UNIVERSITY OF BIRMINGHAM

Centre for Urban and Regional Studies

Forging Mutual Futures – Co-operative and Mutual Housing in Practice: History & Potential

Phase 1 Research Report to the Commission on Co-operative and Mutual Housing

Rob Rowlands

Forging Mutual Futures – Co-operative & Mutual Housing in Practice: History & Potential

Phase 1 Research Report to the Commission on Co-operative and Mutual Housing

Rob Rowlands

Centre for Urban & Regional Studies

Birmingham Business School, University of Birmingham

Contents

List of Tables and Figures

Acknowledgements

Foreword from the Commission

The Commission on Co-operative & Mutual Housing welcomes this important piece of research and its findings. This is the first major report about housing co-operatives and mutual housing organisations for a long time. Its publication is timely since interest in the applicability of mutual models for both the economy and society is growing in the wake of the credit crunch. Mutual housing approaches are increasingly seen as a sustainable means to provide much-needed new affordable housing and to make a significant contribution to the economic viability and cohesion of today's complex and changing communities.

The findings presented in the report are interesting and provide a foundation upon which the Commission's future work will be built. However, a note of caution: the findings are based on a small sample of case study mutual housing organisations only and the wealth of information about housing co-operatives and mutual housing organisations awaits further research.

Commission on Co-operative & Mutual Housing
28th February 2009

About the Commission on Co-operative and Mutual Housing

An independent Commission to explore the historic role of housing co-operatives and chart potential mutual futures for this diverse sector has been set in motion by the Confederation of Co-operative Housing, Co-operatives UK, the Co-operative Development Society, social housing providers Accord, Matrix, Hanover, Preston Community Gateway, Trident and WATMOS, and the Housing Associations Charitable Trust (hact). The Commission is also supported by the National Housing Federation (NHF) and the Chartered Institute of Housing (CIH). All main political parties have signalled their interest and the work of the Commission was acknowledged in the recent CLG 'Communities in Control' White Paper.

The Human City Institute (HCI) and the University of Birmingham's Centre for Urban and Regional Studies (CURS) are carrying out independent research to inform the Commission's work.

The Commission will sit for around 15 months, publishing a series of interim reports, findings, and articles, organising a range of events to disseminate findings widely and promote the sector extensively with policy-makers, other sectors, residents and communities. A final report will be published in late summer 2009.

Housing is at a critical cross-roads: housing needs are identified to be significant in the next 20 years yet the ability of households to access housing which meets their needs and aspirations is being hampered both by affordability of the property and an insufficient supply. The credit crunch has changed these needs and problems but they have not gone away. At the same time, a debate is ongoing about how to better deliver affordable housing in a form which meets both individuals and society's aspirations. Housing co-ops and mutual structures have played a fringe role in this agenda to date yet the present challenges present a unique opportunity to understand how they may play a more significant role in the coming years.

This research by the Centre for Urban & Regional Studies at the University of Birmingham examines:

- The forms of co-operative, mutual and community based housing that have been tried in the UK and how successful have these forms been?

- the critical success factors of co-operative and co-ownership housing models

- The factors which have contributed to the limited sustainability of co-operative and co-ownership housing in the UK?

- The scope for the development of existing and new forms of co-operative and mutual housing for the delivery of affordable, sustainable housing in the UK?

Why co-operate

Human nature - the need for co-operation comes back to the idea that the sum is greater than the individual parts. Communities take on characteristics which are a development of those of the people within it. Individuals can gain more together than on their own, if for no other reason than numbers cannot be ignored, as illustrated through public demonstrations.

Efficiency and effectiveness - Whilst much has been written about the privatisation of society, there remain elements of life where mutuality is necessary. Recent research highlights that neighbourliness is valued by individuals and contributes to a better neighbourhood (Buonfino & Hilder, 2007), and that community is locality based,

where there is a positive proximity to others and where there is support available (Scase & Scales, 2003; BMG, 2007).

Compromise - At the same time co-operation is as much about compromise as it is perfect harmony and is therefore dependant on democracy to ensure that power is not concentrated at the centre or in the hands of the few. This requires a reconsideration and revitalisation of democratic structures to balance power and mediate differences.

History of Co-operative Housing

The history of Co-operative housing has been illustrated by previous research and could have a lot to offer:

> *"The uniqueness of co-operatives derive from their ability to combine political and economic democracy through their blend of democratic control and common or joint ownership."* (Clapham & Kintrea, 1992, p39)

But for the politics and the lack of reflection on the past has been a major barrier to their successes:

"It is interesting that co-operators, through a lack of sense of history, have often 'reinvented the wheel' as far as co-operative structures are concerned." *(Birchall, 1991, p4)*

The 3 main phases of co-operative housing development have illustrated both successes and failures as illustrated below:

	Context	Development	Outcome
Phase 1: Co-partnership Housing	Garden city movement Industrialisation and housing need	Collective ownership, dispersed stock External capital and investors Capital return on investment	Mutual respect for neighbourhood Power struggle for control Rent controls, privatisation and lack of support Lack of co-operation between societies
Phase 2: Co-ownership	Aspirations for home ownership New models encouraged Scandinavian models	Collective owners, individual tenants Development separate from management	Mistrust of residents Regulatory difficulties Financing increasingly difficult

		Experimental	1980 Housing Act
Phase 3: Common Ownership and Tenant Management	Political support for co-ops Political support for by-passing municipal government	Secondary-Primary relationship Initial access to finance Understanding of niche markets	Accessible to low income households Rise in tenant control Financing becomes tighter – post '88 Regulatory difficulties

Although at different points in time, the same stories emerge from this history. The outcome of these models is mixed, but a history which is useful to consider in developing mutual models of housing in the future. Each phase has been good at meeting specific housing needs at that particular time. However, the models have lacked flexibility to adapt to changing circumstances and new markets sufficiently to grow and in some cases survive, although arguably the last phase has been the most successful in sustaining itself. A series of persistent barriers emerge:

- A lack of sustainable finance
- A lack of coherent support structures to facilitate and help societies and the wider movement develop and sustain itself
- A lack of sustainable political support

As Birchall has suggested:

> "[co-operative housing] *will always slip into a form of owner-occupation or landlordism, succumbing to the wider social forces which sustain these dominant tenures.*" (1992, p11)

And it is for these reasons that Clapham & Kintrea (1992) suggest that there is a need for continual adaptation by co-operative housing organisations to meet the needs and requirement so prevailing attitudes and institutions whilst remaining something between renting and owning. To do this requires innovation and support.

Position Today

Today there are 247 co-ops registered with the Housing Corporation, 25 co-ownership societies and, 202 Tenant Management Organisations[1]. There are 4 community gateway associations in development in England and 2 Community

---

[1] At the last reliable count in 2002

Mutuals in Wales. The role of community based housing associations is key to many partial stock transfers. In addition there are other non-affiliated co-ops, such as the Radical Routes movement. Although these numbers appear large their sustainability should not be taken for granted and the room for growth of these numbers should be considered. There have been few new registered co-ops in the last 15 years. Redditch Co-operative Homes and its affiliate co-ops have been an exception but may be a model to consider for future development in the current financial framework for housing associations.

The advantages of co-ops are well known within the sector, but outside few people understand what a co-op is let alone their advantages. Evaluations of co-ops and TMOs have shown in the past that they are effective managers of housing and often outperform other forms of housing organisation. However the evidence is now dated. The benefits of these organisations are not solely confined to cost-effectiveness but also the gains that tenants make by being involved in them and research indicates the positive role that co-ops can play in addressing social exclusion (Clapham et al 2001).

Effectiveness of Housing Co-ops and Mutuals

Updating the previous Price Waterhouse study's consideration of Performance Indicators illustrates that overall co-ops perform well against the key performance Indicators. This includes:

- **Arrears**: 1.4% compared to the global RSL average of 5.2%. It has been suggested that co-operators as owners of the business have a vested interest in the

- **Vacancies and relet times**: There are fewer vacant and available properties in the co-ops and the relet turnaround is faster. Voids are seen as a drain on the co-ops resources by the co-operators themselves and pressure is exerted to fill these as quickly as possible.

- **Stock failing decent homes standard**: is dramatically lower than the global RSL average.

- **Repairs**: co-ops fair comparably with the national average for routine repairs. Very little comparative data is available for this PI. However, using the performance targets adopted by most RSLs the co-op average compares well (target in brackets):

  Emergency repairs – 97.5% (95%)

  Urgent repairs - 91.5% (95%)

  Routine - 93.6% (90%)

  However, it has also been suggested in responses that response times are an imperfect measure as they do not reflect the flexibility of appointment times and attention to quality adopted by many co-ops.

- **Tenant Satisfaction**: The measures used in the PIs again show a much higher level of satisfaction amongst co-ops than the national average for RSLs. Overall tenant satisfaction is at 94.8% whilst satisfaction with participation is at a staggering 99%.

Further evidence collated in the case studies reinforces this view of high performing housing organisations and illustrates the difficulties of demonstrating their added value through performance indicators.

- Redditch Co-operative Homes is an example of how a new housing co-op can be established under the existing housing finance regime. Its high tenants satisfaction levels are an advert for the organisation within the borough and it is recognised as a pioneering structure by the Audit Commission;

- Preston Community Gateway Association demonstrates how a mutual model can provide real community ownership in the stock transfer process, how a culture of change can be delivered in replacement of a previously unresponsive organisation and how neighbourhoods can be managed with and not to local communities.

- Work for Change highlights the positive contribution a co-op can make to a neighbourhood in spite of limited understanding of their ethos and culture by some partner organisations. It provides work space to facilitate spin-out of home-developed businesses and together with the associated housing co-op,

Together with Homes for Change, it is a demonstration of a sustainable community in practice.

Moving Forward

The research provides a number of learning points if mutual housing is to play a key role in the challenges faced in today's society. However gaps remains, critically around:

- Our understanding of what housing consumers and particularly those who are in housing need require from their housing. Without this market intelligence new models cannot effectively be developed to meet their needs and aspirations.

- The contribution of mutualism and co-operation to the benefits witnessed in these organisations. It is critical to understand how these values influences day-to-day activity, process and relationships.

- Innovation. Whilst there is emergent innovation around co-ops and mutuals, there needs to be more to meet the myriad of needs appearing for housing. Consideration needs to be given as to how these can be financed in the short and long-terms.

1. Introduction

Social housing organisations across Europe face a rapidly changing housing market and policy environment as a result of privatisation, a withdrawal of subsidy, demographic and social change and the increasing importance of market and regulatory drivers. Social housing in England has been subject to considerable recent policy review and debate (Barker 2004; Hills, 2007; Cave, 2007). Production and management of new affordable housing is increasingly integrated with private market housing, leading to new challenges in creating and sustaining communities and neighbourhoods. These challenges add to the recognition by many social landlords across Europe that investment in a wide range of products and services is needed to address non-housing issues faced by the residents such as worklessness and social exclusion (Brandsen et al, 2006). It is increasingly recognised that network forms of organisation and of inter-organisational behaviour may be required to respond to conflicting pressures (Mullins and Rhodes, 2007).

These challenges create a set of conditions which are conducive to the development of a mutual or co-operative approach to both housing provision and the management of neighbourhoods. So, as the credit crunch has threatened certain sections of the banking world and seen the near collapse of large private banks, the mutual building society sector in the UK has weathered the storm better than most and been seen as a safe place for money by savings customers. Similarly the now mutual Welsh Water has announced a dividend for all customers worth £21. The tide has turned on the neo-liberal economic model and the re-emergence of mutual economic models is offering a new opportunity.

The research

The Centre for Urban & Regional Studies at the University of Birmingham was commissioned to undertake preliminary research around mutual and co-operative housing. In particular it has focussed on the following aims in identifying:

- The forms of co-operative, mutual and community based housing that have been tried in the UK and how successful have these forms been?

- the critical success factors of co-operative and co-ownership housing models

- The factors which have contributed to the limited sustainability of co-operative and co-ownership housing in the UK?

1

- The scope for the development of existing and new forms of co-operative and mutual housing for the delivery of affordable, sustainable housing in the UK?

Additional consideration will be given to how co-operative and co-ownership housing models contribute to the development of communities and the delivery of local services. In essence, are mutual models able to address the challenge of creating and managing economically, socially and environmentally sustainable communities?

This paper provides initial responses to these questions based on a review of the extant literature together with available data about co-operative and community based housing. The research is restricted to England in the first instance. The purpose of the review is to consider the history of mutual housing in the UK and to outline its potential as one solution to today's housing and community needs. It draws upon previous research to outline the history of co-operative and mutual housing and then identifies the contemporary policy context, the political climate surrounding housing and community and concludes by outlining the potential contribution that mutual and co-operative housing models could play in delivering housing options and in offering wider community benefits. A later working paper will present research findings about the current position, effectiveness and contribution of housing co-ops.

Why Co-operate?

If observed over the past 30 years, the general societal trend would appear to point towards a growing privatisation and individualism. The argument that this is both natural and therefore inevitable underpins Friedman's philosophy of neo-liberal capitalism which has been a cornerstone of economic and social policy for the last 30 years in the UK (Friedman, 1962). The implementation of a free market programme across the world has facilitated and then been facilitated itself by this trend. Supporters of this model might point to increased global wealth as a marker of the success of liberalised markets and unfettered capital flows. But the fact that gaps between rich and poor have grown in all societies suggest that this model is not effective for everyone and suggests inefficiency in the model. In the UK, Palmer et al (2008) have demonstrated that income disparities have widened over the last 5 years and Orton and Rowlingson (2007) illustrate that the majority of the population consider these gaps to be too large. Therefore, does a co-operative or mutual model provide, or form a part of, a more effective alternative?

There has been much written about the reasons why people co-operate. Far from being selfish, humans need to co-operate for both mutual and individual benefits and ultimately survival. Some of the discussion draws on the natural sciences. For example drawing on Dawkins' book, 'The Selfish Gene', Kellner (1999) has suggested that humans have a genetic disposition to co-operate suggesting that in order to serve our own interests we have to trust others. Kropotkin's (1902)) understanding goes one step further and suggests that co-operation provides an evolutionary advantage. Thus a range of theories have developed that co-operation aids competition and development which in turn provide benefits for humans (See Rodgers (1999) for a detailed consideration of these theories).

To simplify the arguments, the need for co-operation comes back to the idea that the sum is greater than the individual parts. For example a son or daughter is not just the sum of the two parents but develops their own characteristics based on a range of influencing factors. Communities develop in similar organic ways - they take on characteristics which are a development of those of the people within it. Individuals can gain more together than on their own, if for no other reason than numbers cannot be ignored, as illustrated through public demonstrations.

But at the same time co-operation is as much about compromise as it is perfect harmony and is therefore dependant on democracy to ensure that power is not concentrated at the centre or in the hands of the few. Both communism and capitalism in their extremes rest power in the hands of the few. Democratic systems are needed in order that co-operation can be facilitated and the excesses of power avoided but this also means that competing demands must be balanced and mediated to reach a mutually agreeable outcome. This requires a reconsideration and revitalisation of democratic structures in order to ensure democracy can enable mutual benefits for all.

On a practical level, we all seek interaction of various kinds. Whilst much has been written about the privatisation of society, there remain elements of life where mutuality is necessary. A recent think-piece for the Joseph Rowntree Foundation on Neighbouring in Britain (Hilder 2007) highlights that neighbouring is still important. Although its form may be different and other factors make it difficult, neighbourliness is valued by individuals and contributes to a better neighbourhood. This is reflected repeatedly in survey responses where respondents refer to it being locality based, where there is a positive proximity to others and where there is support available

(Scase & Scales, 2003; Housing Corporation, 2008). Yet sight should not be lost of the fact that communities and neighbourhoods are recognised more for their mundane elements than organised forms of participation (Robertson et al, 2008) and this will have a significance for the forms of participation and engagement that will enable mutual models to work effectively and sustainably.

Definitions

The terms co-op, co-operative and mutual are often conflated and used interchangeably. In the course of this research both the research and the participants in the research have made this conflation. It is therefore not surprising that to the outside world they seem similar. In this report I have attempted to make distinctions between the various organisational types based on convention and have adopted the terms used by previous commentators and/or the organisation themselves. Therefore, the terms are used in the following way in this report:

- *Co-operative* and *co-op* refers to those organisations which have been traditionally part of the housing co-op sector including common ownership/par value co-ops and co-ownership societies. Some of these may be mutual organisations although this is not definitive;

- *Mutual* refers to all membership based organisation where reciprocity is a core value;

- *Community-based* is used here to refer to locally focussed organisations with a defined and narrow geographical boundary.

The differences between these organisations appear to the outsider to be small. Clearly there is further work needed on the part of the sector to define itself clearly, on the part of the commission to define these categories operationally and for the researcher to further explore the subtleties of these categories and their meanings for the outcomes observed in this research.

It is clear from undertaking this work that these definitions need to be defined by the commission in undertaking its work so that the differences between each form can be made clear.

