



ROADMAPPING A VIABLE COMMUNITY-LED HOUSING SECTOR FOR IRELAND

Self-organised and Community-Led Housing models (Cohousing)
and the Community Land Trust as a basis for enabling democratic and
permanently affordable housing and urban renewal in Ireland

POLICY

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Executive Summary

"Housing, whether public or private, can be discussed and examined from economic, social, planning and political perspectives. However, the human aspect of housing is the paramount one. It is the one which, while inextricably intertwined with all the others, at the same time takes priority over them. It is for the betterment of the human aspect that all other aspects should be considered and made to conform."

FRANK MOLONEY

*Assistant Manager, Cork County Council, 1982
Co-operative Housing in Ireland*

This handbook is one of a series of five produced by SOA, as outputs from the 'Roadmapping a viable Community-Led Housing sector for Ireland' research project. It is specifically aimed at Irish policymakers, and makes the case for developing a supportive policy base for Community-Led Housing in Ireland, informed by European best practice, and growing recognition of the field across the continent.

The unique feature of Community-Led Housing is the **empowerment of future residents to meaningfully participate in both the design and long-term management of their homes**. The term encompasses a wide range of approaches, including cooperative housing, Cohousing, Community Land Trusts (CLTs), and self-help housing. Although no two Community-Led Housing projects are the same, they all share a common goal of meeting specific local housing needs via collaboration, empowerment and mutual support.

It should be highlighted from the outset that there is currently little or no State support or infrastructure available for Community-Led Housing groups in Ireland. Despite this fact, there are a range of groups across the country organising their own projects at present. A primary goal of this research project is to highlight the roadblocks which these groups are facing in Ireland, and propose steps for their removal.

This handbook recommends consideration of **adjustments to policy infrastructure** which will enable a **broad range** of approaches to **Community-Led Housing**, complementing and augmenting existing approaches to social and affordable housing in Ireland. In particular, recommendations are made which will

facilitate people on low or irregular incomes, with low savings, or those not qualifying for commercial mortgages due to age, to adopt these approaches to develop housing that reflects their needs.

Our **Policy Roadmap** infographic provides a suggested series of steps to developing a policy base for Community-Led Housing in Ireland. Acknowledging that policy development is unlikely to be a direct linear process, the Roadmap is arranged as a largely non-sequential series of measures.

Our **'Best Practice' Policy Survey** reveals Community-Led Housing as a genuine form of civic partnership, having mutual benefits for communities, policymakers and wider society. The research highlights community-led approaches that address a range of issues typically overlooked by conventional housing. We provide a detailed analysis of best-practice financial, technical and public land management policies adopted in the UK and other European countries.

This section further shows how regional authorities in Belgium and France are supporting the development of the **Community Land Trust**. In these countries the CLT is heralded as a vehicle for perpetually affordable housing which can cater to very low income groups. **The CLT model enables residents, local government and communities to cooperate in the design, development and long-term management of the homes.**

We also discover how the Cooperative is financed in Germany and Switzerland, and how it is understood and supported as a vehicle for innovation in sustainable community development and new forms of living.

We focus on **the cooperative as a socially-inclusive model that can include people with a diverse range of incomes and backgrounds** to collectively develop their own homes. We show how directed financing can enable affordable housing for those at the lower end of the affordable spectrum.

Financial support at a general level, in the form of low-interest part-financing to stimulate construction and sustainable development, has been shown in itself to enable a broad variety of approaches.

Our analysis of the **Irish Policy Context** identifies a number of areas in which CLH aligns with social and economic policy goals outlined in the Programme for Government, including:

- **Delivering Affordable Homes**
- **Better Housing Options for our Ageing Population**
- **Sustainable, Inclusive and Empowered Communities**
- **Town Centre Renewal and Compact Growth**
- **Diverse and Inclusive Ireland**

Our **Policy Recommendations** to support Community-Led Housing in Ireland, summarised overleaf, include replication of the first steps adopted in UK policy to support Community-Led Housing.

Finally in this section, we present a **Proposal for a CLH Hub**: a publicly-funded facilitation structure for Community-Led Housing. This proposal has been developed in cooperation with Brendan Conway of the London CLH Hub, who is a stakeholder in the research project. This Hub would provide technical and structural support to groups, coordinate expertise and professional inputs and manage funding supports to CLH groups. The CLH Hub also has a role in policy development and improvement.

We hope that this handbook makes a clear and strong case for developing a supportive policy base for Community-Led Housing in Ireland, and will assist policymakers in visualising and implementing such an infrastructure.

SUPPORTING INFORMATION

In addition to the core content summarised above, our analysis and recommendations are further supported by a short series of **Supplementary Papers** on key subjects. These include:

- An information paper on **State Aid**, discussing issues related to the granting of state aid to Community-Led Housing. It recommends charging of CLH as a Service of General Economic Interest (SGEI), in line with European best practice.
- A summary paper on the issues to consider for **CLH groups applying for AHB status**, examining how Approved Housing Body (AHB) status might lend itself to supporting the development of Community-Led Housing, and present challenges that exist in this respect. We find that community-led approaches benefit from an integrated group early in the development process. As such, as an affordable model operating as an AHB, a CLH group would ideally be able to nominate its own members. This would follow European practice, but clarification and further research is required in this area. A Community Land Trust specifically, whose purpose is community ownership of land to develop affordable homes and community infrastructure, would likely benefit from the support and regulatory oversight which AHBs receive.
- A short paper on **Cohousing and COVID-19**, examining reports available to date describing the experience of cohousing groups in coping with the pandemic. The mutual support and solidarity which members of these communities have experienced throughout the crisis is consistently highlighted in feedback, along with the benefits of cohousing in combatting loneliness and isolation. Common challenges have included reaching agreement on acceptable hygiene standards and some loss of revenue from projects which include commercial spaces or public amenities.
- Finally, a short paper on **Social Value** reinforces our recommendations in terms of land and spatial policy. As identified in our policy surveys, allocation of public land at fixed price by competitive procedure based on 'social value' criteria is increasingly common in the EU/UK. In Germany, large-scale urban development is structured according to such a process. In the UK, it is the basis of allocating small sites (at less than best consideration) for CLH projects. In Germany it is increasingly common for government to adopt a state-land management policy that prioritises the long-term leasing of land to maintain control over the use of that land in perpetuity.

Our key Policy Recommendations include a series of initial steps, replicating those adopted in UK policy to support Community-Led Housing. In order of priority, they include:

RECOMMENDATION	WHAT WILL THIS ACHIEVE?
RECOGNITION OF THE MODEL	
<ol style="list-style-type: none"> 1. Cross-stakeholder agreement as to what constitutes Community-Led Housing in the Irish context. 2. Insertion of a statutory definition of the Community Land Trust in the Housing (Regulation of Approved Housing Bodies) Act 2019. 	<p>Universally-recognised definitions will bring clarity both to policymakers and lenders investing in CLH projects, as to the core principles of Community-Led Housing, and the benefits this approach can offer.</p> <p>The UK statutory definition for a Community Land Trust provides a template text for reference.¹</p>
A PILOT PROJECT(S) TO DEMONSTRATE THE APPROACH	
<ol style="list-style-type: none"> 3. That stakeholders including the Departments of Housing & Finance, the Housing Agency, the Land Development Agency and relevant Local Authorities collaborate with one or more Irish CLH groups to create a pilot project, demonstrating the model. 	<p>There are a range of CLH groups across the country at various stages of developing projects. Eight of these groups are profiled in our Overview handbook. Working with one or more of these groups to develop a pilot project will give form to the concept, demonstrating to people in Ireland what is possible with this approach.</p>
CAPACITY BUILDING	
<ol style="list-style-type: none"> 4. A Community-Led Housing Fund to build capacity in this nascent sector. 5. The creation of a support 'Hub' for Community-Led Housing in Ireland. 	<p>A targeted fund can provide 'start-up' grants for groups to build early stage capacity. It should further enable investment to establish a national support 'Hub', giving community groups the technical advice needed to deliver their homes and visions. This fund will enable establishment of a support infrastructure for CLH at both the local and national level, so as to create a legacy for CLH far beyond the fund's lifetime.</p>
PUBLIC LAND MANAGEMENT	
<ol style="list-style-type: none"> 6. Empowerment of public agencies by government to adopt policies for sale or allocation by lease of public land for development on the basis of a competitive procedure, according to social value criteria and financial viability. 	<p>This will enable local authorities, and State agencies such as the LDA, to dispose of public land to bids based on holistic social value criteria. These criteria would include the social and environmental sustainability of any proposed development, in addition to its financial viability.</p>
ACCESSIBLE LOW-INTEREST FINANCE	
<ol style="list-style-type: none"> 7. Targeted low-interest loan products for construction and long-term financing, which can support sustainable development and independent cooperatives. 	<p>Targeted cross-sector loans for sustainable development would enable access to low-interest finance for proposals (including CLH) which meet exemplary sustainability standards.</p>

Glossary

COHOUSING

Cohousing communities are organised to foster mutual support, drawing on the skills and resources of residents to contribute to life in the scheme. In most projects, each household is self-contained, but residents collaborate in managing communal spaces and share decision-making through a legally defined arrangement. Shared spaces can range from a simple community garden, through to shared guest bedrooms, kitchen/dining spaces and/or communal laundry or tool shed facilities. Many cohousing groups cultivate an ethos of sharing resources and space with a view to reducing their environmental footprint and increasing community activities and mutual support.

COMMUNITY LAND TRUST

Community Land Trusts (CLTs) are organisations set up to develop and manage homes and protect assets of community value, including affordable homes, workspace and green space. CLTs use legal structures such as covenants or planning agreements to provide long-term affordable housing, often by linking prices to local income or setting prices at a proportion of market rate. In the UK, their legal entity typically comes in the form of a limited company, community benefit society and/or a charity.¹

COMMUNITY-LED HOUSING

Community-Led Housing, as categorised by the stakeholder groups participating in this project*, is a socially, environmentally and economically sustainable approach to housing, with the following features:

1. Meaningful community engagement and consent throughout the process. The community does not necessarily have to initiate and manage the development process, or build the homes themselves, though many do.
2. The local community group or organisation owns, manages or stewards the homes in a manner of their choosing.
3. Benefits to the local area and/or specified community are clearly defined.

(For the rationale underpinning this description, please see the accompanying **Overview** handbook, p.56.)

COOPERATIVE

Cooperative homes are managed and owned by

members of the cooperative. Residents are members of the cooperative and participate in management and decision-making. As per cohousing, mutual support, cohesion and shared activities are a feature of cooperatives. Cooperative housing is a strong feature of the housing landscape in many European countries, representing 17% of the housing stock in Sweden and Germany for example, and 15% in Norway. In the UK, 70,000 people nationally are cooperative members, and there are more than 300 cooperative housing schemes in London alone.²

PART V

Part V of the Planning and Development Act 2000 outlines the conditions by which a developer will meet their obligations to contribute to delivery of social and affordable housing. When submitting a planning application, developers must specify how they intend to comply with these obligations.

SELF-HELP HOUSING

Self-help housing involves a group of people repairing and bringing empty properties back into use, usually with the help of volunteers. Many projects work with unemployed and/or homeless people, offering free accommodation and the opportunity to work on bringing a home back into use before moving in on a permanent basis.³

ABBREVIATIONS

AfB	Agentur für Baugemeinschaften (Hamburg Agency for Cohousing)
AHB	Approved Housing Body
CLH	Community-Led Housing
CLT	Community Land Trust
ERDF	European Regional Development Fund
EIB	European Investment Bank
HACT	Housing Associations' Charitable Trust
HFA	The Housing Finance Agency
ICSH	The Irish Council for Social Housing
IRLT	The Irish Regenerative Land Trust
KfW	Kreditanstalt für Wiederaufbau (German State Development Bank)
LCCC	Limerick City & County Council
LDA	The Land Development Agency
MHOS	Mutual Home Ownership Society
NPF	National Planning Framework
Part V	of the Planning & Development Act 2000
SCSI	The Society of Chartered Surveyors Ireland
SGEI	Services of General Economic Interest
SME	Small and Medium-sized Enterprise

Policy Roadmap

Acknowledging that policy development is unlikely to be a direct linear process, this Roadmap outlines an initially sequential series of measures to advance 'demonstrator' projects, followed by key steps to developing the Community-Led Housing sector (in non-sequential order).



- Clarify what is meant by **Community-Led Housing (CLH)** in the Irish context, and **why it is worthy of consideration** as a complementary housing model.
- Identify a **policy 'base'** by evaluating **potential demand for CLH**. *'Demand' to be estimated in terms of Need. What has CLH to offer that other approaches do not, what market failures can CLH help to remedy, what social and environmental benefits can CLH deliver?*
- Identify **Key Roadblocks** to be addressed. *What specific roadblocks is CLH facing in Ireland, and how have these been addressed elsewhere?*
- Establish **specific policy supports required**. *What are the recommended policy measures to address roadblocks?*
- **Propose a definition of Community-Led Housing** for the Irish context. *Synthesising UK and EU best-practice examples.*



- **Agreement among key stakeholders** on value and need for policy action on Community-Led Housing.
- Agreement on **key policy areas which CLH can contribute to**.
- **Agreement as to what constitutes Community-Led Housing** in the Irish context.
- Agreement on **key policy measures which can and should be implemented** to address roadblocks.
- Commission **additional research on specific areas** (as required.)
- Insert a **statutory definition of the Community Land Trust** in legislation.



- Commitment of key stakeholders to support execution of a **'demonstrator' project(s)**.
- Identify **public site(s) for a first Irish CLH pilot**. *Establishment bid criteria which meet SGEI requirements.*
- Establish a Community-Led Housing **Start-Up Fund**. *To support projects at feasibility stage.*
- Facilitate access to **Capital Funding** for CLH projects which meet SGEI criteria.
- Establish **programme of CLH training for local authorities**. *Potentially provided by, or in association with, a CLH Hub.*
- Commitment and **allocation of funding** for an Irish Community-Led Housing 'Hub'. *Post Feasibility Study if required.*

Steps to Establish a Viable Sector

Moving beyond the creation of 'demonstrator' projects, the following key steps would enable the development of a viable Community-Led sector, capable of expanding and replicating a range of community-led approaches.

EVOLVE LAND MANAGEMENT POLICY

- Identify areas where there is clear demand for CLH, and **assess availability for public sites for CLH** in these areas.
- **Establish processes for bidding for public sites which take account of Social Value** as criteria for allocation in open tender processes.
- Explore mechanisms for long-term leasing of State-owned land.

ESTABLISH A CLH HUB

- To **support CLH groups with technical and organisational expertise**.
- To **administer start-up/feasibility funding** (if available).
- To **spread awareness of CLH** and to **evaluate and quantify demand** for CLH in Ireland.
- To **feed back and support policy development** for CLH, liaising with policymakers for continuous policy and practice improvement.
- To **design and develop specific workshop modules for local authorities** via a professional development learning programme for best practice in CLH.

ADDRESS LONG-TERM FINANCING

- **Empower credit unions to lend to CLH** via a Special Purpose Fund (SPF).
- **Address barriers to lending to cooperatives** with commercial banks and other lenders.
- Establish a **low-interest loan product for sustainable development**.
Modelled on the KfW in Germany, or on Ireland's own ISIF (Irish Strategic Investment Fund) for SMEs.
- Inclusion of CLH in Capital funding schemes for social and affordable housing.

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UK Policy Initiatives

England, Scotland,
Wales, Northern
Ireland

England: Context

As the birthplace of the modern cooperative movement¹, the UK has a long history of cooperative enterprise. Despite this history however, before the early 21st century cooperatives and community-led initiatives had only a very marginal influence on the housing sector, and there had been limited debate about the relevance of cooperatives and community empowerment in this sector.

A number of policy measures adopted since 2008 in particular have recognised the benefits which these models offer to local communities, and have served to support and empower community groups to meet their specific local housing needs.

National Policy Initiatives

The following is a summary of key influential policy measures which have been implemented in recent decades to support this sector:

- In 2008, following years of advocacy by housing and community development professionals and academics, **a statutory definition of the Community Land Trust** was included in the **Housing and Regeneration Act 2008**². While this does not prescribe any specific legal form for the Community Land Trust (CLT), it sets out clear legal principles governing the community benefit objectives that are the sole justification for a CLT to come into being.

This now universally-recognised definition in legislation has brought clarity to lenders investing in CLT projects, and general acknowledgment in public policy of the benefits which CLTs offer in creating long-term genuinely affordable homes. The full significance of securing the statutory definition to the growth of the CLT movement in England is described in the 'On Common Ground' publication.³

- A pilot scheme and consultation⁴ led to the conclusion in 2009 that CLTs had a role to play in contributing to affordable housing creation. The Carnegie UK Trust obtained a £500,000 government Community Empowerment Grant

which it used to develop the CLT sector. With help from World Habitat, it also established the National CLT Network in 2010 to support the growing CLT movement and advocate on behalf of CLTs.

- The **Localism Act 2011**⁵, implemented a number of measures aimed at empowering local authorities and communities, including the Community Right to Build and Community Right to Bid, giving community groups the first opportunity to buy local assets of value to them, and the power to deliver developments proposed by them.

A £17.5m 'seed-corn' fund was administered by the Homes & Communities Agency to support preparation of Community Right to Build orders. A fund with **Community Buildings Pre-Feasibility Grants** (amounts up to £10,000) and **Community Buildings Project Support Grants** (amounts up to £40,000) ran until 2015.

In addition, the **Neighbourhood Planning** initiative was introduced to empower communities to influence local development plans. This measure requires local planning authorities to provide technical advice and support as neighbourhoods draw up their proposals for local development.

- From 2011-2015, the **'Empty Homes Community**

Grants Programme' (EHCGP) enabled "over £50 million public funding to be invested by over 100 grassroots organisations between 2012 and 2015 to bring 1299 homes (with 3048 bedrooms) back into use."⁶

(The programme was discontinued in 2015, with the government citing evidence that vacancy had by this point fallen to a 10-year low.⁷)

- The **National Planning Policy Framework** (2012, last updated 2019) introduced the concept of *Rural Exception Sites (RES)* as small rural sites which can be used for affordable housing in perpetuity in cases where sites would not normally be used for housing. According to the CLH Toolkit "such sites have been used by many CLH organisations (particularly community land trusts) to provide homes for local people."⁸
- The **My Community website** was set up as a collaboration between government and a number of non-profit community support organisations, to provide a "portal for community rights information and grant programmes"⁹ available to residents in England.
- The **National Land Use Database**, later converted in 2017 to the **Strategic Housing Land Availability Assessment (SHLAA)**¹⁰ was created to provide a central database of potential opportunities for brownfield development projects, and "details statistics on the amount of previously developed land that may be available for development in England." The SHLAA is a required part of the evidence base needed by local authorities for the preparation of a local plan.
- The **Self-Build and Custom Housing Building Act (2015)**¹¹ requires local authorities to form a register of individuals and groups who wish to acquire serviced plots of land for self-build projects. Local authorities are obliged to grant planning permission for enough serviced plots to meet demand demonstrated by their registers.
- While not targeted specifically at Community-Led Housing, two broader initiatives introduced in 2016 have further enabled CLH projects:
 1. The £4.5 billion **Home Building Fund** was announced by government. Its goal is to provide loans to any private-sector corporate entity which must prove that "without this funding the scheme would not progress as quickly, or at all". Loans start at £250,000 and go up to £250 million.¹²
 2. The **Shared Ownership and Affordable Homes Programme**, renewed in 2016 following introduction in 2011, allows purchasers of a new home to buy an equity share, while paying rent on the remaining non-purchased share.
- In 2016, the government announced the **Community Housing Fund**¹³, to support community-led housing groups with £60m per year for 4 years. The fund included a £6m investment to set up a national network of local support hubs, giving community groups the technical advice needed to deliver their homes and visions. The Fund is awaiting renewal, with a 2020 survey of the community housing pipeline showing the potential for over 23,000 homes to 2024.¹⁴

Introducing the CLH Fund, the government acknowledged a number of unique strengths of Community-Led Housing, noting that it "typically delivers high design quality, high standards of construction and energy efficiency, and uses progressive, innovative building techniques. It supports the smaller house building companies and helps sustain the local economy by providing homes that are affordable at local incomes."¹⁵

Local Policy Initiatives

As a result of the above measures, a growing number of English local authorities are supporting Community-Led Housing via various mechanisms. Indeed, research¹⁶ released by the [National Community Land Trust Network](#) in 2018 highlighted that:

- One in six councils have policies to support Community-Led Housing
- One in three councils have given grants or loans for Community-Led Housing
- At least 208 public sites have been sold or leased to Community-Led Housing groups

The National CLT Network have further noted findings that *“Community-led housing projects are more likely to succeed when groups have developed a meaningful relationship with council officers and staff.”*¹⁷

CCIN COMMISSION FINDINGS

The **Cooperative Councils Innovation Network** (CCIN) comprises *“22 local authorities from across the UK who are driving global municipal cooperative policy development with a common belief in the Cooperative Values and Principles.”*¹⁷

The CCIN Housing Commission was set up in 2016, and as part of its remit it requested submissions from local authorities on their experience of Community-Led Housing. Its analysis of submissions highlighted the following four main areas in which CLH can help authorities to deliver their strategic priorities:

- **Improving housing supply and providing permanently affordable housing**
- **Supporting regeneration and returning empty homes to use**
- **Empowering communities so they come self-sufficient, cohesive, resilient and sustainable**
- **Involving residents in addressing housing need**

It further identified the following key methods by which local authorities can further enable Community-Led Housing development:

POLICY

- **Leadership**
- **A policy environment supportive of CLH**

RESOURCES

- **Council assets provided through sale or asset transfer**
- **Funding by local authorities**
- **Enabling support (technical advice, networking etc.)**

The CCIN further created a template Pledge document which local authorities can adopt, committing to support Community-Led Housing in the following ways:

- Write and implement a Community-Led Housing (CLH) policy ensuring CLH becomes a part of our strategic housing responsibility.
- Define the resource that we can invest in civil society organisations to deliver CLH.
- Work with CLH groups and partners as appropriate to support/facilitate the delivery of at least one CLH site.

Extract from East Cambridgeshire District Council Local Plan, 2015:¹⁸

Local Plan Policy GROWTH 6: Community-led development

The District Council is generally supportive of community-led development. This may include schemes involving affordable housing, small business units, renewable energy generation and other appropriate uses.

The non-housing elements of schemes will be assessed against other relevant Local Plan policies. However, the District Council will also expect schemes to broadly accord with criteria 5 and 6 below.

The affordable housing elements may be permitted outside development envelopes as an exception to the normal policies of control where:

1. The site is well related to a settlement which offers a range of services and facilities, and there is good accessibility by foot/cycle to those facilities.
2. No significant harm would be caused to the character or setting of the settlement and the surrounding countryside.
3. The scale of the scheme is appropriate to the location and the level of identified local affordable housing need.
4. The scheme incorporates a range of dwelling sizes, types and tenures appropriate to identified local need.
5. The District Council is satisfied that (i) the scheme was initiated by, and is being led by, a legitimate local community group such as a Parish Council or Community Land Trust and (ii) the scheme has general community support, with evidence of meaningful public engagement.
6. It can be demonstrated that the scheme will be well managed and financially viable over the long-term and that any benefits provided by the scheme can be retained by the local community in perpetuity; and
7. The scheme accords with all other policies of the Local Plan.

An element of open market housing on the site will only be acceptable where:

- It is demonstrated through a financial appraisal that this is essential to enable the delivery of affordable housing or other community benefits on-site; and
- The community benefits of the scheme (such as the level of affordable housing or open space) are significantly greater than would be delivered on an equivalent open market site.



London - Specific Policies

The current Mayor of London has been a particularly strong advocate for Community-Led Housing, and in recent years a number of local policy measures have been adopted to support CLH in the city:

COMMUNITY HOUSING FUND

In addition to the National Community Housing Fund, on 16th January 2019 the Greater London Authority¹⁹ launched a £38m fund to “support building new homes that are genuinely affordable for local people.”²⁰ This includes both revenue and capital funding, and a revolving loan fund of up to £10m, which aims to “make the sector more sustainable.” This fund is open for applications until March 2023.

COMMUNITY-LED HOUSING: RESOURCE AND ADVICE HUB

London’s CLH *Resource and Advice Hub*²¹ was set up in late 2018, as a collaborative endeavour funded by the various London boroughs. The Hub provides technical advice and support to CLH groups and administers the London CLH Fund. It also works closely with various boroughs to develop their respective local CLH policy documents, and acts as an advocate for the sector across various London stakeholder groups.

