



**Housing and
Communities**

Keeping Communities Together:

How smaller social landlords and community-led housing can provide affordable, secure, local accommodation for communities in need

Eleanor Benton, Ruby Russell and Anne Power

LSE Housing and Communities



CASE Report 141

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Information was correct at time of writing and any mistakes or errors are the sole responsibility of the authors.

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1. Introduction

The UK is facing a major housing crisis, particularly for those on lower incomes. We must build more homes to rent at affordable prices, with Shelter’s Commission on Social Housing calculating that we need to create 155,000 social homes a year for the next 20 years to meet demand. While the larger social landlords have the size and capability to build at scale, their actual building capacity is limited as their present focus has to be on their existing stock of rented homes, due to the significant investment required to meet new safety regulations and energy-saving measures to achieve climate change targets. However, there is significant potential for small, community-based organisations to deliver new homes, often on small sites or underused existing spaces. Even small developments can have significant impacts for people in need of a home. This report aims to set out the potential for small community-based organisations to deliver homes for people in need, within their own communities, and uncovers innovative examples and models for how this can be done. The case studies are followed by a discussion section, which highlights the unique role of small and community-led housing organisations, and the barriers to their development, plus recommendations for future policy action.

2. Background to the research

In 2018-19, LSE Housing and Communities organised three 24-hour residential Think Tanks which brought together small housing associations and community-led housing groups to discuss their special contribution to housing local communities, and their potential for developing more homes. Over 130 representatives from small housing organisations across the UK attended our events. Since 2019, we have also carried out desk-based and qualitative research into the scale and contribution of small housing organisations in this field. This report presents our findings, including 12 short case studies to illustrate what is possible.

Think Tank workshops on the role of community-based housing providers

Name	Date	Participants
Unlocking the Potential of Community Action	23 rd -24 th January 2018	40
Why Smaller Social Landlords matter to Local Communities	24 th -25 th September 2018	37
Community building to deliver homes	29 th -30 th January 2019	48

NB: See Appendices for the headline findings from these three events

3. Definitions:

There are many different forms of small housing providers, outlined below are the type of small providers that we will cover in this report.

Small Housing Associations

A housing association is defined as a not-for-profit social landlord driven by a social purpose, and predominantly providing subsidised homes for social rent at low cost¹. In this report, we define small housing association as having less than 1500 homes. These associations account for 78% of all associations, but only manage 6% of the total stock².

Co-operatives

Housing Co-ops are not-for-profit democratic housing organisations run by their members. In the UK there are 685 Housing Co-ops with an estimated 70,000 members. A distinctive feature of co-operative housing is that it is member-based, and residents and potential residents make up the membership. Housing Co-ops can take several forms. For example:

- Residents are the landlord and the tenants, i.e. an ownership co-operative
- Residents own the properties collectively as co-owners and all pay into a mortgage³
- A housing association or council owns the property and has a management agreement with a cooperative of tenants who run the homes they live in
- In some cases, Housing Co-ops can also be registered housing associations.

Tenant Management Organisations (TMOs)

A TMO is where housing association or council tenants and leaseholders take responsibility for managing their homes, within a specific area. The residents form an independent legal body, with an elected, tenant-led committee. The ownership of the homes remains with the council or housing association but the TMO is responsible for the day to day management, including tasks such as rent collection, allocations, tenancy management, repairs and caretaking. Some small TMOs are completely volunteer-led, but most employ staff as housing managers and caretakers. TMOs emerged in the late 1970s and early 1980s as a type of housing co-operative. There are 130 registered TMOs in the UK.

Supported/Specialist Housing

Supported housing can take many forms and is often owned and managed by a housing association, which are the biggest providers of supported housing in the UK⁴. Supported housing typically offers additional support to people with additional needs. This could be due to age, health, or vulnerabilities such as experiencing domestic abuse or homelessness. Around 600,000 people currently live in supported housing in the UK⁵.

Almshouses

An almshouse is residential accommodation provided by a charity and aims to help meet the charity's purpose, normally to help someone in financial hardship by providing

¹ National Housing Federation (2019) What is a housing association? Available at: <https://www.housing.org.uk/globalassets/files/resource-files/political-engagement-toolkit/what-is-a-housing-association-2019-update.pdf>

² JRF (2014) Smaller Housing Associations Capacity to Deliver Homes. Available at: <https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/housing-associations-development-full.pdf>

³ Community-led Homes (2022) What are housing co-ops? Available at: <https://www.communityledhomes.org.uk/what-housing-co-operative>

⁴ National Housing Federation (2019) What is a housing association? Available at: <https://www.housing.org.uk/globalassets/files/resource-files/political-engagement-toolkit/what-is-a-housing-association-2019-update.pdf>

⁵ Homeless Link (2022) Supported Housing Alliance. Available at: <https://www.homeless.org.uk/supported-housing-alliance>

accommodation. Most often residents are of retirement age, and the housing seeks to meet the resident's needs, for example by providing extra support and social activities. As charities, almshouses are often run by Trustee volunteers. The housing is normally a permanent endowment to the charity⁶. Almshouses have a long history of providing housing to those in need in a particular area, and provide the original foundation stone for housing associations.

Community Land Trusts (CLTs)

Community Land Trusts are community-led, not for profit, democratically organised organisations that own and develop land for the benefit of the community. Developments are often in the form of affordable housing, but can also include community gardens, civic buildings, pubs, shops, shared workspaces, and energy schemes⁷.

Co-housing group

A co-housing group is formed by a community of people typically with similar needs and interests. Co-housing is owned by the group and usually contains private rooms or houses with communal areas such as living rooms and kitchens, where people will come together to share meals and spend time together. The residents are responsible for the management and maintenance of the site, and they are run in a non-hierarchical way, giving all residents an equal say in how they are organised⁸.

⁶ The Almshouse Association (2022) Almshouses Today. Available at: <https://www.almshouses.org/almshouses-today/>

⁷ Community Land Trust Network (2022) About CLTs. Available at: <https://www.communitylandtrusts.org.uk/>

⁸ UK Co housing (2022) About Co-housing. Available at: <https://cohousing.org.uk/about-cohousing/>

4. The unique role of community-based housing organisations

Common characteristics of community-based housing organisations

- There are many different types and forms of community housing organisations, which allows the groups to meet a range of different needs
- Community-based housing organisations are closely linked to the community where they are based, have a good awareness of local problems, and aim to meet local community needs.
- All these organisations are small and tend to stay small. For this reason, they offer a very different housing service from the larger housing providers
- Residents are often closely involved in the management of the properties and like living in a community-based organisation. Where there are staff in place they are locally based and have a good relationship with residents
- They are generally not-for-profit so provide homes at an affordable price.
- Councils and government often find them “fiddly” to deal with and prefer to work with the better established, larger organisations. However, they are increasingly recognised as a way to provide high-quality, affordable housing

Why are community-based housing organisations valuable to low-cost housing?

- There are lots of small community-based organisations all over the country, so collectively they have the potential to make a significant difference
- Community housing taps into community interests and needs
- They produce pioneering and long-lasting forms of housing such as Almshouses and Co-operatives
- Due to their size, community groups tend to favour small local builders, who may be overlooked by larger developers
- It can be easier to trial new, innovative methods in smaller building developments, providing useful case studies for new approaches e.g. eco homes, airspace building, infill building

5. Funding and schemes to support community-led housing

Community based housing is increasingly seen as a way of creating new homes to meet local housing need. However, in order to develop the capacity needed to grow, community-led housing groups need funding to support development. This section provides an overview of the recent funding context for community-led housing in the UK.

1. Community Housing Fund

The Community Housing Fund allocated £163m from Homes England in 2018 to support the community-led housing sector in England⁹ in developing permanently affordable homes and creating an ‘effective and financially self-sustaining body of expertise’ for the sector. The Fund was available to community-led housing groups outside of the Greater London Authority area. The GLA set up a London specific fund.

The Community Housing Fund was delivered in two phases:

Phase 1 provided grants to organisations to support their growth:

- a) revenue funding for capacity building and predevelopment costs, including revenue grants to local authorities to support community housing groups as they developed;
- b) capital funds for associated infrastructure costs to support community housing development

The fund supported the development of “Enabler Hubs” which help groups get organised and develop (see below).

Phase 2 provided grants to organisations to help with the capital costs of directly acquiring land and building homes.

The fund was open between July 2018 and March 2020.

In December 2019, an Inside Housing report revealed that less than 15% (£21.1m) of the £163m funding had been allocated one month before the bidding deadline. At the time of this report, 194 applications had been allocated a portion of the fund and 81 were awaiting decisions. The under-allocation of funding was attributed to the short period of 18 months during which the fund was open. The initial expectation was that the fund would be open for five years at £60m annually. To receive the full grant allocated, organisations were required to have concrete housing proposals, building control consent and detailed drawings in place by March 2020¹⁰, which were too short-term for many groups.