2. The History of Co-operative & Mutual Housing

Origins: Co-operative Philosophy, Politics & Housing

The history of co-operative enterprise in the UK indicates that the work of early pioneers such as Robert Owen and later the Rochdale Pioneers have been credited as being the fathers of the co-operative movement, they were largely unsuccessful in transferring their principles of co-operation to housing. Owen's concern was for the welfare of his employees: his belief that the individual was shaped by their environment led him to reform the factory system. Although the development of the initial co-operative store in New Lanark is a starting point for today's co-op movement it also provides an indication of the trend which was to follow in the UK co-operative with a successful focus on retail and consumer co-operation, fed at times by producer co-operatives but mainly in agriculture. Owen's provision of housing in New

Figure 2.1: Owen's View of Co-operation (Photo: R Rowlands)

Lanark was visionary in providing decent housing conditions for the time with access to basic amenities inaccessible to most households. However the ownership and management of this housing remained in the hands of Owen and his business. Whilst some have described Owen as visionary Socialist, others have seen him as a socially minded capitalist.   The comparisons with philanthropic housing developments in the 19th and early 20th centuries are much clearer with an emphasis on good housing ensuring that the workforce was healthy and productive. However, the environment's crucial role in shaping individuals provides a foundation for the belief that society and in this respect community plays a role in mutual help (Figure 2.1). The success of New Lanark as both a business and a community is held up as an exemplar of the combination of enterprise and societal advancement. Of course, where Owen's influence was employed on a larger scale in the Owenite pioneer communities of North America it floundered. What can be taken from this is

the basis of community that is reliant on individuals co-existing and working together to advance their circumstances.

The Rochdale Pioneers are seen by many as the fathers and proponents of the present day retail co-operative movement on the UK. In 1844, the Rochdale Equitable Pioneers Society opened their first shop in Toad Lane, Rochdale. The aim of the store was to provide access to products that were otherwise unaffordable and guarantee their quality. Central to this project were a set of defining principles which are still upheld today (Figure.2.2).

Figure 2.2: Co-operative Principles

Rochdale Principles	Principles of International Co-operative Alliance
- Open membership. - Democratic control (one man, one vote). - Distribution of surplus in proportion to trade. - Payment of limited interest on capital. - Political and religious neutrality. - Cash trading (no credit extended). - Promotion of education.	- Voluntary and open membership - Democratic member control - Member economic participation - Autonomy and independence - Education, training, and information - Cooperation among cooperatives - Concern for community

Whilst these principles today are central to all co-operatives, including housing, the Pioneers themselves had little success in developing housing on this basis. As Birchall (1991) notes, whilst the first aim of the society was to open a shop, the second was to acquire housing which would allow for members to co-operate in improving their social and domestic conditions. Although small scale development of "land and building societies" took place, the co-operative principles of these enterprises were barely realised. As noted elsewhere (Birchall, 1992, p33) by the end of the 19th century the Rochdale Society had become a "major landlord, renting out 300 houses," but the implicit suggestion is that they were not a housing co-op as first envisaged rather a large private collective landlord.

These early lessons of co-operative endeavour in housing mark an important lesson for future co-operative activity in a range of sectors, mirrored in later attempts to form housing co-operatives and which have become common factors in establishing the successes and failures of the co-operative movements. For example, Holyoake's (1907) account of the early years of the Rochdale society identifies two main barriers to development in Rochdale: the availability of credit and start-up finance and the

limited support, both political and amongst the wider public, for the retail enterprise. These recurrent themes are important barriers in the development of co-ops. Start-up finance is essential to realising later benefits. As Holyoake suggests, the role of interest payments in the securing of capital is critical and because the co-operative principles shy away from interest payments, the co-op despite its wider benefits is seen as an unattractive economic investment mode. The other critical factor appears to be in overcoming cynicism and distrust of the model to gain both political and public support.

Although it is perhaps logical to focus on the history of the co-operative movement in this examination of housing co-ops, it has not been the sole influence on their development in the UK. Forms of co-operative housing have been tried since the late 18th but have proved largely unsuccessful. Other social movements besides the co-operators have been influential in their developments, notably the Chartists (Taylor 2004). In their pursuit of electoral reform, the collective ownership of property was utilised to achieve enfranchisement. The Chartist Co-operative Land Company predated the Rochdale Pioneers being established in the early 1800s. The basis of the co-operative was a lottery: members purchased shares giving the shareholders the chance to be given a house and land, those winners then paying 5% return on the capital they invested to enable a recycling of capital and the provision of more houses. This model of co-operative housing lent itself to the early development of housing co-ops and housing mutual self-help in the UK: the building societies and co-partnership housing.

Although this initial experiment failed it again holds lessons for today. The failure was a result of poor conditions, lack of compatibility of tenants to an agricultural lifestyle and, importantly, the reliance on the drive of a minority of members. The latter of these points is relevant to the implementation of the model today and is outlined in chapter 3. Furthermore, in today's policy environment where community engagement and civic participation is so often coupled with housing, the links with the Chartist movement are poignant. This theme will be picked up later in this paper.

Politics & Housing

Co-operative housing has never had a major quantitative impact on the UK housing system. It has remained a relatively small sector and played a complimentary role to the main housing tenures. Birchall refers to Kemeny's (1981) assertion that the co-operative tenure is a "supplementary form of tenure" to whichever other tenure

(owner occupation, social renting or private renting) is dominant in society at that time. Birchall (1992) goes one step further by suggesting that:

> "[co-operative housing] *will always slip into a form of owner-occupation or landlordism, succumbing to the wider social forces which sustain these dominant tenures." (p11)*

And it is for these reasons that Clapham & Kintrea (1992) suggest that there is a need for continual adaptation by co-operative housing organisations if they are to meet the contemporary needs and requirements of society whilst remaining something between renting and owning.

The track record of co-operative housing in the UK supports this view yet the reasons for this trajectory have not been adequately reviewed. To suggest that the transformation of co-operative housing into either renting or ownership is inevitable independently of other drivers would be an over-simplification of what has happened. Therefore it is important to consider the political context for the development of and support mechanisms for the continuation of co-operative models and when and how this has been lacking. Birchall contrasts the ownership and management responsibilities of housing as illustrated in Table 2.1.

		Management and Decision Making	
		Individual	Collective
Ownership	Landlord	Private Renting	Public Renting
	Dweller	Owner Occupation	Co-operatives

Table 2.1 Relationships between Ownership & Management (From Birchall, 1991)

For the last century UK political philosophy has been dominated by 2 main strands: market liberalism and state socialism. The dominance of these philosophies has resulted in an ideological tussle between two main tenures. The decline of the private rented sector since the early 20th Century has seen the response to housing need shift between an individualist solution (owner occupation) to a state dominated provision (council/public/social renting). In the early 21st century the dominance of a discourse promoting home ownership has undermined the support for public renting in numerous ways and the response to acute housing need has been targeted through social renting, further exacerbating this decline. Birchall views this response as an "inevitability" owing to the inability of the voluntary philanthropic sector to grow

sufficiently in the early part of the century. Kellner (1998) places the blame for this firmly at the door of the adoption of a Marxist for the institutionalisation of society as a "machine" and the rise of institutional responses and control. In this context the potential for mutual, self-help mechanisms to make a significant impact is limited. However, the rise over the last 30 years of a neo-liberal paradigm in which the individual self-helps themselves should not be ignored in viewing more recent developments and has been illustrated by the growth of home ownership and the continued push for its expansion by government.

Community control therefore appears to lie somewhere between these two positions. It seeks to marry the benefits for the individual and the community simultaneously and hence is viewed by many as a utopian vision. Co-operatives represent collective ownership, management and decision making which is rested at the local level rather than with an absent or dominant landlord. Collective decisions are taken by those who live in the property rather than a collective of non-residents, as has the case with local authority housing and with (larger) housing associations. This collective approach to decision making provides a sense of ownership and therefore a meaningful stake for the resident. Both practically and ideologically it represents a significant shift from the accepted norms of housing politics in the UK. As stated by Clapham and Kintrea (1992):

> *"The uniqueness of co-operatives derive from their ability to combine political and economic democracy through their blend of democratic control and common or joint ownership." (p39)*

It is perhaps understandable why it has never gained the potential that it could. The dominance of a bilateral discourse and the fear of the unknown has been the undoing of co-operative housing. But what is utopian about an idea which has people and localities at its heart?

Phases of Co-operative Development

Co-operative housing and other mutual solutions could play a role in addressing some of the key issues faced by communities in England today. It is useful to consider the past experiences and identify strengths and, more importantly, the weaknesses and barriers faced by previous attempts to implement these models.

It is generally recognised by authors that there have been three main phases of housing co-operative development in the UK. Each phase has seen the implementation of a different form of co-operative model, each with their benefits and drawbacks and all being relatively unsustained in the long run and small in scale, size and impact. However, this is not to say that there is no potential in any of these models in the future response to housing needs if the strengths can be harnessed and the weaknesses and barriers minimised.

Early "house building co-ops" were established in the 19th Century (Birchall 1991) but none of these early initiatives can be seen as a successful template for later co-operative models. This paper focuses on the generally recognised 3 phases of "co-operative" housing development and presents the potential for a new fourth phase (Table 2.2).

	Context	Development	Outcome
Phase 1: Co-partnership Housing	Garden city movement Industrialisation and housing need	Collective ownership, dispersed stock External capital and investors Capital return on investment	Mutual respect for neighbourhood Power struggle for control Rent controls, privatisation and lack of support Lack of co-operation between societies
Phase 2: Co-ownership	Aspirations for home ownership New models encouraged Scandinavian models	Collective owners, individual tenants Development separate from management Experimental	Mistrust of residents Regulatory difficulties Financing increasingly difficult 1980 Housing Act
Phase 3: Common Ownership and Tenant Management	Political support for co-ops Political support for by-passing municipal government	Secondary-Primary relationship Initial access to finance Understanding of niche markets	Accessible to low income households Rise in tenant control Financing becomes tighter – post '88 Regulatory difficulties

Table 2.2: Phases of Co-operative Housing Development

Phase 1: Co-partnership Housing

The first phase of development was in the co-partnership movement that grew in the early 20th Century. Co-partnership housing built on previous co-operative experiments by bringing together some of the principles with more conventional development techniques and housing offer. However, as suggested by Birchall, this project appears to owe very little to the early Rochdale societies – either consumer or housing. The initial co-partnership housing was neither owned by its occupants nor was it individually owned by one landlord. Both tenants and external investors could purchase dividend bearing shares in the company with a rate of return of 5% on the capital invested.

The developments were financed through loans offering a 5% return on capital. Although tenants could invest in the development, the finance was reliant on external investors. These conditions raised two tensions with the initial aims of the societies. Firstly the rents needed to repay these loans at this rate were high and therefore the client base which the housing could serve was limited to skilled workers. Secondly although individual investments were limited to £200, because of their importance and number, external investors exerted a role in the governance of the societies and several authors refer to tensions over their control[2]. The co-partnership housing companies were a step towards co-operation in the investment in housing but the outcomes mirrored some of the wider problems of housing provision and failed to adequately cater for lower income households. It is clear that at the crux of these problems was the absence of a financial model to facilitate lower rents.

The origins of these societies was not in the co-operative tradition but was picked up by other movements, key amongst them being the Garden City Movement. Co-partnership societies have in many cases become synonymous with the Garden City developments in Welwyn Garden City and Letchworth and the later Garden Suburbs in place such as Manchester and Cardiff.

The movement was praised at the time for reconciling the seemingly impossible: simultaneous individual and collective gain in a synergic relationship (Birchall, 1995).

---

[2] Such a relationship between tenants and external investors is re-emergent in the delivery of new affordable housing through large housing associations today.

The individual interests of tenants were twofold: unlike renting there would be an intrinsic interest in the home and its environment for the residents but unlike ownership the equity asset would be relatively easily unlockable. The collective interest is protected by the holistic planning of the estate and collective control ensured quality of life was maintained. Birchall cites the Co-partnership newsletter:

> *"Instead of thinking and planning only for a chance assortment of individuals there is now a* whole *to be thought of. A home is to be planned for a community having something of organised life." (EB cited in Birchall 1995)*

This sentiment is again raising its head in the planning of today's housing estates and communities and therefore the co-partnership experience is important to take lessons from. What emerges most from this analysis of the movement is the role that mutuality plays in the successes that can be derived from this form of housing provision. The benefits rely on mutuality – individual assets and gains can only be realised if tenants work together and police each other. Indeed the footnote to this chapter illustrates what has happened where co-partnership societies have been privatised: the environment suffers from a lack of control (e.g. uncontrolled parking, property alterations) or requires state intervention to affirm control (e.g. conservation orders). Could mutuality be reinvigorated to realise these benefits again?

The development of the co-partnership movement achieved modest goals. It was clearly fitted to the Garden Suburb developments aims of creating community and so gained the support of Ebenezer Howard. They established for the first time voluntary, limited profit housing organisations on a national basis (Malpass, 1995) and were aided by the development of 2 central organisations to promote the development of the societies. And clearly there were strong links between these housing developments and the emergent town planning community via the Town & Country Planning Association.

From a co-operative perspective the co-partnership movement lacked the integration of the original principles. The role of finance, the borrowing of capital and the payment of interest are cross cutting the original co-operative principles and in particular there was a lack of education both within and between societies. But despite this the wider benefits to society have been demonstrated.

It is more important to focus on the structural factors which have undermined the model. The example of the Tenant Co-operators Ltd illustrates the fundamental

problems. Tenant Co-operators was established in this phase of development, at the end of the 19th Century. According to both Yerbury (1913) and Birchall (1991) time and "propaganda" were required to assemble firstly a body of workers committed to put the co-operative's principles into practice, and secondly to aim propaganda at a so-called "small group of powerful men", in this case influential liberal politicians and businessmen, who would back the project with political support and resources. Herein lies the first obstacle faced by the co-operative movement – it has to win hearts and minds in demonstrating it is a credible alternative before it can secure the resources to develop. In these early examples it is hit by the "chicken and egg" paradox – which comes first, the co-operative or the support for the idea? The Tenant Co-operators Ltd later became like an ordinary housing association because its property was too dispersed, there was a lack of tenant commitment and the housing of non-member tenants. A further consequence of development without adequate support was the expansion into Ealing – as a high cost area to acquire property, tenants were limited to better off skilled workers who could afford higher rents. As noted by both Birchall (1995) and Malpass (1999), the benefits and relevance of these societies were limited to those who could afford to invest in them. It is unsurprising that they were attractive for the Garden Suburbs where the skilled working classes were attracted.

Therefore this model of development did deliver its promised benefits, but these were subsequently undermined by both the power struggle over the governance of the societies and the role of tenant members, and the disinvestment and tenure transfer of the societies later. The presence of an embryonic support structure helped its development and the links with planning are perhaps pertinent to today's challenges. It is the withdrawal of support and the threat created by the municipal housing movement that were the biggest threat to these societies.

Phase 2: Co-ownership

The co-ownership phase of co-op development in the UK was brought about through the 1961 Housing Act and later the establishment of the Housing Corporation in 1964. Co-ownership housing was promoted by the Government as part of a package of measures to meet unaddressed housing need. Whilst the Housing Association sector was earmarked to meet housing need, co-ownership was a model that was designed to meet aspirations for home ownership amongst those households for whom the housing market was unaffordable. The idea was that a group of "founder

members" would develop and manage the scheme but once developed ownership and control would be passed to the residents. Residents were collectively co-owners and individually tenants. Each paid a deposit and then rent. The rent was used to pay management costs and to finance the mortgage taken out on the development. Tenants built up equity through the rental payment and after a qualifying period of 5 years they were able to withdraw the equity they had paid to towards the mortgage and a corresponding proportion of the uplift on the property value.

Birchall blames the failure of these societies on the lack of political support and a partial implementation of a model of ownership developed in Scandinavia. Co-ownership is a model that has been well developed in Scandinavia and in particular Norway. However, the Scandinavian model was imported in part only with several of its components not implemented in the co-ownership model in England, particularly through a lack of a national or regional co-ordinating agency as is the case in Norway and Sweden (Clapham & Kintrea, 1987). Co-ownership suffered from a series of inter-related drawbacks, outlined below.

Firstly, schemes were often promoted by property professionals (e.g. architects, estate agents etc) who took the opportunity to experiment with building designs and in some cases to exploit their position top make gains from the development. Indeed it is one of the main criticisms that the future tenants did not have a role in overseeing the design or development of the schemes;

Tenants were not trusted from the start. The "founder members" used the complexity of management for their erstwhile tenants as a basis for slowing down the transfer of ownership and control. At the same time the Housing Corporation and so transfer of control was hindered, delayed and viewed with scepticism.

