

# **Ambition for Change**

Co-operative Party Conference 2023

## **HOUSING POLICY PAPER**



**co-operative  
party**

# INTRODUCTION

**A good home is essential to a healthy and happy life. With good housing, people can build their lives and careers, improving both their family and their own future prospects and opportunities. That's why good housing is integral to living standards and a fair and prosperous society. Unfortunately, the UK is not delivering on this promise. The Co-operative Party recognises the importance of housing to people's lives and that is why it formed the focus of the Policy Process in 2023.**



**Daniel Monaghan**  
Policy Officer

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As a Party, our policy is member-led, drawing on the ideas, concerns and lived experiences of members across the country, alongside the experience of our wider co-operative movement. Since launching the consultation at the start of the year, members, local parties, devolved national parties, regional party councils and our equalities networks have all contributed to the Policy Process. From these contributions, it became clear that urgent reform was needed in every area of the housing market – across all tenures and settings.

The UK is currently experiencing a crisis in the availability and affordability of housing. Over the last 30 years, the price of housing has grown 2.5 times faster than average earnings, with this problem being even more pronounced in London and other major urban areas. Since the introduction of the Right to Buy under the Thatcher Government in the 1980s, the UK's social housing stock has diminished to a significant extent, leaving many trapped on long-waiting lists for affordable housing. During this time the private rental sector has significantly increased, now providing more housing than the social rental sector in England and Wales. While there was government support for co-operative housing from the 1960s onwards, by the 1980s under Thatcher, the Conservative Government had removed financial support for co-operative housing and enabled the demutualisation of housing co-operatives. Combined with the large scale move towards housing associations, the lack of government support and demutualisation substantially reduced the availability and prevalence of co-operative housing which remains significantly behind our European counterparts. Presently, co-operative housing makes up 0.1% of the UK's housing stock, compared to 17% in Sweden and 15% in Norway<sup>1</sup>.

Collectively, this has created a housing system which has locked many people out of homeownership, whilst failing to provide adequate housing at reasonable rent. The Co-operative Party believes delivering a housing system which works for all will need to be a central priority for the next Labour & Co-operative Government.

Throughout the Policy Process it was clear members felt the present housing system failed to ensure the rights of tenants and leaseholders to a good home at an affordable price. In both private and social rental sectors, tenants were often exposed to unfit housing conditions with little recourse to solve the issues. A lack of accountability was present as well in the leasehold sector, where residents were trapped in a system of rising service charges and costs due to the imbalance of power in favour of the freeholder.

In order to meet our national net zero targets, the UK will need to significantly upgrade the energy efficiency of its housing stock. The UK significantly lags behind comparable Western European nations and our housing stock will need investment in order to bring it up to international standards. A new system which incentivises and supports higher energy efficiency standards will help to bring down our energy costs and usage over the long term. This will need to be combined with higher building standards in every facet of housing – accessibility, safety standards and minimum living standards – so all can enjoy safe, secure and accessible housing which fits people's needs.



We will need to significantly increase the number of homes available for sale and rent across the nation. Only by increasing the building rate of housing will Britain begin to address the shortages which have become commonplace in every tenure. To achieve this, greater powers will need to be provided to local authorities to deliver the homes the UK needs – including the creation of new garden cities built on the co-operative model. This will require reimagining our current planning system, so more homes can be built at reasonable cost with the public services and infrastructure needed to match changing demand.

To increase the supply of homes, Britain will need to strengthen its house building capacity and increase the funding available to new housing developments. Co-operative housing, which is prevalent in Europe and North America, must become more commonplace – helping to grow a tenure alternative to rental, leasehold and traditional forms of home ownership. In the past, with adequate government support the co-operative housing sector grew significantly. Under a Labour and Co-operative Government this growth must be renewed, so that the benefits of co-operative housing can be available to residents and communities across the country.