2. Community Housing Fund Revenue Programme 2021/22

The Community Housing Fund Revenue Programme¹¹ funded by MHCLG (now DLUHC) provides grants of a total value of £4m to help community-led organisations with the revenue costs of:

- a) submitting a planning application, and/or
- b) submitting a capital funding bid, and/or
- c) getting started on site

⁹ <https://www.gov.uk/government/collections/community-housing-fund>

¹⁰ Lucie Heath (2019) Less than 15% of £163m Community Housing Fund allocated as deadline looms. Available at: <https://www.insidehousing.co.uk/news/news/less-than-15-of-163m-community-housing-fund-allocated-as-deadline-looms-64464>

¹¹ MHCLG (2021) Community Housing Fund Revenue Programme Prospectus 2021/22. Available at: <https://www.communityledhomes.org.uk/sites/default/files/inline-files/CHF%20Prospectus%20V3%2023.09.pdf>

Grants are available to community-led groups area which can demonstrate that they are increasing housing supply and delivering permanently affordable homes, outside of the Greater London Authority. Bidding opened in June 2021 and closed on 31 December 2021. Groups must complete works by March 2022.

The funding is not available to help with start-up costs for housing schemes in an early pre-development stage. Community groups in need of early stages support are referred to Enabler Hubs (see above).

The Community Housing Fund Revenue is delivered by Community Led Homes, a partnership of four housing organisations: Confederation of Co-operative Housing, Locality, National Community Land Trust Network and UK Cohousing. Community Led Homes provide 'training, funding and practical support to local groups, councils and developers'¹².

3. London Community Housing Fund

The £38m London Community Housing Fund, provided by the Greater London Authority (GLA), supports the development of community-led housing within London.

The fund provides:

- a) *Revenue funding* to support with development costs such as feasibility studies; surveys; architects' fees; legal fees; training and capacity-building; planning applications; business planning; and project management.
- b) *Capital grants* for the construction of homes; acquisition and/or remediation of land for development; acquisition and conversion/refurbishment of existing properties.
- c) *Development finance* to support the construction of new homes, this will come in the form of a commercial loan, repayable once the homes are complete.

The Fund also provides a Revolving Loan Fund of up to £10m to improve access to revenue funding to support the sector to become more sustainable¹³.

The Fund is expected to generate 500 community-led homes by 2023¹⁴. The Fund was launched in January 2019 and is currently open for bids until all funding is committed or until March 2023, whichever comes sooner.

4. Enabler Hub Grant Programme

The National CLT network aims to build a network of advisors around regional hubs by running a technical support advisory programme that gives people the skills to advise groups on a range of Community-led Housing issues including land acquisition; planning; finance; legal advice; and design. The Hubs are centres that provide advice for local community-led housing groups to help them develop.

Areas with successful, well-established Hubs such as the South West have been able to develop greater Community-led Housing provision – of the nearly 1000 properties that have been developed by Community-led Housing groups in the last 10 years, the majority are concentrated in the South West. For this reason, the government is providing funding for the technical support and advisory programme to help hubs develop in other regions.

¹² Community-led Homes (2022) Hope for Housing. Available at: <https://www.communityledhomes.org.uk/>

¹³ Mayor of London (2019) London Community Housing Fund Funding Prospectus. Available at: https://www.london.gov.uk/sites/default/files/london_chf_prospectus_0.pdf

¹⁴ Julia Webster (2019) Sadiq Khan launches £38m fund for community-led housing. Available at: <https://www.insidehousing.co.uk/news/news/sadiq-khan-launches-38m-fund-for-community-led-housing-59780>

The Hubs sometimes struggle to sustain momentum over the long-term. On one hand, they need more stable funding, but they also need to become more business-minded to ensure long-term sustainability.

The Enabler Hub Grant Programme seeks to increase the network of Enabler Hubs. The programme aims to increase stakeholder engagement to “create a supportive local environment for community-led housing”¹⁵. The fund was open between April 2019 and 31 January 2020, and all of the funding had to be spent by March 2021. Typically, stakeholders included local councils, housing associations, community groups and local anchor institutions such as churches that are actively engaged in promoting community-led housing. The £2.6m programme was funded by MHCLG, now the Department for Levelling Up, Housing and Communities.

Enabler Hubs can receive a maximum of £150,000 grant funding in total, in the form of Development Grants of up to £50,000 or Full Grants of up to £150,000.

- a) *Development Grants* support organisations to set up Enabler Hubs in their region. The grant may be used to cover the cost of legal fees, engage with stakeholders, research local opportunities for community-led housing and barriers to delivery, develop partnerships that support delivery, and trial Enabler Hub service models. This process is expected to last up to 6 months.
- b) *Full Grants* support organisations that have already developed a sustainable business plan and want to support community-led housing groups to deliver homes on the ground. The grant should be used to cover the cost of such work up to March 2021.

The Enabler Hub Grant Programme operates in England and is delivered by the Community Led Homes partnership.

5. Community Led Homes Start-Up Support Programme

The Start-Up Support Programme¹⁶ aims to support the earliest stages of development for community-led housing groups or housing schemes. Groups can receive up to £10,000 in revenue funding. The Start-Up Support Programme aims to bring community groups and housing schemes to a stage where they can bid for Homes England and GLA grant programmes. The programme of funding has two main elements:

- a) Support Grants (up to £6,000)

Support Grants are available to support the early stages of community group development. It will fund the commission of 1:1 support from a community-led housing advisor. The grant is open to groups that cannot obtain support from an Enabler Hub due to there being no local hub, or the group being at too early a stage of development to benefit from Enabler Hub support.

- b) Seed Corn Grants (up to £4,000)

Seed Corn Grants are available to community housing groups to support the early development stages of a housing project, including room hire, volunteer expenses, legal fees, training courses, travel costs to other community-led housing projects and site surveys.

¹⁵ Community-led Homes (2022) Enabler Hub Grant Programme. Available at: <https://www.communityledhomes.org.uk/get-funding/enabler-hub-grant-programme>

¹⁶ Community-led Homes (2019) Community Led Housing Enabler Hub Grant Programme Guidance. Available at: https://www.communityledhomes.org.uk/sites/default/files/inline-files/clh_hub_grants_guidance_09.04_branded.pdf

The programme was funded by MHCLG and managed by the Community Led Homes partnership. The grant programme was open between February 2019 and February 2020. Grant recipients must have used their grant within 12 months or by the end of March 2021.

6. Small Sites Small Builders Programme

The Small Sites Small Builders Programme aims to make small, publicly owned sites in London open to small and medium-sized builders. The initiative, which launched in February 2018, aims to support the creation of new and affordable homes through small local initiatives and counter London's reliance on large developers.

The £13.4m programme is managed by the GLA and funded by the London Economic Action Partnership's (LEAP) Growth Deal 3 Funding.

Through the programme, small sites are made more easily accessible to small builders through a simplified bidding process and standardised contracts. The programme will also commission site surveys to reduce risks for small builders¹⁷.

In addition, the programme supports public landowners with the costs of site identification, site surveys and due diligence, and 'unlocking' previously unviable sites. The programme offers a streamlined service to support public landowners with bringing sites forward for development; online marketing to attract small builders; selecting high performing and reliable skilled small builders; standardised contracts involving minimal negotiation with small builders.

The Small Sites Small Builders Programme pilot used 10 small Transport for London (TfL) sites with a capacity between two and 42 homes. Two of the sites were reserved for community-led housing schemes. The 10 initial TfL sites provided 111 new homes, of which 68% are affordable¹⁸.

Following the pilot, the programme has made 40 small sites available and is working with public landowners to create a pipeline of further sites for use by small builders.

7. The Build London Partnership – L&Q support for small housing associations.

In partnership with the GLA, L&Q, one of the largest housing associations in the UK with 105,000 homes, set up a fund of £100 million to support the building of small clusters of low-cost homes on small sites to sell on at cost (i.e. nil profit) to small housing associations wanting to grow. These homes are being developed in close collaboration with partner "smalls". L&Q are currently working with 45 partner organisations, several of which are housing co-operatives, and they aim to have built 600 new affordable homes by 2023. As of January 2022, they have completed three schemes with a total of 30 affordable homes¹⁹. It is hoped that development will increase quickly as we move out of the initial phase of the COVID-19 pandemic.

8. Other funding opportunities

As well as the funding schemes detailed above, there are a number of smaller schemes that can support the growth of community housing schemes:

- **Big Lottery Awards for All** supported by the National Lottery
- **Home Building Fund** supported by Homes England

¹⁷ Mayor of London (2022) Making small sites available to small builders. Available at: <https://www.london.gov.uk/what-we-do/housing-and-land/land-and-development/small-sites/making-small-sites-available-small-builders>

¹⁸ Mayor of London (2022) Making small sites available to small builders. Available at: <https://www.london.gov.uk/what-we-do/housing-and-land/land-and-development/small-sites/making-small-sites-available-small-builders>

¹⁹ L&Q (2022) Build London Partnership. Available at: <https://www.lqgroup.org.uk/landq-community/blp>

- **The Shared Ownership and Affordable Homes Programme** supported by Homes England
- **Resonance Community Developers** supported by Resonance
- **CAF Venturesome Community-Led Housing Fund** supported by CAF Venturesome
- **Community Share Issues** supported by Co-operatives UK
- **Community Business Renewal Fund** supported by Power to Change

6. Case studies

Through desk-based research and by identifying useful examples amongst the participants from the three Think Tanks, we have highlighted 14 case studies, two for each type of community housing model, that show the potential these groups have to develop new homes. The focus of each case study is on the contribution these organisations make to increasing housing supply.