> *"Tenants themselves found the management of the schemes quite complex. However, this did have its advantages from a co-operative perspective, promoting education and training amongst tenants to develop their management capacity."*

Indeed the Housing Corporation took an extremely paradoxical view towards regulation of these societies as highlighted by Clapham & Kintrea:

> *"In spite of the ideology of ownership and its implied freedoms, the Housing Corporation exercised quite detailed control over the financial and managerial*

aspects of co-ownership societies' affairs…At the same time the Corporation were reluctant to provide any practical assistance or advice for societies that were in financial or other difficulties on the grounds that they were self-determining organisations." (Clapham & Kintrea 1987)

A study of Co-operative Housing for the then Department of Environment in 1989 indicated that co-ownership societies had the lowest levels of participation amongst housing co-op forms but that satisfaction was highest, perhaps indicative of the form and function that this housing was by then playing as individualised low cost home ownership rather than a co-operative or mutual organisations. Indeed co-ownership societies were evaluated as the most effective managers with low costs and high satisfaction. But it is recognised that most tenants in these societies had other housing options available to them and that the societies themselves were amongst the smallest of housing co-ops.

Overall the main difficulties were the political climate at the time and the financing of the schemes. The political climate was a major factor in undermining these ventures. The increasing promotion of home ownership and subsequent legislative changes which facilitated tenants to buy their homes by the Conservatives. The arrangements of co-ownership societies made them conducive for purchase.

As a recent Housing Corporation leaflet, *Co-ownership Housing - what is it?*, states:

"no new co-ownership housing has been built for some years owing to problems of affordability of new schemes and to the change of emphasis to social housing. Co-ownership properties are therefore difficult to find, and those which remain may have long waiting lists." (Housing Corporation, 2006)

The current situation is a result of the Corporation's historic hostility towards this sector and the demutualisation/privatisation that took place following a withdrawal of political support for the rental element of this model. However, it also highlights that there remains demand for co-ownership housing. This is interesting in light of continued ambivalence towards shared ownership by housing consumers (except in London and the South East of England) and criticism of the value for money offered by current forms of shared ownership by the National Audit Office and others (NAO, 2006) . It demonstrates that in the contemporary housing market there is a niche into which a mode of housing tenure which offers a "part-rent, part-buy" arrangement and the opportunity to build equity would fit.

This phase of co-operative housing development illustrates more clearly than the other two the ongoing barriers which prevent a workable model being implemented. These are:

- A lack of political support

- The impact of inappropriate regulatory regimes but

- A lack of support structures for the transfer of control

- The impact of experimental designs and the role of property professionals

- Sustainable financing

The continued presence and impact of these barriers will be outlined in the conclusions.

Phase 3: Common Ownership and Tenant Management

The latter phase of co-operative development has been through common ownership and tenant management.   This has taken place over the last 30 years with various waves of enthusiasm. It has incorporated 5 main forms of housing co-op:

- Ownership housing co-operatives

- Tenant Management Organisations (TMOs)

- Self-Build Co-operatives

- Short-life co-operatives

- Tenant-controlled housing associations

The research has focussed at this time on ownership co-ops, TMOs and community based housing associations.

Although not the only need they initially and in particular subsequently have catered for, previous examinations of co-operative housing have identified specific groups of housing need as the catalyst for the development of different forms of co-operative (Table 2.3). It is interesting to observe the way in which these groups often remain those who are unable to have their housing needs met sufficiently through mainstream affordable housing provision.

Table 2.3: Co-operative Response to Housing Need (Summary of Birchall, 1991, Clapham & Kintrea, 1992).

Typical Group of Need	Response
Young People	Ownership Co-op
Mobile households who need to rent	Ownership Co-op
Residents of inner city clearance areas	Short-life Co-op
Residents of poorly run council estates	Tenants Management Co-op

What has been clear through this phase has been the limited role for co-operatives in providing new housing for rent in large enough numbers so as to compete with existing providers. In essence they have not made a quantitative contribution in meeting acute housing need and reducing waiting lists. However, they have played a key role in meeting housing needs of groups which would otherwise have had limited housing options and consequently been forced into unsatisfactory accommodation (e.g. living with parents/family, occupying sub standard private accommodation, overcrowding etc).

Additionally it may be argued that the development of tenant controlled vehicles for housing, particularly through TMOs and TMCs, has been as much about bypassing (problematic) municipal government as it has providing real power for residents. This has therefore fuelled a breakdown in local political support in some locations as local authorities have felt undermined.

Housing Co-ops

Initial development took place in the early 1970s although the legal and financial frameworks were unsupportive and so developments took considerable time. The breakthrough is widely seen with the appointment of Reg Freeson, a Labour-Co-op MP, as Housing Minister in 1974 and the establishment of a working party on co-operative housing which led to legislative changes. These changes brought about access to public funding (via Housing Association Grant and public works loans from local authorities) and enabled housing co-ops to provide access to low income households for the first time.

The development of new common ownership co-ops has been facilitated by secondary co-ops. There is a mutual relationship between primary and secondary co-ops: primaries need secondaries to undertake their development and provide

some services; secondaries need primaries to ensure their financial viability. In essence the relationship enables local control of co-ops but guarantees economies of scale in the acquisition and provision of goods and services to ensure cost effectiveness. This model has scope not just for development in housing but in the development of wider community mutual services.

However, the development of new common ownership co-ops has continued to be hindered in their expansion by a lack of available finance. The changes to Housing Association finance in 1988 and the expansion of the private finance regime has been harsh for co-ops. In the immediate period it led to rent increases to service development but ultimately led to more limited access to private finance. The period since Birchall's assessment has seen this situation worsen for small housing organisations with the implementation of further grant rate cuts, cost cuts for developments which favour larger schemes and recently through investment partnering which favours large associations and places smaller associations in a benevolent role. At the same time a growth of community based housing associations was seen as a suitable alternative to co-ops.

This is not to say it cannot be done. The recent example of Redditch Cooperative Homes illustrates that innovative thinking can enable the development of a community based, cooperative housing model within the present financial and regulatory framework. This example will be explored more in the later research. However, it remains that development has increasingly been reliant on a partnership with larger housing associations where the relationship is not always equal or trusting.

Other forms of housing co-op have developed during this phase but have been largely under-researched. For example, short-life co-ops have developed in a range of places and have utilised existing housing stock to meet short-term housing needs. In many cases short-life co-ops have used stock which is either earmarked for demolition or rehabilitation and have catered for groups who have often lacked priority in the social housing system. A number of short-life co-ops continue to offer a valuable housing option in many cities in the UK.

As with the co-ownership phase, the Housing Corporation and the regulatory regime have not helped co-op development. The Corporation's assessment of performance has been regarded as heavy handed (Birchall, 1991) and overall they have been

hostile to the development of new co-ops (Rodgers 1999). As has been already noted:

> *"The machinery has been geared to promote a different animal and if a housing co-op managed to get into the machine, it was usually either rejected or mangled." (Hands 1975 cited in Birchall 1991)*

This further highlights the problem that co-ops face in fitting into the existing tenure structure and being seen as the same as the remainder of social housing. Taken to a logical conclusion, this would appear to provide a suitable argument for the Homes and Communities Agency to develop a better enabling role.

A study for the Department of the Environment by Price Waterhouse (1995) illustrated that co-ops are effective managers which offer value for money and high levels of satisfaction. Their weakness to date has been in the sustaining of tenant involvement. Whilst a hardcore of tenants have been active in the co-ops they have been the minority. This hurdle needs to be overcome if co-ops are to be an effective and sustainable addition to the current housing offer.

Tenant Management Organisations

The growth of tenant management organisations, including tenant management co-ops has been facilitated by the government since the mid 1980s but particularly by the Tenants' Choice legislation introduced through the 1988 Housing Act. Birchall's synopsis of developments to the early 1990s was that there is an impetus for the development of a future co-operative sector which is wider but shallower based around the right-to-manage, tenants' choice and continued commitments to tenant participation. With increased focus not only on tenant participation but also stock transfer since this, the opportunity for tenant control has risen.

TMOs have not been without their opposition. Many local authorities saw these as a threat to their position at a time where a Conservative central government was seen to continually threaten mostly Labour-run local authorities. There was therefore resistance to the development of TMOs in many areas in their early years.

TMOs are now seen as an important part of delivering housing management in a way which meets tenants' expressed needs.

Community Based Housing Associations

Some community based housing associations have had their origins in community politics and addressing poor housing conditions. For example, the local, community based housing associations that were established in Cardiff in the early 1970s were a response to inner city urban decay and the need to improve local housing. In these organisations architects, planners and academics played a role alongside and as partners with the local communities. Only more recently have these organisations begun to move away from their community based roots in response to a changing external environment.

Community Based Housing Associations have also had a long history in Scotland and there have been numerous examples in Glasgow. Indeed, Glasgow City Council's stock transfer has employed a model whereby the transfer association is anticipated at some point to make a further transfer of stock to smaller, community based associations in a similar way as the Community Mutual in England allows for this (see below).

In the last 15 years there has been a growth in community based housing organisations. Whilst these are not co-operative nor are they in all cases mutual organisations, they demonstrate greater tenant control than some traditional housing associations and more importantly the growing number of large, geographically dispersed "housing groups".

Community based housing associations (CBHAs) differ from co-ops in their governance. Whilst the members of co-ops are all tenants and the management committee is drawn entirely from the members, CBHAs usually have a majority of tenant board members but the management also includes other stakeholders and independents.

In England, community based housing organisations have become a favoured mode for partial, estate-based stock transfers. In Birmingham both Optima and Castle Vale Housing Associations are Community based. Elsewhere there has been an increasing take-up of the model as a means of bringing local communities onside in stock transfers and as a means of including tenants more in the governance of the organisation.

Table 2.4: Summary of Co-operative Housing Development in UK (Adapted from Birchall 1991)

	Co-partnership	Co-ownership	Common Ownership & Tenant Management
Political Context for Promotion	Strong demand for new, better quality housing Attractive financial model for external investors A method which was supported by several movements (e.g. Garden city movement etc) Parliamentary support but not state support A flexible formula that meant different things to different groups	Government identified a need for ways into home ownership for those who cannot afford Tenants could purchase equity stake and still qualify for tax relief on mortgage Scandinavian model as a template	Roots in Industrial Common Ownership Movement and Canadian Housing Co-operative Movement Designed to meet specific needs (see table in text) Dedicated promoters But lack a supportive legal and financial framework and lack of legislative support until 1975 Labour councils against – a threat to municipalism 1988 Tenants Choice legislation facilitated development
Development of Movement	National level organisation providing advice and support Efficient and swift production often by direct works Most societies achieved their planned development or more Those which didn't hindered by land assembly and/or finance availability	Led by professional groups with a vested interest Government took a hands off approach to quality control. Schemes were experimental design, inferior quality and costly Difficulties in securing finance Scandinavian model selectively applied Government only interested in capacity to create equity	Secondary co-ops set up to establish primary co-ops. Vulnerable and access to limit finance and support – eventually many merged or changed into CBHAs. Post 88 funding regime made development difficult particularly development finance
Long-term Operation	Inverse correlation between size and democracy Overall failed in the long run: ▪ Lack of political support ▪ Social life not sustained ▪ Subject to rent control ▪ Lack of co-operation between societies ▪ Privatisation of estate to realise assets created.	Mistrust of residents provided the basis of the future relationship. Delay in handing over control to residents. Housing Corporation uncomfortable with resident control Although complex to run, this provided a basis for self-education and capacity building Financing of equity withdrawal is difficult 1980 Housing Act enabled demutualization and sell-out.	Participation higher than anticipated – assisted by education and training High satisfaction amongst tenants but still doubt about tenants real understanding of co-op ethos. Viewed as problematic by Housing Corporation Promote sense of community – even if limited from co-partnership promoters ideals Poorly integrated with wider co-op movement and peripheral to the housing sector.

Lessons from these phases:

There are a series of lessons which have developed and are often recurrent through the history of co-operative housing in the UK. It is fair to say that c-operative forms of housing have been good at meeting particular niches of housing need and demand at the times they have been developed. However, the models have never been universally accepted nor implemented. On the contrary, as Birchall has previously recognised, the models have been largely susceptible to capture and take-over by dominant modes of housing delivery. The exception to this has been the latter phase of development and common ownership and, particularly, tenant management have been more successful in retaining their independence.

Birchall's synopsis of developments to the early 1990s was that there is an impetus for the development of a future co-operative sector which is wider but shallower based around the right-to-manage, tenants' choice and continued commitments to tenant participation.

Criticisms of co-operative housing have ironically come strongest in recent years from the left rather than the right. The most significant act against the co-operative sector was the removal of development opportunities from co-ops in Liverpool by the Militant led council in the early 1980s in favour of new council built stock. The criticisms of co-operative housing are therefore not explicit but rather the attachment of particular ideological camps to their respective modes of delivery has been the undermining factor as described already. With the shifts in politics which have taken place in the last 20 years there is a growing opportunity for the development of mutual solutions.

A series of persistent barriers are clear in the history of co-operative housing:

- **Finance**: The availability of finance has persistently been problematic for housing co-ops. State support for the model has largely been lacking and in recent years a shift towards private finance once again has undermined the ability of co-ops to secure capital for development. Yet even where finance has been available, the costs of financing loans have often been the shortcoming for co-ops.

- **Support**: Support is vital to the success of housing co-operatives. Whilst their small size can have advantages for their community objectives, the provision of

an effective and efficient housing service requires support structures. Where successful, this has been achieved via a primary-secondary structure. This is similar although not as far developed as the Scandinavian model.. Additionally it takes to time and energy to cultivate these organisations. As indicated below political support has often been lacking for these models and there is a role for a strong campaigning to lobby for political support and to secure resources for the sector.

- **Politics**: National politics have generally not been kind to co-operative housing developments. With the exception of a short period in the late 1960s and early 1970s, housing co-operatives have been overshadowed by a pre-occupation with home ownership for the majority and council (latterly social) renting for the minority. However, at times co-operatives have been hampered by a lack of local political support which has made their establishment more problematic. Yet where local political support exists, a healthy co-operative sector can be developed and fostered.

- **Regulation:** Since the introduction of regulation within the "social" housing sector, co-operatives have been regarded as a square peg in a round hole. The inflexibility of the regulator to different models has meant that housing co-ops and other mutual models have been seen as "different" and therefore troublesome despite the recognised benefit of outcomes achieved.

- **Co-operator Commitment:** Commitment from co-operators is not always in existence. Some co-operators behave more like tenants and are seemingly unwilling to participate in the operation of the co-op. This provides a challenge. Either co-ops are no different from other housing models and a landlord-tenant relationship exists or co-ops need to develop better means of harnessing the potential of informal means of participation and empowerment.

Success or Failure?: Critical Factors

It is clear from this history that these models need to constantly evolve in order to survive. The watchword for is tenure transfer, a sceptre which is seemingly always around the corner. Having said this, these different phases have shown successes for these models which merit consideration in tackling today's housing and neighbourhood problems. Overall, these phases have each offered locally based housing solutions and met the needs of particular groups. They have all to differing

degrees contributed to collective action and the development of communities, although the nature of these communities may not always be open and their success in sustaining them has been open to external pressures.

Birchall's examination of the housing co-operative experience in Britain has identified five critical success factors for co-operatives from past experience. These are:

- Commitment to the principle by tenants and future co-operators:

- Appropriate Organisational Structures to withstand conversion to another tenure

- Sufficient support

    i. Internal – co-operators in sufficient number with commitment

    ii. External – support agencies

- Start-up finance

- Positive Climate of Opinion

Reflecting on the history of co-operative housing structures to date it is clear to see that the identification of these factors is a result of their deficiency to date, as indicated above.

- The "little Hitler" syndrome (getting elected to usurp power and rule others)
- The "us and them" oligarchy
- Corruption
- Favouritism
- Lack of accountability
- Secretiveness
- Failure to declare conflicts of interest
- Apathy

Figure 2.3 : The Seven Deadly Sins of Participation

What is so far lacking in the discussion is a focus on internal threats and barriers to their development and sustainment. Rodgers (1999) has highlighted a set of "seven deadly sins" that co-operatives must be aware of and guard against (Figure 2.3).

These factors are not unique to co-ops and have been identified elsewhere with regard to community based organisations. What they do is provide a health warning in taking forward the opportunities mutual organisations present for housing and community development. They are a useful checklist for mutual organisations to monitor and guard against.

