

TENANTS IN THE LEAD

Department of the Environment

Tenants in the Lead

THE
HOUSING CO-OPERATIVES
REVIEW

HMSO June 1989

SECTION 1: INTRODUCTION

Terms of Reference

1.1. The Review of Housing Co-operatives was announced on 16 June 1988 by the then Housing Minister, the Hon William Waldegrave MP. The Review was set up in response to concern that existing arrangements for promoting and supporting co-ops were inadequate and did not provide a suitable basis for an expansion in co-op numbers. We were commissioned to examine the existing arrangements, and make recommendations. Our terms of reference were:

- a. to consider the administrative, financial and legislative framework necessary for the promotion, development and support of housing co-operatives on a local and national scale, both generally and in the context of Tenants' Choice;
- b. to consider the role of secondary housing co-operatives as promotional and servicing agencies; and
- c. to make recommendations.

1.2. Our remit covers England only, although we expect our findings to be of interest in Wales; and also in Scotland, where a longer term research programme is already underway. In developing proposals we have looked at evidence on the position of co-ops in other countries eg Sweden and Canada.

1.3. The Committee included officials from the Department of the Environment (DOE), the Treasury, the Welsh and Scottish Offices and the Housing Corporation. It also included, in a personal capacity, three individuals with specific expertise: Mrs Frances McCall, MBE, a member of Calvary Co-op, Glasgow; Mr Tony Wonnacott of Nationwide Anglia Building Society; and Mrs Tricia Zipfel of the Priority Estates Project Ltd (PEP). It was chaired by Mr Robin Young, Director, Housing Associations and Private Sector, DOE. The Committee sat seven times between July 1988 and April 1989.

Acknowledgements

1.4. We are grateful to all the organisations and individuals who responded to the Minister's invitation to put forward their views (a list of the 63 responses is at Appendix 1). We are particularly grateful to the National Federation of Housing Co-operatives (NFHC) and National Federation of Housing Associations (NFHA) for their contributions and assistance throughout the Review. We would also like to thank the following secondary and primary co-ops in Merseyside and London, which we visited:

Eldonian Co-op, Liverpool (par value co-op)
Mornington Street Co-op, Liverpool (par value co-op)
Weller Street Co-op, Liverpool (par value co-op)
Southdene Co-op, Knowsley (par value co-op)
CDS (Liverpool) Ltd (secondary co-op)
Trojan Housing Co-op (short-life co-op)
Grafton Road NW5 (short-life property managed by Odu Dua Housing Association)
Solon CHS Ltd (secondary co-op)
Charteris Neighbourhood Tenant Co-op (tenant management co-op)
Housing Co-op Section, London Borough of Islington

SECTION 9: SUMMARY OF RECOMMENDATIONS

9.1. We recommend that:

General

- 1) *The DOE and Housing Corporation should promote greater tenant participation and control in the local authority and housing association stock through a growth in co-ops and alternatives.*
- 2) *The measures adopted should be tailored to ensure a steady growth of stable co-ops and alternatives; and should be continuously monitored to ensure that the potential benefits are fully realised.*
- 3) *During its review of support for training in housing management, the DOE should discuss with appropriate institutions and agencies the provision of new or expanded training courses to create a sufficient pool of people skilled in –
 - i. feasibility assessment and development work for co-ops and alternatives;
 - ii. training tenants for participation in, and control of, co-ops and alternatives;
 - iii. training up of housing workers for co-ops and alternatives.*

The DOE should also consider how these courses might be financed.

- 4) *The DOE should discuss with institutions how professional education can better take account of the needs of co-ops and alternatives.*

Initiatives in the Local Authority Stock

- 5) *The DOE should continue to develop and co-ordinate the promotion of co-ops and alternatives at both national and local levels by means including support under the Section 16 grant regime; and should consider the case for expanding support for this work in response to increasing demand.*
- 6) *For new co-ops and alternatives in the local authority stock, DOE and the local authority concerned should support the cost of start-up services in the ratio 75/25, within a set range of approved costs.*
- 7) *Primary organisations with local authority backing should apply direct to DOE for the support described above. If approved, support should go direct to the primary organisation to enable it to buy these services from the agent of its choice. Continuing support during the start-up period should be subject to satisfactory progress.*
- 8) *Local authorities should ensure that they have adequate arrangements to monitor and support co-ops and alternatives within their stock.*
- 9) *The DOE should invite local authorities to discuss proposals for the decentralisation of a major part or the whole of their stock to local management organisations, with a view to a small number being chosen as demonstration projects to test the cost-effectiveness and service delivery of this approach.*