By increasing the supply of homes, a Labour & Co-operative government will be able to work towards the objective of reducing housing costs and improving affordability. This will require targeted action on issues which have distorted the housing market – such as the proliferation of Airbnb lets and the need for a greater rate of downsizing. Through this policy agenda, the Co-operative Party believes a new housing system can be developed, which is more equitable, higher quality and more affordable for the British public.

# EXISTING POLICY



The Co-operative Party has been a long-time advocate for reform and change in our housing system. In our most recent housing policy paper, the Party committed to the following policy proposals:

- Introduce a co-operative housing strategy, building up the sector in all tenures with new funding streams.
- Support and encourage the development of Community Land Trusts (CLTs) - through regulatory, planning and financial changes.
- Support the development of co-operative housebuilders
- Encourage the conversion of leasehold to commonhold tenure.
- Introduce a Land Value Tax and reform the planning process.
- Promote a National Tenant Voice and co-operative management of social housing.
- End Section 21 – which enables no fault evictions of tenants.
- Strengthen standards in the private rented sector – including energy efficiency and health hazards, such as damp and mould.
- Reform the lettings market – which charge exorbitant fees to both tenants and landlords.
- Strengthen the Compulsory Purchase Order (CPO) powers of local authorities, so councils can purchase land at existing use value.
- Promote CLTs as a mechanism to deliver affordable housing in underserved rural communities.
- Create a tenant-led rural housing forum - to ensure standards, safety and security and that rents are fair.
- Rural local authorities should build capacity for affordable housing development, by recruiting new local council officers specialising in planning and development.



## NEW POLICY FOR ENGLAND

### Statement One: Unleashing co-operative housing

**T**he costs of housing development have been a significant impediment to the delivery of appropriate housing of all tenures. The high cost of the present system has been exploited by developers to drive down the delivery of affordable housing, while alternative forms of housing tenure – such as co-operative housing, struggle to access the capital required for development. This has left a system where many of the largest developments provide poor quality, expensive housing units, which are often unaffordable for local residents.

The co-operative housing sector can help to provide a solution to these challenges – but it will need greater access to capital and a wider support apparatus. New streams of funding can be deployed from both public and private capital to deliver greater growth, while capacity should be built within the support networks available to housing providers. This will help to expand the co-operative housing sector in a way which can move the UK towards continental Europe in the longer-term - helping to provide a housing tenure which is equitable, accountable and democratic.

- **New education and training for council officers on co-operative housing and CLTs** – the Government should work with the co-operative and community-led housing sectors to develop a new education programme for council officers – providing an understanding of co-operative housing and how its development can be supported by local councils.

- **Establish a quota for at least 10% of new affordable homes to be delivered as co-operative housing** – A new nationwide quota for the delivery of new affordable homes as co-operative housing would work towards the goal of raising co-operative housing provision in the UK closer to Western European levels. The Government should review best practice internationally, for example Vienna's large-scale delivery of affordable housing through co-operative housing associations. Achieving this quota should be part of the responsibilities of the Minister for Housing – who should work with local authorities, planners, developers and the financial sector to facilitate co-operative housing expansion. The Government should review how these new co-operative housing units can be asset-locked to ensure the longevity of their co-operative model.
- **Expand funding for co-operative housing within co-operative development agencies (CDAs)** – As part of the overall mission to double the size of the co-operative sector, additional public funding should be made available through CDAs for co-operative and community-led housing growth. CDAs across the country are well placed to expand the co-operative housing sector due to their expertise in establishing and growing start up co-operative housing models at a local level.
- **Promote the role of credit unions and building societies in financing co-operative housing** – Financial institutions built on the co-operative model have a greater role to play in the financing of new co-operative housing organisations. The credit union and building society sectors should be supported by the Government to play a larger role in the funding of new co-operative housing – through a modernisation of regulation and additional liquidity provided to grow the sectors' capacity in delivering new financial services to housing co-operatives.
- **Establish a statutory duty on the Housing Minister within the Department of Levelling Up, Housing and Communities (DLUHC) to promote co-operative housing** – The appointment of a minister responsible for expanding the co-operative housing sector to levels closer to continental Europe would help to signal the Government's ambition to grow the sector. The minister would be responsible for the creation and delivery of a co-operative housing strategy – which is existing Co-operative Party policy.
- **Local Government pension schemes to invest in co-operative housing provision** – Local Government pension scheme capital could play a greater role in the delivery of new co-operative housing developments. Local authorities should work with their pension providers to ensure greater investment can be made available for new co-operative housing projects in their local area.
- **Increase use of Section 106 agreement funding for co-operative housing provision** – Local authorities should aim to agree funding for co-operative housing as part of Section 106 agreements with developers. Local council officers should be encouraged to allocate funding for new co-operative housing developments, which would enable the delivery of affordable housing.