24

3. Co-ops and Mutuals Today

Measuring the current size of the sector is not easy. There is no definitive list of all co-ops in England, different forms of mutual and co-op organisation fall under different categorisations and for those where data is available, there are issues of consistency and accuracy of the data provided. For example, some co-ops registered with the Housing Corporation there is neither a precise location nor a stock holding available.
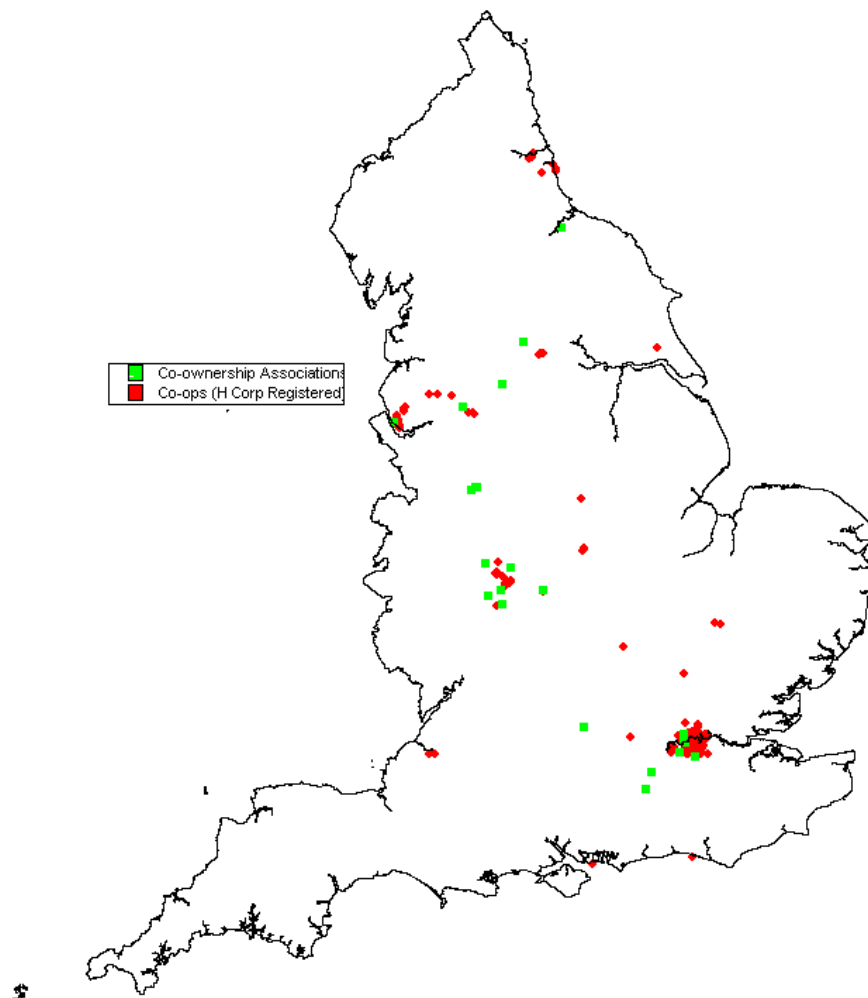
Housing Co-ops

Figure 3.1: Location of Registered Housing Co-ops and Co-ownership Societies

As of March 2007 there are 243 housing co-ops registered with the Housing Corporation. The stockholding of these co-op ranges in size from 670 in the largest co-op to zero in the smallest. Those co-ops with no stock owned tend to be management co-ops who lease property from or manage property on behalf of another landlord (e.g. TMCs). The average stockholding is around 40 units demonstrating the small size of these organisations in a majority of cases.

Within this group of registered co-ops there are 2 anomalies: CDS (London) and Co-op Homes (South). They each manage in excess of a thousand properties each and illustrate the role of a combine primary and secondary co-op. In Liverpool CDS Housing did play a similar role although their stock holding was smaller[3]. This illustrates the importance of secondary co-ops in the support of primary co-ops.

Although there are co-ops in most parts of England, there is a clearly definable clustering in 4 locations: South London, West London, West Midlands and Merseyside (Figure 3.1). Perhaps unsurprisingly this pattern mirrors the location of the established secondary co-ops and support agencies that have continued to exist. As illustrated from the past experience, support mechanisms have been essential for the establishment and survival of co-ops. The role of the existing secondaries and the scope for the development of these services will be addressed in the research.

Few new registered co-ops have been developed in recent years. The exception to this has been Redditch Co-operative Homes (RCH). RCH has benefited from both local political support and the combined financial strengths and expert knowledge of the Accord Housing Group as a vehicle for delivery. And here-in lies a crucial factor in the delivery of co-ops in the current climate that they are reliant on complex partnerships in order to be created and/or develop further.

Those co-ops registered with the housing corporation represent part, albeit a significant majority, of the sector. There are other co-ops which are not registered but which fulfil a housing function. Of the more traditional forms is the Rainbow Housing Co-op in Milton Keynes…. But beyond this there are more alternative forms of co-op which have formed to meet specific and localised needs in a variety of ways.

---

[3] North West Housing Services was formed in 2006 and is no-longer an integral part of the PLUS Group, the parent of CDS.

Those which fall under the Radical Routes umbrella are representative of these[4]. They are disparate and alternative. Equally they do not have regulated governance structures and could be described as organic. However, this is not a sufficient reason to ignore their existence or to acknowledge that they may have a contribution to make in developing community and co-operative housing and neighbourhood solutions.

Tenant Management Organisations

There is no readily available database of TMOs and therefore a precise number cannot be provided here. The last reliable count was the total of 202 in 2002 as reported to ODPM in the evaluation of TMOs (Cairncross, 2002). These covered 53 local authorities and an estimated 84,000 homes. These TMOs are spatially concentrated in a small number of local authorities (53) mainly metropolitan authorities in London (66%), the North West (18%) and West Midlands (8%) – a pattern no too dissimilar to the registered co-ops.

The most recent evaluation of TMOs echoes the main themes of previous studies (Satsangi & Clapham, 1990; Price Waterhouse, 1995) that they perform better than their host landlords and favourably with the best performing local authority landlords. They are better at reletting void properties and in carrying out repairs. Even where TMOs had been thought of as a soft touch with respect to rent collection and tenancy management their performance indicators highlight they are as good as if not better than local authority landlords. Overall, satisfaction is higher. Overall it is seen as a diverse and flourishing sector and provide "a model of what can be achieved by local people in socially excluded communities *where training and support is available*." (p 12, emphasis added) With this positive message in mind, the report highlighted a series of recommendations which focus on support, adequate resourcing, succession planning and improved networking between TMOs.

Despite this, TMOs are under constant threat from local politics. Recent cases in the West Midlands have highlighted the vulnerability of TMOs to this and the way in which their successes can be undermined. Because ownership is retained by the host landlord, this will remain a constant threat.

---

[4] Further information can be found at http://www.radicalroutes.org.uk/.

Community Gateway Associations

In England there are 4 gateways at various stages of development. The Community Gateway model was developed in 2001 by CCH and developed through a collaborative report in 2003 (CCH et al 2003). The model is designed to offer an approach to stock transfer where tenant empowerment is at the heart of the process through a membership based organisation. As CCH state:

"*[*Community Gateway*] is a large scale housing organisation in which small scale community activity is encouraged and supported.*"[5]

The most advanced of these is in Preston where the local authority embarked on the process of stock transfer to a community gateway association in 2004. In addition there are three new gateways in Braintree, Lewisham and Watford.

As well as the community gateway, other models with mutual and community based aspirations exist in Wales (community mutual) and Scotland (the GHA model). In Wales there are 2 current community mutuals, in Rhondda Cynon Taff and Torfaen. Whilst this model has been proposed as a "co-operative" alternative to traditional large scale voluntary transfer it has attracted criticism for being susceptible to undermining. A report for the Welsh Assembly Government has indicated that the implementation of the model would allow much of the management to remain in the hands of directors rather than communities, a problem inhibited by the proposed size of the organisations (Bromily et al 2004). The information available about the two community mutuals indicates that whilst tenants are the "owners in common" of the organisation (RCT Homes, 2008), they remain in a minority with regard to its governance and decision making structures (Torfaen CBC, 2007). Of course, the proof of real ownership will be borne out in the other opportunities made available to tenants as owners to participate in decision making and the influence that this has in the decisions made by the organisation. In the case of Scotland, the Glasgow approach has yet to deliver its proposed aim of full community ownership. Although greater opportunity has been given for tenant involvement a recent study suggests that this has failed to meet the expectations of those who became involved because

---

[5] Information available from http://www.cch.coop/gateway/intro.html

of the offer of more (McKee, 2007). The opportunity for secondary transfer remains but six years after the initial transfer there are no proposals for this to take place yet.

The proof with all of these organisations will be whether ownership and control is passed to tenants or if they remain housing organisations with any greater tenant involvement. At the moment there is limited secondary evidence against which to assess this.

Co-ownership Associations

The picture of co-ownership societies today is less clear than the account provided above from Clapham and Kintrea. Although there are 25 such societies registered with the Housing Corporation there is no publicly accessible record of the stock holding of each of them This black hole in information does not help in assessing the present strength or weakness of this sector not does it help assess how it has fared since the earlier research. However, the concern for providing better models of low cost home ownership and the development of a mutual model for achieving this does suggest that the sector is of interest to the researcher and should be if interest to the policy community. With this in mind it would be suggested that further focussed research is undertaken on co-ownership societies to provide further intelligence for future developments.

New Developments

At the same time, there are emergent new forms of mutual organisation which deliver manage or contribute to housing. Community Land Trusts already exist to ensure the provision of housing to meet local needs predominantly in local areas (University of Salford, 2005) and have been proposed by the Government as a means of securing publicly owned land for the delivery of affordable housing. There is scope to extend the use of community trusts to urban neighbourhoods, and in particular new build housing estates. At the same time Mutual Home Ownership is being developed to meet the aspirations of would-be home owners through an improved shared ownership offer. The model which has been developed by CDS Co-operatives relies on a Community Land Trust to secure the land on which the development is built. The model makes a valuable and unique contribution to the development of future affordable housing. Other low cost home ownership schemes have proved limited in their attractiveness to purchasers, inflexible for those within the tenure and fail to address affordability concerns for future cohorts of households. This model is

attractive with regard to all of these concerns if it can be operationalised effectively. And Co-housing is another form of housing development which is community focussed and may be developed as a part of the mutual offer. These forms of mutual organisation were not included in this study and it is recognised that there is a research gap around their implementation and effectiveness to date.

Organisational Sustainability

The fact that 243 co-ops remain registered with the housing corporation is a sign of their sustainability. But existence should be taken as only one sign of sustainability. There is no evidence about how these organisations sustain themselves, the level of engagement from all members and the succession of those on the management committees. Previous research has indicated that these organisations can be reliant on a few active members and lack any strategy for succession of spread of responsibilities. Again, co-ops need to innovate in the methods they employ to harness participation and engagement to include informal means. Sustainability is more than just a continued existence and should be about renewal and rejuvenation. These issues remain pertinent in the remainder of this report and their implications are discussed in the conclusions.

4. Co-operative Housing Performance

How effective and efficient these organisations are in delivering housing services will be a critical question asked by those in government. With these factors now driving public policy, not just in housing, there needs to be a demonstration of the evidence to back anecdotal claims that such organisations are as or more effective than mainstream housing organisations in meeting tenant and communities needs whilst doing so in an efficient way. The most comprehensive evidence base to date in this respect is now somewhat dated (Price Waterhouse, 1995). Yet it provides a useful benchmark and a framework for further evidence capture.

In the early 1990s, the Department of Environment sponsored and published 2 major studies into the effectiveness and efficiency of co-operative and other tenant controlled organisations (Satsangi & Clapham, 1990; Price Waterhouse, 1995). Both reports highlighted the efficiency of tenant controlled organisations in relation to a set of performance indicators and higher levels of tenants' satisfaction compared to the social rented sector as a whole. The first report on the management performance of housing co-ops indicates that there is variance with regard to costs, but that tenant satisfaction tends to be higher and importantly satisfaction levels are higher than local authority or housing association landlords. The later Price Waterhouse study again highlighted a variance in performance. Whilst overall it provides a favourable evaluation of the performance of tenant controlled organisations there are some important differences. Firstly it highlights that small scale community based organisations, and in particular TMOs, deliver superior value for money but that Tenant Management Co-ops would provide better results through less diffuse and better prescribed roles. Secondly, par value co-ops offer a flexible model which is capable of delivering a housing service which is of comparable quality and cost effectiveness as the best "mainstream" providers. However, it suggests that service buy-in is encouraged from specialist support agencies.

There are 3 issues to consider in these evaluations. The first is the effect of size. These organisations tend to be smaller and as Satsangi & Clapham suggest:

> *"It is not clear whether the major differences between co-operatives and other landlords…were caused by the small size of co-operatives or by their co-operative form. Previous work does indicate that tenants regard small housing associations more favourably than larger organisation." (p viii)*

Having said this, co-operatives and mutual organisation are likely to be small and therefore fit into this model of responsive, community focussed organisation very well. If tenant attitudes remain the same today this is a real benefit to highlight.

Second is the issue of voluntary "costs". As the Price Waterhouse report highlights, voluntary inputs to tenant controlled organisations is significant and does not appear on the balance sheet. The view of that report was that these costs should not be added into the evaluation. However, this does not sit easily in the contemporary policy environment where a shift to community co-ordinated services and delivery is a core element of public policy. Voluntary efforts have a cost which should be recognised in order that co-ops are not seen solely as a cash cheap alternative. This requires the development of a means of evaluating the true cost-benefit of tenant controlled organisations.

The third and now most salient matter is that the reports are now somewhat dated. Whilst the main messages they contain have resonance with tenant controlled organisations today, evaluation of their contemporary performance cannot rest on this alone. The next stage of the research will attempt to start building an evidence base against which to assess current performance.

These hard factors are just one part of the equation and co-ops can make a significant contribution to achieving a range of what can be termed "community aims". The benefits of these organisations are not solely confined to cost-effectiveness but also the gains that tenants make by being involved in them. A report for the Confederation of Co-operative Housing (CCH) (Clapham et al, 2001) indicates the positive role that co-ops can play in addressing social exclusion. Through a case study approach it highlights the inclusive nature of the various co-operative housing organisations and their contribution to a cohesive and friendly community. This highlights the ability that such organisations have to develop high levels of bonding capital and contribute to making a place a community. However, it is also recognised that co-ops have so far played a limited role in providing economic opportunities to their tenants. As Clapham and Kintrea had previously recognised, co-ops are in a unique position to combine political and economic democracy and the same should be true of providing social and economic opportunity. This means that co-ops have to adapt and innovate to meet the challenges their members and tenants face.

32

Methodology

To replicate as far as possible within the resource constraints the evidence about the costs and benefits of co-operative and mutual housing models previously referred to in the Price Waterhouse report in 1995. This and TMO/C performance and whilst it remains useful it is now too dated to rely on as a robust piece of evidence. With the co-operation of colleagues in co-ops and the use of the CCH network we felt that a large amount of data could be collated quickly to provide an updated evidence base. This can be used to compare with the findings of the Price Waterhouse study and against the wider RSL sector today. In order to do this we needed to collect key performance indicator (KPI) data from co-ops. This is potentially problematic because owing to their size, co-ops are not subjected to the same level of regulatory returns as other larger RSLs. There a letter and email was sent to all co-ops which are members of the Confederation of Co-operative Housing with a proforma outlining the information required. A copy of the letter and proforma are provided in Appendix 1.

Response to the survey was limited and partial. In total 57 co-ops returned the survey and a significant majority of these were supplied via the secondary co-op which provides their management services. Of those which are returned, most were unable to identify all of the data required, particularly the co-ops which returned the survey themselves. This highlights the nature of regulation in the sector – it is not a comprehensive system. Co-ops of this size are not required to collect performance indicators and therefore find it difficult to collate this information readily unless supported by another organisation which is subject to that regime. This is an important finding and highlights the difficulty that small co-ops have in substantiating their evidence of success to the regulator.

Results:

Table 4.1 provides a statistical overview of the results from the survey and where possible compares them to the national PI average. It should be noted that despite these all being PIs collated nationally, not all PIs have a national average. Table 4.1 provides a summary of the responses with the PIs where national comparison is available highlighted in grey.

