

a regular monthly meeting. The members make all the decisions about how the homes are run and the process is completely democratic.

The rents are regulated by the government and are broadly similar to housing association rents. Each year, members of the co-operative have to approve any rent increase. Members have broadly similar tenancy rights as housing association tenants but there are some differences. For example, as the members own the co-operative that manages each home, members do not have a personal right to buy or acquire. There is also greater security of tenancy because only the co-operative can grant and end tenancies. Properties are also allocated through the common housing register, although subject to an interview by the co-operative to ensure the tenant is prepared to be involved in the management of their home.

Example: Redditch Co-operative Homes

Redditch Co-operative Homes (RCH) is the largest provider of new-build co-operative housing in the country. It is a partnership between Redditch Borough Council, Accord Housing Association and five neighbourhood co-operatives. RCH provides a comprehensive housing management and maintenance service to the five neighbourhood co-operatives within the town and aims to provide high quality, affordable and accountable social housing in Redditch. RCH are often Redditch Borough Council's preferred partner for developing new affordable housing on council-owned land. It has a strong attachment to the co-operative principles (especially self-help and accountability) and has successfully developed over 200 properties amongst the five co-operatives. The properties developed are of an excellent energy efficiency standard, with a Standard Assessment Procedure rating of 85.6, which compares to an average in the mid-50s for the town as a whole.

Transfer of Land; Redditch Co-operative Homes Example

Redditch Borough Council use an innovative means of transferring land for this purpose. For example, in February 2013, the Executive Committee resolved to dispose of a swimming bath site and adjacent play area. However, this was specifically by sale or transfer for the development of affordable housing to a housing association from the Council's Preferred Partner List. The Council decided to sell off the land for a nominal fee because it would cost the Council as much to demolish the building and deal with asbestos issues prior to sale as they would get back from a developer.

The associations from the Preferred Partner list were invited to submit bids, although due to the requirement for the housing association is to demolish the swimming baths, none of the submissions offered a capital receipt of more than £1. Bids were made by Rooftop Housing, Festival Housing and Redditch Co-operative Homes and were scored by a panel of councillors from both Labour and the Conservatives on set criteria, with RCH coming out on top. The panel considered each submission against the scoring matrix previously approved by Executive Committee and it will now be the responsibility of RCH to demolish the building as part of any project.

The Borough Council was able to dispose of land to a housing association at a below market value amount, under the 'financial assistance' sections of the Local Government Act 1988 (sections 24 and 25) for which a section 25 General Consent for disposal of land to a housing association is required. The proposal came within General Consent A which provides that a local authority may provide a housing association with any financial assistance or any gratuitous benefit consisting of disposal of land for development as housing accommodation.

Lessons for Rhondda Cynon Taf Council

This is an alternative model to the 'gifting' mechanisms described earlier which Rhondda Cynon Taf CBC could look to employ. The main limitation is that there is not an existing housing co-operative in Rhondda Cynon Taf and setting up a new co-operative would undoubtedly be resource intensive initially. Nonetheless, the strong community spirit in many parts of Rhondda Cynon Taf would undoubtedly provide a platform to build on and provide an alternative tenure in the housing market.

Another key lesson from this example is the fact that it was cheaper to dispose of the site described for a nominal fee rather than address the land contamination issues. It would be useful to identify the extent of similar sites in the Council's land bank and therefore scope for disposing of land under a similar guise.

Summary of Key Options

- Ring fence bids to the 5 developing RSLs in Rhondda Cynon Taf for certain sites

- Pursue a partnering scheme between the Council, the five developing RSLs and a construction partner to maximise economies of scale

- Identify a construction partner to develop units on Council sites, which the Council could then lease to an RSL for management

- Master plan a range of sites for disposal for housing purposes; identifying which could potentially be disposed of for a nominal value, which have contamination issues and which could be sold privately

- In lower social housing need areas, consider selling land to a private housebuilder on the basis that a proportion of low cost home ownership units will be provided and the capital receipt can be partially deferred

- Explore new arrangements with Community Land Trusts and/or Housing Co-operatives

- Base tenders on a range of factors such as meeting housing need, housing standards, sustainability and energy efficiency merits; not solely on cost

- Ring fence certain capital receipts to enable delivery of housing on other sites

- Identify sites that could be developed under the Relaxed Settlement Boundary and Rural Exception Sites Policies of the LDP and proactive seek to bring them forward