SMALL SITES, SMALL BUILDERS

The *Small Sites, Small Builders*²² programme was launched in February 2018. Its goal is to make it easier for the public sector to bring forward small sites for residential-led development by SMEs. London’s homebuilding sector had been dominated by a small number of large developers, with the number of small builders delivering less than 100 homes having halved over the previous 10 years.

According to the Greater London Authority, so far 40 TfL owned sites have been made available for the project. One of the benefactors of this programme has been London Community Land Trust, who have been allocated two of the sites.

Other English Local Authorities - Specific Policies & Local Plans

Many local authorities across England have begun to introduce definitions and policy supports for Community-Led Housing in their local plans.

For example, Test Valley Borough Council in Hampshire²³ have introduced a local plan policy which states that CLH initiatives will be supported if they can demonstrate that:

- a. the proposal is supported by evidence that there is a need for the project to maintain or enhance its sustainability through the delivery of community benefit
- b. a local community have been involved in developing a proposal
- c. the local community support the proposal being brought forward
- d. the proposal contributes to meeting the Borough’s affordable housing need

To date this policy has delivered 67 homes across two schemes, including 26 ‘affordable’. Sports facilities and expansion of a doctor’s surgery have also been delivered.

East Cambridgeshire’s 2015 Local Plan included a CLH policy with stricter criteria, which to date has delivered 113 market and 60 affordable dwellings, with a further 5 schemes in the pipeline.

Other local authorities such as Leeds, Brighton, Bristol, Liverpool and Hull, among others, have introduced policies to support CLH groups by allocating land or assets on leasehold or for peppercorn sums.²⁴

Scotland: Context

Since the post-devolution establishment of the Scottish Parliament in 1999, the Scottish Government has introduced a range of policy measures to reform land ownership with a view to empowering local communities. These have ranged from such overdue measures as the abolition of feudal tenure in 2004, to a variety of progressive policies to bring about land reform and community ownership of public assets.

National Policy Initiatives

According to the Scottish Parliament²⁵, land reform in Scotland is considered unusual, in that it emphasises *community* land ownership. Internationally, most other land reforms have focused on giving ownership rights to *individuals* and *tenants*. This emphasis on community ownership is a response to the fact that a huge proportion of Scottish land is currently owned by a very small number of private estates and individuals.

While the majority of policy supports available in Scotland are focused on community-led development in general (as opposed to CLH specifically), and until recently have tended to prioritise rural initiatives over urban, there are a number of policy measures and associated funding supports of which community-led housing groups in Scotland can avail. The following is a summary of key influential policy measures which have served to enable CLH in Scotland:

LAND REFORM ACT

In 2003, the **Land Reform (Scotland) Act** introduced the **Community Right to Buy**²⁶ policy for rural areas. This enables communities who successfully register a community interest in a site, to have the first option to buy when the registered land is offered for sale. The Act notes that CRtB *“should be used where the community has identified land and has proposals for that land that could further the achievement of sustainable development.”* It also stipulates that any Right to Buy must involve a willing seller.

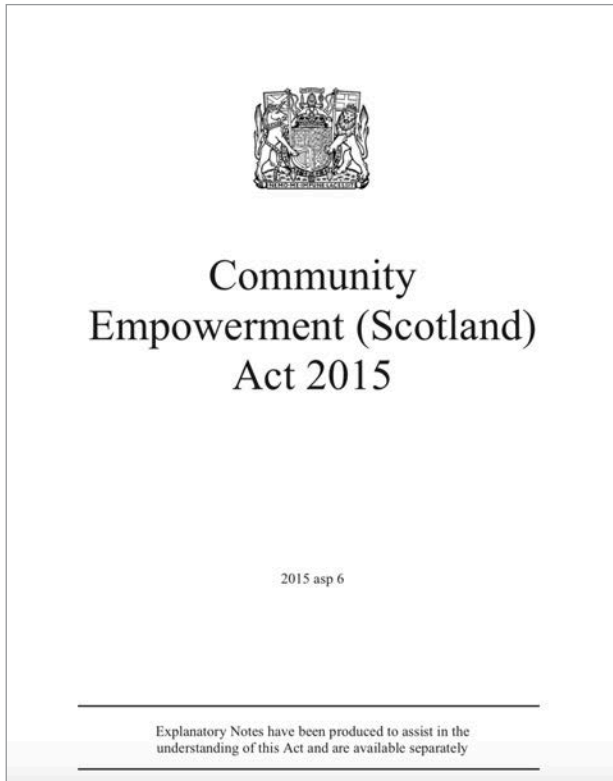
SCOTTISH LAND ACT

The Scottish Land Fund, introduced in 2012 and subsequently renewed in 2016, was introduced to *“help communities take ownership of the land and buildings that matter to them, as well as practical support to develop projects.”*²⁷ It currently offers between £10,000 to £1m to community projects, and is funded by the government via the National Lottery Community Fund and the Highlands & Islands Enterprise, who have committed to provide £10m per year to the Fund until 2021. The Fund offers both *Technical Assistance Funding* to aid preparation of land purchase, and *Acquisition Funding* to provide for capital costs of purchase.

(It is worth noting that community in this instance is limited to a geographic community with defined boundary, i.e. a ‘community of interest’ is not eligible.)

An evaluation of the Fund up to 2016 showed that nearly £10m had been spent on 52 projects. More recent figures show that, as of December 2018, there were 593 assets owned by 429 community groups comprising a total area of 209,810 hectares, 2.7% of the total land area of Scotland.

In June 2013, the First Minister announced a target of one million acres of land to be transferred into community ownership by 2020, to *“demonstrate the Scottish Government’s commitment to supporting community land ownership”*. As of May 2019, the latest available figures showed that there were 562,230 acres in community ownership across the country.²⁸



COMMUNITY EMPOWERMENT ACT

In 2015 the **Community Empowerment (Scotland) Act** introduced a range of additional rights for community bodies and duties for public sector authorities. This included extending Community Right to Buy to urban areas and increased rights to buy abandoned land, even where the owner is unwilling to sell, if said purchase is seen to be in the public interest.

Part 5 of the Act also introduced the *Asset Transfer Request* policy, which enables community bodies "a right to request to buy, lease, manage or use land and buildings belonging to local authorities, Scottish public bodies or Ministers."

The Act further stipulates that local authorities must make a list of all the land and buildings they own or rent, and make this information publicly available. According to a report²⁹ on Asset Transfer take up, as of August 2019 there were "81 ATRs received, 48 agreed and six refused. Of the 81 applications, 64 were received by local authorities."

The **Community Empowerment Act** has been supported by a range of funding streams, established both before and in response to the Act. Most recently these funds have been amalgamated into the *Investing in Communities Fund*³⁰ and the *Aspiring*

Communities Fund. Recognising the need for longer term planning and support to community-led groups, the *Investing in Communities Fund* provides multi-year awards for those who wish to apply for funding over more than one year, thus providing essential stability. The flexible design of the fund further aims to reduce the administrative burden for community-led groups of applying to multiple funds. The previous *People and Communities Fund*, launched in 2012 and amalgamated into the Investing in Communities fund in 2019, had invested over £41m in hundreds of community-led projects tackling inequality across Scotland.

RURAL HOUSING FUND

The **£25m Rural Housing Fund**³¹, announced in 2016, offers both feasibility funding and capital supports to "increase the supply of affordable housing of all tenures in rural Scotland." The fund is open to projects which will provide long-term affordable housing, are prepared to undertake appropriate community engagement, and have the support of their local authority.

SELF-BUILD LOAN FUND

In 2018, following a successful pilot in the Highlands, the £4m **Scotland Self-Build Loan Fund** was announced. It offers bridging finance loans of up to £175,000 to help with construction fees for self-build projects, and will run for three years up to September 2021. The fund is intended to support self-builders who have been unable to access mainstream mortgage finance for a *new* home, and is for construction finance only (ie. it cannot be used to purchase sites.)

The Scottish government further provide a Self-Build Guide³² on their website, offering technical advice and information to self-builders in a range of areas.

Wales & Northern Ireland: Context

Policy to support Community-Led Housing is not yet as well established in Wales and Northern Ireland, as it is in England and Scotland.

In Wales, the government focus to date has been more specifically on cooperative housing, and has included funding since 2010 for the *Wales Cooperative Centre* and a number of cooperative housing projects, and publication of a guide to developing new cooperative and community-led homes. The Wales Cooperative Centre recently (2019) commissioned research into the 'potential benefits' of CCLH³³ (Cooperative and Community-Led Housing), which concluded that CCLH offers a range of significant long-term benefits. The research provided a number of recommendations for developing the sector.

Powys County Council have recently established The Powys Cohousing project³⁴ to assist local residents in developing their own cohousing schemes. This has included allocating the role of Cohousing Officer in the council to offer advice to prospective groups, and further offering that "*funding for feasibility studies, legal advice or other professional support*" may be provided, including a possible grant of up to £2,500 for groups who engage with Wales Cooperative Centre's *Communities Creating Homes* programme. There are also a number of Community Land Trusts established in their formative stage in Wales, although none appear to have obtained significant land assets at present.

According to a 2016 report by the Smith Institute, the CLH sector in Northern Ireland "*appears to have received less attention from policy makers*". The report suggests that this is possibly because of the "*dominance of the Northern Ireland Housing Executive (NIHE) as a provider of social housing, the relatively small size of housing associations in Northern Ireland, and the complexities of community initiatives in a divided community*."³⁵ It further notes that there is a "*healthy and well-established tradition of individual self-build in Northern Ireland*."



02

German Policy Initiatives

Hamburg, Berlin,
Munich, Tübingen

The following section on **German Policy Initiatives** is supplemented by the information provided in **Appendices A-C**, and by additional Appendices contained in the LAND handbook.

Analysis of these Appendices is essential for a comprehensive understanding of these policies and the criteria applied for eligibility to avail of them.

Germany: Context

Germany is a federal republic consisting of sixteen self-governing states, three of which, Berlin, Bremen and Hamburg, are city states. The implementation of housing policy is generally a matter for individual states (Länder) although funding for social housing is also provided by the federal government.

Since the National Strategy for Sustainable Development in 2002 introduced measures to counter sprawl, land policy generally¹ favours the circular management of brownfield sites over greenfield development and developers must pay compensation for destruction of natural landscape.²

Municipal authorities have the power to assemble underused and vacant land for redevelopment under 'Urban Development Measures'³ (städtebauliche Entwicklungsmaßnahmen) **at their present value** and to benefit from the value uplift post-redevelopment. This can help to fund redevelopment and to penalise inefficient use of land by landowners.

A consequence of the diverse general and directed policies in the area of support and financing of Community-led Housing in Germany is the enablement of an extremely diverse range of approaches based on a small number of basic legal types. In 2020 there are an estimated 3000⁴ cohousing projects (Baugemeinschaften) in Germany, and as of 2013 it was estimated that cohousing, together with new and traditional forms of cooperative housing, together accounted for 17% of the national stock.⁵

In Germany, Community-Led Housing projects generally fall into two basic tenure types corresponding to two legal forms: the owner-occupier type, Wohnungseigentumsgesetz (WEG) and the owner-renter cooperative type, eingetragene Genossenschaft (eG). In both cases, residents are usually expected to supply up to 20-30% of their own capital to fund the project and to qualify for

further financing. A third, less common, form is the Apartment-house Syndicate model (Mietshäuser Syndikat) which uses the limited liability company form (GmbH).

State support for cooperative Cohousing models ensures social and environmental policy objectives are met, including prescribed minimum participation of different income groups, addressing the potential for enclaves of middle-high income groups in these kinds of cohousing projects.⁶

The following will briefly examine the implementation of policies in Berlin, Hamburg, Tübingen and Munich with respect to Land, Planning and Facilitation. This will be followed by a brief survey of state financial support for CLH in Germany, and where provided, the reasons state and city authorities give to justify how state support for CLH furthers social and environmental policy.

Local Policy Initiatives - Hamburg

The following is a summary of key supports available to community-led housing groups in the city of Hamburg.



FACILITATION

Agency for Cohousing⁷ (Agentur für Baugemeinschaften): Formed in 2003 as a single point of contact for all stakeholders. It followed several cohousing projects where people had used progressive architecture firms to create and administer innovative projects and ultimately stemmed from the Hafenstrasse protests in the 1980s, where people declared they wanted to halt demolition of inner city houses, restore them, realise and manage their own projects and choose their own conditions for living.

The AfB is part of the Ministry of Housing and Urban Development, and so has reach into planning and financing policy formulation, as well as advising and supporting cohousing groups.

For a summary of specific supports offered by the Agency for Cohousing, and a summary of the reasons the Agency supports cohousing, please see [Appendix A](#).



LAND

The *Ministry for Urban Development & Housing, Behörde für Stadtentwicklung und Wohnen (BSW)*, has decided that up to 20% of city-owned land should go to CLH. For example:

- In the new suburb of Oberbillswerder (7,000 new households) and in the IBA Wilhelmsburg project comprising 4,500 new households, **2,000 homes** will be allocated to CLH projects.
- The same conditions apply to the Hafencity redevelopment, and to large-scale private developer-led projects like Bahrenfeld and Holstenareal, where there is a requirement for 33% social housing as well as 20% for CLH or cohousing projects.

In December 2019, the Hamburg Senate decided that city-owned land would no longer be sold on the open market for the development of housing. From this point on, city-owned land for housing can, with a few exceptions only, be disposed on a long-term lease (Erbbaurecht).



SPATIAL PLANNING

Konzeptverfahren (Awarding Procedure based on Social Concept or Quality):⁸

Since 2010, state-owned land has been disposed on the basis of the quality of the proposed concept in Hamburg.

“As a result of the move away from the highest bid procedure, qualitative aspects are now the decisive criterion for the award of urban land. The city thus influences the mix of apartments, but also the urban, social and environmental aspects of a building project. The concept award made a major contribution to the creation of new social housing in more central areas of the city. Today it is a practiced and recognised instrument in the real estate industry.”

“Environmental concerns are taken into account in all cases. Successful outcomes can be, for example: innovative dwelling typologies, special suitability for families, senior citizens or people with disabilities, special usage concepts, innovative mobility concepts, a particularly affordable rental or the voluntary accommodation of special target groups[...] Long-term commitments (up to 40 years) and socio-political objectives are laid down in the concept tenders and secured through contractual instruments.”⁹

Property to be disposed on a long-term lease receives an official valuation, of which there is one for land used for social housing, and one for unsubsidised housing. In cases of subsidised cooperatives, there is an upper value limit of €600/m² of living space. For other approaches, a market valuation is used. For both of these, an annual charge of 1.5% over 75 years is applied (this would mean a maximum annual charge of €900 for an apartment of 100m²).

For a full description of the Awarding Procedure based on Social Concept or Quality (Konzeptverfahren) in Hamburg, please see the [LAND handbook](#).



FINANCING¹⁰

Small cooperative cohousing groups can make their own application to the Hamburgische Investitions und Förderbank (IFB Bank) for a loan for building construction (€1,200/m² lived area at 2%). This financial package includes a one-off grant of €1020-€4590 per apartment and a monthly grant of €3.80-€5.70/m². This depends on a binded timeframe of 20-40 years, during which time the cooperative must remain mutual and observe the prescribed rental conditions for residents.

- The IFB will also issue cooperatives with a loan for property purchase as well as a loan for the construction of community facilities (at 2%).
- There are individual grants from the IFB Bank for the following areas: disabled access, energy performance, wooden construction, ecological insulation, lift/car sharing, bike and car parking, compact apartments, compact projects, use of bricks in conservation areas, and social integration.¹¹
- Cooperatives may also apply to the KfW, the German state bank, for loans (see below).

IFB Bank financial support for Owner-Occupier Cohousing groups¹²

- Households in building cooperatives with private ownership can also avail of IFB loans. The amount of the IFB building loan accessible depends on the size of the household and the calculated income limit. The interest rate is 0.6% p.a., fixed for five years.
- A requirement for funding is first occupancy in a new building. The total cost limit is €420,000 for two people, which increases by €25,000 for each additional person in the household up to a maximum of €520,000.

Local Policy Initiatives – Berlin

The following is a summary of key supports available to community-led housing groups in the city of Berlin.



LAND & SPATIAL PLANNING

Management of public lands

The State of Berlin supports a “discounted allocation of state-owned land for the construction and use of projects aimed at the common good, for example with a focus on multi-generational living, social mix, art and culture or sustainability.”¹³

The city state of Berlin owns circa half of the land area of Berlin itself. This amounts to about 5,700 sites. Since 2013, the state-owned Berliner Immobilienmanagement GmbH (BIM)¹⁴ has had responsibility for the management of state-owned lands on behalf of the Berlin Senate under a regime called “Transparenten Liegenschaftspolitik” (transparent land management policy).

Under this policy, state-owned land will be disposed or sold on the basis of the highest price only in exceptional circumstances. This new “sustainable urban development policy”¹⁵ is guided by a more “future oriented” strategic approach in which all state land will be subject to a process called “clustering.”¹⁶

For a detailed description of how this clustering process manages the allocation of Berlin State-owned lands for ‘Konzeptverfahren’ processes, please see the [LAND handbook](#).

Konzeptverfahren (Awarding Procedure based on Social Concept or Quality)

Land allocated via the Konzeptverfahren process is currently only advertised as heritable building rights (leasehold interest).¹⁷ This, according to BIM, gives the state the opportunity to continue to influence the use of the land at a later date and to intervene to control it, should this become necessary.¹⁸ The process is conducted in accordance with current procurement and competition law.

In the Konzeptverfahren, the draft leasehold contract of the Berlin city state is published with the tender documents. It contains certain specifications that can no longer be changed in the course of the procedure, such as the construction obligation, the duration of the leasehold, the purpose and

scope, changes in use, value protection clauses, the encumbrance of the heritable building right with land charges and mortgages, contractual penalties and regulations concerning repossession of the land.

The Konzeptverfahren process allows the city to couple the process of land allocation with policy objectives in partnership with community-led housing groups.

For more detail on:

- a. The specific urban development and social policy objectives which are advanced via support of Community-Led Housing,
 - b. The Assessment Criteria for evaluating Konzeptverfahren land bids,
- please see the [LAND handbook](#).



FACILITATION

Netzwerkagentur GenerationenWohnen (Agency for Multi-generational Living)

In 2008, the Senate Department of Urban Development and the Environment contracted Stattbau mBH¹⁹ to develop an advisory service for multi-generational owner-occupied and rental housing projects in Berlin.

The Agency

- is an expert on community-led housing projects
- advises potential resident groups on all aspects of multi-generational housing
- supports residents in the development of their ideas
- arranges support with expertise on financial, cooperative and property questions
- defends consumer rights

For further information on services provided by the Agency, please see [Appendix B](#).

Local Policy Initiatives – Munich

The 'Munich Model' funding program for cooperatives enables households with middle incomes, especially households with children who live in Munich or the surrounding area, to access permanently affordable housing. At the same time, according to the city of Munich, the program gives a general impetus for housing construction in Munich.²⁰

The essential aspects and conditions of the Munich Model for cooperatives are:

- **State-owned plots of land** in Munich are **awarded in a selection process to registered building cooperatives** for the construction of apartments.
- There is a **uniform, location-independent, land purchase price** which is free from development fees of €600 per m², Gross Floor Area (GFA) for a 40-year term of commitment. As an incentive for an extended commitment of 60 years, the property price will be reduced to €300 per m² GFA.
- The **apartments may not be sold without the approval of the City of Munich** during the term of the bond. The sale is encumbered with real rights of use such as leasehold right. Resale of individual residential units is not possible.²¹
- The occupancy may only be made with **households that do not exceed the specified income limits.**²² In addition, the tenant must be a member of the building cooperative. At least 50% of the subsidised apartments must be allocated to newly admitted members of the building cooperative.
- For the apartments funded for the first time, rent amounts to €11.00 per m² of living space per month (basic rent). For compact one-room apartments with up to 25 m² of living space, the initial rental rent can be increased to €12.50 per m² of living space per month (basic rent).
- Apartments must be constructed to **the sustainability and spatial standards** of the city of Munich.
- In Munich Model Cooperatives, an application for **a low interest loan up to a maximum of €1,250 per m² of living space can be requested** from the Department for Urban Planning and Building.²³
- The loan has an annual interest rate of 0.5% and a minimum of 1% of the loan amount must be repaid annually. A higher repayment is possible. The loan is secured on the building plot by ordering a mortgage. After the end of the commitment period, the remaining debt of the loan is either to be repaid or to accrue interest in line with the capital market or it can be left at a reduced interest rate if the building cooperative continues to agree a correspondingly reduced usage fee.
- The **fixed initial rental rent may not be increased in the first 5 years** (calculated from the first occupancy). The increases not permitted in the first 5 years must not be made up for. Each rent increase is possible up to the amount of the change in the consumer price index (CPI) for Germany, which is determined by the Federal Statistical Office. The index value of the calendar year before the year of the rent increase is used.
- The **maximum rents** in the Munich model cooperatives in the event of a rent adjustment **must be at least 15% below the standard** local rent.

For a table of permitted income levels which are eligible to apply for the 'Munich Model', please see [Appendix C](#).

Local Policy Initiatives – Tübingen

Tübingen is a city of about 90,000 inhabitants located 40km south of Stuttgart in the state of Baden-Württemberg. Following the fall of the Berlin Wall and the subsequent closure of NATO military barracks, the city has planned and managed the transformation of these large brownfield sites via phased redevelopment. This redevelopment has mainly been led by small to medium-scale cohousing projects on piecemeal sites.

The city determined that the redevelopment of commercial and military “wastelands” by cohousing groups was a tool to enable their transformation into diverse and mixed quarters that are attractive to a broad range of users and that are affordable. These core cohousing developments make up about 75% of the overall total and play the most important role in terms of quality and quantity. They are supplemented by social housing, developer-led projects and terraced single-owner projects.



LAND & SPATIAL PLANNING

The following broad policies are applied in Tübingen to facilitate the re-development of large-scale brownfield sites via community-led housing:

Integrated Planning for Large-Scale Land Re-Use in Small Parcels for Cohousing

Parcel sites to be allocated to community-led housing groups are determined in size by an allocations process where social concept is prioritised over highest price. In this way, large-scale and time-efficient redevelopment is driven by a large number of small individual developments that are constructed simultaneously.

The scale and mix of this redevelopment strategy, which has included in the period 1996-2010 approximately 5000 residents, 1400 workplaces and 28.5 hectares of land, is described in more detail in [LAND](#) handbook.

Tübingen utilises a ‘Konzeptverfahren’ (social concept) process to allocate sites. The award procedure is based on fixed land-prices and plots are allocated according to the quality of proposed concepts. Plot sizes are ultimately determined by the spatial requirements of selected projects once the process for each quarter is concluded.

For more details on this process and award criteria, please see the [LAND](#) handbook.

Why does Tübingen support cohousing at such a large scale?²⁴

For Tübingen, cohousing communities are not an end in themselves, but play a crucial role in urban development as an instrument:

- **Affordable construction for middle incomes**

In a real estate market with such high demand as in Tübingen, Cohousing groups are structurally around 15-25 percent cheaper for end users than comparable apartments from property developers.

- **Broad diversity** In almost two decades of urban development with cohousing communities, it has been shown that cohousing communities generate a high level of diversity, since they do not have to aim for a marketable demographic, but instead implement their own concepts.



- **Innovative strength:** Cohousing communities always combine new projects with innovation in the social, ecological or architectural area - these projects pioneer ideas for the next generation of conventionally procured projects.
- **Identification with the new quarters and Cohousing:** From a long-term perspective, it is very important for the city of Tübingen that residents identify with new neighbourhoods and are willing to assume civic responsibility.
- **Small-scale parcelling:** An important goal of the municipality in terms of urban development is a small-scale and differently-sized parcelling, as it forms the basis for lively and mixed neighbourhood structures. This is very easy to implement with Cohousing communities, because they tend to be more granular and have different building sizes.

- **Mixed use:** Cohousing projects have demonstrated success in incorporating mixed and commercial uses through direct and targeted marketing strategies.

The bottom line: Cohousing groups have become an excellent tool for the university town of Tübingen to enable the development of commercial or military wasteland into small, diverse and mixed quarters that are attractive to a broad group of users and are affordable. They are not the only type, but are supplemented by social housing, property development projects and terraced houses. However, they play the most important role in terms of quality and quantity.

