

Draft New London Plan

Consultation response Community Led Housing London

To whom it may concern,

We welcome the opportunity to respond to the New London Plan. Community Led Housing London is a new resource and advice hub supported by the Mayor of London and several London Boroughs and hosted by CDS Co-operatives. The steering group includes representation from the National Community Land Trust Network, UK Cohousing Network, and Confederation of Cooperative Housing.

This response is prepared jointly by Community Led Housing London, CDS Co-operativesⁱ, the National Community Land Trust Networkⁱⁱ, the UK Cohousing Networkⁱⁱⁱ, and the Confederation of Co-operative Housing^{iv}. Further details about us can be found at the end of this document.

We would be grateful if you direct any communication on this response to info@communityledhousing.london and Linda.Wallace@cds.coop

1. Good Growth and the London Housing Strategy

Community led housing brings greater social value than conventional forms of housing delivery and management, thereby contributing to the London Plan's overarching ambition for Good Growth. Where communities and future residents actively and positively participate in the development of new housing they get to know local communities and future neighbours, building community cohesion, as well as a sense of ownership and are more inclined to take care of their environment and social relationships. Because of this existing communities tend to be more welcoming of community-led housing than other forms of housing. These all support *Policy GG1 Building strong and inclusive communities*.

Furthermore *Policy GG4 Delivering the homes that Londoners need* aims "to create a housing market that works better for all Londoners". Community led housing is not only diversifying the housebuilding sector, it can make a significant and distinctive contribution to increasing the supply of genuinely affordable housing in London, with the added social benefits.

There are a growing number of community led housing projects in London, with several reaching completion. This reflects increased interest nationally, despite a number of greater hurdles in London. Community led housing is far more widespread in other countries, notable examples include Vauban in Freiburg and various 'baugruppen' in Berlin and Hamburg. These projects demonstrate the scale and density achievable in urban areas, often with varying degrees of support from local and regional government. Further detail on examples in London, the UK, and internationally can be provided upon request.

The Mayor is supportive of community led housing in his Housing Strategy. However paragraph 5.47 notes "Groups who wish to develop community-led housing schemes face a range of challenges. In particular, they may struggle to access suitable and affordable land,

finance, and people with the necessary skills and experience to take a proposal through from conception to delivery.”

As set out in the Housing Strategy, the Mayor is funding community-led housing projects, as well as self-build and custom-build projects, using his Innovation Fund, and lobbying Government to allocate a share of the Community Housing Fund. This will go towards addressing finance challenges.

The Mayor is also funding a new Community-Led Housing Hub, which primarily aims to address issues of skills and experience (see Box 10 of the Housing Strategy).

The London Plan has a key role to play in addressing the challenge of “access [to] suitable and affordable land”. This does not appear to be adequately fulfilled in the current draft Plan despite the references and support in other statutory strategies.

2. Definition and Glossary

References to community led housing in the current draft London Plan have a footnote to the glossary, but there is no definition present in the glossary. This is clearly an oversight that should be corrected.

The following definition has been agreed by the sector and is also used by MHCLG, and should be included in the **London Plan Glossary**.

Community led housing is where people and communities play a leading role in addressing their own housing needs. It comprises the following three principles:

- i. A requirement that meaningful community engagement and consent occurs throughout the process. The community does not necessarily have to initiate and manage the development process, or build the homes themselves, though some may do.
- ii. The local community group or organisation owns, manages or stewards the homes and in a manner of their choosing.
- iii. A requirement that the benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity.

This definition includes various forms of community-led housing such as cohousing, housing cooperatives, community land trusts (CLTs), self-help housing, other CICs, and non-profit self-build groups. A brief description of these forms or approaches is provided below, but further information and examples are available on request.

Cohousing communities are created and run by their residents. Each household has a self-contained home but residents come together to manage their community and share facilities and activities, recreating the neighbourly support of the past. The homes are typically owned on long leases, with residents jointly owning the freehold of the site, although homes can also be let or rented on a mutual or co-operative basis. (Please note cohousing is not to be confused with “co-living” branded development with an independent private landlord which is the focus of *Policy H18 Large-scale purpose built shared living*).