**“We feel that one of the key questions that is raised is why the co-operative housing model has not ‘caught on’ in this country. 10% of Europeans live in housing co-operatives & 0.6% here. While housing provision is very different in different parts of the world we feel that we could learn from other countries in continental Europe & beyond. The Co-op Party can tap into the huge interest there is in housing ... and promote debate about housing provision through co-operative models.”**

**North East Midlands Co-operative Branch**

## Statement Two: A democratic and accountable housing system

**T**he imbalance of power in the housing market was identified as a central issue in the housing crisis. Across the country, tenants are left powerless against rogue landlords while leaseholders are trapped in an archaic system which gives all the power to freeholders. Members believe a new system should be created which aims to put democratic, accountable principles at the heart of the housing system – where possible built on the co-operative and mutual model.

- **Establish a National Tenant Participation strategy** – which aims to raise awareness and support the development of tenant rights bodies across the country. The strategy should be delivered in partnership with local and regional authorities to ensure all tenants have the rights, training and resources required to develop tenant representation organisations.
- **Local authorities should support greater tenant participation by introducing incentives for tenant forum participation** – Local authorities should review how they can incentivise engagement in tenant voice bodies – making it easier and more manageable for tenants. This should include providing greater information on the benefits of tenant participation and potentially financial incentives for involvement, such as moderate rent reductions.
- **Expand the availability of legal aid to tenants in disputes with landlords** – the present system's low thresholds for eligibility disincentivise tenants from engaging in legal disputes – despite legitimate grievances.
- **Establish a national private landlord registry** – ensuring all private landlords sign up. The new registry would increase the transparency and accountability of the private rented sector. The registry should be publicly accessible to local councils and tenants – so they have the ability to find out who is the final beneficial owner of the property.
- **Introduce national minimum standards for private rental properties** – The Government should review the introduction of national minimum standards for the private rental sector. This should include adequate energy efficiency, effective heating systems and protections against damp and mould. The minimum standards will aim to ensure all tenants in the private rented sector have residences which meet health and safety requirements appropriate for good housing.
- **Abolish leasehold tenure and convert to commonhold** – The leasehold system is archaic and out of date, leaving leaseholders open to exploitation through exorbitant ground rents and an unaccountable system which favours the freeholder. Leaseholders are often powerless to prevent rising service charges, expensive building work and changes in building management companies. The Co-operative Party has long supported the transition to commonhold tenure, which enables leaseholders to become freehold owners, in a system similar to the American condominium system. Commonhold properties are managed in a shared way through a commonhold association, which can be run by residents or by external professionals. The Government should commit to the complete abolition of the leasehold system, with it being replaced by the mass conversion to commonhold tenure.

**“Housing associations were originally founded as public utility entities providing rental and other accommodation. Over time, housing associations have amalgamated to such an extent that many are now large group structures with 10,000s of housing units, distant and detached from their residents. Most housing associations do not admit individual residents into membership, and instead restrict membership to their own board, which appoints itself. This housing should be transitioned into co-operative ownership.”**

**London Co-operative Party**

- **Encourage the mutualisation of housing associations governance models** – this would convert all housing associations to membership-based organisations, composed of residents of the housing associations properties. Members raised the issue of lack of accountability within existing housing associations structures – which often fail to reflect tenant voice or interests. Mutualisation would ensure greater democratic accountability is established in the housing association governance going forward. Local council-owned housing associations should look to establish more effective membership systems for tenants which provide real accountability and meaningful tenant voice.