National Policy Initiatives – Germany

1. GERMAN FEDERAL FINANCIAL SUPPORT: THE STATE INVESTMENT BANK, KfW

The KfW bank (Kreditanstalt für Wiederaufbau "Credit Institute for Reconstruction") was founded in 1948 as the federal state-owned development bank. In order to support sustainable development and to stimulate the German construction industry, the KfW has developed a range of products that have a broad application. Innovative projects and sustainable housing projects meeting predefined standards - from a single house to large cohousing projects - qualify for part-funding by the KfW Bank. The KfW Bank will typically support up to half the costs of development of sustainable housing with the provision of a low-cost loan (currently <1.0%), with the possibility for repayment reductions (up to 10% of loan may be refunded).

The rest of the loan is raised with a local commercial financial institution. Buying a house that meets the criteria (as opposed to building one) will also qualify for support, as will simple energy upgrades such as installation of an efficient boiler or insulation upgrading. The credit requirements for the whole of the project are administered for the duration of the loan by the local commercial bank who have responsibility for checking project suitability, credit-worthiness, managing certification and payments.

2. KfW SOFT LOANS

A broad policy, in the provision of cheap loans (c.0.75%) by the state investment bank (KfW), is intended to stimulate both the German manufacturing and construction sectors as well as environmentally sustainable construction to achieve CO₂ reduction targets. These loans go to part-finance any project meeting basic sustainability criteria; and so can equally be applied to retrofitting or construction of single-family homes and multi-family cohousing projects.

For example, for the construction of a new energy-efficient dwelling, loans up to €120,000 per dwelling @ 0.75% with a €30,000 rebate are available. A further grant of €4,000 is available for the appointment of an energy expert in the process.²⁵ The loan is mediated through a commercial bank, which provides the remaining credit required. The soft loan is available for any type of sustainable housing development and enables a broad range of approaches, including Community-Led projects.

3. KfW SUPPORT FOR COOPERATIVES

The KfW also has direct support measures for cooperatives, to allow individuals to borrow the equity necessary to become owner-members.²⁶ For purchase of cooperative equity payment, there is loan available of up to €50,000 @ 0.75%, for a 20-year duration and with the option of a 3-year repayment holiday.

03

Policy Initiatives

Switzerland,
Belgium, France

Zurich Cooperatives: Context¹

Societal and demographic policy challenges² facing Zürich include a population whose median age has risen by 10 years between 1970 and 2016. Around 70% of all households are either 1 or 2 persons. Private residential space consumes on average about 55m² in owner-occupied apartments and a 3.5 bed private rental apartment in Zürich in 2015 costs on average 2432CHF (€2260) per month.

Zürich has a long history of cooperative housing dating back to the end of the 19th century, reflecting its heritage as an industrial city. Cooperatives currently make up about 20% of all housing stock in Zürich and represent a public-private initiative to solve the problems created by an industrialised city to provide affordable housing. Cooperatives also benefit from strong cantonal (regional government) support in terms of land and housing policy, and also in terms of state financial support. In Zürich, cooperative housing is open to all but there is a minimum allocation of 30% subsidised social rental per cooperative.

INNOVATION

- Cooperatives in Zürich are pioneering new typologies to reflect and accommodate the present and future demographic reality. The cluster apartment is an innovation that has been widely used for elderly people to own their own small apartment and share common spaces and social interaction. Another innovation is the planning of larger apartments that accommodate flexible working and living areas as well as shared music and hobby spaces.
- A cooperative of cooperatives: In order to complete large and complex projects, small cooperatives have innovated by merging in the creation of a large temporary cooperative to share risks, support members and provide seed money. This was the case in the Mehr als Wohnen project which was offered a large site by the state and now accommodates 1,300 people. An outline masterplan was developed with the City Planning Department, which was then the subject of a design competition. Each individual building was the subject of a further design competition.

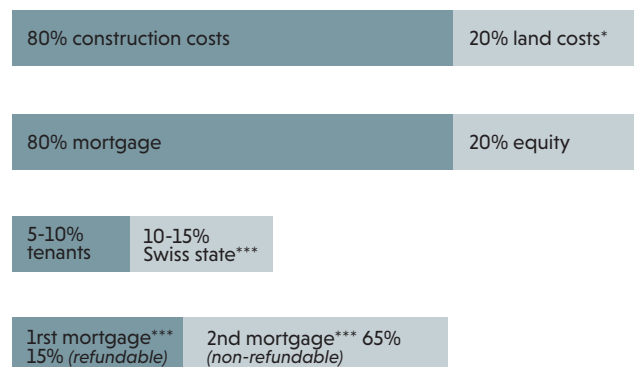
LAND POLICY

In the 1980s, the Constitution of the Zurich Canton was altered by the Social Democratic administration to forbid the sale of public land within the city boundary, and regulated that 1/3 of all rental housing in Zürich should be supplied by not-for-profit providers. About 15% of cooperative housing is built on state-owned land leased from the city at a rate of 1.5%. Cooperative housing is

generally (85%) built on land bought by the cooperative (about 300-400 households per year are developed by the Association of Cooperatives, in addition to those built by individual member Cooperatives).

FINANCING COOPERATIVES

Zürcher Kantonalbank (Zürich state bank) has a mandate to provide finance to cooperatives. 20% of construction costs are provided by the cooperative itself and are composed of a refundable capital equity of 5-10% by residents. The remaining 10-15% equity is guaranteed by Swiss state finances (redeemable if the project fails). Stability is guaranteed by demand, hence cooperatives in Switzerland tend to be urban.



* Leasehold from the public sector is often provided, with a set reference interest rate, which is currently 1.5%.

** Loans from the Swiss state with special conditions (sureties), managed by the association (refundable).

*** Interest Rate, Zurich Cantonal Bank, at the moment 1.17% (5 years)

State funds are administered by a Cooperative umbrella association (EGW)³, which also manages inter-cooperative solidarity funds as well as the Solinvest fund, which was set up by transfer of a previous state coop (for state workers) in the 1980s.

Due to the Swiss mortgage system, cooperative repayments are very low as 65% of the loan is repaid on an interest-only basis (the capital being redeemable on resale).



Mariemont L'écluse Housing, CLTBruussels
Photograph © Mark Detiffe

The Community Land Trust In Europe: Brussels

“The CLT is an innovative public policy tool, an innovative long-term participative model for facilitating home-ownership, which has been adapted to many different contexts (United States, Europe, rural and urban settings), and has demonstrated that another approach to homeownership is viable, both for households and local governments.”⁴

BRUSSELS COMMUNITY LAND TRUST (CLTB)

Housing policy in Brussels is the responsibility of the Brussels-Capital Region (BCR).

Brussels CLT has emerged as a partnership with the BCR as a measure to increase social cohesion⁵ and in response to the housing crisis in the Brussels area, which has seen housing prices more than double in 10 years. Despite a demographic and economic boom in the last decades, 50% of the region's residents qualify for social housing, although this only makes up 7.3% of the region's housing stock (2016). Despite the region being ranked 4th in Gross Domestic Product in Europe, it ranks 145th in disposable household income and 39% of the population is at risk of poverty and 23% of children are in households with no income from the job market.⁶ Housing policy has traditionally concentrated on supports for owner-occupied dwellings located outside of city centres.⁷

NEW HOME-OWNERSHIP MODELS

In 2010, a Charter was signed by fifteen associations for the establishment of a Community Land Trust in Brussels. In 2011, the Housing Minister of the BCR established a feasibility study, the recommendations of which led to the establishment of CLTB in 2012.

Brussels CLT is composed of two bodies, a non-profit association (ASBL Brussels CLT, administration) and a Public Utility Foundation (land ownership).⁸

CLTB has been developing twelve projects to date with 180 perpetually affordable, owner-occupied dwellings and six spaces for community use, as well as community gardens whose development and design involved the participation of residents.

These basic tenure types are being further developed in a project called CALICO⁹, to include for a mix of start- and end-of-life residents. It is being procured in partnership with a private developer and the EU through an Urban Innovative Actions grant.

REGIONAL AUTHORITY AND MUNICIPAL SUPPORT FOR THE COMMUNITY LAND TRUST

Community Land Trusts were introduced and defined in the Brussels Housing Code in 2013¹⁰ and in 2014, CLTB was included in the Housing Alliance, a regional investment programme for affordable housing in the BCR. Between 2014-2018, €2M annually was given by the government towards new CLT projects, to acquire land or to finance construction (see below), in the region.

CLTB benefits from urban regeneration schemes called Contrats de Quartiers, urban planning instruments that aim to invest in social infrastructure in a limited zone in a defined period of 5 years. This gives the municipality leeway to buy vacant plots and resell below the market price (at up to 1/4 of Open Market Value) to bodies such as CLTB.

The current BCR government is actively promoting long-term lease contracts for all public housing operators and has stated its intention to increase support for CLTB and to recognise it as a 'regional land alliance' to allow CLTB to become a partner in urban renewal programs.¹¹

FINANCING

Families with low-medium incomes of up to €40,000 income per year/household may become members of CLTB and purchase their own dwelling. Average price per m² is €1650 (25-50% of the market price)¹². The ground lease costs €10 per month.

Residents receive a 25-year mortgage to a maximum €265,000 at an interest rate of 2% from the Housing Fund (Fonds du Logement), a social credit organisation. Loans are guaranteed by CLTB.¹³ Residents should not have to pay more than 30% of their income on housing costs.

On resale, residents only benefit from 25% of the rise in value of the property, and CLTB receives 6% or €3000. (New buyer pays original price plus 31% of the rise in value).

CLTB receives a dual subsidy of €2m from local government, enabling the purchase of land (up to €350/m² of land) and construction (€415/m²). Development is 40% financed by CLTB from their construction subsidy with the remaining 60% provided by the residents' mortgages through the Fonds du Logement (which also develops and manages affordable housing in BCR). Affordability

is furthered by the application of a 6% VAT rate (instead of 20%). CLTB provides a guarantee to the residents against cost overruns. Costs for the State are lower (40% state investment) compared to social housing (50% state investment). As of 2018, CLTB has an operation budget of €0.5M and an investment budget of €5M.

GOVERNANCE STRUCTURE

Of the two rights that exist in Belgian law to separate land from the buildings built on it, CLTB uses the surface right (droit de superficie), which has a maximum duration of 50 years that is automatically renewed each time the property changes hands. The emphyteutic (perpetual right of use) lease with renewal clause is also subject to resale conditions that restrict the price of the property. Both bodies of CLTB are controlled by a board of 15 directors composed of residents living in CLTB (1/3), representatives of civil society, including neighbours (1/3) and representatives of the Brussels Government (1/3). Residents and prospective residents are members of CLTB and are entitled to vote in board elections. There are 600 members in CLTB (2019).

REASONS FOR SUPPORTING

According to C. Doukeriidis, Secretary of State for Housing, Brussels-Capital Region, *"the Community Land Trust presented an opportunity for the BCR authority to diversify the response of government to the present challenge in housing. It's a creative solution that has been pioneered in Europe by the BCR in partnership with CLTB and it is an initiative that can be used alongside existing tools. As a land tenure instrument, the CLT guarantees long-term access to affordable housing. It is therefore useful both in areas of high demand and where the market is less competitive. The CLT aims to mobilise people and is based on the active participation of residents and also neighbours."*¹⁴

The Community Land Trust In Europe: Lille

Following the example of the Brussels CLT model, the concept has been adapted as the Organisme de Foncier Solidaire (OFS, French Community Land Trust) and pioneered in France by the city of Lille as a public-private instrument to improve the efficiency and delivery of affordable housing.

LILLE METROPOLIS OFS (OFSML)¹⁵

The city of Lille is the fourth most expensive in France, with private rental increases by 70% and purchase prices by a factor of three in the ten years to 2017.¹⁶ Although the city has had a long-term strategy for the provision of affordable dwellings, it was found that subsidies were being lost once units were placed on the private market.¹⁷

The OFS 50 was therefore developed as a corrective tool to support local housing policies and to address problems caused by land speculation, and where subsidies remain effective even after multiple changes of owner.

NEW HOME-OWNERSHIP MODELS

The OFS will in future replace the rented affordable housing model in France.

CENTRAL GOVERNMENT

In 2014-18, the French Parliament passed amendments to housing law to establish the ownership model Organisme de Foncier Solidaire, dissociating land and real estate property.¹⁸

REGIONAL AUTHORITY AND MUNICIPAL SUPPORT FOR THE OFS/COMMUNITY LAND TRUST

The Ville de Lille and Lille Metropolis region (MEL) granted OFSML €200,000 and provided pro-bono expertise and legal advice for the foundation of the OFS.¹⁹

The Regional Agency for Information on Housing (ADIL) provides information on the model, provides legal expertise and aids residents in the mortgage application process. The role will be augmented by the national Foncier Solidaire France, established by Ville de Lille.

FINANCING AND DEVELOPMENT

The OFS is a private-local authority partnership model. A developer is selected by competitive bid by the city to undertake, and assume all risk for, a larger development (which helps to balance the costs of the affordable elements). Land for the development is bought by the developer from the city and the portion to be occupied by the OFS is sold to the OFS by the developer for €1. This is leased back to the developer who transfers the lease to the resident upon completion. The lease period begins anew with each new resident (60 years). The developer is charged with disposing of the OFS dwellings to residents in advance (to benefit from cashflow) who meet the criteria established by the OFS. The resident has a right to sell, bequeath and mortgage their leasehold dwelling. Dwellings are sold at c. €1800-2,400/m².²⁰ A ground rent per dwelling of €1/m²/month is payable by residents, who are usually first-time buyers.

Due to its corporate structure, the OFS is exempt from corporation tax. The National Public Bank (CDC) provides long-term financing (60-80 years). VAT on sale of OFS dwellings is discounted to 5.5% and there is a 30% discount on property tax. A state-financed loan from Credit Foncier (20-25 years, 1.95-2.45%) is available to residents. These are augmented by state interest-free loans whose repayments can be deferred for 5-15 years.

OFSML is guarantor against resident default. Resale rates are set by a formula indexed to the rent index (Indice de Revisoin des Loyers, IRL).

GOVERNANCE STRUCTURE

OFSML is a non-profit association, which is integrated into the larger public interest foundation, the Fondation de Lille. It is governed by six institutions: Ville de Lille, the Lille Metropolis (MEL), Fondation de Lille, Federation des Promoteurs Immobiliers du Nord-Pas-de-Calais, the Union Regionale de l'Habitat and Action Logement. An executive board is elected every four years and a management board oversees day-to-day running of the OFS.



L'Espoir Housing, a pilot project that led to the establishment of CLT Brussels
Photograph © Gilles Vaille

04

Irish Policy Context

Relevant Policy
Frameworks

Irish Policy Goals & CLH Alignment

As with all existing housing models in Ireland, the creation of Community-Led Housing projects which are genuinely inclusive, in terms of income, ability, and background, will require policy support. While a group of wealthy households can arguably co-create a CLH housing project using only their own resources, in order for low to middle income households or marginalised citizens to participate in Community-Led Housing, policy support is required to enable such projects to be affordable and inclusive.

It is therefore incumbent on those advocating for recognition of Community-Led Housing in Ireland to make the case for policy infrastructure in this area, and to highlight the various ways in which Community-Led Housing can make a unique and significant contribution to the achievement of key national policy goals.

The following is a brief summary of key policy areas that Community-Led Housing can contribute to addressing in Ireland, with reference to the Programme for Government¹, the National Planning Framework², and related policy frameworks:

- **Delivering Affordable Homes**
- **Better Housing Options for our Ageing Population**
- **Sustainable, Inclusive and Empowered Communities**
- **Realising our Sustainable Future**
- **Town Centre Renewal (Addressing Vacancy and Urban Regeneration)**
- **Compact Growth (ie. Brownfield Development)**
- **Diverse and Inclusive Ireland**
- **Mental Health and Social Inclusion**

Delivering Affordable Homes

The National Planning Framework’s Policy Objective 32³ targets “delivery of 550,000 additional households to 2040.” Given that successive Irish governments have fallen short on delivering the targets they set out in terms of housing delivery, it is clear that all available resources in delivering homes are needed. This can include communities who are motivated to build their own homes.

The NPF further highlights the need to “ensure that more affordable homes are built for sale or rent, particularly in our cities, towns and villages, enabling people to choose to live within their communities and closer to where they work” and commits to facilitate this through “more proactive land management”⁴, among other measures. It also highlights the fact that “In rural Ireland, many people seek the opportunity to build their own homes but find it difficult to do so in smaller settlements because of a lack of available sites and services” and again commits to assist this by supporting local authorities “in undertaking the necessary land acquisition, site preparation and local infrastructure provision to deliver self-build development options in smaller towns/villages.”

The Programme for Government pledges to “put affordability at the heart of the housing system”⁵ and commits to “provide serviced sites at cost in towns and villages to allow individuals and families build homes.”

Policy supports for Community-Led Housing could have a significant impact in achieving the above goals. Community-Led Housing has been shown to fit in the ‘medium to high value for money’ categories in the UK, when considered on cost benefit alone over a 10-year period. According to a 2020 UK report⁶ on the Value for Money of Community-Led Housing, “When considered over a 30-year period, each pound of public support delivers 3.1 pounds of benefit when health and benefit savings, wellbeing and income distribution benefits are allowed for, placing CLH further into the high value category.”

A core goal of Community Land Trusts is the assurance of long-term affordability, meaning that not only are homes affordable at initial construction, they will remain affordable for future residents, and remove land speculation from the cost of homes. To date, Irish policies have had varying degrees of success in making homes affordable at initial purchase, but it is arguable that none of these policies have managed to retain this initial affordability for future occupants/purchasers. The Community Land Trust model is designed to achieve just this, and to challenge

land speculation, which is contributing to the unaffordability of homes in Ireland. Irish CLH projects such as the Irish Regenerative Land Trust (nationally), Common Ground Cohousing (Wicklow), and Inclusive Neighbourhoods (Kilkenny) are exploring the Community Land Trust model as a means of creating homes which are affordable not just for their current members, but for future generations also.

Furthermore, Community-Led Housing initiatives are pioneering new models of long-term housing affordability via cooperative models such as MHOS⁷ (Lilac, Leeds), ‘Grant of Use’⁸ (La Borda, Barcelona), and the Miethauser Syndikat⁹ (Germany, nationwide). Affordability is a key driver in almost all CLH projects in UK, and as highlighted by the 2017 CCIN report¹⁰, “The provision of affordable homes was the priority most frequently cited by authorities. Many saw CLH as a way of delivering permanently affordable rented homes, defined as anything from rents capped at LHA rates to 80% of market rents. CLH can also produce intermediate rented homes and low cost home ownership.”

RELEVANT PROGRAMME FOR GOVERNMENT MISSIONS

HOUSING FOR ALL

- Introduction (p.54)
- “Put affordability at the heart of the housing system.”
- Affordable Home Ownership (p.55)
- “An overriding objective of our housing policy is to make homes more affordable.”
- Rental (p.56)

“Support the adequate supply of rental accommodation by ensuring equity and fairness for landlords and tenants” and “Improve the security of tenure for tenants, through legislating for tenancies of indefinite duration, increasing RTB inspections and enforcement, and examining incentives for long-term leasing.”

Better Housing Options For Our Ageing Population

The need to evolve and adapt new models of housing for older people in Ireland is widely recognised and discussed. The 2019 policy statement, *Housing Options for Our Ageing Population*¹¹, states its aim to "rebalance the care model away from inappropriate residential and/or acute care, to supporting older people to remain living independently in their own homes and communities for longer." According to 2016 Census data, the 65+ population is projected to increase very significantly from 13.3% of the overall in 2016, to 20.7% by 2040, under MF1 predictions.¹²

In the past, too many of our older people have been forced, due to lack of alternative options, either to remain independent but isolated in oversized accommodation, or to move prematurely to institutional care. There is a clear and widely-acknowledged need to evolve models of housing to facilitate those who wish to remain independent but also to stay connected to a community network, and additionally to 'rightsize' in doing so. A 2016 Housing Agency report¹³ estimated that 15% of those aged 65+ would be willing move to a different home in their community, and that a further 15% would choose to move to 'age-friendly' accommodation, if it were available. Research has also shown that while many older people wish to remain 'in place', "for many people this desire is based on a link and connection to the community rather than the actual physical dwelling."¹⁴

Cohousing models have shown themselves to be particularly relevant in this area, providing a unique model which empowers people to plan for their independent future, while co-creating an environment of mutual *support* (as distinct from care).

Community-Led Housing is by definition community oriented. A core aim is to build stronger and more supportive communities. Evidence of the benefits of this approach for older people is clear from Maria Brenton's report on Dutch cohousing communities¹⁵, which in turn inspired the Older Women's Cohousing (OWCH) project in London. Ms Brenton's quote¹⁶ at the 2019 Cohousing Here conference highlights the value of cohousing succinctly:

*"The ageing statistics and demographic trends for our two countries are characterised by societies getting older, the prevalence of the very old as people live longer, patterns of single living, increasing patterns of childlessness among the old, and therefore the possibility of extreme loneliness and isolation in old age. **Loneliness and isolation increase your risk of dementia by two.**"*

*One of the things that I feel that senior cohousing is a good antidote against is, what is historically endemic in our British tradition, of institutional ageism. An ageism that infantilises older people and turns them into passive recipients. **Senior cohousing is about retaining agency and staying in control of your life.**"*

OLDER WOMENS COHOUSING (OWCH)



Project Overview

This is the first senior cohousing scheme completed in the UK. The £7.8m development was 'enabled' by the Hanover Housing Association on behalf of a group of 26 single women aged 50+ who want to mutually support each other as they grow older. Each resident has their own bespoke apartment; 17 of the homes are privately owned; eight are for social rent. The project was inspired by the Netherlands, where there are now 230 senior cohousing developments housing thousands of people.

Link

<https://www.owch.org.uk>

<https://righttobuildtoolkit.org.uk/case-studies/new-ground/#>



Sharehaus Refugio, Berlin
Photograph © Tabea Büttner

*What distinguishes us is the social architecture. What distinguishes us from the almshouse next door is that our community runs the whole place themselves. Next door everything is laid down by the foundation, the warden, no visitors, no pets, no whatever, a very different lifestyle. Here, the values that bring our community together are **collaboration, shared responsibility, and mutual support.**"*

Cohousing offers a clear template for addressing the combined challenges of unsuitable housing and social isolation which many of our older citizens face. It empowers people to consider their older years in advance and to co-create an environment of mutual support and social engagement, which will allow them to retain agency and control of their living environment as they age, remaining independent while engaged in and supported by a community of common interest.

As with many of the policy objectives noted in this chapter, there is huge potential for Community-Led Housing to bring substantial benefits and empowerment to our ageing population, but the process of developing a cohousing project is not without significant challenges in Ireland at present. Policy supports in terms of facilitation, financing and access to land would all contribute greatly to making cohousing more viable for those in older age. It should also be highlighted that while cohousing creates an environment of mutual *support*, supporting people to remain independent and socially included for longer, it is not a model of care. For those who

are no longer physically or mentally capable of living independently, cohousing will not replace the State's obligations in terms of providing care for those who need it. It is likely to delay the need for that care for many however, and given our ageing population this can have a significant impact.

RELEVANT PROGRAMME FOR GOVERNMENT MISSIONS

HOUSING FOR ALL

- Section: Planning and Reform (p.57)

"Work to ensure that our ageing population has a range of options for living independently and that alternatives to long-term residential care to support ageing are in line with the policy statement 'Housing Options for Our Ageing Population!'"

UNIVERSAL HEALTHCARE

- Age-Friendly Ireland (p.51)

"As more of us enjoy our older years, we must plan to meet the accommodation and future healthcare needs of our diverse, ageing population. Our approach is to support older people to live in their own home with dignity and independence, for as long as possible. To deliver on this vision, we need to recognise the close connection between healthcare supports and housing options."

Sustainable, Inclusive And Empowered Communities

The Department of Rural and Community Development have developed a five-year strategy¹⁷ which declares its vision to “To create vibrant, sustainable, inclusive, empowered and self-determining communities that support the social, cultural and economic well-being of all members”.

It commits to “promote, support and invest in activities that - bring communities together, empower them to identify their own needs, priorities and agendas”, and “provide them with the skills, knowledge and experience to influence, shape and participate in decision-making processes that bring about change for the benefit of people within those communities.”

In outlining why the five-year strategy is required, the report declares that “Government recognises that infrastructural investment needs to be complemented by supports for social development, for building communities and enabling marginalised people and groups to become involved in their own communities, including in regeneration processes in their own communities and at a wider societal level.”