Table 4.1: PI Update Summary Statistics

	National PI Mean (All RSLs)	Low	Sample Mean	High	Sample Av. Deviance	Change Against National Av.
Number of Properties	N/A	2	46	169	23	
Average weekly gross rent (£)	N/A	14.0	73.8	100.4	12.9	
GN re-let time (days)	40.3	0.0	35.5	365.0	26.3	⇓ ☺
Vacant and available stock (%)	2.1%	0.0%	1.7%	57.0%	2.6%	⇓ ☺
Vacant and not available stock (%)	N/A	0.0%	1.1%	57.0%	2.0%	
Average SAP rating (No.)	69	0.7	63.3	88.1	17.4	⇓ .
Stock failing decent homes standard (%)	13%	0.0%	3.7%	80.0%	6.0%	⇓ ☺
Emergency repairs completed within target (%)	N/A	80.0%	97.5%	100.0%	1.5%	
Urgent repairs completed within target (%)	N/A	80.0%	91.5%	100.0%	5.0%	
Routine repairs completed within target (%)	94%	80.0%	93.6%	100.0%	2.2%	=
Tenant satisfaction overall (%)	79%	90.0%	94.8%	100.0%	3.3%	⇑ ☺
Tenant satisfaction with participation (%)	60%	98.0%	99.0%	100.0%	1.0%	⇑ ☺
Weekly operating cost per unit (£)	N/A	£0.00	£0.41	£1.41	£0.23	
GN operating cost as a % of turnover (%)	N/A	0.0%	46.9%	84.0%	33.6%	
Weekly investment per unit (£)	N/A	£0.50	£22.09	£34.90	£7.34	
Rent collected as % of total rent due (%)	N/A	47.6%	98.2%	105.7%	2.7%	
Rent lost due to voids properties (%)		0.0%	3.6%	52.4%	2.5%	
Current tenant rent arrears at year end (%)	5.2%	0.0%	1.4%	6.8%	1.4%	⇓ ☺

The summary results of the survey continue to confirm that co-ops do perform better than the national averages for the PIs available. The differences and some of the explanation for them are as follows:

▪ **Arrears**: The average level of current tenant arrears is significantly lower overall in the co-ops than the national average, 1.4% compared to 5.2%. It has been suggested that co-operators as owners of the business have a vested interest in the business and therefore are less likely to either fall into arrears themselves or tolerate arrears from fellow co-operators.

34

- ***Vacancies and relet times***: There are fewer vacant and available properties in the co-ops and the relet turnaround is faster. A number of co-ops mentioned I their return that voids are seen as a drain on the co-ops resources by the co-operators themselves. Therefore there is pressure to fill these as quickly as possible. Often co-ops have put in place a pre-allocation system when prior to a property being vacated. These findings may say something about the ability of the co-ops as smaller organisation to put the customer pressure into effective action.

- ***Stock failing decent homes standard***: co-ops reporting figures for this PI show a dramatically lower level of non-decent homes. The reasons for this need to be discussed and explored in more detail. Early indications from the case studies would suggest that experiential management (i.e. tenants being responsible for the management of repairs and budgets) together with a sense of ownership combine to ensure that properties are well maintained.

- ***Repairs***: co-ops fair comparably with the national average for routine repairs. Very little comparative data is available for this PI. However, using the performance targets adopted by most RSLs the co-op average compares well (target in brackets):

     Emergency repairs – 97.5% (95%)

     Urgent repairs -   91.5% (95%)

     Routine -   93.6% (90%)

Of course these performances are influenced by the definition of each category. It has also been suggested that response times are an imperfect measure as they do not reflect the flexibility of appointment times and attention to quality adopted by many co-ops.

- ***Tenant Satisfaction***: The measures used in the PIs again show a much higher level of satisfaction amongst co-ops than the national average for RSLs. Overall tenant satisfaction is at 94.8% whilst satisfaction with participation is at a staggering 99%. This data is only available for 4 co-ops and therefore is not sufficiently robust to make definitive conclusions. However, it does indicate that this maybe a benefit of the co-ops and is an issue which merits further exploration

in the next phase of the research. Where co-ops have opted into CDS' commissioned STATUS survey we may use this as a starting point.

In an ideal world it would have been beneficial to compare these results to associations of a similar size to provide a more accurate benchmark and in comparison to larger organisations to consider the relative benefits of size in relation to quantifiable performance measures. However, the paucity of the data access available in the public domain has made this To analyse against RSL sub sectors, particularly against larger RSLs.

As part of the study and in conjunction with CDS Co-operatives we attempted to gain additional data about tenant satisfaction. Despite the offer of a lower cost STATUS survey, few co-ops took up the offer. Very few co-ops have undertaken their own STATUS surveys both because they fall outside of the regulatory requirements to do so but also because of the cost involved in administering a specific survey. Several co-ops have pointed to anecdotal evidence for their resident satisfaction with most elements of the service provided to them by the co-op and their experience of living in it. This highlights a significant paradox – whilst qualitative information is vital to provide a detailed picture of life in these organisations, quantitative information has a louder voice. There has been low take up by co-ops outside of the CDS group for a large scale STATUS survey which will minimise costs. The results suggest there needs to be a better and more effective way for the sector to capture this data and demonstrate its strengths.

In conclusion, co-ops still appear to perform as well as if not better than some mainstream housing associations. But we should treat these results with caution:

- The response rate was low to the survey and therefore bias towards better performing co-ops may be inevitable

- We have been unable to drill down into the national PI data sufficiently at this time to make a comparison with other housing associations based on their size.

What is perhaps more important is the approach to performance measurement in co-ops and other small organisations. As highlighted in section 2, regulation of co-ops has historically been problematic as they have been square pegs in round holes. The regulatory regime is standardised to help the regulatory but this often fails to

capture the softer performance benefits and outcomes which these organisations can deliver.

Having said this, many co-ops have fallen outside of the regulatory regime and have only featured on the regulators' radar if and when major problems arise. Although to some this may appear advantageous and reduce the regulatory burden, the flip side of the coin is that co-ops often cannot access support which they may need to prevent such major problems arising. Therefore the balance in the regulation carried out is important to it being an effective tool for all parties.

One solution maybe to develop new measures of performance which capture such outcomes. This will require further work and discussion with a range of stakeholders to develop real and accurate standardised measures where the relevant data can be captured at low cost – and therein lies the conundrum. The alternative maybe to scrap performance measures altogether. Although this might be appealing to some it would have potential drawbacks for organisations themselves through having few benchmarks to assess their performance and, as acknowledge by some co-ops who are outside of the regulatory regime altogether, lack a critical friend at times when they require external assistance. Therefore, a middle way is required which provides co-ops with the information they need in order to meet their members needs and aspirations and in doing so demonstrate their effectiveness to external stakeholders.

5. Case Studies of Co-ops, Mutuals and Community Organisations

The literature review has already identified that we have a lot of questions around the operation, effectiveness and obstacles of co-operative and mutual housing development. Together with the data review this is an opportunity to begin compiling a more comprehensive evidence base.

Methodology

The purpose of the case studies is to provide a qualitative overview of different types of co-operative, mutual and community based housing organisations and pick up on the following themes:

- A brief history of the organisation

- Organisational Structure, governance arrangements and partnerships with others.

- Finance – both historic and current, capital and revenue, housing and non-housing

- Support structures and arrangements

- The level and form of participation amongst co-operators/members

- Evidence of personal empowerment and what benefits it has brought

- How the organisation has facilitated community development

- The prospects for future development over the short, medium and long term

Three case studies were completed as part of the Phase 1 research. These were:

- Redditch Co-operative Homes

- Community Gateway Association, Preston

- Work for Change Co-op, Hulme, Manchester

The case studies have involved interviews with officers of each organisation and where possible co-operators. Again because of resource constraints these case studies have been restricted to the data which can be collated in the time available, both for the research team and the organisations involved. We would like to express

our thanks at this stage for the time and effort which has been freely provided by each organisation, highlighting the "can do" ethos of these organisations.

Redditch Co-operative Homes (RCH)

RCH was set up in 1998 as a joint venture between Redditch Borough Council and Accord Housing Association. At the time the local authority was unimpressed by the housing offer provided by larger yet absent RSLs and wanted to support a different approach to social housing. The result was RCH. RCH has now developed almost 300 homes.

The governance of the organisation is split as flows:

- RCH develops and owns the housing. It is overseen by a management board made up of 5 Redditch BC representatives, 5 Accord Housing Association representatives and 5 representatives elected by the neighbourhood co-ops. This board meet quarterly and provides the policy framework for the organisation. The day-to-day management of the stock is carried out by RCH with some minor variations between each neighbourhood co-op.

- The 5 neighbourhood co-ops have a management committee. Each co-op has a monthly management meeting at which all management issues are discussed including lettings and maintenance expenditure. The meetings are facilitated by the manager of RCH. Each co-op committee is elected by all members of that co-op and officers appointed from the committee members.

The neighbourhood co-ops leased and run their properties from RCH on a rolling 7 year lease. Each co-op has control over its management and budget and the level of service provided by RCH. For example in Breedon co-op, the maintenance service is co-ordinated by the maintenance officer (a tenant) who takes significant pride in the prompt and effective service offered to the tenants – and claims to have saved the co-op £5,000 in the last 5 years. This arrangement has allowed for flexibility, enabling Breedon to undertake some services themselves, for feedback on service provision by contractors and for innovation, including from the tenants themselves. As such the co-ops have all been able to save money on revenue costs. This is recognised as the dividend of RCH and its neighbourhood co-ops allowing rent rises to be limited and for investment and expenditure on other services and activities (e.g. family fun days, additional window painting programme etc).

Services are provided through a partnership arrangement between the neighbourhood co-ops, RCH, Accord Housing Group and Redditch Borough Council. The partnership arrangement between the constituent parts is summarised in Figure 4.1. This model has been recognised and commended by the Audit Commission,

"The pioneering structure of RCH is a model for the large scale provision of neighbourhood co-operative housing"
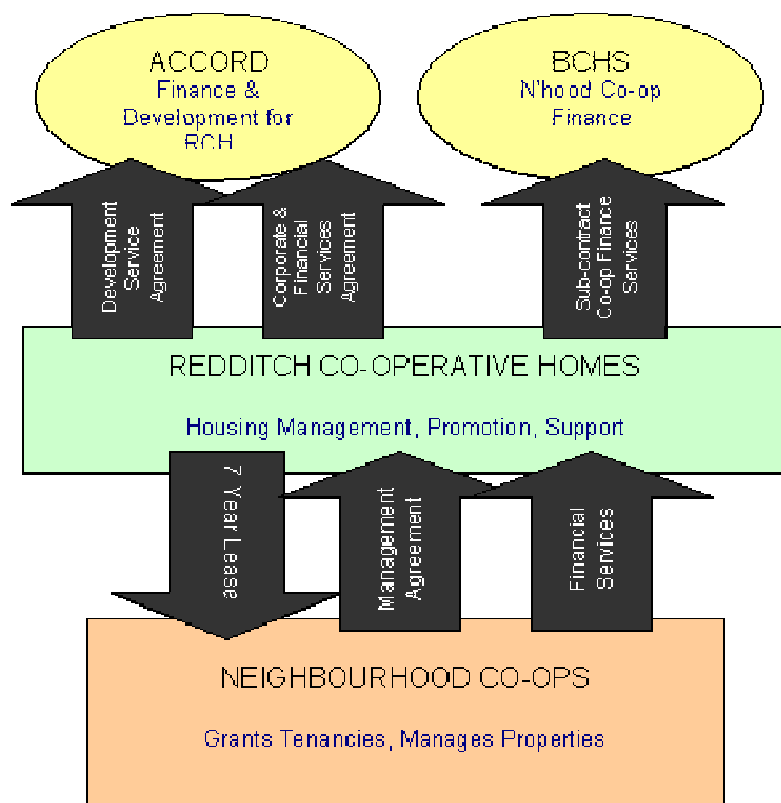

Figure 5.1: RCH Partnership Arrangement

As a new co-op, RCH has been in the position to control to some extent the development of the co-operative element of the association. The initial local authority support for the model was partly based on the ability of the model to begin to meet the housing needs of those on the housing waiting list who were likely to wait a considerable period before being rehoused. RCH have targeted this group, the "silver band" applicants on the Council's choice based lettings system for all new developments. From this pool, RCH have been able to pre-allocate developments. This has allowed RCH to provide training and prepare new households for life on the estate. It creates knowledge of the estate, co-operative expectations and other residents, enables recognition of neighbours and in a number of cases the formation of friendships even before the estate is finished. It also enables new tenants to be an integral part of the design and development of the estates, including in a number of cases interesting planning battles and development conundrums. And whilst developments often do not run to time, the fact that

residents can see the progress being made provides a "light at the end of the tunnel", even when at that point they are housed in undesirable or unsuitable circumstances.

Nominations to the association are undertaken through the local authority's choice based lettings scheme. RCH do operate a "co-operability test" to ensure that new tenants will be co-operators and not just residents. Whilst this may appear to some as a barrier to housing, it is used to highlight the reciprocity required from residents and co-op alike. As Carl Taylor (RCH Manager) has said,

"it is not about excluding people but about creating a culture of involvement".

Only one person has failed this test since its inception. Furthermore, the allocation process involves both an RCH officer and an officer of the neighbourhood co-op. Support and training is vital in ensuring that this system is fair but to date it has helped both exiting communities and new residents feel comfortable moving into an active neighbourhood.

A critical success factor in RCHs success and performance is the prominence of "experiential management". By this I refer to the mutuality of tenants being both residents and managers of their properties. This synergy provides managers with high quality intelligence about the management and maintenance issues facing the co-op in a way that other housing organisations find increasingly difficult to capture. As tenants have ownership of the co-op they are also more committed to keeping their properties and neighbourhoods in a good state of repair. These ensure that they make effective and efficient decisions. As a result the co-op has provided a lower cost housing solution than other local RSLs as well as enabling a dividend to tenants through the stretch and recycling of revenue resources.

The experience for those living in the co-op has been positive. Empowerment is clearly evident amongst RCHs tenants. The statistics speak for themselves with regard to the success of the co-op in reducing worklessness: in March 2004 65% of tenants received housing benefit; in March 2008 this was 38%. And the personal empowerment achieved is evidenced by the stories of the tenants themselves. One tenant talked of gaining a CV by being active in the co-op. Two other tenants have shown clear paths into work as a result of living in the co-op. One gained entry to a housing NVQ course as a result of being the rent officer in her co-op. She is now is employed as a housing assistant in the local authority. Another tenant is employed by RCH after first being provided with a job-shadowing opportunity to help meet her

college course requirements. She says that the co-op has not only helped her gain her qualifications and secure a job but also provided her with added confidence. She speaks with pride about now making presentations to national conferences where before she would have been too shy. Nearly everyone spoken to in the co-op talked about the experience of being a co-op tenant being empowering from the development of friendships in new places to the shared experience of problem solving.

At the same time, the co-op is facilitating community development. The co-ops are tenant controlled and run. Whilst meetings are often perceived in the wider literature on engagement as a chore, their social role in the co-op means that they take on a different complexion. Of course, size, spatial scale and familiarity play a crucial role in creating the conditions for this to happen. A clear demonstration of the community development role is the addressing of anti0-social behaviour through "co-operative living" officers who attempt to mediate in problems. On the whole problems are limited and early intervention enables them to be remedied quickly. The community control and ownership also means that residents take a greater pride in their area, going the extra mile to look after their property, keeping their fronts nicely and even picking up litter. In this way it is reflective of the historic experienced of the co-partnership housing outlined earlier. As one tenant stated,

> "its not just about having a house, it's about community spirit".

And this is recognised by the local authority where one officer stated,

> "Moving into the co-op is like moving into an extended family."

There is a mutual benefit of individual and community empowerment which is based on there being adequate support to ensure this happens which is a credit to RCH.

The future for RCH looks bright and it is a clear example of how larger scale co-operative housing can flourish. The organisation itself is positive about the future. It remains a popular housing option in Redditch. A recent relet which was described by officers as "about the most unpopular you could get in the co-op" had 113 applicants apply for it through the council's choice based lettings scheme. The reasons for its popularity are varied but focus on:

- Lower costs rents

- Better looked after properties; and

- The word-of-mouth about the benefits of the co-op.

These factors are mutually inclusive and are the result of the way in which RCH and its neighbourhood co-ops are managed.

However, whilst with continued officer and political support form the local authority the prospects for development are good locally, the regional and national picture may be the undoing of further development. Redditch is hindered in further development by the regional planning process which aims to restrict further growth of Redditch but which it is claimed has not considered the needs for affordable housing and demonstrable sustainable communities sufficiently.

RCH remains a useful benchmark for larger scale co-operative development and could play a key role in knowledge transfer for successful future developments.

Community Gateway Association, Preston

CGA was established by Preston City Council and its tenants in 2005 as a response to the Decent Homes agenda. The association owns and manages approximately 6,200 homes. There was resistance by both the local authority and the tenants to push for a typical LSVT and the tenants were explicitly against joining with an existing RSL as a stock transfer. The development of the Community Gateway model provided an opportunity for something different. The process pre-transfer also laid the foundations for the community empowerment strategy.