## Statement Three: Energy Efficiency & Quality

**The UK currently has the least well insulated homes in Western Europe, with Britain's houses losing an average of 3 degrees Celsius every five hours. This has contributed to skyrocketing home energy bills and excessive energy usage for heating. Substantially improving the energy efficiency of all the UK's homes will be an essential part of meeting the national net zero target, with households emissions accounting for 26% of total emissions<sup>2</sup>.**

As well as an ambitious project for energy efficiency, the quality of the UK's housing stock must be raised to a higher level – providing adequate safe and healthy living standards for residents. The Grenfell tragedy was a devastating example, amongst other factors, where inadequate regulation and poor building and materials standards led to tragic consequences. Going forward, we must ensure this can never happen again by reforming the present system of residential property regulation – so residents of all needs and requirements can feel safe and health in their residency.

- **Strengthened regulatory guidelines and additional inspection powers and resources are required for high rise residential blocks** – the Grenfell tragedy demonstrated the clear requirement for greater regulation and build quality in high rise blocks, which pose significant risk to residents in the absence of fire escapes, sprinklers and other safety measures. Investment in improving these potential safety hazards for existing blocks and strengthening measures in new buildings should be implemented.
- **Increase regulation and inspection powers on Homes of Multiple Occupancy (HMOs) and student housing** – The HMO sector has been exploited extensively to provide inadequate and often overcrowded housing to tenants. The proliferation of HMOs has often led to pressure on local infrastructure - increasing the inaccessibility of local public services and transport. Poor management in the HMO sector can also enable crime and anti-social behaviour to become more prevalent, trapping tenants in stressful and at times dangerous situations. Greater regulation and inspection of HMOs by housing authorities and watchdogs is required to reduce instances of exploitation and mismanagement. This should be taken forward by the new Private Rented Sector Housing Ombudsman if it becomes law through the Renters Reform Bill. Improve regulation and inspection is also required for the student housing market, which often face similar issues to the HMO sector. Universities should work to promote student housing co-operatives, which have emerged in several cities including the Edinburgh Student Housing Co-op. The increased rate of inspection could be paid for through a levy on private landlord providers of HMO and student housing.
- **Strengthen the regulation on office to apartment conversions** – The current system is open to exploitation, with lack of regulation on the conversion to appropriate residential living. The Government should review the present regulatory environment to ensure all conversions meet basic standards for residential living – with appropriate living space and facilities as standard.
- **Establish a new incentive scheme which rewards the development of Passive House (Passivhaus) projects** – Passive House is a construction design approach which creates ultra-low housing emissions, pioneered in Germany and Scandinavia. Passive House projects utilise high energy efficiency standards to deliver an almost constant temperature year round. While more costly in upfront costs, the long term benefits of the concept deliver far lower emissions, energy costs and maintenance. A new capital allowance for Homes England funding should be created which incentivises Passive House development, combined with fast-track planning permission for developments meeting Passive House standards. Mortgage reduction could also be implemented for housing meeting Passive House standards.