The Programme for Government proposes to “provide each citizen with accessible and affordable housing... and a dignified retirement”¹⁸ along with a new social contract which will “provide for greater security for individuals and communities and will be founded on the principles of equality and ensuring that every citizen has the opportunity to contribute to, and achieve, their potential.”¹⁹

‘Meaningful participation’ is a core tenet of Community-Led Housing, and in the UK for example, all CLH projects must be able to demonstrate meaningful participation by the future residents, among other criteria, in order to benefit from policy supports.²⁰ By placing resident participation in the design process as a core element, CLH empowers future residents to consider and plan for their neighbourhood needs, which has frequently resulted in a more holistic approach to design, encompassing coworking, public amenities, communal gardening and sharing of resources. Innovative live/work arrangements have enabled residents to work from home and reduce commutes, to co-design green spaces for neighbours to spend more quality time together as families and as neighbours.²¹

By considering local needs and inviting participation from the wider community, CLH and Community Land Trust initiatives²² have been shown to creatively respond

to specific local challenges, and have a revitalising effect on the wider neighbourhood. CLH projects also frequently provide meeting spaces and facilities for community groups in the wider neighbourhood, a community benefit which can be further incentivised by local-authority-led ‘concept-based’ processes for the disposal or leasing of public land.²³

CLH initiatives empower communities to unlock their know-how and innate creativity to visualise and plan ways to regenerate their neighbourhoods. They offer a voice and genuine participation to citizens in the creation of their homes and communities, providing a mechanism by which those not adequately catered for by the wider housing market are empowered to invent innovative solutions to their particular housing needs.

It has been widely highlighted that the aftermath of the COVID-19 crisis provides a once-in-a-lifetime opportunity to reimagine a more equal and just society in Ireland. Community-Led Housing can play a key role in facilitating this process.

RELEVANT PROGRAMME FOR GOVERNMENT MISSIONS

A NEW SOCIAL CONTRACT (DESCRIBED ABOVE)

BUILDING STRONGER AND SAFER COMMUNITIES

- Community Development, Social Inclusion and Public Participation (p.91)

“We will initiate a new Anti-poverty, Social Inclusion and Community Development Action Plan framed around the 17 UN Sustainable Development Goals, underpinning sound community development practices, and reflecting a response to the COVID-19 pandemic and its impact on poverty and social inclusion.”

Realising Our Sustainable Future

The National Planning Framework²⁴ commits to “Adopting the principles of the circular economy to enable more sustainable planning and land use management of our natural resources and assets.”

National Policy Objectives 53-56 commit to supporting this goal via “greater efficiency in land management, greater use of renewable resources and by reducing the rate of land use change from urban sprawl and new development... integrating climate action into the planning system”, promoting “renewable energy use and generation at appropriate locations within the built and natural environment”, and “prioritising prevention, reuse, recycling and recovery, to support a healthy environment, economy and society.”

The Programme for Government sets ambitious targets for decreasing greenhouse gas emissions and highlights the need to work with “communities and sectors in designing and delivering the pathway to achieve the goal in a fair way”²⁵, and to “bring communities with us, as new energy infrastructure gets installed.”

A proactive and enthusiastic national response to the climate emergency offers huge opportunities to Irish citizens in terms of innovation, enhanced quality of life, and creation of new environmentally-friendly industries.

By empowering local communities to collaborate in responding to specific local needs, Community-Led Housing initiatives can offer a uniquely suitable approach to addressing the combined challenges of climate action, urban regeneration and sustainable housing. Innovation in developing solutions to these challenges can often best be explored not at individual, family or regional level, but at a community level. CLH projects, which typically range in size between 10-50 households, offer the potential to explore innovative solutions at a manageable scale. In Germany for example, encouraged by low-interest KfW²⁶ financing which supports environmentally-sustainable projects, the vast majority of CLH projects are built to very high environmental standards and frequently exemplify innovation in community generated energy via mechanisms such as project based Combined Heat & Power systems.

A key feature of cohousing projects worldwide is an emphasis on car-free neighbourhoods, and projects from across Europe and further afield provide examples of reduced car use and encouragement of travel by foot and bicycle. Furthermore, the frequent inclusion of coworking spaces as an element of collaborative housing projects reduces the need for

residents to commute to work, reducing their carbon footprint in the process. As highlighted in the Town Centre Renewal section below, CLH projects also frequently contribute to urban regeneration and ecological retrofit by adapting and reusing disused buildings and/or difficult sites.

Irish CLH projects such as Common Ground CoHousing, IRLT, and ARTHOUSE have identified innovation in low-impact living as a core goal of their projects and a primary motivation for adopting a community-led approach, while retrofit is a primary motivation of Hope&Homes in Galway.

It should be noted that building sustainably can often require investment which adds short-term expense to a project, while inevitably bringing cost savings in the longer term. This is true for CLH as much as any other housing development. As such, CLH initiatives, and the housing sector as a whole, would benefit greatly in achieving their aims from any Government incentives and financial supports, such as the low interest loans offered by the KfW in Germany, available for any project which achieves defined sustainability goals.

RELEVANT PROGRAMME FOR GOVERNMENT MISSIONS

A NEW GREEN DEAL

- Emissions (p.33)

“Learning from district heating pilot projects to launch a scaled-up programme.”

“Developing a strategy for remote working and remote service delivery, taking advantage of the opportunity for a rapid roll-out of the National Broadband Plan.”

“Ensuring an unprecedented modal shift in all areas by a reorientation of investment to walking, cycling and public transport.”

“Expanding and incentivising micro generation, including roof-top solar energy.”

“Overhaul existing apprenticeships, traineeships and education programmes in the short term and launch a significant effort to upskill the existing workforce for new technologies and building methods (e.g. heat pumps).”

Town Centre Renewal (And Addressing Vacancy)

The National Vacant Housing Reuse Strategy²⁷ notes that long-term vacancy is significantly more prevalent in rural than in urban areas. It also highlights that 'over the shop' vacancy is a particular challenge (and opportunity) in Ireland, citing 2016 Census data which indicates that "in the region of 4,000 units of additional accommodation could potentially be generated"²⁸ in Dublin city alone, by converting vacant spaces to residential use.

National Policy Objective 16²⁹ commits to "Target the reversal of rural decline in the core of small towns and villages through sustainable targeted measures that address vacant premises and deliver sustainable reuse and regeneration outcomes."

The SCSi's 2018 report³⁰ on rejuvenating Ireland's small town centres stresses that "Local authorities must proactively address vacant buildings in towns to revitalise town centres" and accordingly the Programme for Government commits to implementing a "strategic approach to town centre regeneration by utilising existing buildings" and promoting "residential occupancy in our rural towns and villages." It proposes a "collaborative and strategic approach to the regeneration of our villages and towns", and to "bring vacant and derelict buildings back into use and promote residential occupancy."³¹

The SCSi report further notes that "It is important that all stakeholders accept that town centres need to be repopulated as community hubs with a mix of uses including housing, health and leisure, entertainment and arts to enliven town centres and bring buildings back into use."

Community-Led Housing is uniquely poised to make a significant contribution to addressing this challenge. CLH has been shown across Europe to facilitate the reoccupation of vacant buildings, bringing actors to the process of rejuvenation who may otherwise not contribute, and facilitating bespoke solutions to bespoke challenges at a relatively small scale, where other developers are reluctant to engage. Among the innumerable exemplars³² of this are Granby Four Streets CLT in Liverpool and the vast range of European cooperatives³³ who have transformed and restored vacant properties to residential and community use. Closer to home, examples can be seen at Tramore Development Trust³⁴, and Quay Co-op and Kildorrery village³⁵ in Cork.

Policy supports and funding for community-led housing initiatives in the UK and elsewhere have enabled citizens in rural, village and urban areas to proactively tackle vacancy and dereliction, and

to breathe new life into disused buildings. By considering local needs and inviting participation from the wider community, Community-Led Housing initiatives have been shown to creatively respond to specific local challenges, and have a revitalising effect on the wider neighbourhood. Between 2012-2015, UK policies such as the Community Grants Programme' (EHCGP) have enabled over £50m in public funding to be invested by over 100 grassroots organisations to bring 1299 homes back into use.³⁶

The 2017 CCIN report³⁷ notes that "For low demand areas, such as Liverpool and Hull, investment through returning empty homes to use had a major impact on communities in improving confidence and reducing antisocial behaviour, attracting further investment and new residents, and transforming neighbourhoods. Bringing empty properties, both residential and commercial, into domestic use helped to reduce the shortfall between new homes built and new homes required."

RELEVANT PROGRAMME FOR GOVERNMENT MISSIONS

A BETTER QUALITY OF LIFE FOR ALL

- Town Centres First (p.12)

"Bring forward an expanded Town and Village Renewal Scheme to bring vacant and derelict buildings back into use and promote residential occupancy."

HOUSING FOR ALL

- Planning and Reform (p.57)

"Strengthen enforcement of the Vacant Site Levy and the keep the legislation under review."

A GREEN NEW DEAL

- Retrofitting (p.37)

"We will commence an ambitious retrofitting programme to make our buildings warmer and more energy-efficient, reduce our emissions, and deliver a crucial economic stimulus..."

Compact Growth

National Strategic Outcome No.1 of the NPF is Compact Growth³⁸, under which it is noted that there is a need to “deliver a greater proportion of residential development within existing built-up areas of our cities, towns and villages.”

A core purpose of both URDF and RRDF funding is intended to “Enable urban infill development that would not otherwise occur.” In addition, National Policy Objective 3a commits to “Deliver at least 40% of all new homes nationally, within the built-up footprint of existing settlements.”

With large-scale brownfield developments regularly facing opposition and delays in Ireland³⁹, and smaller infill developments often proving unattractive to speculative developers, Irish policymakers face significant challenges in delivering this core goal of Compact Growth.

Community-Led Housing has proved particularly effective at addressing this challenge, on the one hand by facilitating large-scale development in incremental stages (see Tübingen, Almere, Freiburg amongst others), and on the other hand, by empowering local community groups to co-develop vacant urban infill sites.⁴⁰ As noted in the sections above on UK policy, the Cooperative Councils Innovation Network (CCIN) report⁴¹ on Community-Led Housing highlighted “supporting regeneration and returning empty homes to use” as one of the four main areas in which CLH can help local authorities to deliver their strategic priorities. Furthermore, World Habitat⁴² have identified “mobilising public support for new homes and regeneration initiatives” as a key benefit which Community-Led Housing brings to local authorities.

A 2019 UK report⁴³, *A Planners Guide to Community-Led Housing* highlights “That these developments are led and owned by the community means they attract high levels of support. In consequence they encounter little of the vociferous opposition that often accompanies new housing development. As part of a regeneration or self-help development they draw in those people often left out of opportunities to live well, using money and investment spent in the neighbourhood to benefit their communities.”

Community-Led Housing has the potential to make a substantial contribution to infill and brownfield development in Ireland, empowering community groups to develop bespoke solutions for difficult sites, and reinvigorating sites which have lain idle for decades. Projects such as ARTHOUSE (Dublin) and Cork City CoHousing aim to do just that.

More ambitious community-led housing policy initiatives and masterplanning, such as those employed in cities such as Amsterdam and Tübingen, can support community groups to incrementally redevelop large brownfield sites via participatory processes which achieve the maximum public good.

RELEVANT PROGRAMME FOR GOVERNMENT MISSIONS

HOUSING FOR ALL

- Planning and Reform (p.57)

“Introduce a new scheme to expand and build on the Living Cities Initiative to encourage infill development” and “Strengthen enforcement of the Vacant Site Levy and keep the legislation under review.”

REIGNITING AND RENEWING THE ECONOMY

- National Development Plan (p.26)

“The NPF recognises the crucial importance of balanced regional development, clustered and compact growth, and improved connectivity to deliver economic prosperity and environmental sustainability.”

Diverse & Inclusive Ireland

The National Planning Framework notes that approximately 13.5% of the Irish population was living with a disability in 2016. It highlights the need to “facilitate independent living, access and mobility in relation to buildings and the environment and full integration with society generally”⁴⁴ for those with disabilities.

It further highlights the opportunity planning provides to facilitate a more socially inclusive society via “universal design of buildings to deliver greater accessibility for all, or co-location of community facilities and uses to ensure communities are active during the day and into the evening.”

National Policy Objective 28 commits to “Plan for a more diverse and socially inclusive society that targets equality of opportunity and a better quality of life for all citizens, through improved integration and greater accessibility in the delivery of sustainable communities and the provision of associated services.”

A 2018 Inclusion Ireland report⁴⁵ highlights that “multiple reports have made recommendations on the need to move from institutionalised settings to community living arrangements with access to community-based services.”

There are numerous examples of Community-Led Housing, and in particular cohousing, which have been shown to support the inclusion of people with disabilities. Examples such as NIWO Sudwestsonne⁴⁶ (Berlin), and Inclusiv Wohnen⁴⁷ (Cologne), have innovated in creating supportive models of housing which facilitate residents with various disabilities to remain in their local area, and participate in the broader community. As described by one NIWO resident:

“Being here, being present, and not somewhere as it was in the last century, as a handicapped person you were removed from society. You know, you still have these places on the outskirts, and maybe even in Ireland I don’t know. This place here, is a positive contribution, to bring together so called ‘normal’ people and handicapped people. We are in the middle of life. And we are not separated from everyday life. And I think that’s very important, that so-called ‘normal’ people realise that it is not so normal to walk on two legs, that there are people who use a walker, or use a wheelchair, and so therefore I think it’s very important that projects like this keep on going.”⁴⁸

Closer to home, the Inclusive Neighbourhoods project in Callan, Kilkenny, is pioneering a new model of inclusive housing, where neighbours are focused on “how to offer privacy and self-determination for people with support needs in an inter-dependent social context, and developing an Irish model that can “contribute to progressive international trends.” The design process for this project “goes beyond buildings and space and into social and community relationships and structures that can encourage social involvement, interdependence and the mutual benefits of active citizenship.”⁴⁹

INCLUSIVE NEIGHBOURHOODS



Project Overview

Inclusive Neighbourhoods in Callan, Kilkenny, aims to imagine the best possible pattern for housing in a new era of rights and social inclusion. They are committed to evolving new housing approaches that address issues of spatial justice, focusing on how to offer privacy and self-determination for people with support needs in an inter-dependent social context. The design process goes beyond buildings and space and into social and community relationships, structures that can encourage social involvement, interdependence and mutual benefits of active citizenship.

Links

<https://www.nimblespaces.org/pilotproject>
<https://vimeo.com/189577222>

Another area where Ireland has struggled to keep up with international best practice on social inclusion in recent years is the abolition of Direct Provision and the housing of refugees and asylum seekers in the community. Community-Led Housing projects such as L'Espoir (Brussels), and Sharehaus Refugio (Berlin) provide an exemplar template for integrating such communities in urban areas, via participatory housing approaches.

As noted by Austrian journalist Robert Temel, "self-organised housing cannot be a substitute for an inclusive housing policy, but it can be a complement."⁵⁰

A NEW SOCIAL CONTRACT

- Disability (p.78-79)

"Continue with the successful decongregation programme and complete a further move of more people with disabilities from congregated settings to homes in the community, with the necessary supports."

- Direct Provision (p.76)

"Develop new models of community engagement, to ensure that the establishment of new accommodation is done in an inclusive and welcoming fashion."

Mental Health & Reducing Social Isolation

According to a 2018 Irish Times article⁵¹, Ireland "has one of the highest rates of mental health illness in Europe, ranking joint third out of the 36 countries surveyed in the 2018 Health at a Glance report. Some 18.5% of the Irish population was recorded as having a mental health disorder, such as anxiety, bipolar, schizophrenia, depression, or alcohol or drug use, in 2016. Rates of depression were also well above the European average for both men and women in Ireland."

While clinical mental health issues will of course always require clinical treatment and healthcare supports, the general mental health, resilience and well-being of society as a whole is strengthened via community engagement and support. Community-Led Housing initiatives have the potential to contribute greatly to the mental health and well-being of those who participate in and engage with such projects.

Evidence from the UK has shown that participation and voluntary work in community organisations such as Community Land Trusts and cooperatives significantly enhances wellbeing and mental health. A 2020 Capital Economics report⁵² notes that "On average, between eight and nine people are involved regularly as volunteers in order to bring a project to fruition...by regular, we mean volunteering at least once a month." It goes on to note that "Volunteers have also been found to derive a range of wellbeing benefits, such as improved self-esteem and personal development." While highlighting that there are also costs to volunteers to consider, "such as the time committed and responsibilities taken on", the report cites research by HACT which found that "regular volunteers experience a net improvement in

wellbeing equivalent to that delivered by £2,357 of extra income."

A 2019 TCD report⁵³ on *Loneliness, social isolation, and their discordance among older adults* found that "the absence of strong social supports in the form of loneliness and social isolation have been shown to be harmful to the wellbeing of older adults."

According to a 2016 Institute of Public Health study⁵⁴, among the societal groups most at risk of loneliness are:

- members of the LGBT community
- those with a physical disability, mobility issues or intellectual disability
- carers
- individuals from ethnic minorities

Creating suitable and inclusive housing for such groups is a core motivation of many CLH projects across Europe, who find in CLH an opportunity to create inclusive home and neighbourhood environments which are not provided by the wider market. (See examples cited in sections above

such as Refugio, Inklusiv Wohnen, L'Espoir, OWCH and LOLC⁵⁵ etc.) Agency for such groups is also a core aim of Irish CLH projects such as Inclusive Neighbourhoods and Hope & Homes.

Additionally, the Programme for Government highlights that the "outbreak of COVID-19 in Ireland has created significant anxiety, stress, and fear for many people, reinforcing the need for a range of mental health supports and services."

A common theme highlighted⁵⁶ by many of the Cohousing groups we've interviewed as part of this project is 'resilience', both before and throughout the COVID-19 pandemic. Strong social networks are a common feature of Cohousing and Cooperative projects, and these networks have proved vital in enhancing the resilience of CLH residents throughout the pandemic.

RELEVANT PROGRAMME FOR GOVERNMENT MISSIONS

UNIVERSAL HEALTHCARE

- **Mental Health (p.49)**
"Seek to expand social prescribing where patients are referred to non-clinical activities, as a means of positively influencing mental wellbeing."
- **An Age-Friendly Ireland (p.52)**
"Promote active retirement and positive ageing initiatives to tackle social isolation."
"Develop a plan aimed at tackling loneliness and isolation, particularly among older people, as outlined in the Roadmap for Social Inclusion."

BUILDING STRONGER AND SAFER COMMUNITIES

- **Community Development, Social Inclusion and Public Participation (p.92)**
"Task all local authorities/Local Community Development Committees (LCDCs) with developing a County Integration Strategy to promote, through a participative process, the inclusion of minorities."
"Support the Community Sponsorship Ireland programme to support the integration of refugees."
"Support and enhance the Social Innovation Fund Ireland programme to help secure additional philanthropic funding sources specifically for community-based programmes and projects in the areas of climate justice, rural and community development."

SHAREHAUS REFUGIO



Photograph © Insa Eisenberg

Project Overview

Inspired by the South African sharehouse concept, this project provides accommodation for refugees and Berliners alike, providing work opportunities, language lessons and other supports to aid integration of asylum seekers in the city. Residents are a roughly 50/50 mix of refugees from abroad, and Berlin locals. The project houses mostly younger people but there are also some families from countries such as Syria, Palestine, Afghanistan, Somalia, Turkey.

Links

<https://refugio.berlin>
<https://vimeo.com/158651608>

Benefits To Local Authorities And Participants

Finally, the following benefits of Community-Led Housing to local authorities have been identified by World Habitat: ⁵⁷

- mobilising public support for new homes and regeneration initiatives
- reducing reliance on public services, for example addressing social care through building communities with mutual support for the elderly and vulnerable, and involving homeless people in the renovation of homes
- providing a range of genuinely affordable housing in perpetuity, and homes for those priced out of ownership
- diversifying the local housebuilding market, and unlocking small sites and landowners that are not attractive or available to established housebuilders
- promoting community cohesion and resilience that can help tackle issues like antisocial behaviour

Community-Led Housing approaches can also bring benefits to participants, including:

- skills, training and jobs, which can be targeted e.g. at care leavers and unemployed young people
- a rewarding collective experience, improving their sense of community and connection
- high quality and imaginatively designed homes and neighbourhoods
- giving community organisations control over assets and revenue; and
- mutual support within communities, especially for older people and vulnerable young people



Case Study - Limerick City CLH Feasibility Study

In 2020, SOA in collaboration with London consultants Campbell Tickell, completed an initial feasibility study into the allocation of two local-authority-owned sites in Limerick’s Georgian quarter, for Community-Led Housing.

WHAT ARE THE CHALLENGES WHICH IRISH LOCAL AUTHORITIES ARE FACING? WHAT IS THE PROBLEM THAT A REPLICABLE MODEL AIMS TO ADDRESS?

The study, which was supported by funding from the Department of Housing, Local Government & Heritage’s URDF fund, aimed to produce a replicable model to address the issue of **high levels of vacancy, under-investment and speculative land-banking** in Limerick’s city centre. This is seen by the Department to be an issue common to many Irish towns and cities, thus the encouragement of replicable models which could be applied elsewhere. The project is a component of the larger Living Georgian City project, which focuses on targeted interventions to renew vacant and under-utilised historic building stock, to increase the level of residential use in the city¹, showcase the transition to a low carbon and climate resilient city, deliver compact growth, strengthen the economy through innovation and enhance existing public amenity and heritage.

In 2017 there were approximately 90 fully vacant buildings in Limerick’s Georgian Neighbourhood; for the remaining buildings, it was estimated that over 40% of upper floor space was vacant at that time. At the time of the 2016 census, 2386 people were living in the Georgian Neighbourhood, in approximately 1640 dwelling units. Only 12% of that population were over the age of 60, and few families were represented.

Limerick City has the highest rental inflation in Ireland (Q1 2018) and was included in the rental pressure zones in 2019. In terms of the quality of the building stock, most buildings have significantly lower than a B3 energy rating, with the bulk of the buildings rated at E or below, or not rated at all. Very little, if any, of the residential accommodation meets the Universal Design Standard.

WHERE DO LCCC SEE THE POTENTIAL OF CLH?

LCCC wish to explore the potential of Community-Led Housing as a means of addressing urban vacancy and delivering a greater social mix in the city centre, by instigating a process by which local CLH groups can collaborate with the council in co-developing new homes. The potential benefits which a Community-Led approach are seen to bring include:

- The creation of homes which are **affordable in perpetuity**, rather than at initial purchase only.
- The exploration of **alternative housing typologies** which may attract currently under-represented demographics to live in the city centre.
- A **cooperative approach to neighbourhood development** which may provide expanded benefits in terms of facilitating a collaborative block-by-block approach to energy generation and use, supporting the transition to a low carbon and climate resilient city.
- By engaging future residents in the co-design and long-term management of their homes, it is hoped that a **pre-formed and resilient community group of residents** will have evolved by the time the project is completed.
- CLH approaches are potentially more nimble and flexible than traditional models of housing development in providing **bespoke solutions in specific contexts** and for specific requirements, particularly on relatively small and complex sites.



Photograph © limerick.ie

WHAT POLICY CHALLENGES EMERGED DURING THE PROJECT IN TERMS OF LCCC SUPPORT FOR COMMUNITY-LED HOUSING?

A number of challenges to local authority allocation of public sites for CLH emerged from the feasibility study. Broadly speaking, the majority of these challenges can be attributed to the current absence of a policy framework for Community-Led Housing in Ireland which can support local authorities in making the case for allocation of sites to such projects. Specific challenges include:

- Land value, and the **challenge of disposing of council land**, is a key issue for local authorities. A strong Value For Money argument must be presented with any proposal to dispose of land for less than best consideration, while also ensuring that any such disposal will not constitute a breach of state aid rules. Potential criteria to allow a transfer of council land to Community-Led Housing initiatives are as yet unexplored in Ireland, and the concept of 'social value', along with a means of measuring same, are also as yet undeveloped.
- A significant capital grant would be required in order to refurbish vacant Georgian properties in such a way that homes are affordable to the local community on completion. **A business case for Community Land Trusts in Ireland, which assists local authorities in clearly communicating to other departments on the long-term gain of affordability in perpetuity**, is as yet unevolved in Ireland.
- At present, there does not appear to be a definitive and specific capital grant initiative or programme that corresponds with a CLH housing project. There is a need for a **reconsideration of government grants to encourage brownfield development** (as distinct from the range of supports currently available for greenfield initiatives).

