- demonstrating to a landowner/building owner that there is local support for them to sell land/buildings at sub market rates
- building community support to develop a community-led housing scheme to manage existing homes
- to encourage people to invest in loanstock/community shares.

In some cases, there may not be a need to build wide support.

There is no one correct approach to building community support! These are some pointers toward how community support can be developed:

- ensuring that the community-led housing organisation has **clarity of vision, values and mission**; that its vision, values and mission has the potential to chime with those whose support is needed; and the community-led housing organisation is able to articulate and communicate the vision clearly to those it wishes to build support from
- ensuring that the community-led housing organisation **understands the market** it is seeking to gather support from. It needs to know that there is a demand and need for the homes it wishes to develop, and that potential supporters will recognise the community-led approach proposed is better than available alternatives.
- the community-led housing organisation needs to **exude and demonstrate its competence** to achieve its ends. Potential supporters need to have confidence that the community-led housing organisation will have the skills and abilities it needs to deliver.
- there may need to be **face to face contact** with potential supporters. In a local campaign, there may be no alternative to good old-fashioned face to face contact – through door knocking, through setting up the stall at local community events, through local fundraising activities, through public meetings

- there may need to be **social media contact** potential supporters – websites, Facebook, Twitter – possibly in some cases seeking publicity through the national community-led housing organisations
- through carrying out **surveys of opinion** amongst the people whose support is needed and/or through formal ballots where such approaches are necessary
- through **building on an opposition campaign** to something that had been planned to happen but which the local community were against
- through seeking **local high-profile support** where possible – from celebrities; from the local authority or from others.

Notes on seeking support for loanstock and community shares

Various people and organisations are willing to invest in loanstock and community shares issued by community-led housing organisations. Most will do so primarily for the ethical reasons that they wish to support community-led housing. But there are a number of other secondary factors that determine whether such investment will be made. The CCH particularly knows about some of these secondary reasons because it has a membership that includes mature housing co-ops with resources, some of whom have been keen to invest in loanstock or community shares issued by community-led housing organisations.

Whilst the market for loanstock and community shares is largely driven by ethical reasons, these are still commercial investment products and will usually be seen as such by HM Treasury. Community-led housing organisations issuing loanstock and community shares demonstrate that they have considered and had competent legal advice on ATED (Annual Tax on Enveloped Dwellings) and SDLT (Stamp Duty Land Tax).

Other than ethical issues, issues that potential investors might be interested in include:

- what is the return on investment and when will it be paid?
- what security, if any, is provided?
- how can investors withdraw their investment?
- If the business fails, what will happen to investments?
- is the governing body competent? Does it have the skills it needs to deliver on the commitments made?
- what does the prospectus look like? Is the business viable?

6 How are partnerships built with people and organisations?

There may be several organisations that community-led housing organisations need to enter into partnerships with to achieve their ambitions. This guidance briefly examines key potential partners – the local authority, housing associations, and private developers. There may be others.

Critical to building partnerships is understanding the motivation of potential partners and ensuring that the community-led housing scheme in some way supports their objectives.

All potential partners may be motivated by the community self-help principles that motivate the community-led housing group – the desire to form a local community organisation with some power over their local housing circumstances. Increasingly, more established organisations are starting to understand the need to develop more local autonomy and engagement.

There may be different views about community-led housing within large organisations. Engaging with a large organisation involves seeking out people who might be inclined to support community-led housing and then working with them to persuade decision-makers within their organisation.