- **Establish a new requirement for all new build social housing to have solar panels installed as standard** – funding should be made available to local authorities across the country to ensure this can be delivered at scale, with HM Treasury to review options for raising the additional funding required.
- **Improve the basic standards of accessibility for all new build social homes** – Improve the accessibility standards for all new build social homes, with the objective of having them easily adaptable to changing accessibility needs throughout life. The Government and Homes England should work with disabled people's organisations to understand the requirements needed for good housing – with the objective of developing social homes which can cater to a wide range of accessibility needs. This could include ramped entry and appropriate scale of entries to facilitate wheelchair access.
- **Local authorities should support the development of new retrofit co-operatives** – local retrofit co-ops are emerging across England, such as Carbon Co-op in Greater Manchester. Local authorities should support the development of a regional network of new retrofit co-operatives, operated as multi-stakeholder co-ops, which work to ensure new retrofit projects do not encounter the pitfalls of previous national schemes - primarily the lack of accountability and quality control of the retrofit work. This forms a key part of the Great Homes Upgrade, a campaign the Co-operative Party has supported to retrofit 19 million homes by 2030.
- **Improve the ability to retrofit heritage homes** – a third of all homes in England were built pre-1945, with many of this housing stock built centuries before. This poses a challenge for improving the energy efficiency of homes, as the listing system prevents the installation of energy efficiency measures. The Government should work with Historic England to establish a system which enables greater implementation of energy efficiency measures whilst respecting the heritage status of the property.
- **Local authorities should develop repair co-operatives for housing stock** – Local councils should support the creation of new repair co-operatives with local tradespeople to ensure residents have access to affordable, high quality repair services. These could be delivered as multi-stakeholder co-operative owned by participants tradespeople and resident members of the co-operative. These co-operatives should be promoted as a preferred provider of repairs built on a democratic, accountable business model.

## Statement Four: Availability

**O**ne of the biggest challenges fuelling the housing crisis is the availability of adequate homes of all tenures, which can match the needs and requirements of all residents. Since the introduction of the Right to Buy under the Thatcher Government, the availability of council housing has precipitously plummeted from 6.5 million units in 1979 to 2 million in 2017.

Families have found it increasingly difficult to find appropriate housing when they have children, as people live longer in larger houses after their children have moved out. Others have been priced out of their local area or have been left homeless due to inadequate housing availability or costs – increasing the rate of homelessness and rough sleeping. A new approach is required which ensures greater availability of housing so we can end the era of long social housing waiting lists, rising homelessness and children being raised in cramped conditions.

- **Council house buyback schemes to be transferred to co-operative management** – Councils across the country have recently been taking part in council housing buyback schemes, including a major initiative undertaken by the Mayor of London. This new approach could be used to grow the co-operative housing sector by ensuring the governance structure of the returning council house stock is managed through a mutualised co-operative model which promotes tenant voice. As part of this the local authority could retain ownership of the housing stock, but ensure the new governance structure is democratic and accountable for residents.
- **Ensure all local authorities receive 100% of sales revenues from existing Right to Buy policies** – this practice is already in place in many councils across the country and should be rolled out to enable councils to build additional social housing stock to replace sold off units. This will only apply in areas where the Right to Buy still remains in effect.

- **Establish a National ‘Housing First’ Strategy for homeless people** – this approach provides people who are experiencing homelessness a stable home to help rebuild their lives, with supportive services deployed to assist. Pioneered initially in the New York, the approach has spread to other countries where it has had notable success, particularly in Finland. The next Government should establish a national strategy for Housing First, which works with local and regional authorities to implement and deliver the approach – learning from pilot schemes in Manchester, Liverpool, and the West Midlands.
- **Establish a new strategy to develop a new generation of co-operative-based garden cities** – The garden city movement should be reinvigorated for the 21st century, built around the co-operative and mutual model, taking inspiration from the original Letchworth Garden City model. Large-scale integrated planning of several new garden cities containing mutually-owned infrastructure, energy efficient housing and community energy projects should be planned and developed.
- **Establish a regulatory framework which recognises the unique functions of the co-operative model** – The current regulatory framework which governs housing leaves co-operative housing models at a disadvantage, due to the framework being based on traditional models of rental and homeownership. In order to incentivise the growth of the co-operative housing sector, a new governance framework should be established which respects the unique aspects of the co-operative model. For example, a modernised framework should recognise the more frequent changes to responsible officers in co-operative housing organisations, due to the democratic electoral model implemented.