There is a further need to provide specific energy retrofit grants for historic buildings, in recognition that building specific interventions are required.

The fact that receipt of a grant reduces the available tax break by a factor of three is punitive, especially for lower income groups.

- The current **absence of a commonly-agreed framework for Community-Led Housing** in Ireland, along with associated understanding of the concept and its benefits generally.
- There is a **lack of dedicated personnel/resources** or a functional responsibility for councils to assist community groups in enabling Community-Led Housing projects.

RECOMMENDATIONS FOR ADDRESSING?

- The need for a **national policy base** to allow local authorities to take a proactive role in allocating sites to CLH initiatives.
- The evolution of **mechanisms for long-term leasing** of local authority owned land to Community-Led Housing initiatives.
- The development of a commonly agreed framework and language around Community-Led Housing in Ireland, which clearly characterises CLH as a model of empowerment, as distinct from more top-down models of 'provision', such as social housing.
- **Introduce social value indicators** as a means of evaluating the 'Value For Money' proposition of transferring local authority sites.
- The creation of a **national CLH Hub** to support and enable groups in the development of their projects. Such a Hub would ideally be **complemented by dedicated and resourced CLH Officers in key local authorities** where there is likely to be significant activity in this sector.

05

Policy Recommendations

Land, Finance, Facilitation

Introduction

The preceding sections provide a wide overview of policy supports available for Community-Led Housing across Europe and offer a strong foundation for the policy recommendations we have set out below in the areas of Land, Finance and Facilitation.

In addition, an element of this research was the conduction of a needs assessment survey with the eight Irish CLH groups participating as stakeholders in this project, in order to establish:

- a. **What common needs their projects are addressing**
- b. **What are the most common roadblocks they are facing collectively**
- c. **What policy measures would most benefit their projects**

This survey has revealed the following four most common needs which the projects are setting out to address:

1. Long-term affordable housing
2. Community Integration
3. Greater 'agency' and inclusive approaches to creating homes
4. Environmentally sustainable and innovative housing

It has further revealed the following four most common roadblocks which are obstructing the groups in achieving their aims:

1. Lack of recognition of CLH by local authorities and others
2. Challenges in raising financing for CLH housing approaches in Ireland
3. The inaccessibility/cost of land for building
4. Lack of a designated support organisation for this sector in Ireland

And finally, the groups have identified the following four policy measures which would most assist the realisation of their projects:

1. Unlocking of affordable finance for CLH. This could include provision of state grants or loans, extension of existing supports (such as the Rebuilding Ireland mortgage), and enabling of credit unions and others to lend to CLH initiatives
2. The creation of an Irish CLH 'Hub' to provide technical and financial support to CLH groups
3. Local authority focus on 'social value' criteria, in addition to best monetary value, when disposing of public sites
4. An agreed legal framework for the creation of a Community Land Trust in Ireland

PILOT PROJECT(S)

A key point raised by stakeholders during the course of the project was that demonstration projects are necessary to 'prove the concept'. Demonstrator projects will focus development of policy and capacity building amongst government agencies, departments and local authorities. They will also increase recognition among lenders, stimulate demand in the general public and provide a basis for assessment and refinement of support measures for the sector.

The above feedback has informed our policy recommendations overleaf, which are based on analysis of best practice in other European countries, and on the particular experience of Community-Led Housing groups in Ireland.

Policy Recommendations – Finance

There is a difference in emphasis in financial subsidy and enabling measures for Community-Led Housing between the UK and mainland Europe. Broadly speaking, in the UK, a network of grants and technical support exists, and there are established routes to accessing discounted land, further de-risking projects. CLH and Community Land Trusts are understood as a type of social and affordable housing provision.

In Europe, subsidy and supports tend to be in the form of long-term fixed-low-interest finance. Private Community-Led Housing projects, which are typically owner-occupied, can avail of very affordable credit that is available to part-finance all projects meeting defined sustainability criteria, as per KfW loans in Germany for example. This can be supplemented by generally available small grants for specific purposes, such as sustainable technology. Cooperative CLH is subsidised as a form of social and affordable housing, within defined income brackets and prescribed rent levels. Development costs of small independent cooperatives are amortised over 20-60 years at low interest rates in combination with a commercial or soft loan.

As measures which would have the **maximum immediate impact** for Irish Community-Led Housing groups, we recommend consideration of the following:

(Depending on the context of the project, Capital funding is interchangeable with or complementary to recommendations 03 and 04 for soft loans, below.)

01 A COMMUNITY-LED HOUSING FUND

Access to affordable finance remains a key challenge for Community-Led Housing groups in Ireland. The CLH sector is missing a key piece of infrastructure that is found in the mainstream house building industry and AHB sector. House builders, AHBs and local authorities all invest in the technical skills of local/regional 'development teams' and forward-fund projects at risk, from their own funds or by borrowing against an established asset base. Similarly, a Community-Led Housing Fund is needed in Ireland to build capacity in this nascent sector.

Such a fund should be made up of both revenue and capital funding:

- **Revenue Funding** to cover the cost of early-stage capacity building for groups, and professional services and fees required to get projects to planning and on site. (See section below on UK Community-Led Housing Hub for a breakdown of how start-up funding is typically provided. Typically, grants are repayable on completion of the project, but are written off in the event that the project is cancelled.)
- **Capital Funding** to enable the delivery of viable and affordable housing schemes. Capital grants should be available to projects that require investment to progress and under condition that the resale of dwellings at full market price is restricted for a prescribed number of years.¹

- **Revenue Funding** for a national enabling organisation. In order to improve the sector's ability to deliver and at scale, we propose that the Community Housing Fund pump-primes the development of a sustainable form of enabling support infrastructure for CLH in Ireland. (See section below on a Community-Led Housing Hub for Ireland.)

There should be ongoing independent monitoring to review, test and evaluate the success of the Fund's interventions.

The creation of the Community-Led Housing Fund provides a unique opportunity to move this sector from a 'niche' emerging market into a mainstream option to increase housing supply. In order to do so, it is **critical that the Fund helps build the infrastructure of support for CLH at both the local and national level**, and in such a way that creates a legacy for Community-Led Housing far beyond the lifetime of the Fund.

02 INCLUSION OF INDEPENDENT COOPERATIVES AS ELIGIBLE FOR EXISTING LOAN PRODUCTS

The extension of eligibility criteria to **include independent cooperatives as eligible for access to a Rebuilding Ireland Home Loan**, and other similar loan products.



Alte Weberlei District, Tübingen
Photograph © Peter Jammernegg

In order to **effect a viable Community-Led Housing sector, with streamlined support that is affordable for the State and enables the broadest range of approaches**, we recommend consideration of the following proposals for affordable finance for Community-led Housing:

03 A LOW-INTEREST HFA LOAN PRODUCT FOR INDEPENDENT COOPERATIVES

The provision by the Housing Finance Agency or another state body of **very low-interest long-term part-financing for independent CLH cooperatives** where the minimum makeup of low to middle income households is prescribed, but where there is scope for a prescribed maximum proportion of higher income households. And, where the mutual status of the cooperative is guaranteed for a specified minimum period of years.²

This loan would apply where cooperative projects are entrusted providers of social and affordable housing as a Service of General Economic Interest³ under state aid rules.

Additionally, to support cooperative development, where householders have a significant start equity stake (a deposit of 10-20% of development costs to enable project financing), the **development of a loan product to allow low-income households obtain the necessary equity** to qualify for cooperative membership in this model. This provision has a precedent in the German KfW bank (Kredit 134).⁴

04 A LOW-INTEREST LOAN PRODUCT FOR SUSTAINABLE DEVELOPMENT

The **development of a low-interest loan product to part-finance the procurement of affordable, socially and ecologically sustainable housing**, and to direct state, private and corporate funds towards defined sustainable development in Ireland. This loan product is

modelled on products developed by the German KfW bank to finance up to half the development costs of any sustainable housing project with the provision of a low-cost loan (up to €120,000 per household at 0.75% with a €30,00 refund on loan completion—a saving of €41,550 over 30 years compared with a similar commercial loan at 3%⁵).

The balance of the loan is raised with a commercial financial institution. Project viability assessment and administration are managed by a commercial bank which mediates the loan for a risk premium on behalf of the State, which has first charge.

Availability to all qualifying sustainable projects has the potential to offer a cost-effective and streamlined process for implementing sustainable policy objectives, reducing commercial banks' exposure and risk in the case of private CLH projects, and smoothing out cyclical credit supply issues and construction slowdowns. The loan product is not state aid and does not compete with banks. It can evolve into a fund.

05 CENTRAL BANK OF IRELAND REGULATION

Regulation by Ireland's Central Bank to permit (inter alia) credit unions to invest in a Special Purpose Investment Fund to enable short- and long-term lending of senior or junior loans, at low interest rates to community development projects including Community-Led Housing and Community Land Trusts.

Such a Fund could be modelled on the SPF which is already in development to facilitate credit union investment in Tier 3 AHBs.

Policy Recommendations - Land

There are a number of ways that Community-Led Housing (CLH) can be supported or enabled by land policy. This can depend on the tenure type favoured by CLH groups, policy objectives with respect to long-term management of state-owned land, or objectives for urban or rural renewal and social cohesion.

In order to effect the supply of land to CLH bodies, as part of a coordinated, simplified and transparent process, we recommend consideration of the following measures:

01 State agencies and local authorities entrust the provision of Services of General Economic Interest (SGEI)⁶ to appropriate Community-Led Housing bodies, and enable this via:

- **Leasing sites for a fixed term on a renewable leasehold** for development of affordable housing by a Community-Led Housing body (incorporated legal entity). The state agency or local authority can allocate the site on the basis of competitive procedure according to social value criteria and the financial viability of the proposal. A small annual charge based on a percentage of the land valuation may be payable by the CLH body to the state agency or local authority.⁷
- **Selling land at a discounted or nominal consideration to a CLH body** to develop permanently affordable housing as above, where urban renewal or social cohesion is a policy priority, where there is market failure, or where sites may be otherwise uneconomic or unviable to develop, and where the discount would guarantee viability.⁸
- **Selling land at a discounted or nominal consideration to a Community Land Trust** charitable body entrusted to provide affordable homes and possibly also community infrastructure; to support policy objectives for urban or rural renewal, and social cohesion.⁹

02 If a state agency or local authority wishes to enable private cohousing groups, largely composed of households in the intermediate income band, as part of a broad urban renewal strategy, it may **determine a valuation of the land** based on expert advice. It may then **grant an option on the land for development on the basis of a competitive procedure according to social value criteria** and the financial viability of the proposal at a fixed price based on the determined value.¹⁰

In order to effect long-term management and control of state land and to enable the affordable transfer to the most socially effective uses we recommend consideration of the following:

03 **Insertion of a statutory definition of the Community Land Trust** in the Housing (Regulation of Approved Housing Bodies) Act 2019.

04 State agencies or local authorities be **empowered to adopt policies to dispose or allocate state-owned land by lease** to manage and maintain long-term control over its own land,¹¹ and **to dispose or allocate state-owned land for development on the basis of a competitive procedure** according to social value criteria and the financial viability of the proposal.¹²

05 Local authorities be empowered as part of their development plans to **indicate land in their possession, and its intended use with respect to possible targets for CLH**, social and affordable housing, and its own housing strategy.

In order to support long-term sustainable development of rural areas, towns and cities, to aid state agencies or local authorities with long-term planning, and to gauge and react to demand, we recommend consideration of the following measure:

06 Empowerment of local authorities to **hold a register of interest to determine demand for CLH** in an area, to act as a basis for land disposal and allocation according to its planning and housing strategy.¹³

Additional future measures which could be considered include:

- Specification by state agencies/local authorities of **target minimum allocations of state-owned land and Part V development to Community-Led Housing and social and affordable housing**.¹⁴
- Community Bodies may be allowed to **register a community interest in a site**, to have the first option to buy when the registered land is offered for sale.¹⁵



Bridge Street, Callan, Kilkenny
Photograph © Rosie Hervey

Policy Recommendations – Facilitation

National infrastructure is needed to provide a single point of access for information on Community-Led Housing, to promote Community-Led Housing and create demand, to support local enabling services, and to provide gap technical funding to groups in areas where local enablers are still being initiated.

Local enabling hubs are required to provide hands-on technical support to groups, work with the local authority and other local partners to create a supportive local policy and funding environment, attract resources and broker partnerships with local AHBs, developers, landowners and businesses.

In order to support the evolution of Community-Led Housing in Ireland, we recommend implementation of the following enabling/facilitation measures:

01 AGREEMENT OF A DEFINITION FOR COMMUNITY-LED HOUSING IN IRELAND

Cross-stakeholder agreement as to what constitutes 'Community-Led Housing' in the Irish context. (See Glossary for the categorisation proposed by all stakeholders participating in this project.)

02 CREATION AND MAINTENANCE OF A NATIONAL WEBSITE FOR CLH IN IRELAND

To host and build on the work of this Roadmapping project.

03 CREATION OF A SUPPORT 'HUB' FOR COMMUNITY-LED HOUSING IN IRELAND

A Hub should be established (following a feasibility study if required) with associated funding, mandate, and in-house expertise which can provide technical and financial support to CLH groups. The role of a Hub would likely concentrate on two areas of development in particular:

a. Stimulating interest, organising services and delivering enabling work to Irish CLH groups.

This will involve capacity building work and support to existing groups, promotion and education nationally on the field of Community-Led housing, and associated assessment of demand nationally for this approach to housing. It can also involve the administration of, or direction to, any available policy supports or funding for CLH.

b. Creating the conditions for the Community-Led Housing projects to deliver.

The Hub would work with local authorities and other local partners to create a supportive local policy and funding environment, and lever in resources and broker partnerships with stakeholders in the sector. It would deliver workshops within local authorities and use action research tools to prepare the ground for Community-Led Housing. See below for a Case Study description of a UK Hub, and a more detailed proposal for an Irish Hub.

04 THE EVOLUTION OF A CLH PROJECT FACILITATOR ROLE.

This could involve partnership with a third-level institution to design and coordinate an accredited CLH enabler/advisor course amongst professional practitioners and community leaders to build nationwide capacity in the project management and facilitation of CLH.

Case Study - Community-Led Housing Hubs, UK

Access to face-to-face technical support, from project inception through to completion and on-going management, is considered critical in the UK to translating communities’ ambitions into housing delivery.

Recognising this, multiple regional/local support Hubs have been created across the UK to support the development of Community-Led Housing. Local hubs exist in Leeds, Liverpool, London, Tees Valley, the West Midlands, and West of England, to name several of the largest. These Hubs are in turn supported by a national infrastructure in the form of organisations such as the National CLT Network, the UK Cohousing Trust, and Power to Change.

As noted above, a Community-Led Housing Hub service provides two vital functions:

- 01 **Initial face-to-face early support** direct to individual community groups
- 02 **Creating the conditions for the Community-Led Housing projects to deliver**, by working with local authorities and other partners to create a supportive policy and funding environment, lever in resources and broker partnerships.

Experience in the UK has shown that both of these functions are most effectively delivered by staff who understand the housing market and policy environments, have relationships with the local authorities to feed back and support policy development, and build partnerships with actors and stakeholders including AHBs, developers and landowners.

Moreover, a Hub is **able to capture the learning gained** from each Community-Led Housing project to then benefit the next project, avoiding 'reinvention of the wheel'. Advice to groups is provided free at the point of use, which reduces the barriers to entry for groups and negates the need for 'grant chasing'. Depending on the Hub’s business model however, it may be possible to recoup fees at a later stage from successful projects.

Recent UK research¹⁶ has identified the following 5 key stages in CLH project development:

1. **Group** formation
2. **Site** identification and acquisition
3. **Planning**, designing and financing schemes
4. **Building** schemes
5. **Long-term** management and maintenance

In terms of revenue funding support to CLH groups, this research has further indicated the following as appropriate staged supports to UK projects:

STAGE	AMOUNT	TIMING	CONDITIONS
Group Stage	up to £5000	100% upfront	No other established community-led group capable of leading the project.
Site Stage	£5000 per CLH group plus £1000 per unit	50% upfront, 50% in arrears	Min. 10 members, Formal registration with a national body, an identified project manager.
Plan Stage	£25000 per CLH group plus £3000 per unit	50% upfront, 50% in arrears	Feedback from a pre-planning consultation, Quotes documented from all professional advisers, A legal option secured on the proposed site.

UK Community-Led Housing 'Hubs' have been proven to **create efficiencies in the procurement of professional services**, achieving a common fee structure for legal fees, for example. Some also provide professional services themselves, in addition to technical support, thereby creating more of a one-stop-shop for Community-Led Housing.

This approach to support has been tried and tested in the community-led housing sector in the UK, **leading to a notable scaling up of the Community-Led Housing sector** and a significant reduction in delivery timescales. Similar enabling-hub approaches can also be seen in German cities such as Hamburg and Berlin.

Importantly, this is a financially sustainable form of infrastructure. Through charging fees that are capitalised on schemes once they start on site and complete, the Hub service is able to recover the costs of the advice provided to the group. Once the pipeline of schemes reaches a certain annual level, financial self-sufficiency is achieved, creating a long-term legacy from the Community Housing Fund.

Proposal – A Community-Led Housing Hub For Ireland

Given the relative population size and the scale of activity currently taking place in this sector in Ireland, we propose that a single national Hub be established in Ireland initially, as a central point-of-focus for the sector. As the level of engagement with Community-Led Housing in particular local authorities increases, this central Hub could be complemented by local CLH officers.

The role of a national Hub, as a focal point for the sector, should include the following:

- **To support CLH groups with technical and organisational expertise.** To help groups prepare financially and to enable first steps in project feasibility work. The Hub can administer seed funding for viable project development in pre-defined states up to construction stage, and subsequently administer capital grants. It would also build on the work of this Roadmapping project to prepare guidance manuals for CLH groups summarising best practice in group formation, company formation and legal questions, as well and the formation of a financial concept.
- **To feed back and support policy development** for CLH, liaising with policymakers for continuous policy and practice improvement. This should involve coordinating routes to financing projects from EU to national funding streams to the development of innovative or hybrid solutions.
- **To design and develop specific workshop modules for local authorities** via a professional development learning programme for best practice in CLH. The Hub would coordinate expertise from Ireland and abroad to build workshops for delivery in staged modules.
- **To design and coordinate in partnership with a third-level institution an accredited CLH facilitator course** amongst professional practitioners and community leaders to build nationwide capacity in the project management and facilitation of CLH. In the short term it may be possible that training and accreditation for Irish facilitators could take place in the UK.

The authors recommend that an Irish Hub should be grant-funded for an initial 2-4 year trial period, with a clear mandate and target deliverables. Funding could be deployed from central government, or to follow the example of the London Hub, a range of Irish local authorities could be encouraged to contribute a fixed financial contribution to support the establishment of a Hub. Given the example of successful precedents in the UK¹⁷, we further recommend that the Hub should also, at least initially, be 'hosted' with another compatible organisation, rather than created as a standalone entity. **An initial hosting arrangement would allow operations to be structured on a lean project basis, rather than committing to an entire new organisation structure.**

Although some UK Hubs have developed a business model which includes the holding of assets and development of projects, the authors of this report would **advise against an Irish Hub becoming involved in the direct development of homes.** In our view, when both development and facilitation activities have been undertaken by various supporting organisations in the past in Ireland, the development activity has tended to ultimately subsume the facilitation or enabling role. In the case of Community-Led Housing, where the groups effectively act as developers, we believe the facilitation and enabling role of a Hub to be of paramount importance.*

* NOTE: It has been suggested by various stakeholders throughout the course of this project that Cooperative Housing Ireland (CHI) already provide a single point of contact for cooperative housing in Ireland, along with associated supports. CHI have noted in discussions with SOA that they **do not currently have the capacity or resources to support independent cooperatives significantly in the development of their projects.** Moreover, CHI have noted that the focus of their work in recent years has been primarily on the building of new homes, rather than on the support of new independent cooperative initiatives. As such, **the authors of this report believe that there is a need for a distinct enabling organisation or Hub which can offer the required support to groups, while simultaneously advocating for and driving policy changes.**

Supplementary Papers

Information Paper - State Aid Rules With Respect To Community-Led Housing

The earlier sections of this handbook highlight UK and EU state policies supporting Community-Led Housing, demonstrating a wide variety of state support measures including procedures for accessing land, seed funding grants and support structures, as well as specific and general financing frameworks. The following is SOA's understanding of how state support for CLH might be compatible with the internal market.

INTRODUCTION

As Community-led Housing is generally a private self-organised initiative - often incorporating a broad variety of incomes - how might enabling state support be compatible with the internal market? This paper seeks to outline and clarify:

- What state aid is
- What compatible state aid is
- Whether state aid for Community-led Housing can be considered compatible aid

WHAT IS STATE AID?

Article 107(1) TFEU (Treaty on the Functioning of the Europeans Union)¹ defines state aid as:

"any aid granted by a Member State or through state resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market".

In order to be qualified as state aid, a support measure to an undertaking must comply with four conditions, namely:

1. it must be granted out of state resources
2. it must confer a selective economic advantage to undertakings
3. it has to be capable of distorting competition
4. it must affect trade between Member States

An undertaking is "any natural or legal person that engages in economic activity. Local authorities do become undertakings when they carry out economic activities."²

"Public funding of infrastructure and land development does not constitute state aid, provided that neither the infrastructure nor the land is designed for the needs of specific undertakings"³, that is, where

the benefit and use of the infrastructure or land is freely and equally available to all. Aid can include grants, loans, guarantees, equity or tax exemption or advantage.

For discussions on notification, the Altmark judgement, de Minimis rules see APPENDIX D.

WHERE IS STATE AID PERMISSIBLE?

The concept of Services of General Economic Interest (SGEIs) appears in Articles 14 and 106(2) TFEU and in Protocol No 26 to the TFEU, but it is not defined in the TFEU or in secondary legislation.

*"Despite the general prohibition of state aid, in some circumstances government intervention is necessary for a well-functioning and equitable economy. Therefore, the Treaty leaves room for a number of policy objectives for which state aid can be considered compatible. The legislation stipulates these exemptions."*⁴

Services of general economic interest are described by the European Commission as "economic activities that public authorities identify as being of particular importance to citizens and that would not be supplied (or would be supplied under different conditions) if there were no public intervention."⁵

STATE AID AND SOCIAL AND AFFORDABLE HOUSING

*"When public authorities develop land and award contracts to construction companies to build housing units for the purpose of achieving their social policy objectives, they must comply with the state aid rules of the European Union."*⁶

*"In order for compensation to constitute state aid in the first place, social housing must be economic in nature. Therefore, public funding for the construction and/or management of social housing is state aid even though, under the conditions laid down in decision 2012/21, it is compatible with the internal market."*⁷ Although the construction and/or management of

social housing is an economic activity, commission decision 2012/21 states in Article 1 the conditions under which "in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest is compatible with the internal market and exempt from the requirement of notification laid down in Article 108(3) of the Treaty."

Article 2 defines the scope of the exemption: "This Decision applies to State aid in the form of public service compensation, granted to undertakings entrusted with the operation of services of general economic interest as referred to in Article 106(2) of the Treaty, which falls within one of the following categories:

... (c) compensation for the provision of services of general economic interest meeting social needs as regards ..., social housing, ..."