Transferred Ownership Co-ops

- 10) *Transferred ownership co-ops emerging from the local authority stock, for example under Tenants' Choice, should be eligible for the same start-up support as other new co-ops which are or become part of the housing association stock (see recommendations 13-15).*

Initiatives in the Housing Association Stock

- 11) *A new promotional unit should be set up within the Housing Corporation to promote opportunities for tenant participation and control in the housing association stock. The unit should monitor housing associations' progress in encouraging tenant involvement; and assist in developing tenant participatory models such as tenant controlled housing associations.*
- 12) *Housing Corporation Regional Office staff should help associations at the local level to develop appropriate arrangements for tenant involvement and, within the Corporation's capital programme, should wherever appropriate encourage schemes which provide for tenant participation and control.*
- 13) *For new co-ops and alternatives which are or become part of the housing association stock, the Housing Corporation should support 100% of the cost of start-up services within a set range of approved costs.*
- 14) *Primary organisations should apply direct to the Housing Corporation for this support. If approved, support should go direct to primary organisations to buy these services from the agent of their choice. Continuing support during the start-up period should be subject to satisfactory progress.*
- 15) *The Housing Corporation should monitor the progress of new co-ops and alternatives.*
- 16) *The Corporation should undertake regular reviews of the size of the mini-HAG programme as a whole and of the cost limits on supportable works, and make recommendations to DOE.*

CO-OPS REVIEW: RESPONSES RECEIVED

Association of District Councils
 Association of London Authorities
 Association of Metropolitan Authorities
 Banks of the Wear CHS Ltd
 Baugh, Graham (member of CDS Co-operative Housing Society Ltd, London)
 Birchall, Dr Johnston (Senior Lecturer in Housing, South London Polytechnic and author of
 'Building Communities: The Co-operative Way')
 Birmingham CHS Ltd
 Birmingham City Council
 Black Country Co-op Development Agency
 Broomhouse Housing Association, Glasgow
 Carol Street Housing Co-op, London NW1
 CDS Co-operative Housing Society Ltd
 CDS (Liverpool) Ltd
 Charteris Neighbourhood Tenants Co-op, London N4
 CHISEL (Co-operative Housing in South East London) Ltd
 Co-operative and Community Consultancy Group (CCCG)
 Co-operative Home Services (Home Counties) Ltd
 Co-operative & Housing Services (N.W.) Ltd
 Corsham Housing Co-op, Halewood, Liverpool
 Cossington Housing Co-op, Leicester
 CPH Architects, London
 East London Housing Association
 Fairhazel Co-op, London NW6
 Federation of Housing Co-operatives for Merseyside
 Glasgow District Council
 Halifax Building Society
 Heathview Tenants Co-op, London NW5
 Housing Corporation, The
 Islington Community Housing Co-op, London N4
 Institute of Housing
 Leicester Federation of Housing Societies Ltd
 London Boroughs Association
 London Borough of Camden
 London Borough of Hillingdon
 London Borough of Islington
 London Borough of Lewisham
 London Borough of Wandsworth
 Maynard Co-operative Housing Association, Leicester
 MIH Special Projects Housing Association
 National Federation of Housing Associations: Co-ops Group
 National Federation of Housing Associations: Review of Revenue Allowances for Co-ops
 National Federation of Housing Associations: Shortterm Occupation Group (STOG)
 National Federation of Housing Co-operatives (NFHC)
 North Housing Association, Newcastle
 O'Tani, Henry (founder member of Great Western Region CHS Ltd, Bath, Avon)
 Parliamentary All Party Co-ops Support Group
 Parliamentary Co-operative Group
 Partners in Change: Consultancy in Housing and Community-based Urban Regeneration (PIC)

Priority Estates Project (PEP)
Ravenscroft Rebuild Co-op, Kirkby, Merseyside
Ross Walk Housing Co-op, Leicester
Royal Institute of British Architects
Scottish Council for the Single Homeless, Edinburgh
Seymour Housing Co-op, London W1
Spithead Housing Co-op, Southsea
Solon CHS Ltd
Solon CHS (East)
Solon South-East Housing Association
Solon Wandsworth Housing Association
Tenant Participation Advisory Service (TPAS), Salford
Westhead Housing Co-op, Kirkby, Merseyside
Wilkinson Hindle Halsall Lloyd Partnership (Architects), Liverpool
Windsor Avenue Housing Co-op, Leicester

We would be grateful for copies of the submissions from any of these organisations and crucially if it is still out there, a copy of our own!