I. Small Housing Associations

Lambeth and Southwark Housing Association

Lambeth and Southwark Housing Association (LSHA) is a small London based housing association with 321 properties, formed in 1927. It provides general needs housing as well as key worker housing and specialist women's properties. Their homes vary from one-bedroom flats to family houses. Tenant involvement is central to the ethos of the association. They believe they can only meet the needs and aspirations of their residents through good quality engagement using a range of methods. The chief executive holds a monthly surgery where all residents can come and discuss any issues face to face.

In 2017 they began work on upgrading and extending Antony and Roderick House in Bermondsey, two 1950s blocks in need of renovation. The development added 30 affordable units on the top and ends of the blocks, a big development for a small housing association. As a small inner London housing association, LSHA didn't have much land available to build new homes, so they decided to create an air space development, to make use of the land they already own. Normally it would be difficult for a Zone 2 London new build development to provide 100% affordable units because of the prohibitive cost of land. They were able to develop the new homes by working with a specialist developer, which helped mitigate against some of the risks of taking on a project of this scale, as they felt they didn't have the in-house skills to deliver the project on their own. LSHA had to overcome many obstacles including securing planning permission, working out the finances, and working with the residents.

The new homes were built to high energy efficiency specifications, and all homes have access to a small, private outdoor space. The work improved the energy efficiency of the entire building, lowering bills for existing residents. The homes were built using offsite modular construction which halves the time of onsite work, minimising disruption to residents and meaning the work could take place with residents in-situ. They were also able to add lifts to the building which greatly improved accessibility, as well as upgrading the entrances and adding cycle storage²⁰.

The work was funded through Homes England and the GLA.



Image 1: An artist's impression of the new LSHA homes. Image source: HTA Design

²⁰ Apex Airspace (2022) The redevelopment of Antony and Roderick House in Bermondsey. Available at: <https://www.apexairspace.co.uk/antony-and-roderick-house-film/>

Women's Pioneer Group

Women's Pioneer Groups is a 1002-home housing association, formed in 1920 to provide affordable housing for single women in West London. They now provide high-quality homes for single women and their children, to help them achieve their full potential in life. They also provide extra support for women who need it.

In 2018, Women's Pioneer Group (WPG) partnered with HUB, a people-focused developer, to deliver new homes on an underused site of 36 studio flats in a poor state of repair. They plan to demolish the existing structure and replace it with 60 new affordable homes, new office space for the WPG team, and 210 co-living homes. Co-living is the idea of having private rooms but communal living spaces and kitchens, to encourage people to live in a more sociable way, it is intended that the development will be a model example co-living scheme in the UK. WPG will own and manage the affordable homes and HUB will manage and own the co-living space. WPG propose to let the homes to single women who would otherwise be unable to access local housing. Partnering with HUB allowed the group to deliver in a way that they would not have been able to do independently and without grant or loan funding. WPG will retain the freehold of the land.

To ensure that the development reflects local needs, WPG and HUB ran a very intensive consultation with the local community, including public exhibitions, newsletters and personalised questionnaires. In response to initial feedback, they reduced the planned height of the building to fit with the local skyline²¹.



Image 2: The building before demolition

Image Sources: Comm UK



Image 3: An artist's impression of what the building will look like

²¹HUB and Women's Pioneer (2021) Wood Lane Exhibition Boards. Available at: <https://static1.squarespace.com/static/5f3d58bfd2e17740088a9057/t/6183d062ba09f84aad93dab/1636028555473/Wood+Lane+Exhibition+Boards+-+November+2021+.pdf>

II. Co-operative Housing

Bunker Housing Co-operative

The Bunker Housing Co-operative was formed in 2014 by two families trying to find affordable housing in the Brighton area. They were living in poor quality rented accommodation: buying was unaffordable; and they were not eligible for social housing. The Co-op now has 10 adult members, plus children and teenagers²².

In 2016, Brighton and Hove Council identified nine infill developments sites. They were all sold off, apart from the smallest site, Plumpton Road, which was viewed as unviable. A local councillor supported the group to take ownership of the site to use as their pilot scheme. The group's strong working relationship with the council meant that they were able to develop the site, receiving expert advice along the way, for example training from a community organiser on how to canvass the local community effectively. The planner, the architect and the project manager agreed to work on the project "at-risk", meaning they began work before funding had been secured, allowing the project to get off the ground. They also received advice and guidance from the Brighton CLT network.

The group completed its first development on Plumpton Road, of two three-bedroom homes, in April 2020. The homes were built to high levels of energy efficiency using modular offsite construction. The work was financed through £110k loan stock raised from individuals and co-ops, and a £350k mortgage from Ecology Building Society, alongside a £5k grant from Seedbed and a £30k grant from Brighton & Hove CLT, financed from the Community Housing Fund.

Bunker House Co-operative hope the Plumpton Road development can be used as a toolkit for their future developments and to help other groups.

Bunker currently have plans underway to develop 15 more affordable community homes on infill sites provided by the council across the city. This work has been made possible by the Community Housing Fund. As a reward for their hard work and commitment, all members of the co-op will all be housed in the homes, but future nominations for the homes beyond the initial Co-op members will be done through the council²³.



Image 4: The outside of one of the completed properties

Image Sources: Bunker Housing Co-operative



Image 5: The inside of one of the new homes

²² Bunker Housing (2022) Bunker Housing Coop. Available at: <https://www.bunkerhousingcoop.org/>

²³ CCH (2020) Bunker Housing Co-operative Leading Brighton's housing co-op renaissance. Available at: https://www.cch.coop/wp-content/uploads/2020/08/cch_casestudy_bunker-WEB-SINGLES.pdf

Stirchley Co-op Development

Stirchley Co-op Development was formed in 2014 in the Stirchley area of Birmingham, from the joining together of two local housing co-operatives, Federici and Gung Ho, and three local cooperative businesses, Birmingham Bike Foundry, Loaf Bakery & Cookery School, and Artefact Projects. They purchased an unused plot of land on Stirchley High Street and plan to build 39 new affordable homes and business spaces for local co-operative businesses. The group works with housing association Green Square Accord for support and advice on the project.

The group have received funding from several different sources. At the start of the project, they received funding from Power to Change which allowed the group to receive training in building a new co-op and capacity building. Power to Change is a National Lottery Funded project aimed at tackling some of societies biggest challenges at a local level. They also received a grant from the Homes England Community Housing Fund which allowed them to employ various professionals to help get their plans ready for submission. To cover the cost of the actual development, roughly half the funding will come directly from Homes England, with the other half in the form of a mortgage from an ethical bank. Once the homes are complete and occupied, the rents will cover the mortgage, maintenance and management costs. The Co-op received planning permission from Birmingham City Council in January 2021 and construction began later that year, with the hope it will be complete in late 2022 or early 2023²⁴.

The homes will be allocated to people in housing need with a connection to the local area. People can apply directly to the co-operative, and they will also receive applications through the Birmingham City Council waiting lists. All residents will become members of the Co-op and will have a say in how the co-op is managed.



Image 6: An artists impression of what the new properties will look like. Image Source: Stirchley Co-op Development

²⁴ Strichley Co-operative Development (2022) Our Plans. Available at: <https://www.stirchley.coop/planning-application/>

III. Almshouses

Appleby Blue Almshouse

The charity Almshouse, United St. Saviour', are building a new Almshouse, 'Appleby Blue Almshouse' in north Southwark with 57 one- to two-bedroom flats, due for completion in 2022. Appleby Blue Almshouse is open to those aged over 65 on low incomes, who have lived in Southwark for at least three years. The homes are specifically designed for older people and aim to 'set a new benchmark for older people's social housing and services'²⁵.

Appleby Blue Almshouse provides self-contained units whilst also creating a 'lively community setting' through a communal garden room and courtyard, rooftop allotments, community centre, community kitchen and several lounges and common rooms. Wraparound support is offered to residents through daily wellness calls, social activities, shared meals, cookery classes, fitness classes, on-call support, and emergency care. Weekly maintenance and service charges will be set at £185, which is covered by Housing Benefit payments.