This exemption is limited to housing for "disadvantaged citizens or socially less advantaged groups" (SGEI Decision 2012: "Accordingly, undertakings in charge of social services, including the provision of social housing for disadvantaged citizens or socially less advantaged groups, who due to solvency constraints are unable to obtain housing at market conditions, should also benefit from the exemption from notification provided for in this Decision, even if the amount of compensation they receive exceeds the general compensation threshold laid down in this Decision.")⁸

Developing and providing social housing, affordable housing and shared ownership housing all constitute an SGEI. Developing and providing market rent or market sale housing however, falls outside of the definition of SGEI.⁹

ENTRUSTMENT

"In order for the derogation under Article 106 (2) to apply, the undertaking in question must have been entrusted by the public authorities with the operation of a SGEI. Thus, it is not enough in itself that the undertaking performs that service; it must have been entrusted with that performance, which will mean that it is under certain obligations."¹⁰

CONTRACT AWARD CRITERIA ON THE BASIS OF QUALITY

Article 67 of the Directive (2014/24/EU on Public Procurement) states that:

"2. The most economically advantageous tender from the point of view of the contracting authority

shall be identified on the basis of the price or cost, using a cost-effectiveness approach, such as life-cycle costing in accordance with Article 68, and may include the best price-quality ratio, which shall be assessed on the basis of criteria, including qualitative, environmental and/or social aspects, linked to the subject matter of the public contract in question. Such criteria may comprise, for instance: (a) quality, including technical merit, aesthetic and functional characteristics, accessibility, design for all users, social, environmental and innovative characteristics and trading and its conditions;"[...] The cost element may also take the form of a fixed price or cost on the basis of which economic operators will compete on quality criteria only."¹¹

STATE AID AND URBAN DEVELOPMENT POLICY

General Block Exemption Regulation (GBER) allows in Article 16 of Commission Regulation (EU) No 651/2014 (inter alia) for:

1. Regional urban development aid shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, provided that the conditions laid down in this Article and in Chapter I are fulfilled.
2. Urban development projects shall fulfil the following criteria:
 - a. they are implemented via urban development funds in assisted areas
 - b. they are co-financed by the European Structural and Investment Funds
 - c. they support the implementation of an 'integrated sustainable urban development strategy'¹² (Further articles and conditions follow)

Additionally, "Article 87(3)(c) states that aid to facilitate the development of certain economic activities or of certain economic areas can be considered to be compatible with the internal market, provided that such aid does not adversely affect trading conditions to an extent contrary to the common interest. When examining whether aid is compatible directly under Article 87(3)(c), the Commission, firstly, will take into account the Community's objectives (which may also include regeneration of deprived urban areas) and secondly, will analyse whether the proposed aid measure is appropriate and proportionate to its targeted objectives and does not

have disproportionate effects on competition and trade. In other words, the compatibility of state aid depends on balancing its negative effects with its positive effects. In this regard, it is up to the Member State to demonstrate the existence of clearly-defined market failures or situations when markets do not lead to socially desirable results, which are directly responsible for problems of urban deprivation.

The Member States have to show that the proposed measure is well designed, proportional (that is, the minimum necessary to reach the objective but not going beyond), and well targeted to address these identified efficiency or equity objectives. The Commission, in its turn, and in line with the state aid action plan, will apply a refined economic approach in its assessment to ensure a proper and more transparent evaluation of the benefits and distortions to competition associated with the regeneration state aid measure."¹³

HOUSING AND EU SOCIAL, ECONOMIC AND ENVIRONMENTAL POLICY

Willem Korthals Altes, in his paper on *Housing and Positive European Integration: Permissible State Aid for Improving the Urban Environment*,¹⁴ argues that although the European Union (EU) has traditionally had no formal policy competence on housing, the EU Commission decision in a state aid case in Apeldoorn (Netherlands) suggests that an effective EU policy position on housing has emerged in practice.

He argues that, "this decision states that all aid that is effective-i.e. that results in the production of new housing that would not have been built without the aid-is state aid as defined by the European Treaties; however, since this state aid is in accordance with the agenda of the EU in relation to improving the quality of life in the urban environment, it is permissible. This would imply not only that the EU does have a policy relating to living environments (i.e. a housing policy), but also that the only way authorities may use public money to encourage the production of housing is to conform to these policies."

In the following excerpts, which set out the EU case for allowable state aid for housing that fulfills broad objectives of EU Policy, the EU Commission judgement concludes that "the physical, economic and social regeneration of urban areas is clearly an EU objective pursuant to Articles 3 TEU and 174 TFEU in as much as:

(47) Pursuant to Articles 3 TEU and 174 TFEU, economic and social cohesion is an objective

of the EU. Strengthening economic and social cohesion implies the improvement of the urban environment and the quality of life in the area.

(48) It is recognised that cohesion policy can help to create sustainable communities by ensuring that economic, social and environmental issues are tackled through integrated strategies for renewal, re-generation and development in both urban and rural areas. This can be accomplished in several ways.

(49) By integrating the residential area of Apeldoorn by means of developing new housing and improving the traffic connections, the Kanaalzone Zuid will contribute to the cohesion of the city. Also the de-contamination of certain land plots will improve the quality of the urban environment and the quality of life for all inhabitants.

(50) Another aim of the pilot project is to efficiently utilize the scarce available space in Apeldoorn for new housing. By regenerating the outdated industrial site, there is no need for unruly urban expansion. This also prevents unnecessary strain upon the environment, e.g. as a result of increased commuter traffic. The urban environment and the quality of life therefore benefit from these redevelopment projects.

(51) The re-generation of available urban space serves a public interest and is actively encouraged by the Commission in several communications. It can therefore be considered as a well defined Union objective as captured and protected by Article 107(3)(c).

(52) Based on the above considerations, it can be concluded that the physical, economic and social regeneration of urban areas is clearly an EU objective pursuant to Articles 3 TEU and 174 TFEU. Accordingly, the measure in question supports the realisation of Union objectives and can thus be considered to be in the common interest.¹⁵

When examining whether aid is compatible directly under Article 107(3)(c) TFEU, the Commission takes into account whether the aid measure is aimed at a well-defined EU objective and whether the aid measure is an appropriate instrument for dealing with the problem as opposed to other policy instruments. In this light, the aid must be well-targeted and necessary in order to achieve the aimed objective. Furthermore, the

*aid must be proportionate to the targeted objective and must not adversely affect trading conditions to an extent contrary to the common interest.*¹⁶

STATE AID AND COMMUNITY-LED HOUSING

Following well-established UK and European understanding of Community-Led Housing as affordable housing that generally caters to the low-middle income range, but that typically also addresses well-defined Union objectives in the areas of social inclusivity, cohesion and environmental sustainability as integrated sustainable urban development strategy, the following state aid and general measures would be compatible aid in line with EU rules:

1. Community-Led Housing as SGEI

As "other criteria than limited resources may [...] be used by the Member States in their definitions of what constitutes social housing,"¹⁷ the development of a broader description¹⁸ of Social and Affordable Housing as SGEI¹⁹ to include Community-Led Housing:

- following articles 14 and article 106(2) of the TFEU and Protocol 26 on Services of General Interest²⁰, and
- delimited largely but not exclusively within the target group of "economically disadvantaged person", and
- demonstrably compatible with broader EU policy objectives²¹ regarding economic and social cohesion, sustainable urban development and regional development policies, and
- in well designed measures, proportional and well targeted, and
- in line with well established UK and EU precedents.

Following German²² and UK policy, recognition of Community-Led Housing as SGEI in the development of affordable housing will allow state aid for Community-led Housing compatible with the internal market in the accessing of:

- Specific and tailored HFA low-interest and long-term financing
- Capital funding²³ and capital funding for infrastructure²⁴
- State land disposed to CLH in an open procedure assessed according to Social Value criteria in areas

of deprivation/regeneration/market failure (refer to Small Sites, Small Builders program, GLA London)

- The entrustment to an agency for the provision of a service for technical and grant support for CLH projects (see item 2 below).

2. De minimis pre-development seed funding and technical support

Revenue costs for pre-development feasibility and viability studies, design and planning costs may be granted under the SGEI decision (2012/21/EU), provided they sit outside the De minimis rule.²⁵

State aid support for Community-Led Housing would, following UK examples of Community-led Housing hub grant and other supports, not be notifiable if it is under the de minimis threshold of €200,000 per undertaking over any period of 3 fiscal years.

Grants may be repayable or non-repayable if the project fails to proceed.

3. Measures enabling Community-Led Housing that are not state aid

Following well-established UK and European precedent, Community-led Housing could benefit from the following general enabling measures (available to all development and in all parts of the state):

- A low-interest credit available to all development meeting predefined and verifiable sustainability criteria.²⁶ This measure might be justified as not constituting state aid as it is not restricted to a class of development and is intended to further EU Policy (sustainable or green development and retrofitting). It may not distort competition as it would be a part-financing measure mediated by any bank. Nor would it distort trade between member states as this is an area where there is limited cross-border trade. There is broad precedent across the EU for this measure, the best known example of which is the German state-owned KfW bank.
- State land disposed to CLH at a fixed price in an open procedure according to social concept. This measure is not state aid as an option on state land is offered to projects at a market valuation following an open procedure, which has been determined according to social concept, in accordance with Communication 2012/C 8/02²⁷ and following well established precedent.

Summary Analysis - Issues To Consider For Community-Led Housing Groups In Pursuing AHB Status

The following is a brief summary of SOA's understanding of the advantages and disadvantages of an AHB structure for Community-Led Housing groups.

NOTE: Some of the analysis in the following section may be subject to adaptation following the pending release of the Government's new Affordable Housing Scheme.

CONCLUSION

The AHB structure in its current format **does not appear optimal for a community-led cohousing or cooperative housing project**, primarily due to the obligation which AHBs currently have to accept nominations from the social housing waiting list. It is not possible to say with certainty that CHGs would be able to nominate their own members with the agreement of the local authority in any or every case. This system in its current form may create obstacles to formation and coherence of a group in advance of the construction process. The level of regulation required, along with the restricted terms under which an AHB can be formed, are also potentially unsuitable for a one-off or mixed-income CLH project.

In the case of a group who *are not dependent on State land or financing*, it would appear that the **sole advantage to the formation of an AHB may be the existence of a regulatory framework** overseeing the AHB sector, which may offer some reassurance to lenders.

There are, however, **likely to be significant advantages to a Community Land Trust forming as an AHB**. Primary among these are, firstly, the reassurance that clear regulatory oversight can provide to state bodies or local authorities, who may consider transferring public land to a CLT, and secondly, a certain economy of scale in administration which a CLT may be in a better position to provide than a single cohousing or cooperative project.

There may also be multiple potential advantages for both parties in **collaboration between an existing, experienced AHB, and a standalone cohousing/cooperative project**. For the AHB, advantages may include diversification of the income mix of a project, along with the potential provision by the CLH group of shared amenities for the overall project. The CLH group in turn is likely to benefit from the development experience of the AHB, along with potential access to AHB-owned land and/or financing streams.

POTENTIAL ADVANTAGES OF THE AHB MODEL FOR A COMMUNITY-LED HOUSING PROJECT

- Increased **potential to access government financing** (including CALF, CAS, HFA loans, Serviced Sites Fund)
- Increased **potential to access state-owned land**.
- **Potential exemption from development levies** or other taxes.
- Assurance to additional funders/stakeholders that the organisation falls under a **recognised regulatory framework**.¹

DISADVANTAGES OF THE AHB MODEL FOR A COMMUNITY-LED HOUSING PROJECT

- The single greatest disadvantage of the AHB structure for a Community-Led Housing project is potentially the **requirement for projects seeking state funding to waive nomination rights in favour of local authority allocation from social housing lists**. This requirement presents a significant obstacle to early group formation and agency for future residents in co-designing their homes. It is unclear to what extent nomination rights could be negotiated on a case by case basis with particular local authorities. For more detail, see section on Part V overleaf.
- There is a **significant regulatory and administrative burden** on AHBs, which is currently voluntary but will become mandatory once the new Statutory Regulator is appointed, which is planned to take place in early 2022.
- AHB tenants **typically have little representation**² on the Boards of the AHB providing their homes. This implies limited agency and autonomy in decision-making in relation to their housing management and maintenance.³
- According to the Department's website⁴, an AHB must have **provisions preventing the distribution of any surplus, profit, bonus or dividend to its members**. Clarification is needed to establish whether equity accrual by members of a cooperative would be allowable.

A NOTE ON PART V

Affordable housing is defined in Part V (section 93–1) of the Planning and Development Act, 2000 as being for “a person who is in need of accommodation and whose income would not be adequate to meet the payments on a mortgage for the purchase of a house to meet his or her accommodation needs because the payments calculated over the course of a year would exceed 35 per cent of that person’s annual income net of income tax and pay related social insurance.”⁵

Many Irish Community-Led Housing groups are made up of members who are on the housing list, or would qualify for the housing list, or who would qualify for affordable housing. In order to enable the necessary group cohesion, it is important that the aims of the group are aligned and that there is time allowed for a democratic and efficient group process to emerge.

Clarity needs to be established as to whether Part V would apply to a Community-Led Housing project under a SGEI classification. If so, local authorities have discretion to determine the nature of housing sourced through Part V “having regard to the Housing Strategy of the local authority”⁶ in order to reflect the actual local housing need. An additional measure, as part of a local housing strategy to enable Community-Led Housing, would be to determine that CLH groups at a given point in the development process fulfil the criteria of Part V without the need for additional nominations from the local authority housing list itself. This could be exercised by the local authority or by a CLH Hub. Alternatively or additionally, local authorities might nominate persons from the housing list who have expressed an interest in joining a CLH project and who are introduced to the group at the early stages of the project.

Community-led Housing is treated as a SGEI in the UK, Belgium, France and Germany and groups or CLTs are typically free to choose their members according to their own selection criteria, so long as income limits are observed. London CLT has developed a policy of allocation following pre-determined selection criteria based on connection to the area of the development, income, membership and interest in the idea of the CLT.

A NOTE ON RESIDENTS' AGENCY

The current approach of the AHB sector could be categorised as **tenant focused rather than tenant led**. In Community-Led Housing, resident empowerment, self-help and agency in long-term management of homes is an essential feature. It remains to be seen whether accommodating CLH initiatives would require

something of a mindset adaptation within the sector, which can balance the standards governing support of vulnerable people with resident empowerment, self-help and self-determination.

A COMMUNITY LAND TRUST (CLT) AS AN AHB

The advantages of a Community Land Trust (CLT) forming as an AHB may be significantly greater than those which an individual CLH group would experience.

In the case where a CLT aims to take **publicly-owned land** into trust, the benefits of forming an AHB to achieve this are much the same as those articulated above, in terms of potential access to state-owned land, financing and oversight of an established regulatory body.

As the creation of permanently-affordable housing is the primary goal of a Community Land Trust, it is likely that there would also be benefits to a CLT seeking to take ownership of **land from private (non-state) sources**, in forming as an AHB. Some CLTs in the UK for example, have thousands of members, and so the investment in time and administrative activity may be more appropriate for a CLT of a certain scale, particularly if the CLT is in a position to hire administrative staff.

Given that a Community Land Trust also has an obligation to include the wider community in its membership and governance, the additional regulatory oversight provided by a statutory regulator may provide extra assurance for all involved.

Registration as an Approved Housing Body may enable a CLT to access state funding for rented homes, alone or in partnership with another AHB. It could also lower the CLT’s borrowing costs.

Such an approach may be most viable for an urban CLT, as there may be more potential in this context to provide a sufficiently large number of homes in a relatively concentrated area, to justify the administrative responsibilities of forming an AHB.⁷ Another reason why an urban CLT might consider registering as an AHB is that the cost of land and properties in urban areas often makes it virtually impossible to deliver genuinely affordable housing without subsidy.

An umbrella CLT for a whole city would have the capacity to act as quickly, or even more quickly, as private developers in providing the necessary financing and associated obligations, and to access wider EU funding streams.

Impact of COVID-19 on Cohousing

A summary of feedback from residents of Cohousing projects on the particular benefits and challenges which this model brings in a time of pandemic.

The impact of COVID-19 and the challenges the pandemic has presented, have naturally raised questions about the experience of residents in more communal housing arrangements, such as Cohousing, and the ability to share resources in a time of social distancing.

While it is still too early at this stage for a substantial body of literature to have emerged on the subject of community-oriented living during a pandemic, of note is a recent (December 2020) study which found that: *"residents in cohousing communities have lower levels of depressive, anxiety, compulsive and eating disorders, as well as less use of coping strategies which are based on emotional concealment, problem avoidance, and social withdrawal. Moreover, its inhabitants showed higher levels in the use of social support. It is concluded that living in a cohousing community favors, in comparison with life in traditional neighborhoods, the mental health of its inhabitants."*¹

A recent article in The Guardian² further notes that there has been a dramatically increased interest in cohousing and other forms of communal living since the pandemic began. The article suggests that this interest has been *"driven by the Extinction Rebellion movement and its focus on low-carbon living and, more recently, by the glimpse that lockdown has offered of simpler, less consumption-driven, lifestyles."*

There have been numerous articles by various cohousing projects that document first-hand experiences of pandemic life (see below for a brief sample). A common theme which emerges from these accounts is that while the sharing of some common spaces has been curtailed somewhat throughout the pandemic, the **common support networks shared by cohousing residents with their neighbours have proved invaluable in combatting isolation** and in supporting those who are unwell or vulnerable.

The value of well-designed private balconies has also been highlighted, along with shared gardens as key social spaces which have in some cases temporarily replaced indoor common rooms. There have been challenges for some in terms of agreeing procedures for appropriately hygienic use of common spaces.

As described by residents of one elderly cohousing community, *"the understandable fears and anxieties of the most immuno-vulnerable in any group rightly call on reserves of solidarity among the rest who share a building with them, to conform to strict rules and protocols even though they themselves are less at risk."*³

The following are a series of reports by cohousing residents which detail the ways in which various cohousing groups are coping with COVID:

- This [report](#) by Maria Brenton details the response to COVID by the **Older Women's CoHousing** project in London, and *"opens a window into a senior cohousing community, how it has fared during the past months of COVID-19 and what it can offer as a way of living for older people at such a testing time."*
- CoLab Delft have put together the following [blog post](#) consisting of interviews with residents in Italy and Sweden about cohousing and coronavirus.
- This [article](#) describes the various ways in which a cohousing community in **New Mexico** have supported each other throughout the pandemic.
- This [blog post](#) from **On The Brink Cohousing** (Sheffield) describes how the community has coped with coronavirus, and how a couple who contracted COVID-19 were supported by their neighbours.
- And finally, this [article](#) (in Spanish) describes the response of the La Borda community in Barcelona to the pandemic, again highlighting the advantages of mutual support in a time of crisis or difficulty for many.

In order to obtain direct feedback on this issue, in July 2020, SOA interviewed a resident of a large Berlin cohousing cooperative, specifically in relation to COVID-19. Although this co-op combines a range of housing typologies including private apartments, our interviewee lives in a 'cluster apartment', which might be considered a particularly communal typology. As such, SOA considered that their experience might be especially insightful in highlighting both the challenges and advantages of communal living during a pandemic.

The interview yielded the following feedback:

- Overall, the interviewee described the advantages of cooperative living during the pandemic as having *"really outweighed the disadvantages."* The most particular advantage identified was in **combatting loneliness**, which for many people has been exacerbated by COVID. For this particular cooperative, the circumstances of COVID created a *"bonding experience...meaning more resilient, more supportive, people are less isolated, people can in fact find ways of supporting each other. Some of it is just emotional, or through communication, some of it is going shopping or helping out with different things."*
- The **community spaces, and particularly the shared gardens**, were also described as *"an extra blessing"* for the residents, as children could play in them and people could have meetings in them. With playgrounds and meeting spaces closed across the city, these community spaces have provided a crucial outlet. For those residents who had moved to home working, the generous community spaces were also cited as an important breathing space.
- A disadvantage identified was the **inability to rent the cooperative's commercial spaces during lockdown**, which was an economic blow as the rents for these spaces are required to pay for their construction and ongoing maintenance. Another challenge identified was in moving meetings among the full cooperative online, which was not easy *"A lot of people don't like it and don't even want to participate, but it's the only way that you can do it, with 40 or 50 or more people."*
- There were also some **challenges in terms of agreeing hygiene standards** which were appropriate for all to adhere to. There was frustration among some members who advocated very strict measures, which the majority felt were unnecessary or unreasonable. However, these residents have a substantial amount of self-contained private space which they were able to withdraw to if they wished. (At the time of this interview, none of the members had contracted COVID.)

The above feedback is in line with the findings of a survey⁴ of residents of 'intentional communities' in the US and internationally, who describe advantages in terms of mutual support, combatting isolation, and high-quality community spaces and gardens. Similarly, disadvantages cited include disagreements over appropriate coronavirus precautions, and financial challenges due to loss of income from public-facing commercial spaces.

In comparison, a resident at **Marmalade Lane** cohousing in Cambridge, UK, describes⁵ how the community quickly *"put up posters asking everyone to wash their hands upon entering the common house; stopped external visits to the community, stopped shared meals and in-person meetings; introduced a daily bleaching of door handles in the common; set up a spreadsheet for community members to record their status; limited the common house access to the common house to those who were 'low risk'; and set up a separate laundry for those deemed 'higher risk'."*

The residents at Marmalade Lane have found creative solutions in terms of maintaining community spirit, including a *"separate Covid-19 trials channel to try to stop the topic encroaching too much on day-to-day life"*, daily virtual coffee mornings, children's birthday celebrations with *"home-made (quarantined) cards and singing from balconies and doorways."* Casual conversations are still possible, as *"A walk along the lane and through the shared garden brings plenty of opportunity to meet and talk with each other at a safe distance."* On a more practical level, the community also offers day to day support, *"sharing supermarket deliveries"*, ordering *"fruit and vegetables and bread collectively for redistribution internally"*, and making *"plans to support households, especially single-person households, if they develop Covid symptoms."*

DESIGN LESSONS LEARNED

As suggested by Kate Ridgway of Archio Architects⁶, one of the spatial lessons that could perhaps be taken from the pandemic experience is the increased demand for spaces which can accommodate both living and working functions, and the value of 'flexible' spaces which can adapt to changing or short-term needs:

".. if our communities evolve to become social focal points combining living and working, spatial resources will become increasingly important and as such designing for flexibility and adaptability will be vital. The future of community housing may not necessarily be about prescribed space but about the allowance of the space in-between which, when hit by seismic events, is invaluable."

The author notes that such 'option' spaces, the purpose of which are decided by residents and can evolve over time, are a common feature of cohousing projects in mainland Europe, such as Spreefeld in Berlin, and Kalkbreite in Zurich.

Summary Analysis – Measuring ‘Social Value’

Social Value is a relatively recent concept which has evolved in the UK, as a means of evaluating the benefits of policy measures beyond purely financial metrics. Social Value measurement aims to “quantify the relative importance placed by people on the changes they experience in their lives due to policy and other initiatives.”¹

The idea of Social Value has been enshrined in UK legislation since 2012, when the Public Services (Social Value) Act² was introduced. The Act requires public authorities to “have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes.” It requires all public authorities to consider how the services they commission and procure (whose costs are expected to exceed certain thresholds) might “**improve the social, economic and environmental well-being of the area.**”³

WHAT IS THE AIM OF SOCIAL VALUE MEASUREMENT?

Essentially, the Act asks procurers to consider how best to secure extra benefits for their area when they are buying services. A 2015 Cabinet review⁴ of the Act concluded that it was having a “positive impact where it has been taken up” and that the benefits were not only to local areas or the voluntary sector, but in fact, had a positive impact for commissioners with a national remit (such as central government), with “benefits being felt across a strikingly wide range of organisations (albeit from what currently appears to be a relatively small sample size).” Among its recommendations the report advised that measurement of social value “needs to be developed”. A number of tools have since evolved to measure Social Return on Investment (SROI), including the Social Value Calculator.⁵

More recently in Ireland, awareness of the concept of Social Value is growing among social enterprise and charitable organisations. In November 2020 Social Value Ireland⁶, an affiliate of Social Value International, was launched as a collaboration between Quality Matters, The Wheel and Whitebarn Consulting. Acknowledging that accounting for social value is an evolving field and a difficult task, the SVI website argues that “far too often, policies are formulated and resources are allocated using an economic concept of value that is very limited. Decisions are regularly made that fail to consider the full effects on people and their environment.” Social Value Ireland describes social value calculation as “quantifying not

only the things that have a market value, but also those that are more difficult to place a value on, such as increased confidence, improved health or the benefits of living near to a park.”

SOCIAL VALUE & COMMUNITY-LED HOUSING

A 2017 report by the UK Cooperative Council Innovation Network (CCIN)⁷ sets out the case for local authority support for Community-Led Housing, and notes among its findings that “The provision of clear guidance on social value for local authorities considering asset disposal at below market value could encourage more authorities to support the CLH sector and enable it to scale up.”

More recently, councils such as Bristol City Council⁸ have begun including social value considerations in their criteria for evaluating bids for housing development on public land. In late 2019, the Housing Associations’ Charitable Trust⁹ (HACT) and Bristol and Bath Regional Capital CIC (BBRC) introduced a Social Value Land transfer model, to “help release land at a discounted rate from local authorities and other socially minded land owners.”

According to HACT, the model includes “forecasting and identification of the added social and financial value generated by a CLH/Community Asset transfer approach. This value is presented in a social value monetized figure that can be used to make the case for land transfer from any local authority landowners. The calculator is designed to provide a summary of the social and economic values associated with different types of development project and community asset transfer. It will provide information to landowners such as local authorities on the relative social and financial benefits produced from different schemes.” The intention is that “information provided can be used in decision making for deciding the extent of a land value discount per project for development schemes and appraise how Community Asset Transfers can save money.”