The organisation is clear in its mission that it is different from other LSVT associations. Empowerment is the core of the organisation and the main focus of its activity. Where other LSVTs' focus is on involvement to deliver housing improvements, CGA use housing improvements as a means of kick-starting empowerment and delivering sustainable communities. This has required a culture change as part of the transfer, generating trust amongst staff of each other as well as of the tenants. It has also necessitated different organisational structures and CGA now operates horizontal, cross disciplinary teams. All members of staff are part of one of these teams and it has meant staff adopting a new approach to tenant engagement. The Chief Executive has acknowledged that this has been difficult at times and has meant some staff have left but that it has been effective and worthwhile at re-engaging with communities.
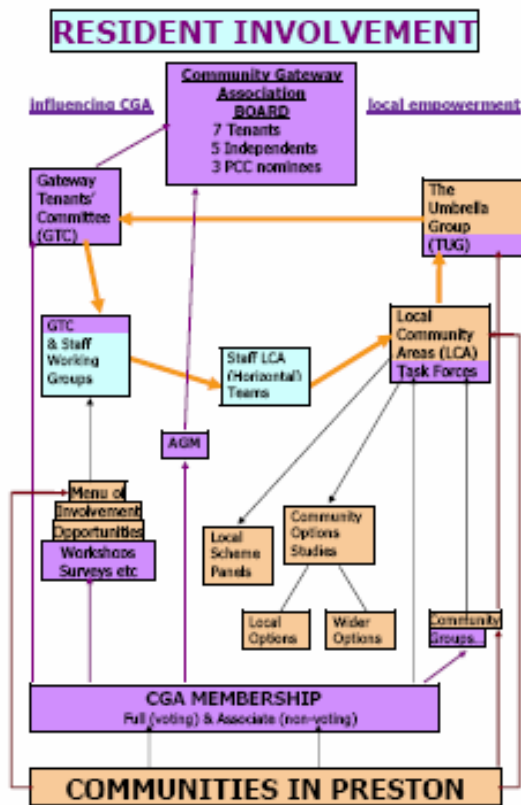
44

RESIDENT INVOLVEMENT

Figure 5.2: Resident Involvement in CGA (Source: CGA (Undated))

The organisation is governed by a board of 15 directors: 7 tenants, 3 local councillors and 5 independent board members. It is in CGA's rules that the Chair of the association has to be a tenant. Alongside the board is the Gateway Tenant Committee (GTC) which is elected from the associations' members. This is made up of 30 members from whom the 7 tenants on the main board are elected. The board and the GTC work in partnership and the association is clear that the Board will always agree with a GTC proposal unless there are key business reasons for not doing so (CGA, 2008). This connection highlights the importance of tenant empowerment as the focus of governance in the organisation.

Alongside the formal governance arrangements, CGA's management structure provides a basis for further enhanced community engagement. In addition to traditional thematic departments within the organisation (e.g. housing management, maintenance etc) CGA have implemented a system of inter-disciplinary "Horizontal Teams". These teams bring staff from different departments together at event days. This has further enhanced the outward facing focus of the organisation and reinforced the customer focus for all staff. Everyone, including the Chief Executive, are part of one of these teams and all of the staff spoken to during the visit were enthusiastic about the outcomes achieved. And one of the key indicators of change was the recognition that the tenants and members are highly knowledgeable about their neighbourhoods.

The process of engagement and empowerment goes beyond housing improvements to take a cross-tenure, whole neighbourhood approach to involvement. Through this approach all issues affecting the neighbourhood can be addressed. In this respect CGA is taking a key role in being a leader of place shaping and through the empowerment strategy is creating new leaders of place by helping communities to realise their own potential. The first step was the definition of neighbourhoods (sub-areas) within the Local Community Areas, a process led by the communities themselves. This has meant that neighbourhoods have taken on a more literal rather than geographic meaning, thus varying in size. The next step has been a series of bottom-up option studies which have identified the priorities for the neighbourhood and not just confined to housing. The final stage in the formal process have been the scheme panels used to plan for and oversee improvement schemes. Alongside this, the community empowerment team are working with local communities to help them realise the priorities in the option studies. This has been a cross tenure approach which has focussed on inclusivity and realising what sustainable communities should be. In light of other work undertaken by CURS (Rowlands, 2008a), this should be seen as a leading edge example of a neighbourhood approach and could be adopted easily elsewhere if organisations are willing to make that culture change.

There has been a lot of learning as part of this process. The process has required the development of trust as highlighted earlier and this has been achieved through face-to-face contact with communities, the value of which it is recognised *"cannot be beaten"*. It has also meant stressing that empowerment is not about CGA doing all the time but in may cases "helping, supporting and facilitating" local communities to do things for themselves. This has required investment which CGA has been prepared to commit, both in direct staff, a re-facing of the organisation and in economic resources. The work is supported by the board who understand the direction that the organisation is attempting to take and the outcomes it is wanting to deliver. The softer and less tangible gains are found in personal empowerment and community development. In respect of both, CGA and its members have numerous positive stories to tell. Personal empowerment is being realised through the engagement strategy and the culture change ethos which is being passionately delivered by a team of committed and enthusiastic community empowerment officers. Empowerment activity is providing individuals and communities with confidence which has hitherto been lacking or dormant. The establishment of an active learning programme has enabled residents to gain a CIH certificate in Community Governance as part of this process. All of this has meant that people have gone

back into education, training and employment in part as a result of their involvement. The stories of empowerment range from a resident who now works as a community administration officer for the association, an ex-offender who gained confidence and earned the acceptance of neighbours through participation, through to a 13 year old who has taken the lead on the newsletter in one of the Local Community Areas (LCAs).

In terms of community development the association is pioneering in taking a cross-tenure, whole community focus. Whilst other RSLs talk about such an approach, CGA are an exemplar of how it can be achieved. However, this is based on mutuality between the association and residents;

"We need the community to take ownership to bring about lasting change."

Again there are echoes to the history of co-operative housing and its success in what would now be called sustainable communities. The process of communities defining themselves, the issues they face and the priorities for action is the focus for community development. The engagement strategy is based on individuals working together for mutual good. This approach is working as evidenced in 2 areas:

- In Howarth Road the option study has been a critical tool in helping deliver better community cohesion. At the start of the process the community were adamant that they did not want to form a formal group and this was accepted by CGA. However, as a result of the various activities of the options study, a new community group has been established and formed by the community themselves.

- In the Hopwood area there had been multiple problems, in particular around drug dealing and prostitution. These problems were highlighted during the option study process and whilst the option study didn't materialise as planned the process has provided useful intelligence about issues facing the neighbourhood. The response has seen housing management changes implemented by CGA but also an engagement between the community and the police.

At the present time the prospects for the organisation are good. It is achieving against its core responsibilities whilst adding value in local communities beyond housing. It is achieving culture change and has engendered a change culture not

only in itself but also with some of its partners. The organisation has set itself high standards and whilst regulatory bodies may base their assessment on these and highlight shortcomings, the commitment to this vision should be commended as a significant step forward. But, all of this is reliant on the association's members, board members and staff being committed to the mutual model. CGA is an exemplar of where local political support in the face of a difficult initial position and ongoing support for communities to take the lead in identifying a way forward has brought about meaningful change.

Work for Change Co-op, Hulme

Work for Change is a co-op which is made up of tenants of workspace units in Hulme, Manchester. As an organisation it provides work space for small, ethical and cultural businesses in the heart of what has often been characterised as a problematic and impoverished area of the city. It is linked to the Homes for Change Housing co-op and is an integral part of the development.

The housing co-op emerged out of a warehouse project to provide housing in Manchester city centre, primarily driven by what has been described as "university Drop-outs". It was established in 1985 when the Hulme regeneration company asked them to become the co-operative housing option in the redevelopment of what is often seen as a notoriously poor and deprived area of Manchester. It built on community spirit which did exist at the time and attempted to save the remaining spirit from being extinguished by the demolition. The development was undertaken in conjunction with a large housing association but was led by the co-op members leading to an innovative design with a mix of dwelling sizes and designs. It is suggested by the co-op that the housing association who led the subsequent development have never understood the co-operative fully and as a result there have been ongoing difficulties in the relationship.

Work for Change emerged out of the housing co-op. Initially there were a number of members who had their own businesses and lacked space in their homes to run them. In September 1996 32 units ranging in size from 80ft^2 to 1,000ft^2 were developed as part of the co-op. Walking around the development it does feel like a sustainable community with the combination of workspace and residence and a feeling that the estate is "lived-in". Sarah Hughes who manages the Work for Change co-op highlighted how together the co-ops have provided opportunities for good housing and business development. At the same time, the work spaces have

48

provided a valuable space for other residents in Hulme to develop businesses and those from nearby to expand from their homes. Importantly, the businesses also bring people into Hulme who may ordinarily have avoided the area, notably the theatre.

Figure 5.3: Homes for Change & Work for Change, Hulme, Manchester (Photo: R. Rowlands)

Walking around the development the juxtaposition of homes and workspaces is one of its strengths with regard to sustainable communities. It allows some people to live near their place of work and accommodate elements of their lives such as childcare with greater ease. Furthermore it provides a presence in the development which prevents it from being a dormitory. Sitting with the manager of Work for Change in the café, which is one of the businesses in the workspace and would not look out of place in the regenerated Northern Quarter, it is also possible to see how local, hands on management provides an interface with local residents and an easy point of contact for any issues which arise.

The path followed by both organisations has not been smooth. Their "partner" RSL has not always understood the role and function of the co-ops. With regard to the

workspaces it is suggested that the RSL would rather not have to deal with a non-housing concern. The problems with the RSL are illustrative of differences in organisational ethos and culture. Both Homes for Change and Work for Change have fought back. When the RSL tried to take back the building their successful protests led to a backtracking[6] as they underestimated the strength of feeling. The one main lesson which can be taken from this example is the lack of support received by the partner housing association. Further evidence of the uneasy relationship is illustrated by the two occasions to when grants and loan facilities to develop and expand the Work for Change co-op have been lost because of their disappearance in the larger organisational machinery – perhaps a further demonstration of smaller organisations abilities to be more responsive and flexible to tight timescales. This highlights the vulnerability of co-ops to the agenda's of larger, non co-operative "partners" and the lack of flexibility in some support.

On a positive note, the co-ops are delivering change. Work for Change is in a stable financial position and is not reliant on any revenue subsidy. It provides homes and work spaces in an environment which is an example of what government policy wants to see from sustainable communities. Having visited this in the same week as one of the Government's much lauded exemplar sustainable communities the positives of the Hulme co-ops stood out even more. Equally, sustainability of involvement has never been a problem and although at times it has at first appeared to run out of steam, new blood has always stepped forward without the need for coercion.

Conclusions

What do these case studies demonstrate? In all cases they add further evidence to the positive picture created by previous research (Clapham et al, 2001; CCH, 2003). They highlight that co-operative and mutual models of housing and community development are possible even within a context of big is beautiful and private finance. Where support is present the organisations have been able to flourish. Both Redditch Co-operative Homes and Preston's' Community Gateway Association illustrate where an alliance of political and organisational support have helped the development and sustaining of organisations which demonstrate true value added

---

[6] http://www.cch.coop/news/h4c0107.html

beyond their housing. However, even where support has been more undermining than helpful, organisations have used the resources within the community to continue to provide housing and community facilities. These examples also demonstrate how, when participation is constructed around the informal and the social, where organisations go to the communities they serve and provide confidence and ownership a greater number of benefits can be derived and involvement can be sustained in the longer term. These organisations are examples of how community development can take place without being a burden on those communities but rather realising their true potential through considered and targeted investment in the right forms of intervention and support.

6. Realising the Potential

The Conditions for Current Mutual Development

The current policy and social climate makes mutual options an attractive solution in addressing housing needs, community ownership and neighbourhood/community management. As Forrest and Williams have stated:

> *"It is all too easy to be mesmerised by the present and to see it as a unique and profound configuration of events and processes which requires a new and dramatic response." (Forrest & Williams, 1990, p200)*

And Birchall has remarked on this with direct reference to the co-operative housing movement in the UK:

> *"It is interesting that co-operators, through a lack of sense of history, have often 'reinvented the wheel' as far as co-operative structures are concerned." (Birchall, 1991, p4)*

Therefore it is important to consider today's conditions in light of the experience of past and ongoing attempts to develop mutual solutions, learning what has worked what has failed and giving consideration to how these lessons can develop models and forms which fit today's challenges and frameworks.

Political Climate: From Government to Governance

The shift from government to governance, the rise of the third-sector and the role of communities presents potentially positive conditions for co-operatives to return. Through the latter part of the 20th Century the shift in style and form of government has altered significantly moving from direct provision by the state to the facilitation of goods and services through the state. Simultaneously there has been devolution of governance away from central provision to local provision.

Although the early 20th Century saw the development of municipal socialism as the response market failures, the late 20th Century and early 21st has witnessed the renewed invigoration of the third sector as an entity and in its role in the delivery of public policy. The "rolling back of the state" has been in track for some 30 years, advanced aggressively by the Thatcher governments and continued under both the Major and Blair governments. Direct state provision has been seen as an outmoded

form of help, either because it crowds out the market (Thatcherism) or because it hinders the realisation of localised needs (Blairism). The Brown administration appears to continue this trend. Crucial to this trend has been the "rolling back of the state", a pattern which has been prevalent in most industrialised economies around the globe. In the UK the trend was initiated through privatisation and the increased role of the private sector to deliver public services but shifted to a renewed role for the voluntary and community sector. The "Third Way" politics that have emerged from this have characterised a new retreat of the state but provided new opportunities for community based organisations to take a lead role in the provision of goods and services.

The agenda set out since 1997 has been explicitly based on rights and responsibilities of individuals, a social contract between the citizen and the state. The policy agenda pursued has drawn heavily on the communitarian tradition. In this way, co-operative and mutual forms of delivery should fit with current thinking. Much of the commentary about this agenda has focussed on its high profile application to issues such as anti-social behaviour and recent comments by the Housing Minister, Carline Flint, about the responsibility of social tenants to look for work have compounded the view by some that responsibilities must be demonstrated in order to gain access to rights. A focus by authors such as Putnam (1999) on social capital as an elusive panacea to social ills and civic disunity has also focussed communitarianism in the wrong places. The base arguments have become too simplistic.

However, this is not to suggest that individual and collective responsibility should not be encouraged and community responses supported. But herein lies the important element of this discussion: individuals and communities have a right to be supported in meeting their responsibilities. Rather than being a cheap short-cut to solving problems, this agenda requires investment in the empowerment of communities through the development of appropriate support mechanisms and structures.

Over the last decade the role and prominence of the third sector has increased to meet the challenges of society and to assist government in the delivery of improved responses. The third sector includes local communities. Housing policy has been included in this shift, notably through housing association but also through various community, voluntary and not-for-profit organisations delivering a variety of housing

related services. The prominence of third sector organisations in neighbourhood regeneration has grown significantly.

The major criticism of this shift has been the institutionalisation of third sector organisations. The pattern has followed in a similar way to the experience of housing co-ops since the 1960s, that in order to secure government funding third sector organisations have had to become more business-like and in doing so have lost some of the advantages they offered, most notably their organic dynamism and community roots.

Government has recognised the benefits of social enterprise. The Minister for the Third Sector gave a recent interview to the Guardian newspaper:

"For Phil Hope, small is beautiful with community organisations. Tiny, often single-handed, volunteer-led enterprises, working on a micro-scale, addressing strictly local problems and needs 'are very much the life blood of the community', he enthuses. They are 'the glue that binds communities together'." (Butler, 2008)

In the same article reference is made to the resources made available by government to facilitate and sustain this bonding glue – the "grass roots grants" – which totals £130m this year. But considering the number of communities and enterprises which need external funding to sustain themselves, this amount is small. As stated by Clapham & Kintrea (2000):

"The type of downward accountability favoured by the Committee on Standards in Public Life and other commentators will only be achieved in full if the creation of new forms of community-based organisation is coupled with fundamental changes to the power relationships in the institutional structure of the housing sector in favour of the CBHOs[7]." (p557)

Similarly for housing organisations the challenge is one of size. Despite the overtures towards a community focus, the Housing Corporation's National Affordable Housing Plan remains concentrated in the hands of large housing associations or partnership where the lead member is a significant stock holder. The power of

---

[7] Community Based Housing Organisations

community based associations is limited by their ability to negotiate an acceptable deal with their partners. This again questions that ability of such organisations to make a contribution towards government housing targets let alone community development unless resourcing is addressed.

A third way requires as a prerequisite support structures which enable communities to meet their own needs. Criticism of the implementation of the third way in UK politics since 1997 has been that whilst a lot of responsibility has been placed on the shoulders of local communities and, perhaps more so individuals, in fulfilling their needs and aspirations, the provision and sustainment of support infrastructure, particularly resourcing, has been questioned.

Of course housing services have been no stranger to this shift. Indeed, one could argue that the mainstreaming of housing associations under the 1988 Housing Act was ahead of the third way in giving a major role to housing associations in the delivery of new social housing. The development of the sector following this change has seen dramatic changes in housing associations as organisations with private sector strategies of growth, merger and take-over becoming dominant discourses for survival and a government policy which is focussed on facilitating development through large associations. Therefore the connection between these community organisations and their communities is sometimes broken. This is not to write off housing associations and there is scope for a different model to be developed. This paper begins to explore what these might look like.