Image 7: An artist's impression of the outside courtyard at the Almshouse. Image source: United St Saviour's Charity

²⁵ United St Saviour's Charity (2021) Appleby Blue: A place where people love to live. Available at: <https://2jex0v5a2ywegwel44ey6n70-wpengine.netdna-ssl.com/wp-content/uploads/2021/07/AD10018-Appleby-Blue-prospectus-23-7-21-DIGITAL.pdf>

Thrale Almshouse

Thrale Almshouse is a community of 17 flats that cater to women over the age of 60 who have a strong connection to the parish of Streatham, provided by the charity Relief in Need²⁶. The homes are the result of a £3m redevelopment of an old site of almshouses built in the 1930s, which were outdated and undesirable to live in, despite a housing shortage in the area. The project involved the refurbishment of the original listed buildings and the construction of nine new homes. The homes have been specially designed for older residents and two are explicitly designed for residents with limited mobility. The homes are self-contained to offer privacy, but are centred around a communal garden to foster a sense of community. There is also support offered to residents through an emergency alarm service in all homes.



Image 8: The courtyard at Thrale Almshouse, surrounded by the new homes. Image source: BPTW²⁷

²⁶ Thrale Almshouse (2022) Our Vision. Available at: <http://www.thralealmshouses.org.uk/>

²⁷ BPTW (2022). Thrale Almshouse. Available at: <https://www.bptw.co.uk/projects/thrale-almshouses/>

IV. Community Land Trusts (C.L.Ts)

St Minver Community Land Trust

St Minver Lowlands in Cornwall is an area in which 71% of homes are second homes or holiday lets²⁸. St Minver CLT was formed in 2006 as a response to the growing numbers of second homes in the area, which led to unaffordable house prices for local people. North Cornwall District Council awarded St Minver CLT a £5,000 start-up grant, followed by an interest-free loan of £544,000²⁹. The CLT built 12 two- to three-bedroom homes on the Dingle's Way site, on the edge of the town. The homes involved were self-built by the future residents and the development was led by a local construction company. The sale price for the properties is £78,000 for a two-bedroom home, and £85,000 for a three-bedroom home. Property resales are capped at 31% of market value to ensure they are affordable in perpetuity. Due to the scheme's success, a second phase of the project was funded by Cornwall Rural Housing Association to build 12 further homes, with four to be made available for social rent.



Image 9: A view of some of the properties that St Minver CLT built. Image source: Cornwall CLT³⁰

²⁸ The Packet (2021) Life in St Minver, Cornwall where 71% of houses are holiday homes. Available at:

<https://www.falmouthpacket.co.uk/news/19746544.life-st-minver-cornwall-71-houses-holiday-homes/>

²⁹ The Self Build Guide (2022) St Minver Community Land Trust. Available at: <https://www.the-self-build-guide.co.uk/st-minver-community-land-trust/>

³⁰ Cornwall CLT (2022) Completed Housing Projects. Available at: <https://cornwallclt.org/projects-cornwall-community-land-trust/dingles-way-rock-2011/>

Church Grove, Rural Urban Synthesis Society (RUSS) Community Land Trust

The Church Grove project provides 36 sustainable, permanently affordable rented homes in Lewisham as part of an £8.6m project³¹. The homes have been built on the plot of a derelict school and industrial site. The project is being overseen by RUSS, a member-led community land trust based in South London with over 900 members. A guiding principle for RUSS is that the local community is involved in the design and construction of the project. Future residents were invited to several co-design sessions between 2016 and 2017 with the project's architect and self-build facilitator, Jon Broome. Prospective residents built the homes with the help of apprentices from the local community, who received training in construction from RUSS.

The allocations system prioritised applicants with a connection to the local area, who were on low incomes. The scheme offers a shared community space which includes a playground and community hall, office and kitchen for meetings, social activities, local events, and childcare. The new homes range in tenure, including shared equity, shared ownership, affordable rent, and social rent.

The scheme was funded through a combination of grants from the GLA and loans from Triodos Bank UK, Big Issue Invest and CAF Venturesome, which will be repaid through the sale of some of the homes³². The project is due to be completed in 2023.



Image 10: An artists impression of the new homes at Church Grove. Image source: Rural Urban Synthesis Society

³¹ The Russ (2021) Church Grove. Available at: <https://www.theruss.org/church-grove/>

³² The Russ (2021) Construction begins: London's largest Self-Build Community Housing Project. Available at: <https://www.theruss.org/2021/09/22/construction-begins-on-londons-largest-self-build-community-housing-project/>

V. Tenant Management Organisations (TMOs)

Leathermarket JMB

Leathermarket JMB is a 1500-home TMO formed in 1994, based across an area between London Bridge and Tower Bridge in Southwark, London. The TMO came about when a group of dissatisfied residents felt that they could offer a higher level of repairs and service than Southwark Council. A ballot was held, and the vast majority of residents voted in favour of forming a TMO. This was then followed by an 18-month negotiation with Southwark Council to develop a management agreement. A continuation ballot is held every five years to check if residents want the TMO to continue managing the estate.

In 2013, Leathermarket JMB became the first TMO in the country to become self-financing, meaning they can now retain all service charges and rent, allowing them to create a 30-year investment plan to continue delivering improvements on the estate³³.

In 2014, they formed the Leathermarket Community Benefit Society, in order to add homes to the estate in response to residents' concerns about a lack of affordable homes in the area. In 2018, 27 new one-bed affordable rented homes were completed on the Kipling Estate, on the site of a disused garage. The existing residents of the estate, and the prospective new residents, were central to designing the new homes. The 27 homes in fact were able to make a difference to 100 households, as Leathermarket was able to set up a "chain lettings" system, moving under-occupying older residents into the new homes and moving overcrowded families into the larger homes being vacated by the under-occupying residents moving into the new flats³⁴.

The TMO is now in the process of building 44 new affordable homes on the site of a disused nursery. This project will also include a new communal garden and play area³⁵.

Leathermarket JMB has calculated that there is space for around 600 new homes on infill sights around their estates.



Image 11: The new build flats on the infill site at Leathermarket. Image Source: Community-led Housing London

³³ Leathermarket JMB (2022) Who are Leathermarket JMB?. Available at: <https://www.leathermarketjmb.org.uk/about-jmb/>

³⁴ Trafford Hall and Housing Plus Academy (2019) Key Headlines from Housing Plus Academy Community Led Housing Think Tank: Community Building to Deliver Homes. Available at: <https://www.traffordhall.com/wp-content/uploads/2021/04/hpa-2019-community-led-housing.pdf>

³⁵ Leathermarket JMB (2020) Leathermarket JMB Annual Report. Available at: <https://www.leathermarketjmb.org.uk/wp-content/uploads/2020/09/Annual-Report-2020.pdf>

Bushbury Hill EMB

Bushbury Hill EMB is a Wolverhampton-based TMO with 1100 homes, 975 managed on behalf of the council, and 125 on behalf of a local housing association. The estate is made up of 1920s homes, which have mainly two and three bedrooms. The TMO was formed in 1998 when the local residents felt they could improve the day-to-day running of the estate. The TMO is run by an elected board of 12 residents who make strategic decisions, as well as paid members of staff who deal with the day-to-day operations. All adult members who live on the estate can become a shareholder for as little as 10p. As well as the management of the homes, Bushberry EMB runs community events such as fun days. They also run the Bushberry Hill Community Action Group which raises money to support local events and projects, such as a family summer trip and over-60s lunches³⁶.

Around one-third of Bushbury residents are long-term, older residents living in under-occupied family homes. There are currently very few one-bedroom properties on the estate for people wanting to downsize, or homes available for new families who wish to move on to the estate. The TMO plan to build nine two-bed dormer bungalows and two houses on infill sites across the estate. The bungalows will be built on a bare site that used to hold a community building that was demolished, and a second unused corner plot. The two houses will be built adjacent to existing homes on double plots. They hope to move existing residents into the new bungalows which will free up the larger homes for families in need. The two-bed dormer bungalow design will have a small flight of stairs up to one bedroom, with the rest of the home based on the ground floor. This design was chosen as residents may be resistant to downsizing to a one bed flat and having two beds still leaves the option of having visitors or a younger family member living with them. The homes will be built using off-site modular construction where possible to minimize disruption to residents.

The work is being funded by a combination of grant funding from Wolverhampton Council and the Community Housing Fund. The homes will be owned by the council but managed by the TMO³⁷. The TMO have also managed to buy back a number of Right to Buy properties were they have become available on the open market, in order to increase their stock.

³⁶ BushburyHill EMB (2022) Work With CAG. Available at: <https://www.bushburyhill.co.uk/work-with-cag/>

³⁷ CCH (2020) Bushbury Hill How TMO's can build & manage new homes. Available at: https://www.cch.coop/wp-content/uploads/2020/08/cch_casestudy_Bushbury-Hill-WEB-SINGLES.pdf

VI. Co-housing groups

Marmalade Lane co-housing group, Cambridge

Marmalade Lane is a co-housing group of 42 self-contained homes with private balconies and gardens³⁸. The homes are built using sustainable materials, passive energy design and the Tivselhus Climate Shield building system, an eco-building design that originated in Sweden that uses sustainably sourced building materials and passive heat technology such as triple glazing. The community is diverse in age with a mix of young families, professionals, and retired people. The homes are available for sale and rent, and the homes available for sale are significantly cheaper than general house prices in the local area.