**“The co-operative movement - and the wider labour movement - must always be prepared to embrace progress and innovation which helps our people to prosper we should support new garden cities and new towns which achieved that.”**

**Leeds Co-operative Party**

## **Statement Five: Affordability**

**Housing affordability has been worsening in almost every region, with data from the Office of National Statistics (ONS) indicating it has worsened in 91% of local authorities<sup>3</sup>. House price inflation has far outstripped earnings increases in many areas – meaning people are increasingly unable to afford houses in their hometowns. In some regions, this has been in part driven by the rise of second homes and Airbnb – pushing up prices beyond the affordability of local residents.**

- **Redefine affordable housing in England** – the designation of affordable housing should be based on income rather than housing market value. The current system in place in England fails to provide genuinely affordable housing due to the definition being based on 80% of market value, introduced under the Cameron Government. In areas of very high housing costs this makes affordable housing completely unattainable for people on average incomes.
- **Review the merits of introducing a surcharge on council tax for second homes and Airbnb** – Review how a surcharge on Airbnb lets would operate, ensuring the levy did not cause shortages of housing availability. A surcharge would require greater regulation of Airbnb, including registration with local authorities. The money raised from the surcharge should be ringfenced for new affordable housing development by local authorities.
- **Review and expand the local authority incentive schemes for downsizing** – In areas across the UK, councils provide incentives to residents who no-longer require larger properties. The Department for Levelling-up, Housing and Communities (DLUHC) should look to support the wider expansion of these schemes, assessing which incentives work best and expanding their uptake to all local authorities across the UK, with this being targeted particularly in areas of acute housing shortage and long waiting lists for social housing. It is essential that the new system is specifically focused on incentives for downsizing rather than punitive measures, such as the ‘bedroom tax’.

- **Ensure Local Housing Allowance matches the cost of local housing** – The wide variety in housing costs across the country means Local Housing Allowance can fail to meet the required level for tenants in high cost areas. The Government should build greater flexibility into the system, instructing the Valuation Office Agency (VOA) to ensure recipients are not impoverished by inadequate allowance for high housing costs.

**“We stress the need for transparent and stringent affordability criteria for housing designated as ‘affordable’. This commitment will guarantee that housing remains truly accessible to low and middle-income individuals and families, reducing financial burdens and promoting social and economic equality.”**

**Normanton & Wakefield Branch**

## **Statement Six: Land use & Planning**

**A major impediment to the development of new social and affordable housing is the land system – which currently prevents the easy or rapid assembly of land for development. The current system inflates the price of land based on hope value, which has incentivised land banking by unscrupulous landowners and developers.**

This has led to rising costs of development in housing – due to the upfront costs of land – and has stymied the growth of community-led and co-operative housing provision. The Co-operative Party wants to see the creation of a new model for land use and planning – which rewards the productive use of land for housing, infrastructure or other economic activity. The new system will need to ensure development is more profitable than land bank – enabling faster land assembly and greater planning which integrates infrastructure development and house building. A joined up approach to planning for housing and infrastructure will help to reduce resident resistance to new developments – as appropriate public services, transport and infrastructure will be an integral part of housing development.

- **Establish a Community Right to Buy (CRtB) Land** – this would enable communities the opportunity to register interest in land purchase and have first refusal when it becomes available for sale. The CRtB is already in place in Scotland and communities in the other nations of the UK should receive the same right in law. This would be a significant lever for facilitating land assembly for community-led housing projects, including CLTs<sup>4</sup>.
- **Reform the 1961 Land Compensation Act** – The Act ensures ‘hope value’ is included in the price of land – significantly raising the price of unused land due to the assumption of planning permission. Reform should change the incentives in the Act – so its more economical to free up land for development rather than speculate on future value. This should reflect fair market value for land – making it easier for councils to CPO land for larger affordable housing developments to be completed<sup>5</sup>.
- **Local councils to prioritise ‘Infrastructure First’ housing developments** – Local authorities should aim to incentivise infrastructure first developments, where the planning of a new development has included provision for public services and road capacity. Local authorities should work with developers and planning authorities to ensure infrastructure first projects become common place – reducing the strain of new developments on existing infrastructure and services. This should include greater powers for planning where required in order to enable local authorities to work closely with developers on the delivery of adequate infrastructure.

