



London Housing Panel

London Federation of Housing Co-ops: Supporting the supply of social and affordable housing

There are nearly 300 community-controlled housing organisations in London, housing nearly 200,000 people. Some of these groups have been operating for over 40 years. A key feature of this type of housing is that there are strong links within the community to provide support during difficult times, helping residents stay rooted in their neighbourhoods during illness or as they grow older. In terms of meeting Londoners' needs for new housing, it has proved difficult to develop new Co-op housing, despite a desire to do so. Co-op housing is happening on a small scale, but could be expanded further. Here we feature three housing co-ops of very different sizes:

Quaggy Housing Co-op

This co-op has been a number of years in the making, but they moved into their south London home in February 2020. As one of the smallest co-ops, it houses four adults. The rents are reasonable for a room in a shared house beginning at £495 pcm (average is £600). It's not social housing, but it's reasonable for the private rented sector. The attraction here is for individuals to have some control over their housing, to know that repairs will be carried out and to know that their landlord cannot raise rents or capriciously order them to leave. This is their home and they control it. The co-op is a mutual home ownership society and some of their rent goes towards building up equity, so if circumstances change, members have some capital towards a mortgage when they leave. The project has been funded using members' resources and loanstock bought by friends, families and other housing co-ops to achieve 20% of the purchase price and some conversion expenses, with a commercial loan for the remainder. As a not-for-profit organisation it should provide housing for many years to come.

Leathermarket TMO/Community Benefit Society

Leathermarket has been a pioneering tenant management organisation (TMO) in the London Borough of Southwark for many years. In 2014 Leathermarket set up a community benefit society to take advantage of the council's commitment to work with community groups in developing new homes. As part of this it did two things. It became the first TMO in the country to be fully self-financing, with the council no longer doing major repairs. It then also set out its 30-year business plan for itself and the CBS. Together, these allowed Leathermarket to be fully in control of its own finances and plan meaningfully for the future. Working with the TMO allowed the council to use funding it had not been able to use itself and now Leathermarket is part of ongoing plans to build 926 council homes by 2022. There were other advantages for Southwark Council though. The CBS has also benefitted from 'sweat equity', as hundreds of hours have been volunteered by resident directors and local community members to see the project through.

Working with local people also unlocks otherwise contentious infill sites, or “hidden homes”, for development; in the case of Marklake Court, the site was small, awkwardly-shaped, and closely bordered by existing homes, but strong community support made the development possible (with no objections to the planning application). Leathermarket was able to bring extra funding and expertise into the borough; to date, the CBS has brought in £855,000 in funding for community-led housing from the GLA and DCLG. Ensuring that the community remained in control effectively leveraged valuable local knowledge and maximised benefits for residents, such as new or improved communal spaces/green spaces, rationalised estate parking, and solutions to anti-social-behaviour problems.



There were further benefits too. Working closely with the community through a co-design process encouraged downsizers to move into bespoke local homes, thereby freeing up larger council properties for other families on the waiting list, and maximising the impact of the new homes. Long-term stewardship was ensured through integration with the TMO’s housing management and local major works programmes and disruption to local residents was minimized.

Success leads to success and the next development is beginning with the Joseph Lancaster scheme, building 40 new homes on the site of a disused nursery. Following that consultation three sites on the Elim estate have begun, which could mean up to 53 more homes, and further collaboration with the authority seems possible.