Marmalade Lane has a common house for residents to “socialise, host guests and eat together”³⁹. The common house has a shared kitchen and lounge, a hobby workshop, rooms for meetings and wellbeing classes, a play area, laundry facilities, guest bedrooms, a gym, and a community-run shop. The scheme also has shared gardens with space for food growing. The homes are situated on a car-free lane which is designed to encourage children to play and neighbours to interact. Residents have added tables and chairs to the lane which has created a social outdoor seating area.

Residents were involved in the design of Marmalade Lane throughout the process. All residents are members of Cambridge Cohousing Ltd, which means they have a stake in the common areas and contribute to the management of the site.

The co-housing scheme arose after developers pulled out of a deal on the plot due to the 2008 financial crisis and Cambridge City Council found difficulty attracting a new developer for the site⁴⁰. The Council allocated the plot to the co-housing group using funding from Homes England.



Image 12: A communal area in the development
Image source: The Guardian



Image 13: A car free street between the houses

³⁸ Marmalade Lane (2022) Cambridges First Co-housing Community. Available at: <https://marmaladelane.co.uk/>

³⁹ Marmalade Lane (2022) Cambridges First Co-housing Community. Available at: <https://marmaladelane.co.uk/>

⁴⁰ Oliver Wainwright (2019) Marmalade Lane: the car-free, triple-glazed, 42-house oasis. Available at: <https://www.theguardian.com/artanddesign/2019/may/08/marmalade-lane-co-housing-cambridge>

Forgebank co-housing group, Lancaster

Forgebank is a co-housing community of 41 self-contained homes, ranging from one-bedroom flats to three-bedroom houses⁴¹. Forgebank has a community house with a social space, laundry, playroom, community shop, bike shed and workshop with shared tools. There is also a shared kitchen, dining room, living area and two guest bedrooms. The buildings are arranged around a car-free street to encourage neighbours to interact. The buildings are designed to the Passivhaus standard and energy use at Forgebank is around 15% of average homes. Surplus energy from the central biomass boiler and solar panels is sold back to the grid. By sharing facilities, the community can also reduce the need for individual private space and therefore reduce their environmental impact.

The residents worked collaboratively with the architect EcoArc through a participative design process to create the co-housing project and residents continue to make decisions about the estate "by consensus"⁴².



Image 14: The outside of a row of the homes. Image source: EcoArc

⁴¹ Ecoarc (2022) Certified Passive Houses for Lancaster Co Housing. Available at: <https://ecoarc.co.uk/lancaster-co-housing/>

⁴² Lancaster Co-housing (2022) Welcome to Lancaster Cohousing. Available at: <http://www.lancastercohousing.org.uk/>

7. Discussion

1. The role of small community housing organisations

In the UK we are facing a growing housing problem as the supply of social housing shrinks. From 2012 to 2016, 120,000 homes were lost to the sector and it is estimated that another 120,000 social homes were lost between 2016 and 2020⁴³. These homes are lost when not enough new homes are built to replace the social housing stock being taken out of the sector through Right to Buy, demolition, or moving social housing into an 'affordable' housing bracket. There is a growing number of people unable to access social housing but struggling to buy or afford good quality private renting. Two million people living in the private rented sector face problems of affordability, compared with 1.5 million owner-occupiers and 1.3 million social renters⁴⁴. At the same time, homelessness is on the rise. Crisis calculates that core homelessness in England grew from 187,000 in 2012 to 220,000 in 2019. This fell slightly during the pandemic due to emergency government COVID measures but is now increasing again⁴⁵.

To meet housing need, it is estimated that we need an additional 90,000 social housing units and 30,000 intermediate rented homes per year⁴⁶. While the large social landlords and local authorities have a big part to play in providing these much-needed homes at scale, they cannot be the only solution. They are facing increasing pressures on their budget to meet new building safety requirements and energy-saving climate change investments. L&Q, one of the largest associations in the UK, has reduced its annual housebuilding target by 70% from 10,000 units to 3,000⁴⁷. While each Community-led provider is small compared to the large housing associations and local authorities, collectively they have the power to make a significant contribution to the housing supply in the UK.

2. Who does the small housing association and community-led housing sector house?

People have varying housing needs; some people may need an affordable family home, while others may want a more social setting where they can receive support from other members of a community. Small community providers can satisfy a variety of needs. Our case studies have highlighted the varying groups of people housed by small housing associations and community-led housing organisations:

- Those in need of affordable social rented homes
- People wanting to live in a communal setting
- People who want to rent a home, but still have an influence and a say over how their homes are run and managed
- People in need of specialist women's housing
- Families and single people in poor quality rented housing, not eligible for social housing but unable to buy
- Elderly people in need of affordable housing and extra support, as well as elderly residents wanting to downsize

⁴³ Crisis (2020) Housing supply. Available at: <https://www.crisis.org.uk/ending-homelessness/housing/housing-supply/>

⁴⁴ Jonathan Webb and Luke Murphy (2020) Renting Beyond Their Means. Available at: https://nationwidefoundation.org.uk/wp-content/uploads/2020/06/1593455078_renting-beyond-their-means-june-20.pdf

⁴⁵ Crisis (2021) The Homelessness Monitor: England 2021. Available at: <https://www.crisis.org.uk/ending-homelessness/homelessness-knowledge-hub/homelessness-monitor/england/the-homelessness-monitor-england-2021/>

⁴⁶ Jonathan Webb and Luke Murphy (2020) Renting beyond their means? Institute for Public Policy Research. Available at: http://www.nationwidefoundation.org.uk/wp-content/uploads/2020/06/1593455078_renting-beyond-their-means-june-20.pdf

⁴⁷ Martin Hilditch (2021) L&Q to cut yearly housebuilding target by 70% as fire safety costs bite. Available at: <https://www.insidehousing.co.uk/news/news/lq-to-cut-yearly-housebuilding-target-by-70-as-fire-safety-costs-bite-70072>

- Local residents who are priced out of the general housing market in areas of high second home ownership

3. What are the unique benefits of small housing providers?

We know from our Think Tanks and our further research that these small organisations provide an important and unique form of housing.

Projects are generally set up by local people, and so are **closely linked to the community** and have good knowledge of local needs. They can respond directly to community problems, providing homes for the people who need them and keeping communities together. For example, The Bunker Co-operative was set up to provide homes for a group of local people not eligible for social housing but unable to afford high local rents. The St Minver CLT was set up to provide homes for local people no longer able to afford homes in Cornwall due to the high rate of second home ownership and holiday homes. The Thale Almshouse was set up to house elderly people in housing need with a connection to Streatham, allowing people to stay connected to their local community and support networks.

This connection to the local community and the **ability to address local problems** continues once the groups are established. Around 20 years after it was formed, Bushbury EMB found they had many older people living in under-occupied homes whilst at the same time being unable to house local families. In reaction to this, they built new bungalows suitable for the older residents, allowing them to free up larger homes for families to move into. Leathermarket JMB also adopted a similar chain lettings system. By building 27 new homes they made a difference to 100 families. It is through having a detailed knowledge of their residents' needs that these organisations are able to carry out such innovative schemes successfully.

In most cases, community-led housing groups are **resident-led, giving them real power and influence** over how the homes are run. This is very different from being a private tenant, or in some cases being a tenant of a large social landlord. This involvement can vary, from a resident-led board to residents having a share in the ownership of the properties.

In the cases where there are paid staff, such as in most TMOs and small housing associations, the size of the organisation means the paid **staff build close relationships with the residents** and respond quickly to any problems. They have local offices where residents can easily pop in and talk about any problems they may have.

Community-led housing schemes often **use space in innovative ways, making use of space that larger developers may not consider**. Using lots of small sites has the potential to make a big difference to the housing supply. Bunker Road Housing Co-operative built their homes on a small site that the council had deemed unviable to build on because of its size and location. Lambeth and Southwark used infill and air space between two of their existing blocks to create 31 new homes. This development also improved the energy performance of the existing buildings and added lifts.

Small community-led building projects often try and achieve **high levels of energy efficiency** through new and innovative building methods. For example, the Foregbank Co-Housing group built their homes to Passivhaus standard. The homes use 15% of the energy use of a typical home. Energy is supplied by solar panels and a biomass boiler with surplus energy being sold back to the grid. Lambeth and Southwark Housing Association, Bushbury EMB

and Bunk Housing Co-op all opted for offsite modular construction which minimises waste and reduces disruption to existing residents.

Community-led Housing can tackle more than just housing. For example, it can tackle social isolation through communal social spaces; providing a homeless shelter run by volunteers; developing sharing schemes for older under-occupiers; and giving people the opportunity to learn new skills. Community-led projects often include the development of new community assets for the benefit of the wider community, for example, the RUSS Community Land Trust development in Lewisham includes a new open access community hall and playground. In addition, many small housing organisations utilise a hands-on approach to development, given local people the chance to develop new skills.

Community-led housing schemes can help **support the local economy** by using small local contractors, that larger housing providers and developers may not consider.

