

Co-operative Housing Task & Finish Group – Scoping Report

Membership: To be confirmed by Place O&S Committee.

Terms of Reference: ToR to be agreed by Place O&S committee.

Definition:

Co-operative housing ("Co-op") is a housing model in which residents collectively participate in the ownership, management, or governance of their homes through a democratically run organisation. Rather than housing being managed solely by a landlord or housing provider, residents have a direct role in decision-making and the operation of their community. The model aims to provide secure, affordable housing, promote community involvement, and give residents greater control over the management and development of their homes and neighbourhoods.

There are two main models of co-operative housing: the collective management of housing and the development of new homes through community-led ownership. Some co-operatives focus on the ownership and management of existing homes with multiple occupants, giving residents collective control over how their building is run and maintained. Others play a role in developing and building new homes and, in some cases, shaping the wider neighbourhood, bringing people together to acquire land, secure funding and commission the construction of affordable, community-led housing. As a result, co-operative housing can be both a management model and a means of increasing housing supply.

These kinds of schemes have historically been seen as a small scale, "niche" form of housing in the UK in comparison to European cities such as Zurich, where 20% of all residents live in a co-op that also typically include amenities such as shops, nurseries, hotels, restaurants and workspaces¹.

The Issue:

Today three in four new British homes are built by for-profit property developers² with the rest by housing associations and very few built by local authorities. This makes councils reliant on private developers to meet their targets for new social housing, and they often negotiate down the number that are actually delivered. Councils, under financial pressures, will accept the highest price offered when selling land or property which will generally be the big commercial property developers rather than community groups, who may have more sustainable and socially valuable ambitions³.

Brighton & Hove faces significant housing challenges, including high private sector rents, growing demand for social and affordable housing, limited land availability and financial pressures. Co-operative housing has been identified both as an alternative housing management model that can provide more affordable and secure housing through resident control, and as a way of delivering new affordable homes and community-led development. It has the potential to contribute both to improving existing housing options and increasing the supply of genuinely affordable homes in the city. However, despite the presence of

¹ [4. LG Co-Operative Housing.pdf](#)

² [Free land for those who will build social homes on it. Is this the radical solution to the UK's housing problem? | Phineas Harper | The Guardian](#)

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established co-operatives and interest from local residents and community groups, the sector remains relatively small and fragmented.

Barriers appear to include a lack of coordination across the sector, limited awareness and understanding of co-operative housing, lengthy and complex legal and organisational processes, difficulties accessing suitable properties and concerns that some existing groups may be difficult for new members or organisations to engage with. There are also questions about whether existing resources, expertise and funding opportunities are being fully utilised, and what role the council could play in supporting growth, facilitating partnerships, reducing barriers, and making co-operative housing a more mainstream housing option for residents, particularly young people.

Benefits

Co-operative housing can help create safe and supportive communities by giving residents a direct role in managing their homes and neighbourhoods. The shared responsibility involved in running a co-operative can foster stronger relationships between residents, increase community participation, promote social cohesion and a greater sense of belonging. As there isn't an owner, the homes are more secure and not subject to a section 21 notice from a landlord wanting to sell. Communal areas such as workspaces, kitchens, gyms, gardens and play areas further create a sense of community by bringing people together.

Co-operative housing can provide genuinely affordable homes because it is driven by community benefit rather than developer profit. As residents collectively manage the properties, rents can be kept lower, surpluses can be reinvested in the homes, and the housing can remain affordable over the long term.

High rents and house prices can make it difficult for younger people to remain in Brighton & Hove, potentially leading some to seek more affordable housing elsewhere. The expansion of affordable housing models, like co-operative housing, may help retain younger residents by providing lower-cost and more secure housing options. Existing properties, including HMOs, may be adapted for co-operative use, helping to increase the supply of affordable housing without the need for new development and create an alternative market that appeals to young people where they can afford to have a nice room in a nice house.

An additional benefit for the council would be the opportunity to link co-operative housing organisations with applicants on the housing register, helping to provide affordable housing options and potentially reducing pressure on housing services.

