



Supporting Community Led Housing Accredited Advisor Training

A3 The Options



The Options

Advisors need to understand all the variations available to potential community-led housing organisations including:

- Delivery model (brand) options
- Legal and governance options
- Development options
- Post development management options
- Land ownership options
- Occupancy options
- Financing options
- Wayshaper
- Case studies



What is Community Led Housing?



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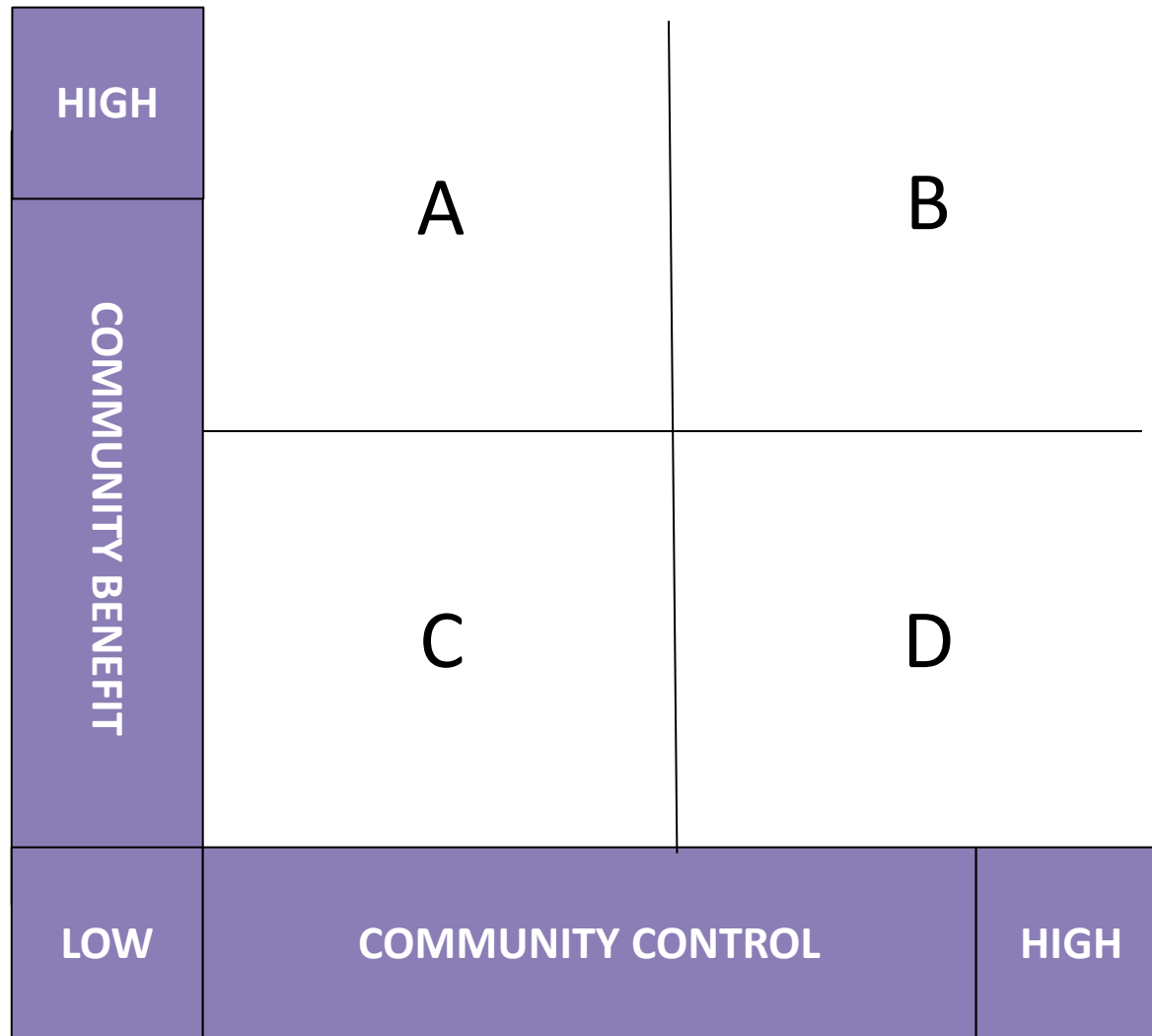