4. What are the challenges facing small housing providers?

Despite their clear benefits, small organisations face challenges in developing new homes:

- Lack of funding can be a huge barrier to community-led housing groups getting off the ground. A lot of lenders are risk-averse and hesitant to lend to community-led housing groups, as the sector is still not seen as mainstream. Inevitably they have less reserves, less resources, a smaller asset base, and a more limited pool of skills.
- Small housing groups are often set up by local people responding to local needs. This can sometimes mean they do not have all the skills, expertise or institutional knowledge within the group to meet all the challenges of building homes. It is important for groups to partner with larger organisations and tap into people with the right knowledge and skills. For example, the Stirchley Road Co-operative partnered with housing association Accord Group, which provided advice and guidance.
- Due to the size of developments, small organisations mostly utilise use small sites. This can often create challenges with planning and viability. It can be harder to access credit due to the increased risk of small sites, and lenders not being familiar with that type of scheme.
- Larger housing associations often acquire new housing through Section 106 agreements, this can often prove difficult for small housing providers as they become responsible for just a few properties in a larger block, and it is often unclear who is responsible for the overall management of the building.

5. Funding development in small organisations

Small groups often need external funding in order to become established and to develop new homes. The 14 case studies we selected illustrate the wide variety of funding sources that small groups can work with. Over half of the groups received grant funding from Homes England and the Community-led Housing Fund. Two of the groups managed to receive a loan from a small ethical lender. Leathermarket JMB managed to self-fund the work through managing their own rental incomes, however, this is only an option for a well-established group who have had the time to build up income over time. Partnering with a larger organisation who can fund the work in return for a proportion of the income generated by the new homes can also be a good way to access funds, as Women's Pioneer Group did.

6. Support for Community-based Housing Groups

Community-led Housing can only grow with significant professional support. Groups need access to solid expertise to set up projects.

Housing associations can be useful allies for Community-led Housing groups, sharing their technical knowledge, helping with infrastructure, and developing and managing rented homes. Partnering with housing associations can provide some of these skills lacking from within the groups and help to make an idea into a viable project. For example, Stirchley Co-op partnered with Accord Housing Association to help provide advice throughout their project.

Local authorities can be very proactive in helping Community-led Housing groups to develop. The process of making a planning permission application with a local authority is lengthy and complicated. Local authorities can help by communicating clearly with the groups that are applying and keeping them fully informed of the process. A local councillor was very supportive of the Bunker Housing Co-op and encouraged the council to support the group in gaining access to the land they wanted. Developing a strong relationship with the local council that groups are working within can significantly smooth the path.

Partnering with sympathetic developers to build homes can also be a useful way for small housing providers to gain both the funding and skills they need. For example, Lambeth and Southwark partnered with a specialist developer to build new homes. Without this partnership, they feel they wouldn't have had the in-house skills or been able to take on the financial risk of building the new homes. Women's Pioneer Group partnered with a "person-centred" developer to build new homes, of which Women Pioneer will own and manage 60 new affordable homes, while the developer will own and manage the 120 co-living units.

Individuals providing support and advice to groups can also be critical to their success. For example, the planner, architect and project manager of the Bunker Housing Co-op projects agreed to work "at-risk", meaning that they agreed to work before funding had been finalised. Without the support of these individuals, the co-op would have struggled to get the project off the ground.

7. Conclusions

One fundamental feature of the community-based housing organisations that we researched is that they aim to meet local needs. Since this is rarely possible without extra support, there is a glaring need for partnership working and policy backing. In order to develop and grow, community based housing organisations and small housing associations need support from larger organisations and funders in order to gain the skills, expertise and funding for developing homes. This can come from local authorities, housing associations and developers willing to partner on projects and share the risk. Above all, they need clear and long-term government support to provide a stable environment in which they can flourish.

Community-led housing takes many different forms, from community-land trusts to TMOs, and can house a wide variety of people needing homes. Community-led and based housing organisations offer the advantage of having close connections to the local community and being able to meet the needs of local people. Due to their limited size, they can use small sites, unviable for larger developers, as well as trial innovative building methods. Residents in these organisations have real influence over how their homes are run and managed. Collectively, community-led housing has the potential to make a significant difference to housing supply in the UK, helping to provide affordable homes to people in housing need.

8. Appendices

Appendix 1: Headlines from Community Led Housing Think Tank 6th -7th February 2018

1. **There are many different models of community led housing.** There is a general agreement on the need for a clear, **legal framework** for community led housing that is fluid, enough to pioneer micro-projects that inspires other people to take action.
2. Keeping **access to community led housing open** to reach low income groups is a very important principle. There is a danger of creating 'little ghettos of likeminded people' as some participants described it. It is fundamentally important to stay open to the wider community and make sure that all groups are inclusive. This requires real commitment. If there is wider community involvement and support, it reduces local opposition and NIMBYism. It broadens the focus away from the narrow interests of the group to include those who most need housing.
3. The government has announced a **Community led Housing Fund of £60 million per annum**, of which £20m is reserved for the creation of regional hubs to support new groups; the rest will be used for grants for small housing organisations to help them gain planning permission and to build. Will it be spent well? Will the drive for numbers and speed undermine the principle of community led housing? There is a fear that larger, stronger social landlords may secure most of the money.
4. **Current housing provision is failing many groups**, making it attractive to "do something yourself", which can set off a virtuous circle – help others, involve community and reduce costs. **Many active groups form out of frustration with the failures of the existing system.** Private housing is no longer seen as the only answer. Community led housing, either renting or part owning, offers an alternative route and the new fund is supposed to help these groups. It taps community energy and on a small scale it can work in small areas where big providers aren't interested.
5. **Community Led Housing is similar to most small Housing Associations in their origins, with a small, community based focus which listens to residents and responds to local needs.** There are still many community-based housing associations that operate at grassroots. It is important to include these within the community led housing field.
6. **Community led housing can be very useful in offering support to vulnerable people.** Community led housing helps to mix the caring and carers with those who need care. It can also encourage intergenerational contact. "Co-housing is a lovely patient ideal" which can do

this. Community housing promotes mutual aid, which ensures support. The Camphill model of housing and care, where carers and cared for share a community on equal

footing is a model that is much admired.

7. On the other hand, **shared living in a co-operative house can become difficult** where people want or need their own space. There can be problems if one 'unbearable, uncooperative character' prevents harmonious living arrangements. Sometimes it is unnecessary to ensure more individual space within a shared structure.
8. Giving people a **limited equity stake can prevent the breakup of co-operatives** while giving members some autonomy. It's important to not fully own your 'share' of a community housing scheme, as it then becomes unaffordable for the next generation to secure access. By holding some equity collectively for the long-term, it becomes possible to sell your share back to the organisation and the next person can buy the minimum equity.
9. **Community led housing can evolve from community campaigning** e.g. against some threat such as the demolition of low cost homes. Charteris Road in Finsbury Park is an early example of this (1976); West Kensington and Gibbs Green, London, are current examples. They illustrate that **community led housing can involve a whole area where everyone's homes are affected** and the situation requires joint action. Both of these examples of community led housing stem from Council demolition plans. Community led housing can have much wider benefit for the whole community, even if only a small minority are actively involved.
10. **Community led housing relies on volunteers, but also on professionals.** It is important for professionals not to forget that people on low incomes in low paid jobs may have less capacity or time for close involvement than professionals, who often have more flexible working arrangements. It is also important to recognise that **professional skills are necessary for building work, finances, legal structures, and planning.** Professionals who offer to put in free time can make community led housing affordable. Sometimes groups are formed with professionals involved from the start; sometimes groups need to find professionals to help them deliver on their ambitions. **Most people just want a home and a large majority don't get directly involved,** but there are ways of getting more people active in the community e.g. through fun, family events. Training is key to sharing knowledge, involving more people and ensuring that succession within the community can happen.
11. **Community led housing organisations need to work with council officials and civil servants,** as they are often a key to progress and they can provide the help groups need. There are many examples of achieving collaborative progress through solid efforts to work with officials.
12. Old, **low value terraced housing** in low value areas can be made attractive – Gioscope, based in Hull, has shown how this can work over 30 years. Restoring low value, semi-derelict housing saves energy, helps improve low income areas and provides low cost housing for people who need a home and want to live in the area. This approach rescues housing that might otherwise disappear. It is **not gentrification.**

13. Community led housing can be a charity, with their **main reason for existing being to help house people with the greatest need, offering wraparound support and making it pay in a low cost market.** This type of group often relies on Housing Benefit. Giroscope, for example, both helps people with high dependency and keeps the rents low enough to be affordable for tenants who are in work and not in receipt of Housing Benefit. Under this model, it is possible to borrow on assets and pay back through rents. **This “helping” model does dictate the need for a strong business sense and strict but supportive management.**
14. Resource depletion and climate change are huge problems so **saving energy whilst improving the local environment by reclaiming buildings and materials are intrinsic to community led housing.** Upgrading can cost up to £40,000 with the purchase of a house, but this is still cheaper than acquiring a new site, demolition and new build. Eight percent of existing homes will still be here in 2050 so it is vital to upgrade existing properties. People can be educated to make retrofit successful. One key to the success of retrofit is the need to ventilate properties which have been made airtight for energy efficiency reasons. A whole house approach works improving all components at once but it can be done incrementally.