Sustainable Communities & Participation

The idea of sustainable communities is not new and housing has been a central element of these. Ebenezer Howard's vision of the Garden City was predicated on sustainability and this model has formed the basis of the new town programme in the 20th Century. Sustainable Communities are a central element of the Government's urban policies. PPS1 sets out what a sustainable community is and is succinctly captured by Raco's summary that:

> "a sustainable place is one in which employment, mixed housing and social facilities are co-present and available to a range of socio-economic groups." (Raco 2007)

However, place is space which is shaped by people and communities are nothing without people. What are required are a focus and a means of facilitating this people element in then delivering sustainable communities. The role of housing is clear within this and mutual housing models may play a stronger role in facilitating this. But the connection with other facilities and services is essential and has hitherto been often overlook in planning and management of place (Rowlands, 2008b). Furthermore, if the Government wants to create communities of active citizens where capacity is built through participation then new models of delivery are vital in order to achieve it. In respect of housing it is difficult to see how the present focus on quantity alone can be reconciled with these aims if the delivery vehicle remains focussed primarily on large preferred partner housing associations or private sector developers.

Sustainable communities policy also implies a need for mixed communities. The government's intentions are based on an assumption that mix will provide an opportunity for social interaction and economic trickle down. To date the use of mixed tenure as a simple policy tool for achieving this has had limited impact. Again, there is a need for new vehicles to be developed which not only provide housing but also create the opportunity for communities to develop through wider infrastructure, opportunities for day-to-day social interaction and means for trapping economic resources in neighbourhoods rather than seeing them leak away.

Affordable Housing, Asset Building & Community Ownership

Access to affordable housing: The government's main policy agenda has been the announcement of 3m new homes by 2020 of which a significant proportion will be affordable. The delivery of affordable housing to date has been difficult and the outcomes have had unintended consequences in respect of the form of development created, the type of affordable housing and the number of units (Rowlands et al 2006; Murie & Rowlands, 2008). The growing gap in the housing market between social renting and owner occupation is being filled by a private rented sector which is extremely variable in size, quality and location but is also creating a sandwich class of households who "can work, can't buy" (Wilcox, 2003) but for whom the available output from affordable housing policies is unlikely to be available. Low cost home ownership schemes are seen to offer limited value for money to the public purse (NAO, 2006), limited mobility and utility for households (Wallace, 2008) and potentially pull marginal home homeowners into potentially unsustainable housing

options (Rowlands, 2008c) Mutuals have a role to play in creating a more flexible tenure system, highlighted by the work undertaken by CDS Housing and the GLA around community land trusts and mutual homeownership (Conaty et al 2003; GLA, 2004).

As highlighted above the favoured delivery mechanisms for affordable housing are reliant either on housing associations or in private developer contributions via the planning system (and usually housing associations again).   This has delivered particular forms of "affordable housing" in a mix dictated by market conditions whilst at the same time contributing to a breakage in the housing ladder and the slow withdrawal of affordable non-rented housing options (Rowlands, 2008b).   At the same time government has started to "rethink" social housing to create a new vision for the sector (Hills, 2007; Flint, 2008). The last housing minister[8] has called for a dialogue as part of this debate and arguably there should be space within this for new housing models and the development of existing but marginal options.

The housing sector does face a challenge. Mullins has indicated in research at CURS the trend for different forms of growth through merger in the sector and it is
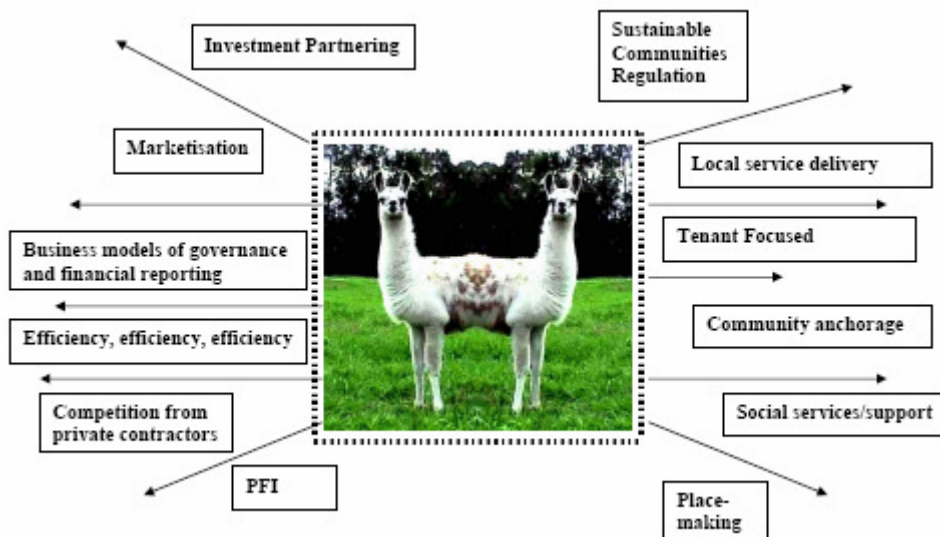

Figure 6.1: The "Push-me, Pull-you" Challenge for Housing Associations (Mullins & Sacranie, 2008)

---

[8] At the time of writing this was Caroline Flint MP. She was replaced in the role by Margaret Beckett MP in October 2008.

clear from government policy that big is often beautiful for the delivery of the numbers agenda. However, as highlighted above there is a simultaneous concern to deliver sustainable communities and address a diverse range of qualitative community and neighbourhood based concerns. As highlighted by Mullins and Sacranie (2008) this has led to a "push-me, pull-you" situation for housing organisations (Figure 6.1): On the one hand business focussed concerns; on the other hand a focus on customer service and community anchorage. Balancing these diverse challenges will be difficult and already splits can be seen within the housing association sector as organisations position themselves more towards one slant than the other (Malpass, 2008)

The need for a community focus from housing organisations is nothing new but this side of the scales has a growing importance in meeting resident and community aspirations. A report for the National Housing Federation, "What Tenants Want" (Mayo, 2006) is stark in its conclusion that want a more responsive housing service and one where they have more say in how their homes are run but equally, few want to get involved in their running. There is therefore a need to develop a housing model which is based closer to residents and tenants and provides the opportunities for greater input but without over burdening residents with formality of participation. At the same time, community is seen as something based around ideas of locality, everyone living together and neighbourhood (Housing Corp, 2008), a feature which is at odds with the development of large housing associations with absence from localities. Clearly what tenants want from communities is locally focussed and with adequate support structures (Housing Corporation, 2008). In delivering this there is a need to rethink how and what is delivered and importantly the means and methods of participation and empowerment.

Potential for Mutuals in UK Housing

So what is the potential for the development of housing co-operatives and community focussed mutual organisations in England?

It is clear that any new development of housing co-ops and community based mutuals must take on board the experience of previous attempts to develop these models. The review above begins to identify a range of factors which have been common throughout the history of mutuals in undermining their development. Some of these factors are more likely to exist today than others. However, there are a

number of contemporary factors which make the development of new mutuals an attractive prospect.

The mutual model provides a number of advantages in meeting current government objectives and raises further questions to address through the next phases of research:

- *Housing and Affordability*: Co-operative and mutual models provide a model of local delivery. The efficiency of these models has been proved in the past and anecdotal evidence suggest that they perform as well as if not better than mainstream models in both the delivery and management of new homes but may additionally better meet the needs, demands and aspirations of housing consumers. The current housing challenge should provide the appropriate opportunity for new models and the development of better mixed tenure options. This will require innovation, particularly in procurement of both development and management services. The next steps of research should begin to identify what can be adapted and utilised from current models and what can be learnt from elsewhere.

- *Sustainable communities*: mutuals and community based responses provide an opportunity to meet a number of the criteria highlighted by the Egan review of skills for delivering sustainable communities. Whilst traditional housing models have found it difficult to go beyond the realm of housing, co-operative and mutual models may provide the opportunity and the means to go beyond housing and consider social and economic elements of community development in a truly holistic way. Co-partnership illustrates what was and could be achieved through a stake in ownership. The questions are whether these conditions still exist, could be (re-)invigorated and if there is the support and commitment to do so.

- *Governance and participation*: mutuals clearly could play a role in the development of more responsive and democratic local governance structures. Participation is a necessity. The challenge is in finding forms of participation which meet tenants and residents needs and circumstances.

- *Neighbourhood management*: good quality neighbourhood management is essential for the effective functioning of these spaces. The provision of local services and the management of open space provides enhanced liveability. Even the private sector recognises the need for good quality management on

enhancing the value of assets (Calcutt, 2007). This needs to be undertaken as a partnership between a range of stakeholders, including residents. Mutual models of community governance, including community land trusts could play a significant role in meeting these objectives. Basis for civic reinvigoration?

- *Communities owning assets*: The government's recent focus has returned to how individuals and communities can build and control assets (ODPM/Home Office, 2006; Quirk, 2007). Mutuals may be able to provide community control of assets but through varied schemes could enable individuals to develop their own assets. The experience of co-partnership and co-ownership housing needs to be taken into account in providing the conditions for this to take place but protecting mutuals from tenure transfer, similar to the Building Society sector.

Critical in all of this will be the propensity for tenants and communities to take an active role in the governance of their homes and neighbourhoods. Community involvement can generate a negative image in asking already deprived communities to expend even greater amounts of limited resources and energy solving their problems themselves. Therefore mutual structures should not be a new short-cut to addressing problems where previous housing short-cuts having had disastrous consequences (e.g. Dunleavy's "technological shortcut" (Dunleavy 1981; Murie & Rowlands, 2008)). The recent NHF sponsored Tenant Involvement Commission (Mayo, 2006) indicates that whilst tenants want responsiveness and accountability from their landlords with the opportunity to get involved in decision making over important matters, only a minority of tenants are keen to be actively involved in decision making. This is crucial in shaping a structure which enables effective participation whilst fitting the needs, abilities and resources of tenants. It will require structures which enable participation at a range of levels (see for example Mullins et al, 2004) together with structures to enable succession. Whilst participatory democracy needs to invigorated as highlighted by all political leaders there needs to be recognition that concentrating on formalised methods alone can stifle participation and lead to false accusations of apathy. It is vital that informal means are both recognised and supported to facilitate opportunities for wider participation and input into decision making. There are no easy, off the shelf solutions to this and it will be a key challenge in the promotion and development of community based solutions. However, co-ops as small scale organisations with everyday interactions which may facilitate this. The success of housing co-ops and other community based

organisation in sustaining themselves, continuing participation and in many cases surviving is testimony to the fact that there are lessons to be learned.

In order to play a role in the new policy agenda, co-ops and mutuals will need to address a series of issues which may be seen by some as current short-comings. Firstly, the advantages of co-ops and mutuals are widely known, but at the moment, only within the sector. There is a need to demonstrate these benefits more clearly and in a way which is comparable to other housing and neighbourhood delivery options. Yet as part of this, there is also a need to identify the wider benefits of co-operatives together with the costs borne by communities and individuals which save the public purse. The commission will play a role in this but it is vital that it is underpinned by robust and up to date evidence.

Whilst some of the barriers to development can be real, there are those which can be artificially and internally created. There is a real need for innovation amongst co-op and mutual organisations. The history of the sector has revealed innovation but in recent times this has been more limited. A can-do attitude needs to be fostered which will be helped through improved support and integration of the sector together with a wider recognition of the positive attributes in wider public knowledge. New developments around mutual home ownership and the community gateway model demonstrate that the capacity and drive for innovation does exist and the challenge for those within and without the sector is to understand what is needed to facilitate this innovation further.

Finally, there is a need to see what can be learnt from elsewhere, both sectorally and internationally. For example, with potential changes to housing association finances which may introduce VAT charges for secondary services, the primary-secondary relationship which has helped many co-ops could be threatened. However, if we look elsewhere there may be ways of overcoming this were it to arise. For example, Sweden works within similar EU VAT taxation regime therefore how the relationship between co-ops and service providers can be streamlined so that taxation does not become a barrier. Similarly there is scope for housing co-ops and other mutuals to develop learning from and between co-ops and other social enterprises in other sectors

Conclusions

The present climate makes the opportunity for developing co-operative and mutual structures stronger than it has been for some time. With what can be assumed to be the end of the neo-liberal paradigm in public policy and wider economics, the implication for society is the need to find and develop viable alternative structures and systems. Mutuality has offered these in the past but has been overtaken by other organisational forms. If the same is not to occur again this time around the lessons of past phases need to be recognised and overcome. However, for housing there is a unique opportunity for mutual structures and organisations to make a difference. Before the "credit crunch" a number of policy strands had aligned which mutual and co-operative housing and neighbourhood organisations can play a critical role. With the added problem of economic downturn together with a resultant rethink around the prevailing economic system, the present configuration of the housing system is being undermined. If the opportunity for mutual housing is not taken now and its development begun at the next level it is likely that the chance for generational change will be missed.

7. Conclusions

This research was commissioned to provide a baseline for the Commission on Co-operative and Mutual Housing. As such it has reviewed the existing body of evidence about mutual and co-operative housing models together with some initial, small scale primary research. The new research has focussed on updating the benchmark Price Waterhouse study of 1995 together with capturing the qualitative accounts of existing and new co-operative and mutual housing organisations in England. It is intended as the first stage in an ongoing research programme and therefore raises as many questions as it provides answers.

The past

For some time mutuality has been overshadowed and misunderstood. Against the individualism and privatism of a neo-liberal hegemony, any acknowledgement of the benefits derived from co-operation have often been overlooked or where considered beneficial directed at often under-resourced and groups and communities which are considered "problematic". Within housing there has been a historic and small tradition of mutualism and co-operation over the last 150 years. These organisations have a long track record of meeting various niches of housing need at different points in time. However, they have been unable to develop in the numbers that would provide a thriving co-operative and mutual sector and as Birchall has stated, have been susceptible to take over by one of the dominant tenures. However, each phase of development has offered benefits which could provide solutions to some of today's housing problems. If this is to happen a series of critical success and failure factors need to be addressed. These are:

- Available and sustainable finance;

- Support structures and organisations to facilitate development;

- A supportive political environment;

- Sensitive and constructive regulation; and

- A commitment to co-operate by all stakeholders.

65

It is vital that these persistent barriers and threats are addressed if co-ops and mutuals are to play a integral role to addressing today's housing and neighbourhood challenges.

The Present

The research has highlighted that there is a grassroots on which to build. A range of co-operative, mutual and neighbourhood focussed housing organisations have developed and sustained themselves, particularly over the last 30 years. This suggests that the co-operative way can exist and potentially thrive even in the current policy and political contexts. The work around KPIs has illustrated that co-ops continue to provide effective housing management services offering value for money and high tenant satisfaction. Our initial case studies have highlighted the value-added offered by these particular organisations and the way that the rhetoric of some mainstream housing organisations is being turned into reality on the ground. The benefits of mutualism and co-operatives do appear strong on face value. However, in this research we have not been able to isolate the extent to which it is mutualism which is delivering these benefits. However, the evidence does suggest that mutualism *may* have benefits to offer the mainstream and in particular the potential for a transfers culture, value and practice to other housing organisations should not be overlooked.

What is clearer is the positive benefit of localism in the delivery and governance of housing and neighbourhood services. Clearly the co-ops and mutual organisations included in this study are more responsive to their consumers needs than some other housing organisations. Size can play a role and smaller co-ops have the benefit of governance facilitated through a closer relationship with their tenants and members. However, as Preston's CGA demonstrates, large organisations can be as responsive if they adopt an approach to governance and engagement which is truly user focussed. In the case of CGA, the focussing of activities at a community defined neighbourhood level appears to be the key to effective service delivery which meets residents needs. Therefore the main message which emerges is one where locally focussed and neighbourhood based organisations can offer a distinct advantage in meeting the needs and demands of the communities that they serve.

This research has only been able to provide a snapshot of parts of the sector and examine only some of the questions which were posed at the start of the process. Further work will be required needs to provide a comprehensive and state of the art

picture of all types of mutual housing and neighbourhood organisations. Suggestions are outlined below. This is outlined below.
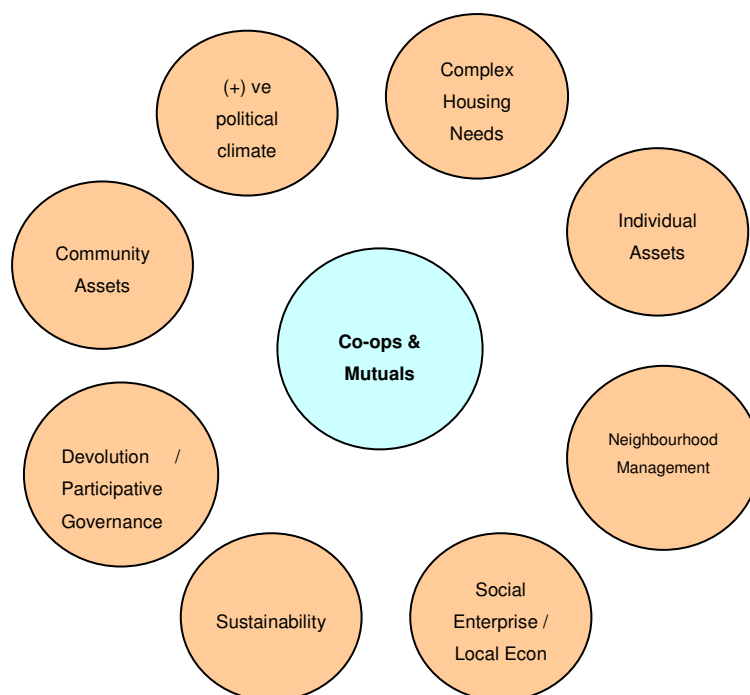
Opportunities & Challenges

Figure 7.1: The 8 Planets - Opportunities for Co-operative and Mutual Development

Today's challenges of climate change, recession and housing needs provide an opportunity for the development o f new systems, structures and organisations, of which co-ops and mutuals can play a key role. As illustrated in Figure 7.1, a series of opportunities have aligned into which mutuals play a strong card. However, support from government, the housing sector and co-operatives themselves will be vital to capitalising on this opportunity and evidence of what works will be critical to making the case.