Delivery Model (Brand) Options

- Housing Co-operative
- Community Land Trust
- Cohousing
- Equity staircasing - Mutual Homes Ownership Society
- Group Self and Custom build
- Self-help Community Organisation
- Tenant Management Organisation
- Mutual Housing Association
- Voluntary unincorporated group
- A hybrid mix of these?
- An entity that does not label itself as any of the above



Community Benefit/Control



With thanks to

self-help-housing.org
promoting community driven housing initiatives



CCH

What conclusions can be drawn?

- There are many definitions of community benefit and community control – and therefore of community led housing – none are right, and none are wrong
- There is no “pure” form of community led housing
- Community led housing is not set up for the sake of it; the outcomes are what matters.
- Different people pursue community led housing options for different motivations



Key Milestones (not an ordered list!)

- Scoping of initial plan with stakeholders
- Getting the right advice – where do we go?
- Ensuring the right development partnership
- Ensuring that finance is available at all stages
- Ensuring group development
- Securing a site
- Scoping the development proposal
- Considering and visiting existing schemes
- Agreeing the legal and other structures
- Drawing up the plans and getting planning permission
- Building the scheme and moving in (sales and lettings)
- The long-term sustainability



Legal and Governance Options

- Co-operative Society
- Community Benefit Society
- Company Limited by Guarantee
- Company Limited by Shares
- Community Interest Company
- Charitable Incorporated Organisation



Choosing the Right Legal Model

Some key questions that help decisions:

- What do you want to do?
- What are the financial and business realities?
- Who do you want to benefit?
- Who should own the organisation?
- What should their powers and duties be?
- How will these be exercised?
- Who should manage the organisation?
- What should their powers and duties be?
- How will these be exercised?
- What can surpluses be spent on?
- Will the organisation be accountable to non-members?



Development Options

The three delivery routes

- A new start up group
- An existing community led (housing) organisation
- A developer led partnership

Management of the development

- New build or refurbishment?
- Self-managed or outsourced?
- Project management



Group Ownership and Management Options

- Freehold and manage
- Freehold and long lease to manager
- Long leasehold from a freeholder
- Limited leasehold from a freeholder
- Management agreement with a freeholder

Issues:

- How much autonomy is wanted/possible?
- How much group responsibility is wanted/possible?
- Who is issuing occupancy agreements?
- RP registration and lender issues



Individual Occupancy Options

- Freehold - possibly with covenants
- Tenancies:
 - a) Leasehold
 - b) Statutory secure and assured tenancy framework
 - c) Contractual tenancy arrangements
 - d) Temporary arrangements – fixed term tenancies; assured shorthold tenancies

Issues:

- Leasehold law and statutory assured tenancy law
- Leaseholder enfranchisement and Right to Buy/Acquire
- Fully mutual housing co-operatives
- Desired levels of security?



Financing Options

- Debt (commercial loans)
- Debt (non-commercial loans and loanstock)
- Grant and soft loans
- Community shares
- Equity investments
- Cross subsidy through mixed use development
- Non-residential properties
- Sales and rent ratios and levels



Long Term Management Options

How much control of day-to-day management do members and residents want?

- Self management
- Employee management
- Agency management
- A mix of all three?
- Complete outsource on long lease
- Do members have the right skills, knowledge and experience to support their choices?
- What are the risks?



What advice would you give?

What advice would you give in relation to the attached initial enquiries?





Accredited advisor information

The Community Led Housing section on the CCH website contains the following useful training resources:

- Course Notes
- Course Presentations
- Case Studies
- Videos