Ways Forward

- Build strong collaboration between leading organisations that attended
- Work hard to partner with the Community Land Trust Network, Confederation of Cooperative Housing, etc. on follow-up with the Community Housing Fund
- Liaise with Nationwide Foundation on follow through actions
- Pool learning and experience between groups so that knowledge, examples of different models, and professional know-how and skills can be shared
- Keep up to date with information about the new Community Housing Fund so it can be utilised in the best way

Appendix 2: Headlines from Smaller Social Landlords Think Tank 24th-25th September 2018

1. **Smaller housing associations play a valuable role in local communities where they operate, in spite of their small stocks and slow growth.** Of the 1459 non-profit registered providers of social housing in England, 1045 are small HA’s with less than 1500 housing stock, representing 71% of the sector. However, 400 larger housing associations (29% of the sector) have a total stock of nearly two and a half million homes – much more than all the combined stock of smaller associations. In the year 2017-18, small housing associations built or acquired an extra 300 homes in total. There is a “long tail of non-developing small housing associations” as a result of cuts in grant funding and smaller organisations with smaller reserves being more risk-averse
2. **Small housing associations offer many advantages and direct benefits to tenants:** accessible staff; a personalised service; familiarity with tenants; known faces and recognisable voices on the phone; close community links; tenants in these

organisations are more than numbers on a spreadsheet. Smaller housing associations develop direct ways of working with tenants that encourage tenant responsibility for the condition of their property and for rent payments. Smaller housing associations find more opportunities to give residents a direct say, as contact is more direct and more local. Small housing associations prioritise the local community because that is the basis for their existence.

3. **Overcoming the barriers to the growth of small housing associations, using small sites, small builders, and small professional organisations** has the potential to add much needed homes within low income communities. Through its L&Q Foundation, London and Quadrant Housing Association (with 105,000 homes) has set up a fund of £100 million to support the building of small clusters of low-cost homes on small sites to sell on at cost (i.e. nil profit) to small housing associations wanting to grow. They will do this in close collaboration with partner “smalls”. So far, 12 “smalls” are working with L&Q’s dedicated team, having registered an interest, taking on small grounds of property to rent. This includes nine housing associations from the London BME Network. L&Q does not have a tradition of building small developments of 5-30 homes, nor for acquiring small sites or working with small contractors.
4. **Small scale development with small housing organisations will help build capacity and skills across a whole range of organisations, in addition to the small housing associations, including small groups of architects, surveyors, builders, lawyers, suppliers, etc.** Experience of working on small sites to produce small amounts of infill housing can facilitate a process of capacity building across a whole chain of key actors. It will also help larger supporting housing associations such as L&Q to adapt their development and delivery skills to new needs.
5. **The Greater London Authority is encouraging the expansion of smaller housing associations and the development of smaller sites.** It is also supporting L&Q’s initiative. Hopefully, Greater Manchester and other combined city authorities will do the same. Birmingham has set up an alliance of small housing organisations. In Glasgow there is a big network (59 in all) of small, community based housing associations, which the City Council actively works with. The same is true in Greater Manchester.
6. **Smaller housing associations, wanting to develop new homes and grow, face some key challenges.** Planning is a particular problem for small sites, which often present awkward challenges. An inner London borough recently turned down a planning application from a small housing association on the grounds that there was “no demand for more social housing in the area” – a claim that was patently untrue. An alternative approach by “smalls” is to build on “air space” above existing buildings. There are other barriers besides planning, including lack of technical expertise, financial strength, development experience, etc. Sometimes it is possible for consortia of small housing associations to strengthen their capacity to develop by joining together, making borrowing easier, and allowing the pooling and sharing of expertise. It is potentially extremely helpful, given these barriers, for larger housing associations to help and support smaller ones.
7. **There are many complex technical issues that need to be handled with care and competence in order to deliver new homes. This applies not only to small but to all sites.** It is essential to secure the right skills and knowledge, experience and

resources. Building is a slow, complex and technical process that carries significant risks. The Hackett Review made this very clear. Developing housing associations need to have mastery of and capacity to deal with:

- planning and design processes;
- contracts;
- loans;
- negotiations;
- risk assessment and provisional sums;
- engineering requirements;
- legal documentation, etc.

The risks are many, and difficult to handle. This can drive smaller, less well equipped organisations away from development, impeding growth.

8. **Some small community-based housing associations operate in low demand areas where the problems are intense in order to restore and fill existing properties.** A personal approach to lettings – interviewing applicants and explaining tenancy conditions and services – can attract tenants and reduce turnover, repairs, damage, and anti-social behaviour. Personal contact changes the reputation of an area and attitudes to living in it. In areas of “surplus” housing it is important to “court working tenants” to help fill empty properties at relatively low cost. Recruiting young people as trainees to restore and renovate properties can bring homes back into use quite cheaply. Government backing for this type of upgrading, while training young people in construction, would help a lot. Low demand affects large areas of the country outside the South East.
9. **Small housing associations can grow through acquisition of existing homes rather than new build.** Some local authorities for example transfer empty or hard-to-let property to local housing associations. Government policy should incorporate the value of empty property as a way of increasing supply, alongside the push to build more homes. It is not logical to think only of numbers of new homes built, particularly as in many areas there are many empty homes needing upgrading. Sometimes larger housing associations want to dispose of small clusters of property that are isolated from areas with larger concentrations of their stock. Small locally based housing associations can help stock rationalisation and grow by taking on property no longer wanted by larger housing associations.
10. **Smaller and larger housing associations have many different characteristics, even though their core housing purpose is similar.** Building up trust, developing relationships and creating partnerships between larger and smaller housing associations can help to strengthen smaller associations by adding to their stock and strengthening their viability. It can help larger housing associations can become better at connecting with local communities and strengthening their local connections, as well as learning to break down their functions to match the capacity and needs of smaller partners.
11. **Black and Minority Ethnic associations – almost all small –make a special contribution.** Several recent tragedies and troubles, including the Grenfell fire disaster, the Windrush scandal, and the 2011 riots, have raised the profile of racial and ethnic exclusion, and highlighted the benefits that specialist BME housing organisations can bring. They are keen partners in the new programme of growth

that L&Q is supporting. On the other hand, there are serious threats to their survival as one-third have been absorbed into bigger housing associations in recent years. They are therefore worried about their future and keen to strengthen their viability by adding small, manageable increments to their stock.

12. **Some small housing associations have not registered with the Regulator BUT formal registration is encouraged and does bring some benefits.** For example, it may help a small housing associations become eligible for care and support funds; and there is a special fund for doing up empty property. Several smaller housing associations are now going ahead and registering. Homes England is encouraging small and community-led housing providers to register under a “fresh start” approach to regulation. This will help smaller housing associations meet standard performance criteria, allow them to benefit from funds such as the Community Housing Fund, and make them more solid partners for larger housing associations such as L&Q.
13. **Some small, community based housing organisations provide much wider services than simply providing homes.** For example, they can encourage sharing in under-occupied, owner-occupied homes where the owners are older and have too much space, and some care needs; local groups may provide homeless night shelters; work with private landlords to improve private renting conditions; and make private renting more affordable and secure; explore tenant management with social housing tenants on larger estates; work with existing local housing associations to develop homes, etc.
14. **Community based and community-led housing needs time to embed and grow so the pace of government agendas can be too fast.** This certainly appears to be the case with the Community Housing Fund. Small housing associations grow community roots over a long period. These roots can be reinvigorated and strengthened especially if they continue to grow incrementally. This will then strengthen communities. **One of the strongest arguments for “smalls” to grow is that over time gradual, they need to be able to house the next generation and other community residents.** Organic, gradual expansion is part of the natural cycle of successful communities. So as demand to live in community-based, rented housing rises, it is actually possible to meet that demand and strengthen the local organisation through gradual expansion.

Debate: “You need to be big to get loans, land, and recognition- staying small doesn’t work”

Key Points

1. Small housing associations easily create a “community feel” where residents have a sense of belonging
2. We shouldn’t set big against small – rather they should cooperate and complement each other
3. In-kind help and “professional generosity” can help to close gaps – as L&Q is aiming to do. Cross-learning is very significant
4. Bigger developments need and can afford to provide or attract additional services. Infill clusters of new homes simply fit into existing services

5. It is possible for larger organisations to become too big and be forced to break down into smaller units, e.g. banks and lending
6. If you're working at a small scale, you're more likely to identify small sites. It's better to develop lots of small sites (5-15), so that each small association takes direct responsibility, rather than bigger sites to share between organisations
7. Community based housing organisations have a responsibility to grow to be able to help house their children and neighbours
8. Bigger organisations can break down what they do and deliver via smaller units. For example, the Priority Estates Project set up estate based management with some of the biggest local authorities in the country, Tenant Management Organisations usually evolve on council estates as a small neighbourhood organisations in response to large scale, remote management
9. Small organisations must recognise their own limits. They can be dynamic in serving the public interest and there are many things can do, and do well. But they can't do everything and it is good to encourage bigger housing associations to help
10. At the end of the debate, positions were much more evenly split with a majority favouring a third option of working together to grow, rather than polarising what happens between big and small

Appendix 3: Headlines from Housing Plus Academy Community Led Housing
Think Tank: Community Building to Deliver Homes
29th-30th January 2019

1. **Community-led housing has distinct benefits**, compared with traditional forms of social housing.