Future of London’s 2019 Foundations for Community-Led Housing report notes that “All levels of

government recognise the value of community-led approaches in delivering homes and integrated social value outcomes on complex or contentious sites." It cites LB Croydon¹⁰ as a best-practice example of support for CLH via the allocation of small public sites. This borough has made five council-owned sites available for CLH bids via the Small Sites, Small Builders portal, and in doing so have "published detailed information on the scoring criteria for bids ahead of time. Producing these scoring criteria helped council teams to think through what they understand as social value. Bids are assessed on 80% quality and 20% cost. Within 'cost', **marks are awarded for sound viability work and a sustainable financial model, rather than basing decisions solely on the offer of cash for land.** Within 'quality', proposals are scored on topics including community engagement, governance and management, allocations, plans for construction and design, social value and inclusion."

As part of a series of recommendations to councils and practitioners, under the heading of 'Deliver Social Value through CLH'¹¹, the report recommends that local authorities "Be clear about social value priorities and understand how CLH could support these goals by empowering people; building skills and capacity; boosting density; meeting the needs of marginalised groups; delivering additional homes; supporting right-sizing and producing chain benefits." It also recommends that CLH groups identify their projects' social purpose and "ensure this remains front and centre as a guiding principle to generate

support from the wider community, politicians and landowners."

In a note on "Less than best consideration", the report notes that "transfer of assets to community groups is one of the most important forms of support sought by groups and perhaps the most difficult to offer. The pricing of land required in the circumstance of an asset transfer is problematic." The note acknowledges that public landowners "must seek the "best consideration reasonably obtainable" for sites, with "value" generally interpreted as cash receivable." It further notes that "Disposals of public land to community-led groups need to be at a lower than market value to make social value outcomes and affordable housing aspirations viable." It concludes by arguing that "**while generating the maximum receipt from land sales is a valid political choice, it is not a legislative obligation.** There is legislation to support disposal in recognition of non-financial value, with the right alignment of policies."

While the above may be true of Community Asset Transfer and similar policies in the UK, the legislative framework in Ireland appears still some way behind the UK in terms of explicit recognition of "non-financial value" in the disposal of public assets. However much groundwork has been done in this area in the UK and elsewhere, providing a clear roadmap for Irish policymakers in developing criteria for assessment of social value.



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Appendix A

The Hamburg Agency for Cohousing (Agentur für Baugemeinschaften) Programme for Assisting Cohousing groups:

INNOVATION

- Manages the process of disposal of city-owned land for Cohousing by Konzeptverfahren (Social Concept)
- It contributes to Wohnprojektetage, information days for people interested in cohousing
- It manages a Kontaktbörse¹, a platform for contacting groups and registering interest and projects
- Informs groups on procedures and all steps in the process from idea to finished building
- Assists with facilitation (together with specialist not-for-profit facilitators like Stattbau, Lawaetz Stiftung and commercial professional facilitators)
- Coordinates a quarterly policy network exchange (Die Koordinierungsrunde für Baugemeinschaften (KORB)) involving stakeholders including cooperatives/finance authority/social ministry/architects/facilitators/state investment bank (IFB) to identify problems and find solutions
- Marketing is also part of the AfB's remit for informing people what is available

According to the Agency for Cohousing, the city of Hamburg supports CLH groups because:²

- **people can realise their own projects**
- **the city wishes to support families and multigenerational structures**
- **people are directly involved and identify with their neighbourhood**
- **these projects are a stabilising influence on neighbourhoods**
- **these projects pioneer new ideas and innovation**
- **these projects help to organise activities and sometimes provide community social facilities (such as meeting rooms)**
- **the first passive house project in Hamburg was a cohousing project**
- **the first car-free project was a cohousing project**
- **the first [high] wooden building was a cohousing project**
- **Cohousing allows people to work together to develop a concept**
- **Cohousing is typically open to disabled people and generally a wider inclusive mixture including refugees**

Appendix B

RANGE OF SERVICES PROVIDED BY NETZWERKAGENTUR GENERATIONENWOHNEN, BERLIN

Netzwerkagentur GenerationenWohnen offers free basic advice for people with an interest in developing a project as well as with the planning of existing projects and initiatives. Additionally the Agency organises events and other information platforms for community housing groups including:¹

- **Friday Cafes:** This is a regularly occurring information and networking event for people interested in cohousing (for 20-60 people).
- **Wohntische ("round tables"):** A meeting point for people who are interested in community of multi-generational living, where the aim is for people to get to know each other and initiate projects (for 10-20 people).
- **Speed-dating:** As above (for 10-30 people).
- **Worldcafe:** More detailed discussions in small groups (up to 150 people).

- **Excursions:** guided tours for interested people around completed projects.
- **Workshops:** Support for groups, developers and their architects to develop the planning and form of their projects, including how projects will work in plan and organisation, including shared spaces, with a view to creating a common vision for the project.
- **Newsletter:** A monthly newsletter with information around the theme of community living in Berlin and news of events, announcements, introductions to housing groups and details of useful publications.

Netzwerkagentur GenerationenWohnen also publishes step-by-step guidance brochures for multi-generational community-led housing groups giving general information, comparative presentations of completed multi-generational projects in Berlin, information on how to act as a group, project roadmaps and checklists, financing and policy.²

Appendix C

TABLE: INCOME LIMITS IN THE ‘MUNICH MODEL’, ACCORDING TO “LIVING IN MUNICH VI”

Permitted income levels are as follows:

HOUSEHOLD SIZE	INCOME LEVEL IV*
1 Person	€41,200
2 people without children	€63,500
3 people without children	€79,700
4 people without children	€95,800
5 people without children	€112,100
2 people, including 1 child	€67,000
3 people, including 1 child	€83,100
4 people, including 2 children	€102,800
5 people, including 3 children	€122,400
Each additional person	€15,100
In addition, each additional child	€4,400
Allowances, eg.	
Severely disabled (from GdB 50)	€5,700

**an annual gross income of approx. (incl. childrens' allowance)*

Appendix D

NOTIFICATION TO THE COMMISSION

State funding meeting the criteria in Article 107(1) of the Treaty constitutes state aid and requires notification to the Commission by virtue of Article 108(3) of the Treaty¹:

“The Commission shall be informed, in sufficient time to enable it to submit its comments, of any plans to grant or alter aid. If it considers that any such plan is not compatible with the internal market having regard to Article 107, it shall without delay initiate the procedure provided for in paragraph 2. The Member State concerned shall not put its proposed measures into effect until this procedure has resulted in a final decision.”^{2,3}

If the compensation for services other than hospitals and social services (including social housing) exceeds the threshold of EUR 15 million per year, prior notification to the Commission is required. Such compensation will then be assessed in accordance with the provisions of the Framework. Notification does not mean that the compensation is automatically incompatible with the Treaty, but because of the high amount of aid concerned and the higher risk of distortion of competition, the aid must be assessed by the Commission in order to ensure that all the compatibility conditions are met.⁴

THE ALTMARK JUDGEMENT

In its judgment in Altmark, the Court of Justice held that public service compensation does not constitute

state aid within the meaning of Article 107 of the Treaty provided that four cumulative criteria are met:

- First, the recipient undertaking a service must actually have public service obligations to discharge, and the obligations must be clearly defined.
- Second, the parameters on the basis of which the compensation is calculated must be established in advance in an objective and transparent manner.
- Third, the compensation must not exceed what is necessary to cover all, or part of, the costs incurred in the discharge of the public service obligations, taking into account the relevant receipts and a reasonable profit.
- Finally, in a specific case where the undertaking to discharge public service obligations is not chosen pursuant to a public procurement procedure (which would have allowed for the selection of the tenderer capable of providing those services at the least cost to the community), the level of compensation needed must be determined on the basis of an analysis of the costs that a typical well-run, adequately-provided undertaking with the relevant means, would have incurred.⁵

WHERE IS STATE AID COMPATIBLE AND NOT COMPATIBLE IN SGEI?⁶

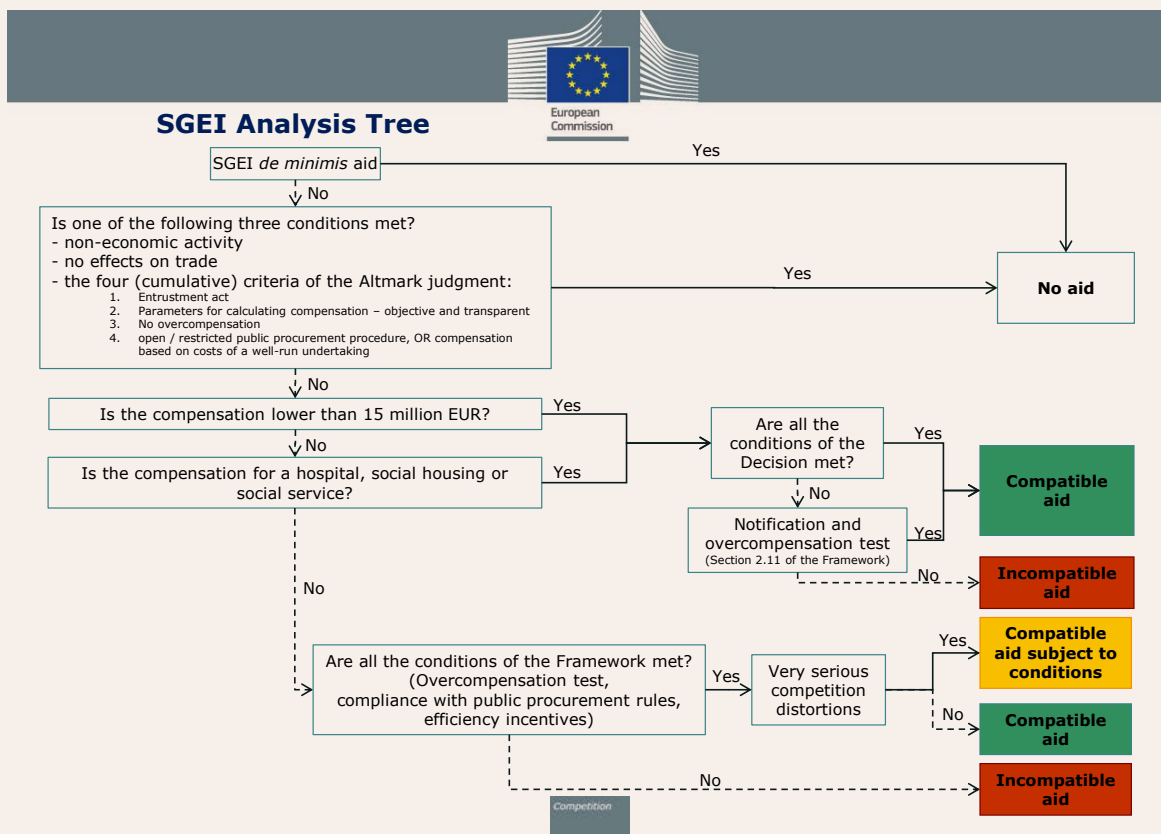
What is the de minimis rule and rules on mandatory notification?

EU state aid control requires prior notification of all new aid measures to the Commission⁷. Member States must wait for the Commission’s decision before they can put the measure into effect. There are a few exceptions to mandatory notification, for example⁸:

1. Aid covered by a Block Exemption (giving automatic approval for a range of aid measures defined by the Commission)
2. De minimis aid not exceeding €200,000 per undertaking over any period of 3 fiscal years
3. Aid granted under an aid scheme already authorised by the Commission

SGEI AND DE MINIMIS PROCUREMENT-

The general De Minimis Regulation (Regulation 1998/2006) provides that aid measures not exceeding €200 000 over any period of three fiscal years per undertaking are outside the notion of aid (Article 107(1) TFEU) because they are deemed not to affect trade between Member States and/or not to distort or threaten to distort competition. This Regulation

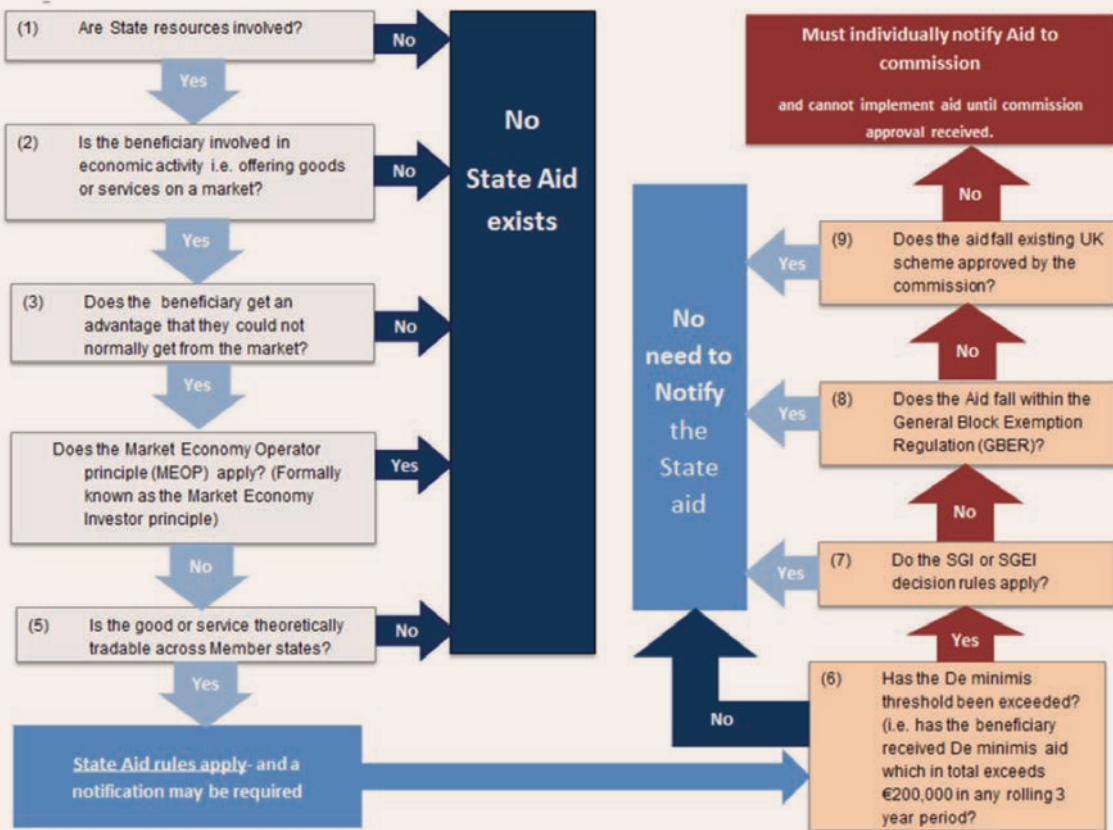


applies irrespective of the purpose for which the support is granted, provided the conditions of the Regulation are respected.

The SGEI De Minimis Regulation provides for a higher threshold (€500 000 over any period of three fiscal years per undertaking) as regards aid measures granted for the provision of an SGEI.

The SGEI De Minimis Regulation is based on the principle that a higher threshold is justified for measures linked to the provision of an SGEI because at least part of the amount is granted as compensation

for additional costs linked to the provision of the SGEI. The potential advantage for an SGEI provider is thus lower than the compensation amount actually granted, while under the general De minimis Regulation the advantage from the same amount would be higher. Therefore, the ceiling up to which there is no impact on competition and trade between Member States is higher for compensation for an SGEI.⁹



Appendix E

SOCIAL VALUE CALCULATION

7 Principles for Measuring Social Value¹

Social Value International have identified the following 7 Principles in measuring social value:

1. Involve stakeholders

Inform what gets measured and how this is measured and valued in an account of social value by involving stakeholders

2. Understand what changes

Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended

3. Value the things that matter

Making decisions about allocating resources between different options needs to recognise the values of stakeholders. Value refers to the relative importance of different outcomes. It is informed by stakeholders' preferences

4. Only include what is material

Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact

5. Do not over-claim

Only claim the value that activities are responsible for creating

6. Be transparent

Demonstrate the basis on which the analysis may be considered accurate and honest, and show that it will be reported to and discussed with stakeholders

7. Verify the result

Ensure appropriate independent assurance

COMMUNITY RETURN ON INVESTMENT (CROI)

Research by Action on Empty Homes (UK)² has followed the progress of six demonstration projects where community-based organisations are bringing empty homes into use. As part of the project, Social

Return on Investment (SROI) was explored, drawing on the established and validated HACT Social Value Bank (SVB).³ General indicative conclusions which emerged from this SROI valuation process included the following:

Homes completed 2016-2019

<i>No units completed</i>	65
<i>Local volunteers engaged in works</i>	644
<i>Volunteers housed</i>	20
<i>Total funding achieved</i>	£3,091,215

Progress made by volunteers

<i>Unemployed/school leaver at start</i>	644
<i>Received vocational training</i>	644
<i>Into work at end</i>	83
<i>Into further education at end</i>	53
<i>Percent in work or training</i>	21.10%

Having evaluated the estimated SROI, AoEH draw a further conclusion that although SROI demonstrates clear value, it does not capture an important phenomenon which they term Community Return on Investment (CROI).

They suggest that *"the value of this community return in social and financial terms can exceed by some considerable margin the monetary value of the investment made and can be more enduring as the community builds the social, environmental and economic infrastructure it requires and on its own terms. This durability and the value gained may, in turn, become a central argument and driver for targeting investment to where it can best be used by communities."*

AoEH suggest that as a top-down model, SROI fails to properly account for the 'agency' of communities, and argue that CROI may be a more effective tool for *"recognising the value of community agency, shared problem solving, listening, collaborating and innovation that is more organic than when imposed and can, consequently, enable investment to be targeted to where it can best be used by communities, rather than where it can be most easily spent by organisations and funders."*

AoEH is currently developing a means of recognising and quantifying CROI.

Appendix F

EU Housing Policy

The EU has no direct competence over housing policy, but it can affect housing conditions in the Member States indirectly through regulations, such as state aid law, fiscal law and competition law.¹

HOUSING AS SGEI

Social housing is defined as a service of general economic interest (SGEI) exempt from state aid regulation, meaning that Member States are not required to notify the Commission of compensation for social housing. This area and issues regarding procurement and interpretation of SGEI at local level are dealt with in the **paper on state aid (p.60)**.

COHESION POLICY

Economic and social cohesion² is implemented through the cohesion policy of the EU, which was incorporated into the EC Treaty by the Maastricht Treaty of 1992. Cohesion policy reduces structural disparities between regions and Member States through a variety of operations that are financed by the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund. Sustainable urban policy comes under Cohesion Policy. Policy Objectives (4), a more social Europe and (5) Europe closer to citizens are pertinent here.

Every three years, the European Commission presents a report called *A sustainable European future: The EU response to the 2030 Agenda for Sustainable Development*, detailing progress made towards achieving economic and social cohesion, and the part played in this by EU policies.

“Soft Measures”

EUROPEAN SEMESTER PROCESS

The housing market has been included in the European Semester: a multi-annual exchange between the Commission and Member States to achieve the Europe 2020 targets and the objectives set out in the Stability and Growth Pact.³ Economic and structural reforms are analysed by the Commission and a series of recommendations are issued for Member States’ implementation for the following year.

The 2020 recommendations for the housing sector in

Ireland are included in the endnotes.⁴

URBAN AGENDA FOR THE EU HOUSING PARTNERSHIP

In 2016, the Commission put forward three commitments⁵ to reach global targets in sustainable development, namely:

- Delivering the New Urban Agenda through the Urban Agenda for the EU
- Developing a global, harmonised definition of cities
- Fostering cooperation between cities in the field of sustainable urban development

The Urban Agenda⁶ was launched following the Pact of Amsterdam in May of 2016 to promote the cooperation between stakeholders on the topic of urban social challenges.

The Housing Partnership was one of the first partnerships to be established within the framework of the Urban Agenda for the EU. The aim of the Housing Partnership is stated as follows:

‘As affordable housing is a basic human right and fosters social cohesion, the Partnership aims to contribute to better policies and frameworks creating access to adequate housing.’

Its objectives are “to foster affordable housing of good quality.”⁷ The focus of the partnership is on public affordable housing, state aid rules and general housing policy. The aim of the Housing Partnership is for use of municipal, social, cooperative housing, affordable rental housing and affordable home ownership to bring about:

- **Better regulations:** Guidance on state support and social housing to improve clarity for public and private investors
- **Better funding:** Identification and sharing of good practice on innovative financial models
- **Better knowledge:** Contribution to enhancing the knowledge base on social and affordable housing issues and exchange of best practices and knowledge

A policy Toolkit of EU best practice was produced in 2017.⁸

The **Housing Partnership Action Plan** was also produced in 2018⁹ and recommended inter alia:

- **there is a significant need for clarification and guidance on how to utilise EU regulations on state aid**
- **national and local authorities must be able to adopt adequate housing policies, including state aid measures, to create favourable conditions and support for investment in social and affordable housing. The lack of clarity around the application of the state aid rules leads to political and legal uncertainty and hinders investment in social and affordable housing**
- **the deletion of the narrow definition of the target group for social housing would create more legal certainty for cities and urban areas to invest in social and affordable housing**¹⁰.

The plan also proposed the creation of a **European Investment Platform** dedicated to affordable housing within the framework of the future Cohesion Policy 2021-2027.

Members of the Urban Agenda for the EU Housing Partnership include both cities and Member States, with Vienna and Slovakia in coordinating roles, as well as the European Commission, AEDES, EURO CITIES, the European Investment Bank, Housing Europe, the International Union of Tenants, Urban Development network programme (URBACT) and Union Habitat. Urbact (Urban Development network) is an development capacity building network for EU cities. The Urban Innovation Actions (UIA) is a €372m fund for urban experimentation and currently funds a number of pilot Community Land Trust projects.

EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

In an own-initiative opinion in the Official Journal of the European Union the **European Economic and Social Committee** concludes that "*adopting a wide definition of social housing would be beneficial for the prevention of social exclusion. A wide definition may imply access for middle-income groups, next to low-income households, the creation of mixed neighbourhoods and less spatial segregation and social exclusion of disadvantaged groups.*"^{11,12}

In a 2020 report "*Universal access to housing that is decent, sustainable and affordable over the long*

term" it recommended inter alia:

- The EU must, first of all, ensure that a real universal right to housing is enshrined, particularly acting by means of a sector-specific regulation under the ordinary legislative procedure, to establish the principles and set the conditions for providing, commissioning and funding affordable and decent housing, in accordance with Article 14 TFEU
- The creation of a "European fund for investment in affordable, decent and suitable housing", aimed at creating and maintaining low-cost housing, would enable the EU to make its actions and policies clearer and more consistent for Europeans, particularly in the context of the buildings plan to be rolled out under the Green Deal, and the future European Pillar of Social Rights action plan

Housing as a Right

(see notes:^{13,14})

"HOUSING FOR ALL"

Rapporteur Kim van Sparrentak MEP, Committee on Employment and Social Affairs has produced a draft report on "*Access to Decent and Affordable Housing for All*"¹⁵ which calls on the Commission and member states to recognise, support and fund community-led, democratic, and collaborative housing solutions, including Community Land Trusts, as legitimate and viable means to provide market and social housing, to enact measures to end homelessness and discrimination in housing. It calls for a broader definition of SGEI to include "*housing for all groups whose needs for decent and affordable housing cannot be met within market conditions.*" It also calls for measures to counter the financialisation of housing and speculation.¹⁶ The report was adopted by the EU Parliament on 21 January 2021.

In parallel the '*New Leipzig Charter– The transformative power of cities for the common good*'¹⁷ was adopted on 30 November 2020 by European ministers responsible for urban development and spatial planning. The charter maintains key principles to tackle the following challenges and objectives as the basis of responsible good urban governance:

- **Urban policy for the common good**
- **Integrated approach**
- **Participation and co-creation**
- **Multi-level governance**
- **Place-based approach** (at neighbourhood, city-wide and regional level) including:

*“Urban challenges often culminate at the neighbourhood level. Some neighbourhoods can be places of social tensions or poverty. Other neighbourhoods are arrival areas for migrants or characterised by **gentrification, social mobility and a shortage of affordable housing**. Specific neighbourhood policies should therefore encourage people’s and local stakeholders’ commitment for community building and inclusiveness. Neighbourhoods with a multitude of complex socioeconomic challenges need tailor-made policy programmes and funding to achieve stabilisation in the long term. In addition, neighbourhoods should be regarded as potential urban laboratories for innovative approaches covering all fields of urban development.”*

RESEARCH

Joint Research Centre (JRC), the European Commission’s science and knowledge service, publishes research on cities and sustainable development, including affordable housing, to provide evidence-based scientific support to the European policymaking process.¹⁸

EU FINANCIAL SUPPORT FOR HOUSING

EU implements housing affordability policies through its financial instruments, the **European Social Fund (ESF)**¹⁹, the **European Regional Development Fund (ERDF)**²⁰ and the **European Investment Bank (EIB)**²¹.