**“The next Labour government should introduce a Co-operative Community Right to Buy land, and to build, supported through credit unions and Community Share Offers.”**

**BAME Network**



## NEW POLICY FOR WALES

**Welsh Co-operative Party members were keen to see the expanded availability of co-operative and community-led housing under the Welsh Labour & Co-operative Government. Members wanted to see a greater development of energy efficiency measures for housing of all tenures, driven by central government and local authorities.**

- Establish a Co-operative Housing Commission for Wales, chaired by the appropriate Minister. Membership of the Commission should include local authorities, Cwmpas, building societies and housing associations.
- Duties of the Commission to include: Identification and acquisition of land and existing properties, a commitment to treble the size of the sector by the end of the next Senedd term, agreement on favourable, more affordable mortgage finance at scale, exploring funding models across Europe and the U.S. Ensuring the energy efficiency of Co-operative homes, development of owner Co-operative housing as well as rental housing. A public information and awareness campaign to raise the profile and public understanding of co-operative housing options. A significant increase in resources for Cwmpas' housing programme. Ensuring every local authority has a Co-operative Housing Plan within two years after the next Senedd election.
- Welsh government to commit a ring-fenced and steadily increasing portion of Social Housing Grant for co-operative housing development with a target of 20% of SHG by the end of the next Senedd term.
- New legislation that empowers and commits local authorities to consider co-operative and community-led housing as part of local plans and regeneration projects, and establishes a right to housing in Welsh Law.



- The Welsh Government should abolish leasehold tenure in Wales and convert all existing leasehold properties to commonhold.
- The Welsh Government should promote Passive House housing developments, which incorporate ultra-high energy efficiency measures. Financial incentives and funding should be made available to support the wider adoption of Passive House design in new developments.
- Establish a Community Right to Buy land - as is the case in Scotland. This would facilitate land assembly for community-led housing. The Welsh Government have committed to establishing a Commission on implementing a new Community Right to Buy land and this should be legislated for as soon as possible.

**“The solution in part is for both co-operative housing and co-operative solutions to housing issues, which engage the tenants and empower them to design and manage housing that suits their current and future needs.”**

**North Wales Co-operative Party**



## NEW POLICY FOR SCOTLAND

**T**he Scottish Co-operative Party's members wanted to see the implementation of reform to the planning system, so land could be more easily assemble for development and infrastructure included as a core part of the planning process. Enhanced energy efficiency was an important part of this new approach, taking learnings from local authorities which had delivered innovative low carbon heating projects.

- Establish a statutory duty on local authorities to promote co-operative housing models in rental and ownership across Scotland. This new statutory duty should be accompanied by new training and resources for council officers to develop a greater understanding of the co-operative and community-led housing sector.
- The Scottish Government should provide greater funding and resources for Co-operative Development Scotland (CDS) to support the development and expansion of the co-operative housing sector.
- Local authorities should look to support the creation of district heating networks, such as the one developed by the Aberdeen City Council. District heating can be an effective way of delivering low carbon energy to a multitude of residences and commercial properties, helping to reduce emissions and work towards net zero. Aberdeen Heat and Power, which delivers the district heating network, was established by the Labour-led council in 2002 and has functioned as an independent not-for-profit company which helps reduce fuel poverty in the city. New district heat networks could be delivered in the form of the co-operative model supported by local authorities.
- The Scottish Government should look to create an incentive system which supports the development of 'Infrastructure First' housing developments – combining effective planning of public services and infrastructure with new large-scale house building.