Community Land Trusts (CLTs) enable ordinary people to develop and manage homes as well as other assets such as workspace. Anybody in the local community can become a

member and vote on the board. Most focus on genuinely and permanently affordable housing which is equivalent to sub market rented or intermediate ownership tenures.

Cooperative and mutual housing enables the residents to democratically control their housing organisation, which typically offer rented accommodation to members. This can result in benefits for members such as a better service and new skills. TMOs with strong democratic governance can also be considered under this approach.

Self-Help Housing involves groups of people bringing empty properties back into use. Groups often involve people who can't afford to buy or rent their own home, and who are unlikely to get a tenancy from a local authority or a housing association, including people who are unemployed and/or homeless.

In reality many schemes employ a mixture of these approaches in the setup and running of community led homes. There is also a large degree of overlap with definitions in the Self-build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) around the "building or completion by individuals or associations of individuals ... of houses to be occupied as homes by those individuals". The collective nature of community led housing offers a great deal of scope to achieve multi-storey higher density schemes as local authorities fulfil their duties under the act "to give suitable development permission in respect of enough serviced plots of land to meet demand" rather than providing low density individual "plots".

Taken together these various forms provide a range of tenures equivalent to Market, Intermediate, and Low-cost rent. This means policies such as *Policy H7 Affordable housing tenure* can work in tandem with community led housing. Although as community led housing is led by Londoners meeting their own demands, the aim is usually to make housing genuinely affordable.

What makes community led housing unique is those involved in the development process, ownership and management of a scheme are either future residents, or members of the community working with future residents. The definition above provides a comprehensive and inclusive description of this.

3. Current Draft Policies (H12 A and H2)

There are dedicated policies for other relatively new and emerging forms of housing development such as *Large-scale purpose built shared living (H18)* and *Build to Rent (H13)*. These offer detailed guidance about their acceptability. There are also more supportive policies for *Meanwhile Use (H4)*, *Supported and specialised accommodation (H14)*, and *Specialist older persons housing (H15)*.

There is no dedicated policy or supportive statement for community led housing, despite support in the London Housing Strategy and its holistic contribution to Good Growth. This appears to be another oversight.

Policy H12 A states "To determine the appropriate mix of unit sizes in relation to the number of bedrooms for a scheme, applicants and decision-makers should have regard to: ... 10) the potential for custom-build and community-led housing schemes". It is not clear why the "potential for" is relevant in the context of this policy. There is no further explanation in the supportive text. It would be better to make this more directly applicable with an alternative

wording of “10) the ~~potential for~~ presence of custom-build or community led housing schemes”, as such schemes are likely to be the product of a direct need in the community, assuming this is the intention of 10) in this context.

Policy H2 Small Sites currently contains the main reference to community-led housing. Part A states “boroughs should pro-actively support well-designed new homes on small sites through both planning decisions and plan-making in order to: ... 4) support those wishing to bring forward custom, self-build and community-led housing”. Although this is welcome, the policy goes on to encourage development in general, for example part C states “boroughs should increase planning certainty on small sites by: 1) identifying and allocating appropriate small sites for residential development” without specifying the form of residential development, be that custom, self-build or community led housing.

This policy which applies a ‘presumption in favour of development’ will increase the development potential of small sites thereby increasing land values and increasing competition to access these sites. This principle is acknowledged in paragraph 4.5.4 of the London Plan which states “where there has been a relaxation in ... planning requirements this has typically led to higher land values, rather than an increase in housing delivery”. This will have the opposite effect of addressing “access [to] suitable and affordable land” for community led housing unless sites are specifically identified, allocated, or safeguarded for community led housing.

As captured in the definition above, the involvement of future residents and communities in leading the development process, ownership and management sets community led housing apart from other forms of housing, although there also sometimes unique physical arrangements to cohousing, and unique tenures in CLTs and co-operatives.