Local authority motivation

A growing number of local authorities now support community-led housing. The following factors may be worth considering regarding developing support from the local authority:

- support for community-led housing may come from councillors and/or staff. Councillors who hold housing related portfolios and those that work in strategic housing functions are likely to be the most useful to a community-led housing scheme, but other councillors and staff can assist in linking groups to the right people.
- local authorities across the country, but particularly in London and the South East, struggle to house increasingly large numbers of people on their registers. They are likely to support any means that might add to the numbers of nominations they can make to affordable housing, but are likely to be concerned about proposals that might reduce the amount of land that could be available to provide social or affordable homes.
- many local authorities support the community self-help principles behind community-led housing and understand the potential social and community benefits in the sector

- community-led housing can potentially unlock smaller and contentious sites for developing homes. Local authorities often discuss the need for them to develop at scale, but community-led housing can contribute through developing sites that others would not be able to or would not be inclined to.
- local authorities are required to consider “best consideration” issues when selling their assets meaning that usually they are required to get the best return they can get. However, there may be ways for local authorities to approach this in imaginative ways, not least through them retaining freehold ownership and granting leases to community-led housing schemes.
- local authorities generally have very limited revenue budgets available
- local authorities may particularly support a broad approach to what community-led housing means – ie. preferring in some cases to support some schemes that may not be fully community-led
- some councillors or staff in local authorities may be inclined to support community-led housing because of perceptions that the alternatives are poor. Private sector landlords are often not perceived positively in local authorities, but the housing association sector has an increasingly poor reputation amongst some councillors in the local authority sector.
- some local authorities have already developed some community-led housing infrastructure as a result of the Community Housing Fund and more are likely to be motivated to apply to the Community Housing Fund.

The Co-operative Councils Innovation Network has published “[Community Led Housing: a key role for local authorities](#)” – written by local authority officers and aimed at local authorities - outlining how local authorities can and do support the development of community-led housing.

Housing association motivation

Housing association motivation can be complicated and in some parts of the country it can be hard to find a housing association partner willing to support community-led housing. Currently a small number of housing associations can and do support community-led housing schemes, but many do not and probably would not.

It is possible that housing associations are more likely to support the developer/community collaboration approach than the other options. This would mean that a community would not be in existence at the outset of the development and the association would need to recruit and develop the

community-led housing group. Some may have more experience of this than others – and some may welcome support to be able to do this.

The following factors are key drivers for housing association that might affect their decisions on whether to support a community-led housing scheme:

- housing associations are often values based. Many originated as community organisations and are led by people from the “Cathy Come Home” generation – people motivated throughout their lives to provide affordable homes for people in housing need. This is a powerful and ethically important motivation, although as this generation heads towards retirement, the values associations are becoming more diffuse, which may be good or bad for a community-led housing organisation seeking support from them.
- In recent years, housing associations have faced twin pressures on costs whilst still being expected to develop new homes. This has led many to diversify the types of homes they provide – with the sector producing growing numbers of market-based housing, often in order to subsidise more affordable housing.
- market-based housing brings with it wider risks. Associations may be less inclined to take risks in relation to community-led housing, an area they know little about. They may perceive it as (a) higher risk than their standard products and/or (b) requiring of greater development and management resources. Many associations perceive community-led housing as being too different, innovative and interfering with their standard approach. A community-led housing organisation that wishes to work with a housing association needs to convince the association that supporting their scheme is not going to result in cost, resource and management headaches.
- the Grenfell Tower tragedy may result in paradigm shifting behaviours in the housing association sector. Associations are now more alive to their need to engage with and be accountable to their tenants and service users. This context may or may not assist community-led housing organisations seeking partnership.
- reputation is important to housing associations, but this is an area where the sector struggles. A housing association may support community-led housing for reputational reasons. A community-led housing organisation is more likely to find an association partner if it has local authority support.
- the relationship between the housing association sector and Government is ambivalent. They are independent of Government, but tend to follow Government agendas – current examples being the need to build more homes, expectations that they should diversify into market-based

products and the Voluntary Right to Buy. It may be that some associations may support community-led housing dependent on how strongly Government is seen to be considering it the right thing to do.

- housing associations would not wish to do anything that would be perceived as contravening their legal and regulatory requirements
- the introduction of the Community Housing Fund may encourage some associations to support community-led housing schemes, although many are currently at full development capacity.