- The Scottish Government should review how to deliver greater private capital investment into the co-operative, self-building and modular housing sectors. The Scottish Government should work with private capital providers, including pension schemes, credit unions, building societies and commercial banks to develop new streams of funding for new housing developments.
- The Scottish Government should review the land value system and develop a wider programme of land reform, which aims to create a more equitable land system which incentivises productive use of land for economic activity, infrastructure or housing. Presently, Scotland suffers from one of the most concentrated land ownership systems in any advanced economy.
- The Scottish Government should review the current compulsory purchase order (CPO) powers available to local authorities, with the objective of ensuring these are effective as possible in freeing up new land for development.
- Greater investment in skills development and training within the construction industry, so that new technologies and work practises can be put in place to deliver housing more efficiently and at lower cost.
- Establish a National Guarantee Scheme for loans to retrofit homes. The National Guarantee would include an inspection of the retrofit installation – to ensure people taking on retrofit loans have adequate installation and achieve the benefits of retrofitting. This would help to provide assurance to households who investing in retrofitting their homes. This should include a penalty for faulty installations – helping to get consumer’s money back and giving them the confidence to invest in retrofitting their homes.



## NEW POLICY FOR NORTHERN IRELAND

**T**he Northern Ireland Co-operative Party expressed a desire to see a more democratic, accountable housing system evolve – taking account of people’s different requirements in terms of tenure, facilities and accessibility. Members were keen to see new funding enter the system to develop a larger co-operative housing sector.

- While maintaining Government ownership of operations and assets, the Northern Ireland Housing Executive (NIHE) should mutualise into a co-operative structure – enabling it to borrow to build more effectively and increase residents (now members) involvement in decision making.
- The Northern Ireland Executive should create a new fund ringfenced for the creation of new start-up housing co-operatives across the region. The fund should be developed in partnership with existing Northern Irish community-based housing associations, drawing on their experience of the start-up process. The fund should sit between the Minister for Communities & Housing and the NIHE.
- The Northern Ireland Executive should work with external investors to deliver new streams of patient capital funding into the co-operative housing sector. This will require raising awareness of the co-operative model within the investment community and working with the co-operative sector itself. Local government pension funds, credit unions, building societies, co-operative societies, Dormant Charity Funds, the Ulster Community Investment Trust, the All-Island Funds should all be approached as potential partners and investors in a new generation of co-operative housing.
- The NIHE should expand the Affordable Warmth Scheme in eligibility and fund size and create a new grant for energy efficiency materials installation. At present, energy efficiency is not one of the five available grants the NIHE provides for home improvement. A new grant and expanded Affordable Warmth Scheme would help to increase the provision of energy efficiency retrofitting in Northern Ireland’s social housing stock.



# CONTRIBUTING GROUPS TO THE HOUSING POLICY PROCESS 2023

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Wandsworth	Sutton
Tees Valley	North Wales
Sunderland	Normanton & Wakefield
County Durham	Women's Network
South Hams, Teignbridge & Torbay	Islington
Basecamp Cooperative Chepstow Housing Cooperative	Scottish Co-op Party
East Kent	North West North Party Council
Midcounties Oxfordshire Coop Party Branch	Greater Manchester Party Council
Bolton & Bury	West Mercia
Nemco Branch	Exeter & Devon
Chelmsford Star	Northern Ireland Co-op Party
Dartford & District	Rotherham
Gorton, Stockport & Tameside Branch	York & District
Brent & Harrow	Barnsley
South East Wales	Harlow & Epping
Co-ops & Mutuals	Youth Network
LGBTQ+ Network	

Individual Co-operative Party members have made important submissions to the Policy Process 2023, helping to develop proposals on a range of housing policy challenges. We would like to thank everyone who took part and engaged in this year's consultation.

# ENDNOTES

- 1 ICA Housing (2012) Profiles of a Movement: Co-operative Housing around the World.
- 2 Climate change insights, families and households, UK: August 2022, ONS
- 3 Housing affordability in England and Wales: 2021, ONS
- 4 Sandford, M (2022) Assets of community value, House of Commons Library
- 5 Shelter (2018) Another step towards land market reform: Available at: <https://blog.shelter.org.uk/2018/09/another-step-towards-land-market-reform/>



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