Access to suitable and affordable land is crucial for these emerging models, in order to act as an ‘incubator’ to the sector, and also to acknowledge the fact that community led housing is almost always volunteer led and non-profit, and therefore has limited resources to enter into repeated competition with other private build to sell developers, limited ability to reinvest profits from one development to another, and operates under very ‘distinct economies’ as a sector.

In undertaking what could be called “build to live” development community led housing has achieved successes and demonstrated delivery, despite the significant hurdles of very high land values and a competitive market in the London, without being able to compete for land on an equal footing with speculative build for sale.

The London Plan has a key role to play in addressing the challenge of “access [to] suitable and affordable land” which best be achieved by highlighting the need for supportive borough policy, including in identifying and allocating sites, as well as in decisions, through a new standalone policy, rather than buried amongst other policies.

It should also be noted that community led housing need not be confined to sites of less than 25 units, with several much larger schemes in preparation, and the potential to make a greater contribution to housing need. We therefore feel it is most appropriate to propose a short new stand-alone policy, H19, set out in the next section, rather than an amendment to *Policy H2*.

4. Proposed new Policy H19

As set out above, we believe the current wording of Policy H2 will not support community led housing unless sites are specifically identified, allocated or safeguarded for community led housing.

The following policy, or similar, would have the effect of addressing the issue of “access [to] suitable and affordable land” described in the London Housing Strategy, by helping to dampen land values for certain allocated sites. The policy allows for an element of competition between community led housing groups and organisations, but this will not be as great as with private speculative development. Development would still be expected to meet policies such as Policy H7 Affordable housing tenure.

Policy H19 Community led housing

- A** Boroughs should work positively and collaboratively with community led groups and organisations who support such groups to identify and allocate appropriate sites for community led housing. These may include sites of any size, and may also include sites not considered suitable for other forms of development.
- B** Applications for community led housing which meet the wider objectives of the Plan should be considered favourably.

4.19.1 Community led housing [footnote to Glossary] groups and organisations face a range of challenges. In particular, they may struggle to access suitable and affordable land, given the nature of the developing body. The planning system should take a **positive approach to community led housing** to enable it to better contribute to the delivery of new homes. Community led housing can make a positive contribution to increasing housing supply and have a number of additional social and community benefits.

4.19.2 Community led housing can take a number of forms including community land trusts, cohousing, co-operatives, CICs, and non-profit self-build groups, and can be delivered in a number of ways, including through:

- start-up groups responding to housing need or demand, or groups of people seeking to deliver their own homes;
- the extension of existing community-based organisations to provide housing in addition to their existing activities, for and on behalf of the community;
- partnerships with developers and housing associations supporting a community group to deliver their ambition.

4.19.3 Sites which may not normally be considered suitable for other forms of development may generate support for community-led housing, amongst the local community. A more sensitive and inclusive approach to the development of these sites may make them more suitable for development.

4.19.4 Communities may be geographic and local, and may also be ‘communities of interest’ over a wider geographic area, such as older people, or those who have signed up to co-operative principles. Membership may not always be confined to borough boundaries or eligibility requirements, given the operation of the London housing market.

5. Other Related Policies (H5A, H10, and H15)

Community led housing can support and help deliver a number of other housing policies within the Plan. The following sets out a number of policy areas relevant to forms of community led housing.

Community land trusts (CLTs) are a form of community-led housing. Their core purpose is the delivery of housing that is genuinely and permanently affordable. CLTs use a range of innovative methods to achieve affordability. For example the London CLT has developed a model of linking house prices to local median incomes, and imposing a resale price covenant. Housing Co-operatives also provide a way of residents owning and managing their own affordable housing. Given the Mayor's support for community led housing, *Policy H5 Delivering affordable housing* should make specific reference to CLTs and co-ops as recognised sources of affordable housing:

Policy H5 part A 6) working with Community Land Trusts¹ and Housing Co-operatives² to deliver genuinely affordable housing in perpetuity.

Community led housing approaches can play an important role in meeting residents needs on existing housing estates. For example the Leathermarket Joint Management Board, a self-financing TMO in Southwark is developing new homes by intensifying space on existing estates. *Policy H10 Redevelopment of existing housing and estate regeneration* should make specific reference to exploring the potential for community led housing approaches, as below:

Policy H10 D The potential for community led housing approaches should be explored.

