

# Communities, Equality and Local Government Committee

## Inquiry into the provision of affordable housing in Wales

### Response from Wales Co-operative Centre

The Wales Co-operative Centre welcomes the opportunity to provide evidence to the National Assembly for Wales Communities, Equality and Local Government Committee Inquiry into the provision of affordable housing.

The Wales Co-operative Centre helps shape and realise aspirations for people and communities. We support the development of co-operatives and social enterprises, we reduce digital exclusion and we advise on financial inclusion policy.

We work closely with the housing sector, for example helping housing associations to set up social enterprises and supporting social housing tenants to access the benefits of using new technology.

Our response to this inquiry focuses on the issue of whether innovative methods of delivering affordable housing such as Community Land Trusts or co-operatives could be promoted more effectively by the Welsh Government.

The Wales Co-operative Centre firmly believes that co-operative and mutual housing models have a role in helping Government to increase the supply of affordable homes.

Co-operative and mutual housing is explained in a report produced by the Commission for Co-operative and Mutual Housing called 'Bringing Democracy Home'. Although the report focuses on England, the conclusion and recommendations are largely relevant to Wales.

The report makes clear the benefits of co-operative and mutual housing models both "as a successful and attractive model of social renting" as well as a form of home ownership that can "provide collective protection for an intermediate market from individual risk and market fluctuations whilst capturing investment gains collectively."

The report goes on to say that co-operative and mutual housing can:

- deliver high resident and member satisfaction with services alongside vibrant community identity;
- stimulate individual and community resilience through active and democratic citizenship;
- provide a place making cornerstone, making places work better for people who live in them;
- contribute to addressing social disadvantage and worklessness;
- can enable collective influence over what happens beyond the immediate boundary of an individual property, whilst at the same time supporting the individual household interest in housing;

- be a tenure of status, meeting the needs and aspirations of people who want their individuality guaranteed through community based solutions.

The report concludes by calling for cooperative and mutual housing options to be properly incorporated into national housing policies. It is therefore pleasing that Welsh Government and the National Assembly for Wales are looking further at the range of co-operative and mutual housing options. A copy of the full report can be found at:

<http://www.ccmh.coop/sites/default/files/Commission%20Report.pdf>

The potential for co-operative housing is significant. According to the Co-operative Party, co-operative housing in the UK provides less than 1 per cent of homes in comparison to the average of over ten per cent contribution to housing supply in the rest of Europe. There are particularly strong sectors in Scandinavia, Germany, Austria and Turkey.

The Co-operative Party has researched a particular model of mutual home ownership that can create permanently affordable intermediate market homes, even against the background of the credit crunch. A copy of the Co-operative Party leaflet about the New Foundations model can be found at <http://www.party.coop/files/2009/09/new-foundations-pamphlet-final.pdf>

The Wales Co-operative Centre is keen to work with Welsh Government and to use our experience in the field of co-operative development to take forward co-operative and mutual housing initiatives.

We are represented on the Welsh Government's Co-operative Housing Stakeholder Group. Furthermore on 28<sup>th</sup> November we are hosting an event entitled 'Standing Up for Welsh Homes' which is specifically intended to explore how co-operative housing models can help increase the supply of affordable homes in Wales. The Minister for Housing Regeneration and Heritage, Huw Lewis AM, is the key-note speaker at the conference alongside David Rodgers, Executive Director, Co-operative Development Society Ltd (London) & President of International Co-operative Alliance Housing Sector Organisation.

The conference will consider a number of questions including:

- How could co-operative housing options be financed?
- Is there a demand and a market for co-operative housing?
- Legislation & regulation – are changes required or are they helpful?
- Planning and delivery – what are the practical steps needed to deliver? Who will deliver?
- Is there a role for Mutual Retirement Housing?

We are intending to produce a short report of the conference, which we would be pleased to share with the Committee. The event is organised in partnership with the Welsh Government. Further details can be found at [www.walescooperative.org/standing-up-for-welsh-homes-co-operative-housing](http://www.walescooperative.org/standing-up-for-welsh-homes-co-operative-housing)

Please do not hesitate to contact me if I can provide you with any further information.

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