Private developer motivation

There are many motivations for private developers to support community-led housing, ranging from it being the only way that a scheme would be developed; to getting support for other development they are doing; to reputational issues; and to them actively supporting community self-help principles. Working in the private sector is much more market-based and there will be mixed performance levels in terms of how well they support community-led activities.

7 Conclusions – people, power and realism

Community-led housing is about enabling people to have more power over their homes and neighbourhoods. It is needed that ordinary people and communities have greater power, but generally things change in small steps rather than in big leaps.

On a practical level, there is a fine line between being able to get what you want through perseverance and banging your head against a brick wall!! Community-led housing organisations usually need to be able to adapt existing paradigms to achieve what they want to achieve. Complaining that the potential partner doesn't understand community-led housing doesn't really help and often tends to show that the community-led housing organisation doesn't understand the bigger picture of housing need. Only occasionally will community-led housing be able to move substantial goalposts – but there is a lot that community-led housing can achieve with the goalposts where they currently are.

In the end, the more that people are able to take power through community-led housing, the more that the paradigms will change and future generations will realistically have more opportunities to establish community-led housing schemes.

Schedule 1: definition of community-led housing

This definition has been agreed by the CCH, the National Community Land Trust Network, the Cohousing Network, and Locality – the four national membership organisations supporting the development of community-led housing

The definition is based on core principles rather than hard and fast rules:

- i A requirement that meaningful community engagement and consent occurs throughout the process. The community does not necessarily have to initiate and manage the development process, or build the homes themselves, though some may do.
- ii The local community group or organisation owns, manages or stewards the homes and in a manner of their choosing.
- iii A requirement that the benefits to the local area and/or specified community must be clearly defined.

In the context of this definition and these principles a 'community' can be both a community of place or a community of interest as defined by the group or organisation. However, membership of that organisation or group must be open to anyone within that defined community in such a way as to be inclusive and allow all members of that community to actively participate and have a say in the group's or organisation's strategic direction.

Applying these principles in practice, e.g. through grant criteria requires those making decisions to have some knowledge of the sector and be able to judge clearly what might constitute genuine community-led housing.

Different approaches to community-led housing

Within these definition principles, there is a wide variety of different *routes to delivery*, different *approaches*, different *procurement methods* and different *legal forms*. Each of these has an important role to play in helping us achieve our overall aims, and that this diversity is the sector's key strength.

Broadly speaking there are 3 main *routes to delivery* for community-led housing:

- i **Group-led:** Grassroots 'start-up' groups responding to housing need or demand, or people seeking to deliver their own homes.
- ii **Extension of community-based activity:** Existing community-based organisations with local roots decide to provide housing in addition to their current activities, or increase their existing provision, for and on behalf of the local community
- iii **Developer-Community Collaboration:** A local authority/landowner/housing association or small builder wants to provide housing that benefits the local area. They access community-led housing expertise to recruit 'founder members' from within the community and support them to take over ownership/stewardship and/or management of the homes, or they may support an existing group or organisation to deliver their ambition.

Across all three routes the *definition principles* of community-led housing outlined above still applies. Across those *routes to delivery* there are also a wide range of *approaches* to CLH e.g. Community Land Trusts, Housing Co-ops, Cohousing, Self-Help Housing, Development Trusts, Community Anchor Organisations, etc. CLH groups or organisations may use just one these approaches or may combine them to respond to their specific requirements.

There are also overlaps between these *routes to delivery* with a variety of *procurement methods* e.g. new build, refurbishment, empty homes, self-build, etc.

And, across those both these *routes to delivery* and different *approaches*, there are also a wide range of different *legal forms* that a CLH project might take e.g. Companies Ltd. By Guarantee, CICs, Community Benefit Societies, Co-operative Societies, Charities, CIOs, etc. CLH is therefore a rich and diverse sector and what works for one project may not be appropriate and relevant for another. There can be no 'one size fits all' but must respond to community need and circumstances.