- Projects are **closely linked to the community** so have a good knowledge of local need. It is important projects have buy in from the local community. They can help integrate diverse groups, and generate self-help and local leadership.
- Community-led housing schemes **can use smaller sites and disused buildings** that bigger schemes wouldn't consider. These have the potential to make a big difference if they are added together. Groups are also **able to access exemption sites** which aren't available to commercial builders. Two examples:
 - 27 homes built on an empty garage site on the Leather Market estate in Southwark made a difference to 100 families through a chain effect by housing under-occupying older tenants into the new block, allowing overcrowded families to move to bigger and more suitable homes. They have calculated on the estate that they will have the capacity to build 600 homes on infill sites.
 - Giroscope, a housing charity based in west Hull, has bought and repaired empty properties, adding over 100 rented homes over nearly 30 years.
- **Community-led Housing can tackle more than just housing.** Community-led Housing is a social investment as it can help to ameliorate other social issues. For example, it can tackle social isolation through communal social spaces; providing a homeless shelter run by volunteers, developing a sharing scheme for older under-occupiers and giving people the opportunity to learn new skills. For example, the new build scheme Giroscope are running has opted for the Walter Segal⁴⁸ building method so everyone can join in and learn new skills.
- Smaller projects have the **potential to encourage innovation** such as using sustainable building methods. For example Brighton and Hove CLT are using new technology and investing a lot in the actual build of the houses to ensure they are good quality and cheap to run.
- Community-led Housing schemes can help **support the local economy** by using small local contractors.

2. **The government's Community-led Housing Fund** is very useful in helping groups get off the ground. The fund was launched in 2016 for £60 million over 4 years. For this fund to reach its full potential it needs to be extended past March 2020. The lead in time for developing projects and building homes is longer than this.

- The more units that are in the pipeline the more chance there is of the fund being extended but there are barriers which stop groups getting to this stage; they need funding to help them get to this point.

⁴⁸ The Walter Segal self-build approach to construction is uniquely organised so that anyone who can use basic tools such as a saw, hammer, drill/driver, tape measure, etc. can build a house.

- There are three different parts of the fund:
 - A. Grants for pre-development costs
 - B. Capital grants for building
 - C. Grants that local authorities can apply for to build the infrastructure groups need e.g. an access road
- There is **still a lack of clarity around some aspects of the fund**. For example, it is not clear if community groups :
 - Can you apply now for government funding even if they cannot deliver by March 2020
 - if they have to claim in arrears
- It is not always **easy for groups to understand how the fund works** and establish what help they are eligible for. It is important any problems in accessing it are fed back so they can be improved.

3. Community-led Housing groups are required **to become registered providers to be eligible for capital funding**. The government is working to make this easier, but groups shouldn't delay their application.

- There is a suggestion that groups can join together to become a "group" registered provider to simplify, share skills and save time.
- The fund must deliver 2000 homes which limits the amount that can be allocated to each unit to roughly £30,000.

4. **Lack of funding can be a huge barrier to Community-led Housing groups getting off the ground**. A lot of lenders are risk adverse and hesitant to lend to Community-led housing groups, as the sector is still not seen as mainstream.

- There are different funding options available to groups, some key examples include:
 - The "Reach" process links groups up with expert advisors who can help them apply for funding. They start by giving groups £15,000 to make them "investment ready" and provide support and technical expertise to groups wishing to develop new affordable homes for their communities.
 - The Glendale Gateway Trust, which used a Community Bond Scheme. They asked local people for £1000 for 3 years at no interest with the agreement they would get their money back after 3 years. They raised £128,000, £24,000 of which was converted in grant funding at the end of the loan period. It helped give confidence to other investors as it showed community buy-in.

New Wortley Community Housing in Leeds received a grant of £74,580 from Power to Change to develop houses on a piece of land which the Council has been encouraging developers to build on for 14 years. There are high levels of deprivation in the area and high demand for affordable housing. The land is being transferred from the council to the association through asset transfer at a peppercorn rate. 5. Community-led Housing Groups will only **grow with significant professional support**. Groups need access to solid expertise to set up projects. The National CLT network aims to build a network of advisors around regional hubs by running a technical

support advisory programme that gives people the skills to advise groups on a range of Community-led Housing issues. Their role is to advise groups on how to move forward.

- The Hubs are centres which provide advice for local community-led housing groups to help them develop. Areas with successful well established Hubs such as the South West have more Community-led Housing; nearly 1000 properties have been developed by Community-led Housing groups in the last 10 years the majority of which are concentrated in the South West. For this reason the government is providing funding for the technical support and advisory programme to help the hubs develop. Supportive local Housing Associations is also an important factor in helping groups develop.
- Groups need a good knowledge of each stage of the process (e.g. how long it will take and what funding is needed) and the hubs and advisors can help provide this information.
- The Hubs are sometimes struggling to sustain momentum. They need more stable funding but they also need to become more business minded.

6. Housing Associations can be useful allies for Community-led Housing groups, sharing their technical knowledge, helping with infrastructure and developing and managing rented homes. Sometimes those with the highest need have the lowest skill sets. Partnering with housing associations can help provide some of these skills. This can take different forms and there are some useful examples:

- Powerstock CLT have partnered with Hastoe Housing Association. The housing association applied for a grant and loan from the government to fund the houses being built and will manage the houses on behalf of the CLT. The CLT will own the freehold of the community housing scheme.
- Bridport Cohousing is working with Bournemouth Churches Housing Association, who financed half the building costs and rent it out on behalf of the CLT.

7. Some Community-led Housing advisors have found it harder to establish groups in urban areas (e.g Surrey Community Action in Guildford). The challenges faced are often linked to the lack of available land, higher costs and higher mobility despite these areas having greater housing needs.

8. Local Authorities can be very supportive in helping Community-led Housing groups develop.

- The process of making an application for land with a local authority is lengthy and complicated in many cases. Local authorities can help by communicating clearly with the groups that are applying and keeping them fully informed of the process.
- Difficulty of land acquisition and planning can present major barriers to small groups successfully gaining permission to build homes. There needs to be a clear policy focus on the value of small sites, coupled with taking sufficient account of the planning complexities.

- Local authorities need clearer information and briefing on Community-led Housing and its benefits, so that they are well informed on how best they can support these groups.

9. Partnering with other larger Community-led Housing groups can help provide the skills needed for smaller groups to get off the ground, for example Cornwall CLT will do a lot of the development work for small groups in the area.

10. There is still very uneven knowledge of how Community-led Housing works and helps. Examples of good projects need to be written up and widely publicised to encourage more groups to develop in this way. Groups can share learning, including any mistakes they have made. This will strengthen the sector.

11. Only long-term management plans ensure the sustainability of projects. Building the houses is only the beginning. Many of the 500 Co-ops established in the 70s/80s, when there was government funding to support Cooperative housing, had failed by the 90s because support was withdrawn. Management and oversight of the overall scheme is vital. If management of the stock is outsourced, groups must ensure that CLH does not 'drift' and lose its community base.

- Groups need to build community engagement into their plan from the start and work out how to ensure that the group can continue e.g. building involvement into tenancy agreements.
- There can be challenges if people are both tenants and the landlord in how you control and manage rent collection.
- Cornerstone Housing has regular meetings which resident agree to go to as part of their tenancy agreement. They have outside advisors attend the meetings to help ensure accountability.

Action points and recommendations:

- Groups should lobby their local MPs to put pressure on government to extend the Community Housing Fund.
- Groups should feedback any problems with accessing the fund to government so it can continue to be improved.
- Planners and Local Authorities should receive training on what CLH is and how they can support groups.
- Government should encourage Local Authorities to appreciate the local benefit of Community-led Housing and share examples of good practice.
- Groups need to work as closely as possible with their local authority. Groups should encourage Local Authorities to apply for the Local Authority section of Community-led Housing fund by showing them what they need in the application form.
- Local authorities should support groups in applying for planning and land by making them aware of what is happening at each stage of the process.
- Groups need to learn from each other, to help ensure the same mistakes are not made. Hubs can play an important role in doing this.
- Long term sustainability of the project needs to be carefully planned to ensure the project remains viable and delivers on its original aims.
- Groups need to explore a range of funding options.
- Groups need to become less reliant on grant funding i.e. build for market sale