Co-operative housing can also have benefits for climate change as demonstrated by Zurich's largest co-operative housing organisation "Allgemeine Baugenossenschaft Zürich" (ABZ) through *"the delivery of energy-efficient homes, investment in renewable energy, the reduction of building-related carbon emissions, sustainable construction practices and the creation of environmentally responsible communities."*⁴

Opportunities

Other cities in the UK, such as Liverpool, have adopted policies designed to unlock vacant council-owned land, brownfield sites and empty properties for community groups to develop new homes⁵. Despite limited opportunities for new development in Brighton & Hove, co-operative housing could still expand through the purchase and conversion of existing housing stock. Changes to landlord licensing requirements, including HMO licensing

⁴ [Sustainability: This is where the ABZ stands](#)

⁵ [2023-Case-Study-Liverpool-2-Community-Led-Housing.pdf](#)

schemes, may have increased operating costs for some landlords, potentially contributing to properties leaving the private rented sector. This may present opportunities for co-operative housing organisations to acquire and manage properties as affordable housing. The Council could take on a facilitative role in bringing people together to buy these properties and run them as a co-op. This would be cheaper than trying to build new developments.

There are lots of groups in the community who are keen and willing to take responsibility for co-operative housing but they are not well organised and don't necessarily have the expertise or the knowledge to do so. This is where the council could provide the necessary support to expand the number of co-ops in the city to become more of a mainstream housing tenure option. In turn, this could create more social housing with low rents that could help with the housing problem. There could be opportunities to work with these groups and help reduce the housing waiting list.

It would be worth exploring what funding is available for this from central government and other sources outside of the city. Community groups can often access more funding than the council and could take advantage of this. The government is currently working with the Confederation of Co-operative Housing and other sector stakeholders to legislate for a co-operative form of tenure putting those tenants on the same footing as other social housing tenants; amending the Localism Act to provide more support; and provide access to low-cost capital finance for co-operative organisations currently priced out of the market⁶. These changes would free up resources for co-ops and make them more viable.

Potential areas of enquiry:

- To explore what practical and realistic actions the council could take to enable the growth of co-operative housing and maximise its contribution to addressing housing need in the city
- To understand how successful co-operative housing models operate in the UK and internationally
- To identify barriers that prevent the creation and expansion of co-operative housing schemes locally and what support could be put in place to help
- To explore how legal, governance and funding processes could be simplified or standardised to support new co-operatives
- To see what funding opportunities are available through government, external organisations and the co-operative sector itself
- To explore how to raise awareness of co-operative housing, particularly among younger people and those seeking affordable housing.
- To see how the council can facilitate organisation of potential co-op groups and bring them together.
- To see how the council could support co-operatives to access land and property for potential development of new affordable housing as well as the management of existing homes.
- To speak with other councils in the UK who have successfully supported co-operative housing in their area
- To speak with successful co-operative housing organisations both in the city and beyond

Potential witnesses:

⁶ [4. LG Co-Operative Housing.pdf](#)

- Representatives from successful co-operative housing schemes such as Allgemeine Baugenossenschaft Zürich, Coin Street in Lewisham, Marmalade Lane in Cambridge
- Other councils who have established community-led housing programmes such as Liverpool, Bristol, Lewisham
- Local co-operative housing schemes such as Two Piers, Brighton Rock Co-operative, Bunker Housing Co-op
- Experts in the sector such as Jonny Anstead, (Co-founder of “TOWN”), Martyn Holmes, (Confederation of co-op housing)
- Community Land Trust
- Community groups interested in developing co-operative housing
- Relevant Council Officers and Councillors (BHCC)
- Academics
- Representative/s from MHCLG

Examples of successful co-operatives:

- Allgemeine Baugenossenschaft Zürich: [ABZ Zurich: Leading Affordable Housing Cooperative | European Housing Coop](#)
- Marmalade Lane, Cambridge: [Marmalade Lane Cohousing, Cambridge | TOWN](#)
- Coin Street, Lewisham, London: <https://coinstreet.org/>