Paragraph 4.15.2 supporting *Policy H15 Specialist older persons housing*, states that "Some older Londoners may wish to downsize, move closer to family or friends or be closer to services and facilities, but they may not want to move into specialist older persons housing. Boroughs and applicants should recognise the important role that new, non-specialist residential developments play in providing suitable and attractive accommodation options for older Londoners, particularly developments in or close to town centres, near to relevant facilities and in areas well-served by public transport." There is increasing interest in cohousing amongst older people looking to downsize and live in more suitable accommodation. Several reports show that both senior cohousing and intergenerational cohousing can prolong independence and increase well-being. Residents can share amenities including guest rooms, making downsizing more attractive. The Older Womens' Cohousing project in Barnet provides a recent example of a community led approach.

Paragraph 4.15.2 should include a further final sentence stating "**Cohousing is a form of community led housing that can prolong independence and increase well-being in older people through mutual support, which should be considered as part of Policy H19 Community led housing.**"

¹ As defined in the Housing and Regeneration Act 2008, Part 2, Chapter 1, Clause 79

² As defined through the Co-operative and Community Benefit Societies Act 2014



ⁱ **CDS Co-operatives** is a registered housing association and the largest provider of services to housing co-ops in the South East of England. CDS support 45 housing co-ops and their 2200 households to achieve high quality housing management, maintenance and 'back office' functions whilst remaining fully independent. In addition, CDS invest up to £250,000 per annum into promoting mainstream growth in the community led housing sector so that more homes can be built, more quickly. This funding will support shared learning and the development of new models, funding mechanisms and other tools to make growth easier. CDS are working with the Mayor of London to host the community led housing hub which will provide a resource for all those trying to get more community led homes built in the capital.

www.cds.coop

ⁱⁱ The **National CLT Network** is the Charity for Community Land Trusts (CLTs) in England and Wales. CLTs are set up and run by ordinary people to develop and manage homes as well as other assets. CLTs act as long-term stewards of housing, ensuring that it remains genuinely affordable, based on what people actually earn in their area, not just for now but for every future occupier. Anybody in the local community can become a member and vote on plans. There are now 16 CLTs across Greater London, with over 2500 homes in their development pipelines. Earlier this year, London CLT completed the first of its 23 affordable homes at the St Clements site in Tower Hamlets, providing homes for ownership by members of the local community at prices that ensure that the annual housing cost will be no more than one third of median income (currently £31,378). Two-bedroom flats were sold at £181,111, compared to the average price of £471,080 in Tower Hamlets.

www.communitylandtrusts.org.uk

ⁱⁱⁱ The **UK Cohousing Network** is the national cohousing membership organisation with a mission to enable communities to use the cohousing principles to create better places to live by sharing facilities and services to reduce isolation, loneliness and living costs. UKCN currently has 59 member groups comprising established, forming and developing groups across the UK, of which 8 are in London including the award winning Older Womens' Cohousing at New Ground in Barnet. UKCN aims to make cohousing accessible to the mainstream, to engage in activities that both encourage the development of new cohousing communities and increase the skills and self-confidence of people that want to adopt cohousing principles in existing accommodation.

www.cohousing.org.uk

^{iv} The **Confederation of Co-operative Housing** (CCH) was established in 1994 as the national representative body for co-operative and mutual housing in the UK. Its 180 members (primary and secondary housing co-operatives, tenant management organisations, mutual housing associations and support organisations) currently own and manage over 62,000 homes. CCH has more than twenty years' experience of providing support and advice to community led housing organisations, both to those which are starting up and those which have been established for several decades. CCH works with the Government to produce expert guidance for the broader social housing sector on resident empowerment and has worked with the Welsh Government and Wales Co-operative Centre to support the growth of community led housing. CCH also has several partner members which support the growth and development of its primary members and provide day to day management and maintenance services to them. CCH specialises in providing governance and management advice to community led housing organisations, which is often disseminated through partner members.

www.cch.coop