But, if they are to succeed and offer an effective alternative it is essential that the needs and demands of households are understood. New and existing models need to fit these needs and provide additional benefits. At the moment we do not understand wider public attitudes to these potential new models. For the past 60 years the housing system has increasingly favoured individual rather than collective ownership and this represents a significant obstacle to developing any new form of housing in the mainstream. However, the current crisis in owner occupation together with an ongoing re-evaluation and reinvention of social housing provide an

opportunity for an evidence based alternative to be proposed. The Commission need to build on and share the evidence base developed if this is to be achieved.

The Future

The present collection of housing needs is diverse and ever changing. Whilst affordability per se has slipped down the agenda, housing requirements remain the same and the means of delivery sufficient quantity. At the same time, evidence from other research starts to suggest that the current forms of housing and particularly affordable housing do not meet the expectations and aspirations of housing consumers (Hills, 2006; Rowlands & Murie, 2008; Wallace, 2008). The implication of this is that new models are required to meet a host of existing and new demands. Yet in order to meet these demands we require a much improved understanding of what housing consumers need and want from their housing. Only with this information in hand can we better design solutions to meeting this need. Presently housing is used as both an investment and a consumption good which presents significant challenges in developing new models. Therefore all solutions will innovation if they are to be effective but must also that generational change is likely to be required to accept radical changes. In the mutual sector there is emerging evidence of innovation around this task but with an improved intelligence base these solutions could be fine tuned and other models developed.

In moving forward with the mutual agenda, finance for development will be critical. Some of the discussion has focussed on the problems of the current mixed funding regime for affordable housing. Whilst this has certainly handicapped new developments and reduced the ability of co-ops to make a more significant impact, there are examples of mutual solutions which have worked within this framework. Both Redditch Co-operative Homes and CGA operate within this regime and have managed to achieve value added at the same time. The lessons around these examples need to be appreciated to realise the potential of mutuals if change is not forthcoming. At the same time, there needs to be further innovation in developing solutions which can be self financing or utilise different funding streams. The Mutual Home Ownership model developed by CDS illustrates how thinking outside the box and making linkages with other projects can deliver a innovative and alternative housing model. Critical in the development process is the acquisition of land and property. Therefore a number of questions arise, including:

- How can land be sustainably secured for no or reduced cost?

- How might the public sector play a role here and what is the role for communities?

- How might existing buildings be used within this process to further reduce set up costs but facilitate regeneration and environmental objectives?

These are questions which the Commission should seek to address in the evidence they take from stakeholders within and without the co-operative movement.

The performance and value-added of co-ops and mutuals has been a significant focus of discussion both in the research and amongst commissioners. The reliance on the 1995 Price Waterhouse report is agreed to be unhelpful in making the case for housing co-ops today. Whilst this research has started to plug the gaps, it has been unable to provide the same comprehensive analysis that these previous studies have established. The Price Waterhouse report remains useful in providing a framework for undertaking a new phase of research into performance and impact. It is clear from this initial exercise that the results are likely to be similar but that in collating the qualitative data achieved in the initial research would contribute to a better understanding of the additionality of co-ops which KPIs are unable to sufficiently demonstrate.

However, what all of these studies have done so far is consider housing co-ops and housing mutuals in isolation from other (mainstream) housing types and organisations. Without a comparison it is inappropriate to attribute the benefits seen to the organisations being co-operative and/or mutual. A further critical analysis is required which analyses whether the benefits are the result of these organisations being mutual or co-operative. To suggest merely that the co-operative principles are part of some of these organisations mission statement is insufficient in explaining these day-to-day benefits without proof of their impact. It is important to understand how the philosophy and ethos of these organisations differs from others and how this improves the governance and delivery of housing and related services. Such research will require a comparison with organisations operating in similar environments.

This research has provided some answers to the initial questions. It has shown that the history of housing co-operatives has delivered benefits but has faced persistent

barriers. It has illustrated the benefits which co-operative and mutual housing organisations are delivering at the present. And it has outlined the challenges and opportunities which mutualism faces in providing effective housing and neighbourhood solutions. However, gaps in our knowledge do remain. It is anticipated that the work of the Commission will begin to plug these gaps further through new research and focussed evidence from a range of stakeholders. Having said this, the social and economic crossroads where we presently sit provides an opportunity for evidence based mutual solutions to be developed.

References

Barker K, 2004 Delivering Stability: Securing Our Future Housing Needs final report of the Review of Housing Supply, London, HM Treasury

Birchall, J (1991) The Hidden History of Co-operative Housing in Britain Department of Government Working Papers No. 17 London: Brunel University

Birchall, J (1992) Housing Co-operatives in Britain Department of Government Working Papers No. 21 London: Brunel University

Birchall, J (1995) "Co-partnership and the Garden City Movement" Planning Perspectives 10(4) pp329-358

Brandsen T, Farnell R and Cardoso Ribero T (2006) Housing Association Diversification in Europe. Profiles, Portfolios and Strategies Coventry, Rex Group.

Bromily, R Adamson, D & Connolly, S (2004) Housing, Mutuality and Community Renewal: a review of the evidence and its relevance to stock transfer in Wales Cardiff: Welsh Assembly Government (Available from: http://new.wales.gov.uk/dsjlg/research/0404/reporte?lang=en accessed 18/7/08)

Buonfino, A & Hilder, P (2006) Neighbouring in Contemporary Britain York: JRF

Butler, P (2008) "Spreading the Glue" Society Guardian 7th February 2008 p3

Cairncross, L Morrell, C Darke, J & Brownhill, S (2002) Tenants Managing: An Evaluation of Tenant Management Organisations in England London: ODPM

Cave, M (2007) Every Tenant Matters: a review of social housing regulation, London, DCLG

CCH (2003) Communities in Control Birmingham: CCH

CCH, CIH & Co-opeartive Union (2003) Empowering Communities Coventry: CIH http://www.cch.coop/docs/cch-gateway.pdf (visited 6/5/08)

Clapham, D & Kintrea, K (1987) Importing Housing Policy: Housing Co-operatives in Britain & Scandinavia Housing Studies 2(3) pp157-169

Clapham, D & Kintrea, K (1991) Housing co-operatives in Britain: achievements and prospects Harlow: Longman

Clapham, D & Kintrea, K (2000) 'Community-based housing organisations and the local governance debate' Housing Studies 15 (4) 543-559

Clapham, D O'Neill, P & Bliss, N (2001) Tenant Control & Social Exclusion CCH:

Community Gateway Association (2008) http://www.communitygateway.co.uk/about/index.aspx?section=6&item=5

Conaty et al (2003) Common Ground for Mutual Home Ownership London: Central Books

Dunleavy P (1981) The Politics of Mass Housing in Britain 1947-1975 Oxford, Clarendon Press.

Forrest, R & Williams, P (1990) 'Future Directions' in P Williams (ed) Directions in Housing Policy: towards sustainable housing policies in the UK, London: Paul Chapman Publishing, 1996.

GLA (2004) Community Land Trusts & Mutual Housing Models London: GLA

Hills J., (2006) Ends and Means: The future roles of social housing in England London, LSE

Holyoake, G (1907) Self Help by the People London: Swan Sonnenschein & Co.

Housing Corporation (2006) Co-ownership Housing - what is it? London: Housing Corporation

Kellner, P (1999) New Mutualism: The Third Way London: Co-operative Party (Available from: http://new-mutualism.poptel.org.uk/pamphlets/mutual1.txt)

Kemeny, J (1981) The Myth of Home Ownership London: Routledge & Kegan Paul

Kropotkin, P (1902) Mutual Aid: A Factor of Evolution London: Freedom Press (1987 Edition)

Malpass, P (1999) Housing Associations & Housing Policy: A Historical Perspective Basingstoke: Macmillan

Malpass, P (2008) "The rise of housing associations" Paper given to "Housing, Markets and Policy: Change and Transformation" Symposium, CURS, University of Birmingham 30th April and 1st May 2008

Matrix Housing Partnership (2007) Forging Futures A Modernisation Agenda for21st Century Housing, Consumers and Communities West Bromwich: Matrix Housing Partnership

Mayo, E (2006) What Tenants Want: Report of the Tenant Involvement Commission London: NHF

McCafferty, P & Riley, D (1989) A Study of Co-operative Housing London: DoE

McKee, K (2007) "Community Ownership in Glasgow: The Devolution of Ownership and Control, or a Centralizing Process?" European Journal of Housing Policy 7(3): 319-336

Mullins D, Beider H Rowlands R (2004) Empowering Communities, Improving Housing: Involving Black & Minority Ethnic Tenants & Communities, London: Office of the Deputy Prime Minister

Mullins, D & Rhodes, M (2007) 'Network Theory and Housing Systems. Editorial Special Issue', Housing Theory and Society, 24.1, 1-13.

Mullins, D & Sacranie, H (2008) "Competing interests and change in the regulation of housing associations in England: a multi-layered merging perspective" Paper Presented to Housing Studies Association Annual Conference, University of York, 2-4 April 2008 http://www.york.ac.uk/inst/chp/hsa/spring08/presentations/Mullins%20&%20Sacranie .pdf (Visited 2/5/08)

Murie, A & Rowlands, R (2008) "The New Politics of Urban Housing" Environment & Planning C: Government & Policy 23(3):644-659

NAO (2006) One Foot on the Ladder London: NAO

ODPM/Home Office (2003) Communities Taking Control London: HMSO

Orton, M & Rowlingson, K (2007) Public attitudes to economic inequality York: JRF

Palmer, G MacInnes, T & Kenway, P (2008) Monitoring poverty and social exclusion 2008 York: JRF

Price Waterhouse (1995) Tenants in Control: and Evaluation of Tenant-Led Housing Management Organisations London: DoE

Putnam, R (2001). Bowling Alone: The Collapse and Revival of American Community. New York: Simon & Schuster

Quirk, B (2007) Making Assets Work: The Quirk Review of Community Management & Ownership of Public Assets London: CLG

RCT Homes (2008) RCT Homes Website http://www.rcthomes-jobs.co.uk/ (Visited 21/7/08)

Robertson D, Smyth J & McIntosh I, 2008, Neighbourhood identity: People, Time and Place York: JRF

Rodgers, D (1999) The Third Estate London: Co-operative Party (Available from http://new-mutualism.poptel.org.uk/pamphlets/mutual2.pdf)

Rowlands, R (2008a) Managing Multi-Tenure Neighbourhoods? Is Private Renting The Problem? Unpublished report to Joseph Rowntree Foundation Birmingham: CURS, University of Birmingham

Rowlands, R (2008b) "Sustainable Communities – Housing, Dogma and the Opportunities Missed" in P. Malpass & R. Rowlands (Eds) Housing, Markets & Policy Basingstoke: Palgrave

72

Rowlands, R (2008c) "One Step Beyond? The Limitations for Government Promotion of Home Ownership" Paper Presented to ENHR Building on Home Ownership: Housing Policies and Social Strategies Conference, Delft University of Technology, OTB Research Institute for Housing, Urban and Mobility Studies, Netherlands, 13-14 November 2008

Rowlands R, Murie A, & Tice A (2006) More than Tenure Mix: Developer & Purchaser Attitudes to New Housing Estates, Coventry / York: CIH / JRF

Rowlands R & Murie A, 2008, Evaluation of Social HomeBuy Scheme for Affordable Housing London: Department for Communities and Local Government

Satsangi, M & Clapham, D (1990) Management Performance in Housing Co-operatives London: HMSO

Scase, R & Scales, J (2003) Regional Futures and Neighbourhood Realities London: National Housing Federation

Taylor, C (2004) Co-operative Housing in the West Midlands – The Third Way? Unpublished MBA Thesis; University of Birmingham

Torfaen CBC (2007) Housing Stock Transfer Offer Document Pontypool: TCBC (Available from http://www.torfaen.gov.uk/Housing/CouncilHousing/HousingChoices/Publications/OfferDocument.pdf visited 21/7/08)

University of Salford (2005) The Community Land Trust Model Salford: University of Salford http://www.communitylandtrust.salford.ac.uk/documents/The%20CLT%20Model.pdf

Wallace, A. (2008) Achieving Mobility in the Intermediate Housing Market: Moving On? Moving Up? Coventry, Chartered Institute of Housing and Joseph Rowntree Foundation

Wilcox, S (2003) Can Work, Can't Buy York: JRF

Appendix 1: Data Update Proforma

The Forging Mutual Futures Research Project has been designed to provide up to date evidence about the role, effectiveness and development of housing co-operatives and mutual housing models. This data will be considered by the Mutual and Co-operative Housing Commission which will meet this summer.

The project has reached a stage where we need to collect evidence about the costs and benefits of co-operative and mutual housing models. A number of stakeholders have referred to the Price Waterhouse report published in 1995 as a benchmark of co-op and TMO/C performance. Whilst this is useful it is now too dated to rely on as a robust piece of evidence. We are at a point where up to date data is needed to fill the hole.

Unfortunately the resources are unavailable to replicate this study in detail. However, with the co-operation of colleagues and the use of the networks represented on the commission a large amount of data could be collated quickly to provide an updated evidence base. This can be used to compare with the findings of the Price Waterhouse study and against the RSL sector today.

I would be grateful if you are able to complete the attached proforma. This utilises data from the Housing Corporation's Performance Indicators (complete using 2005-06 data) and your own STATUS survey results (where they are available). Where possible please complete the form electronically and return it to me by email (r.o.rowlands@bham.ac.uk with "Co-op Survey" in the subject line). If you need to return this by post please send to:

Rob Rowlands
Centre for Urban & Regional Studies
School of Public Policy
University of Birmingham
J G Smith Building
Prichatts Road
Edgbaston
Birmingham B15 2TT

Thank you for your help with this project. If you have any questions or queries please contact me either by email or by telephone (0121 414 2243).

Name	
HA Code (if known)	
Number of Properties	

Co-op Type ("x" against the relevant box)

How is the management of the co-op mainly undertaken?	Employed staff of co-op	
	A secondary co-op/housing association/other service provider	
	Volunteer staff of co-op	

Performance Indicators for General Needs Housing (2006-07)

	"x" if unavailable
Average weekly gross rent (£)	
GN re-let time (days) (the time that it takes for your co-op to relet your homes. This is intended to be an average time over the last year)	
Vacant and available stock (%)	
Vacant and not available stock (%)	
Average SAP rating (No.) This is a measure of energy efficiency of the home. It will have been assessed if you have had a stock condition survey carried out)	
Stock failing decent homes standard (%) (Housing co-ops registered with the Housing Corporation were supposed to have a stock condition survey carried out to identify if their homes met the decent homes standard, and so co-ops should know what percentage of homes meet the standard)	
Emergency repairs completed within target (%)	
Urgent repairs completed within target (%)	
Routine repairs completed within target (%)	
Tenant satisfaction overall (%)	
Tenant satisfaction with participation (%)	
Weekly operating cost per unit (£) (your operating costs should be available in your accounts. To get the weekly costs per unit, divide them by 52 and the number of homes you have)	
GN operating cost as a % of turnover (%)	
Alternatively provide – Operating costs (£) - Turn-over (£)	
Weekly investment per unit (£) (The total amount of money you have spent on day to day, cyclical, and void repairs, planned maintenance and any other major works divided by 52 and the number of homes you have)	
Rent collected as % of total rent due (%) (the amount of rent you collected divided by your total rent roll, multiplied by 100)	
Rent lost due to voids properties (%) (how much money you lost on voids divided by your total rent roll multiplied by 100)	
Current tenant rent arrears at year end (%)	

Satisfaction ratings

(These are available from a STATUS survey if you have had one undertaken. You may have these results from other surveys. If so, please state the source of the data. If you don't, please consider the option of having a STATUS carried out through MORI as referred to in the covering letter.)

Satisfaction with landlord service	
Value for money perception	
Satisfaction with home	
Satisfaction with neighbourhood	
Satisfaction with repairs service	
Satisfaction with information provided	
Degree to which tenants feel involved in decision making	