ESF AND ERDF

A Eurocities study found that *“the ESF has brought tangible results in cities: better access to jobs, schools, training, housing and social care for vulnerable groups, leading to improved social cohesion”* and *“ESF can serve as a catalyst for social innovation at local level. When cities have the chance to use ESF to pilot social innovations, they mainstream the good practices in regular service provision to improve public services. ESF post 2020 could give cities more room to pilot social innovations in urban areas to achieve its full potential.”*²²

The study found that in some projects, *“European cities combine ERDF measures for refurbishing buildings with social inclusion interventions funded through ESF, such as social work and social services. In this way, they provide support for disadvantaged people to help them move into new housing in the refurbished buildings. At the same time, in some cases, the narrow thematic focus of ESF Operational Programmes (OPs) left key local challenges unaddressed, including support for the homeless and elderly, and social housing.”*²³

The main impact of the ERDF *“were in improving the quality and energy efficiency of the housing stock in the Member States by supporting, among other things, refurbishment/renovations and extending building life.”*²⁴

EIB

The European Investment Bank’s aims are to:

- Part-finance integrated approaches starting at €50m
- Lend to a wide range of social and affordable housing clients, from cities and government agencies to housing companies in the public and private sectors. EIB lends to smaller projects through intermediaries such as specialised housing agencies, national promotional banks or funds
- Under the Investment Plan for Europe, the European Investment Bank can take higher levels of risk, lending to lower-rated social and affordable housing companies

The EIB defines its approach as:

- Invest in local and national contexts where there is a **clear policy and regulatory framework for housing**
- Focus on **social and affordable rental housing**
- Support projects aimed at **improving social cohesion, preventing (spatial and educational) segregation of communities** and the **quality of life of vulnerable groups** whose housing needs are not met by the market
- Finance projects that **combat urban sprawl, create vibrant neighbourhoods** integrated with neighbouring districts and **enable sustainable transport solutions**
- Work with **financial intermediaries where housing associations are often too small to access European Investment Bank financing**

The EIB manages the JESSICA stream which funds *“integrated plans for sustainable urban development”* including for urban infrastructure, redevelopment of brownfield sites and energy efficiency improvements.²⁵ It will also manage the future investment fund, InvestEU.

OTHER FUNDS

See notes.²⁶

Appendix G

Interview With Brendan Conway
Brendan is the Land & Development Lead at the Community-Led Housing Resource and Advice Hub in London. SOA interviewed Brendan in March 2020 about the work of the Hub and its role in supporting collaborative housing groups.

QUESTION 1

Could you briefly describe your organisation's history/foundation and its mission?

I work for Community-Led Housing Advice and Resource Hub, which was set up in the middle of 2018. Initially there was a small pilot run with some of the boroughs in London to see whether they would support a dedicated resource for Community-Led Housing. Then what happened was that the Mayor of London, Sadiq Khan, allocated a Community Housing Fund of £38m to set up the Resource and Advice Hub as part of the GLA, and that was set up in early 2019. And a former head of the Small Sites programme for the GLA, Levent Kerimol, was the first Project Director, and he has subsequently built a team. So now we're on the go in earnest about 18 months, but as a core team of five we have been on the go for coming up to a year.

QUESTION 2

Why does the Hub support cohousing projects?

The Mayor of London, to give him the credit he deserves, recognised that Community-Led Housing had a legitimate say in how to add additional units to deal with the huge shortage there is in London. So our mission is primarily to support and offer advice to community-led groups so that they can ultimately build their own units as part of the overall affordable housing provision from the Mayor of London, from the GLA, and from the boroughs. So our mission is very specific, it's around additional units for community-led groups, under the old cooperative model, Community-Led Housing, cohousing, Community Land Trusts. But we work specifically with them to give them the technical ability and resources they need so they can actually access land and start to build for themselves.

QUESTION 3

What assistance/supports do you offer to collaborative housing groups?

It starts at the early stage. We would take groups at a very early stage of their conversation, or intention, and

we would take them all the way through to getting the units built, and managing them. So an example would be, a group would approach us, or we would identify a group through our network, who understands our profile, and we would sit with them at a very early stage just to listen to their understanding of what they are as a group, what is their intention. We look at a very early stage at that. And their intention has to fit two main criteria we look for:

- How is the Community represented within the intention? So why are they doing it, and who are they doing it for, which is the same type of question
- They protect the affordability of the homes that they build in perpetuity

Once we've established that through a very early stage, we'll sit with groups literally when they're having those exploratory conversations, and we try to make those conversations material by saying we can add some technical advice to get this conversation moving. And a lot of the groups we work with would not have even formed yet as a legal entity, we will pay for their incorporation through the National CLT Network, through the Cohousing Network, we will give them the money to incorporate, and that is the first step. We'll take them every step of the way.

You mentioned perpetuity there. A question which comes up regularly in Ireland is, what's to stop a Land Trust, or a Cohousing Group, abolishing those restrictions after 20 years, and putting the house back on the open market? How would you evaluate the risk of that?

It would have to be very clearly articulated within their Articles of Association, and their governance. So if they write into the legal structure of the organisation, that in 20 years time you can sell these units, we would have to take a view on that. Is that genuinely community-led affordable housing in perpetuity? That's a very easy thing to test, because if that intention is there, we'll identify it from early on. So if we have a group of ten people, and they're trying to build 15 properties, and their affordability model is set up in a certain way, you'll have to do the viability modelling on the basis that it's going to pay down the debt over 20 years, or 35 years, or whatever it is. You will identify a moment when the debt's paid off. And it has to be very clear what happens then. Are they allowed to exit by selling the

properties on the open market? That doesn't necessarily mean it's not community-led, but it does mean it's not affordable in perpetuity. You can write whatever you need into the model. And some of the models we're looking at in relation to Mutual Home Ownership, allow this conversation to happen, but it has to be done as part of your governance, and it has to be done with an agreement by everybody that this is the right thing to do.

What I understand has happened with some CLTs is that the intention is there at the beginning, and it's written in, but 20 years on, the Board dissolves or whatever, they dissolve the CLT. At that point, is the idea that in order to retain the homes they would have to pay something back to the GLA?

Not necessarily. Once the money is released, the Capital Grant is released, it's released. But as part of our role in the Hub, we would do a sense-making check. As in, is this genuinely Community-Led Housing in perpetuity? We'll have gone through such an amount of due diligence with a group, from being there with them, that we would recognise if the intention was to sell in 20 years time. We would have asked them, so what are you going to do in 20 years time, when you've paid off all your mortgages? It does become a live question. So that's why spending a lot of time with groups at an early stage, bringing these questions to the table, is quite important.

We had a meeting last night with a cohousing group, and I asked them to tell me how much money they have. And they did that exercise, we gave them a template to say listen, there's 14 members of this group, how much equity have you got? What are you putting into the pot? So if I'm putting £400,000 in, I'm selling my house to become part of a cohousing group, and you're putting in £20,000, what does my £400,000 mean against your £20,000? These are really important questions that you need to test very early within the life of the group. Because these assumptions that you make around equity and exit, will become massive challenges once you get into a project. We would actively encourage groups to do facilitated sessions around equity, equity release, ...*what happens when this happens?* Unless you're doing that in a very transparent way, in the spirit of real collaboration around what community or co-production means, you're going to really lose sight of that conversation, because it will come up somewhere in the organisation at some point.

There is a danger that you can over-design these things, but we try to be realistic. Of course people's circumstances change in 20 years, however at least have the conversation early enough within your

governance structure, so that you identify what happens in 20 years. And that's the real essence of this, hardwire these conversations into the DNA of the group, so that the challenges that can have been seen elsewhere don't come up within five years. That's the real piece of deep governance and deep collaborative enquiry that the group have to do.

QUESTION 4

What criteria must groups/individuals comply with to access your support?

Very little criteria. It always comes back to those two questions of *What is your intention around your community? As in Who are you doing this for, are you doing it for yourself or for the wider community?* Just demonstrate what your intention is. And *Are you clear that the affordability is going to be protected in perpetuity?* Those two things are enough to start a conversation. We would ask that question of two guys sitting in a pub, who are talking about this, and a developer who wants to come in and work with a community group at a high level. We'd be saying to a developer – *What is your intention, why are you doing this?* If you're doing it to sprinkle pixie-dust all over a planning application, and ultimately you're just trying to drive your profit, we'll see it. And if you're doing it, from the other end the two guys in a pub, they're just doing it because they want to live together and have a bit of craic, and they don't want to engage with affordability, and governance issues, we'll see that as well.

QUESTION 5

What income brackets would the majority of your 'clients' fit?

It's quite interesting, it's as diverse as the projects themselves. We will have young millenials, we will have key workers, teachers, doctors, nurses. We will have people who want to downsize, who are at a stage in their life where they're empty nesters, they have access to a large quantity of equity in their properties. We'll have diverse groups around the arts. But more often than not, the one thing that is consistent is, they feel disenfranchised from the property market. They haven't got the ability to control how they live. A lot of them will be in rented accommodation, a lot of them will feel that affordability is a big issue. Possibly the best groups we find are the ones that have a lot of diversity within them. So that's why work around intergenerational living, what those models are, can be quite interesting. But more often than not, the groups will form around the one main issue for them, which is they cannot afford to live where they work, which is in London.

You say some of the 'best' groups have a lot of diversity. Diversity and multi-generational living are something that we (SOA) would promote a lot, but have you seen evidence that that's a benefit? Or is it more, the belief of the Hub, that it is?

Yes, you would look at some of the work London CLT have been doing, that is quite a diverse community. You need to see that a group has the ability to represent it's community almost, as well. So the essence, that's why I like diversity in groups, is that it pushes conversations, it pushes narratives very early. And whether that's around BAME, or refugees, or whatever those marginalised groups in your community, how they turn up in Community-Led Housing usually demonstrates that the group have a very strong understanding of what their community need is.

QUESTION 6

What is the most common difficulty which groups approaching THE HUB face?

A lot of it is down to just simple stuff, understanding how the development journey works. Also the basic stuff around organisation. Getting themselves organised where they even fill out application forms correctly so they can even open a bank account, so we can give them funding. A lot of it is around just getting groups to be consistent in their approach. We can't engage with groups very long after we've given them our initial advice and told them what to do. So the group have to work in getting organised, understanding that a lot of groups will have different skillsets within their groups, so doing a skills audit to see who is the person who is driving it. And just by the nature of groups, if they're not very resilient often they'll fall away. So getting them to the start line is almost as hard as anything else.

Once we get them to the start line, we've incorporated them, the next journey is to turn them into a good client. So they become able to brief an architect, brief a surveyor, instruct the relevant professional bodies they need, or partners they need, to go after sites. There's a degree of financial literacy required, technical elements, we can give them all of that support, bring them through workshops, but until they actually do it themselves you never know. So you almost have to kick away the stabilisers and let them wobble a little, or a lot. It's just building their confidence, getting them to that point where they have the ability to be well organised, that their group works well, their governance is working, they're making the right decisions, they're able to become

good clients, they're able to instruct an architect. If you get them to that point you're almost there.

The second thing is just understanding the language. So one of the challenges of our sector perhaps is that there's a lot of different categories of affordable housing. So how do we standardise our language. And speak in simple plain English.

So you as an architect, I can go through a very easy conversation around a massing for a building. That language doesn't automatically flow from a group. So last night, we were with a group and we did a little online tutorial around what a Schedule of Accommodation looks like for your group. So it's actually giving them the technical ability to be able to understand the development process.

And I know, even seasoned developers find it hard to develop. This stuff takes time, it takes three, four, five years sometimes. And you're working with groups who may not get that sometimes. They think that things are just going to happen by accident. It doesn't, it's all work.

Do you brief them on that at the beginning? Is that one of the first things you say, that this is going to take a while?

As a Hub there's a skill really in managing their expectations and being very realistic. And that's why, when we're giving groups funding, there's no point in giving a group £50,000 when £5,000 will give you a sense if they're capable of taking the £50,000. So it's early stage work, assessing what their skills are within the group, doing a skills audit, understanding where their competency is, what are they lacking, and seeing how they respond. So if we ask a group ten times to open a bank account... you know, come on, they have to do the work.

QUESTION 7

Do you offer any assistance to groups in accessing land/sites for development? Is there a direct tie to the Small Builders, Small Sites programme?

Yes there would be. So one of the big pieces of work we do is with the local authorities, the boroughs in London, where we've written four or five policies for local authorities around Community-Led Housing sites. So we've got five sites coming out of Tower Hamlets at the moment, we have some other local authorities, OK they have small sites within their Small Sites programme, and we're saying to them, you know, could you release those sites exclusively to Community-Led Housing? And they're saying fine. But

we have to write their policy, how to do the bidding, we resource the group. And sites are the Holy Grail, end of story.

Is that policy, once you've written it, applicable across all of the local authorities? Or is it different each time?

Yes, so let's look at one, we wrote a cabinet paper for Harrow. The recommendations we made are that there should be zero land receipt for sites to be released. They should be exclusively for community-led housing, based on pre-app work we can do with them. So the local authority will look to us and go, OK, are you going to make sure these groups don't drop any balls? And we say, we will, and this is how you need to release the sites, and this is how you score the sites, and tender. So we'll provide all of that technical support to the local authorities.

So you have a map of sites in London at present, that are earmarked for Community-Led Housing?

Yes, and if you look at the work that London Community Land Trust are doing, they have bought sites from Transport for London (TfL), who will release sites exclusively for Community-Led Housing. So that's the real beauty of it, the work of the Hub is that you're supporting groups, great, but you're also supporting the public sector. So it's like a dating agency, you're matching them up, going OK I know this group is not ready yet, but I think they've got a good chance of being ready in a year, and we know these sites are going to come out in a year, so.. let's put them together.

QUESTION 8:

Do you offer any financial supports to groups? You have the Community Housing Fund, is that the main support to people starting off?

Yes so that revenue funding will give groups the funding to do their technical due diligence, we'll give them the funding to do the design, get it into planning, then once it goes into planning the GLA, who run the fund, will offer them, it depends on the scheme but they'll offer them £70,000 per unit for the capital, to build. So the capital programme is where all the real money is.

So the initial, the design studies and the technical due diligence, is that in the form of a grant? As in it doesn't need to be repaid?

Yes, it's in the form of a grant, it doesn't need to be repaid, technically. If a scheme doesn't proceed, it's not paid back. What we do say to people is, if you

can afford to pay it back you recycle it back into the Fund. However, it's not going to be the deal-breaker for a scheme if it means that they can't get there. So our function primarily is to get schemes, get groups building.

And that £70,000 per unit, is that offered at an interest rate? Or is it a loan but with no interest?

Yes, with no interest, it's basically offered as a piece of funding. It acts as bridging finance, when you look at the funding model, it probably covers 20, 30% of the build. So if we're doing viability modelling for a group, we will put that in as the GLA provision, so it just helps to stabilise the deal.

And when does the loan have to be paid back?

It's paid back at the end of the development. So after the development process which is two to three years, then you'll transfer that into a long-term loan with another funder.

QUESTION 9

What resources do you have at your disposal? In terms of support from the government, or other agencies/funders? So you had £38m to set up the Hub, is that for a defined period?

The Hub is funded until 2023. We have a 500-unit target for starts on site, or consented schemes. What will happen I imagine is that once we demonstrate success, because it's such a small piece of funding for what is perceived as a reasonably marginal type of provision, outside affordable, the risk that it isn't going to be extended after 2023 is not high.

QUESTION 10

What support, if any, do you have from central/federal government in terms of funding, policy etc.?

The Greater London Authority is our main source of funding. We don't get any support really from central government, Homes England, or MHCLG.

So politically, you're insulated from National Government to an extent, but you're dependent on City Government?

Yes we're dependent on the support of Mayor Sadiq Khan. But he has committed to us. So we're in a fortunate position, but we still have to get the money out the door, and that's one of our biggest challenges, spending the money. And we were doing that, at least until COVID-19 disruption, all indications were that we were getting there.

QUESTION 11**Have you observed any unique/important benefits of collaborative housing? If so, could you outline them?**

We see the social value through integrated living, connected communities, and we're trying to articulate that into a measurement tool. There are a couple of PhD students working on it, National CLT are adopting a universal tool that we can start to use to articulate to banks and surveyors as to how you measure this. You can also see it from reduced social prescription.. you know social prescription has become a very big thing in the UK, where instead of sending people to hospitals you send them out into their communities. You can look at the reduction in loneliness when you're working with cohousing groups or community-led groups.

Are there any particular groups of people for whom these benefits are particularly evident?

Yes, pick any vertical in the market. Look at the ways people used to live together, you know old people, young people, mixed communities, that's the real strength of this sector. If we can catch onto it, if we can deliver genuinely accessible, affordable houses in diverse communities, that allow for that mix of generations really. Loneliness and an ageing population are becoming a very big issue, so I think that's a quite interesting part of our sector.

QUESTION 12**What measure of affordability (in perpetuity) are you working from?**

Affordability can be anything. Affordability for a cohousing group can be 80% of market value, it can be 10% of market value. As long as they are able to buy the site, build it, pay back their loans, that's affordability. As long as you don't go broke. We know the costs of building are high, the cost of land is high, so most people just want to be able to pay off their mortgages.

Affordable is - can I afford to pay my mortgage off every month? Is it not disproportionate so it means I'm able to live, outside my mortgage payments? That's what affordability means. Now in London there's London Affordable Rent, there's London Living Rent, that pays that for you, but with cohousing there can be a little bit more flexibility. So we're talking to a cohousing group at the moment and I'm saying to them, you're saying that affordability for you is £160 a week for a one-bed apartment. You might need to be able to charge £250 a week, which increases the

amount of rent, makes it less affordable, but it allows the deal to happen. Where the market rent might be £500 a week, can you afford to pay more to make this deal happen? We don't squeeze affordability, you build affordability into your model.

So that's why that early-stage work with groups is important, you say what is your take-home pay, what can you afford to pay for your rent, what's left, so that's what you can afford to pay for your rent, that's what affordability is.

QUESTION 13**Is there anything else you would like to add?**

Our sector is severely undercapitalised still. So that's one of the biggest challenges, trying to get as much support from central government as possible makes a big difference. And getting them to underwrite the risk on the property. So we're aiming to do a piece with the GLA, where the GLA take all of the risk on a deal, and they'll underwrite it. Because the funding is there, use the funding in a different way and with a bit of innovation. And that's part of the other work we're doing, we're always trying to test where the blockages are. And the main blockage is in the funding side.

You have to be very particular about what you're asking for in Ireland. The Hub model works because it's a centralised resource for.. not just one group. And it's something that, you could go around to all the local authorities in Ireland and say, could you all put €0.5m into a Hub here. That gives you a fairly good head start. And then you say that this Hub becomes the central resource, for policy initiatives, for revenue funding, for working with groups to get the capacity of the sector built up, where these groups are all using universal language around design, financial viability modelling, policy, you've done all the due diligence on them before they even come to the market.

That's why the Hub model works. It's used as a sort of very independent, we're not fee based, we're not public sector, and it just gives the GLA and the Mayor comfort. And that builds the capacity within the sector very very fast.

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- 40 Future of London, *Foundations for Community-Led Housing*, 2020, p.13, 30, 32
- 41 *Community-Led Housing: A Key Role for Local Authorities*, CCIN, 2017
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- 43 J. Lavis, *A Planner's Guide to Community Led Housing*, June 2019
- 44 Department of Housing, Planning and Local Government, *Project Ireland 2040 – National Planning Framework*, 2018, p.84
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- 53 M. Ward, R. Layte, & R. A. Kenny, *Loneliness, social isolation, and their discordance among older adults*, TILDA, October 2019
- 54 B. Harvey, & K. Walsh, *Loneliness and ageing: Ireland, North and South*, Dublin, The Institute of Public Health in Ireland, 2016.
- 55 <https://www.insidehousing.co.uk/comment/comment/we-are-working-with-lq-to-build-the-first-lgbt-co-housing-scheme-in-the-uk-67297>
- 56 <https://co-lab-research.net/2020/11/13/covid19-and-collaborative-housing-3/?fbclid=IwAR23y5kvfc-qE6QMsGG2y2rCHFxjJtJf-AM4dj37lHKmSlgefRnGpwwQQ> and <https://www.housinglin.org.uk/blogs/New-Ground-Cohousing-Community-High-Barnet-resilience-and-adaptability/> and <https://archive.curbed.com/2020/3/30/21197166/cohousing-coronavirus-covid-19-new-mexico> and <https://www.onthebrink.community/blog>
- 57 <https://www.world-habitat.org/wp-content/uploads/2017/01/Community-Led-Housing-Guidance-for-Local-Authorities.pdf>

LIMERICK CASE STUDY

- 1 <https://www.limerick.ie/council/newsroom/news/mayor-and-chief-executive-welcome-eu62-million-strategic-projects-limerick>

POLICY RECOMMENDATIONS

- 1 This would follow established precedent in the UK in the Community Housing Fund (please refer to relevant policy studies)
- 2 This approach may be similar in nature to the proposed Cost Rental Equity Loan (CREL), but would follow established precedent in cities such as Hamburg and Munich (please refer to relevant policy studies)
- 3 https://ec.europa.eu/competition/state_aid/overview/public_services_en.html
- 4 [https://www.kfw.de/inlandsfoerderung/Privatpersonen/Neubau/Finanzierungsangebote/Wohneigentumsprogramm-Genossenschaftsanteile-\(134\)/](https://www.kfw.de/inlandsfoerderung/Privatpersonen/Neubau/Finanzierungsangebote/Wohneigentumsprogramm-Genossenschaftsanteile-(134)/)
- 5 [https://www.kfw.de/inlandsfoerderung/Privatpersonen/Neubau/Finanzierungsangebote/Energieeffizient-Bauen-\(153\)/](https://www.kfw.de/inlandsfoerderung/Privatpersonen/Neubau/Finanzierungsangebote/Energieeffizient-Bauen-(153)/)
- 6 Within the framework of Art. 2 part a) of the decision of the Commission of December 20, 2011 on the application of Art. 106 (2) of the Treaty on the Functioning of the European Union
- 7 (see Hamburg, Munich p.23, p.25)
- 8 The state agency or local authority can allocate the site on the basis of a competitive procedure according to social value criteria and the financial viability of the proposal. (Small Sites p. 15, Berlin p.24)
- 9 (see Brussels CLT p.31)
- 10 (large-scale urban renewal, Tübingen. See p.26)
- 11 (Hamburg, Berlin pp.23-24)
- 12 (Hamburg, Berlin pp.23-24)
- 13 (Self-Build and Custom Housing Building Act (2015) p.12)
- 14 (Hamburg p.22)
- 15 (Land Reform (Scotland) Act, Community Right to Buy; The Scottish Land Fund, Community Empowerment (Scotland) Act pp.16-17)
- 16 T. Archer, C. Harrington, & A. Kear, *Targeting funding to support community-led housing*, Power to Change, 2018
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STATE AID

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- 2 P. Nicolaidis, *State Aid Implications of Public Investment in Land Development & Social Housing*, Journal of European Competition

Law & Practice, Volume 10, Issue 10, December 2019, pp.609–617, <https://doi.org/10.1093/jeclap/lpz056>

- 3 P. Nicolaidis, Op. Cit. p.609
 - 4 https://ec.europa.eu/competition/state_aid/overview/index_en.html
 - 5 https://ec.europa.eu/competition/state_aid/overview/public_services_en.html
 - 6 P. Nicolaidis, Op. Cit. p.609
 - 7 P. Nicolaidis, Op. Cit. p.615
 - 8 <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32012D0021>
 - 9 https://www.communityledhomes.org.uk/sites/default/files/inline-files/clh_hub_grants_guidance_09.04_branded.pdf p.35
 - 10 E. Thana, *Housing policy and EU State Aid Law, Legal implications of policy choices in Sweden and The Netherlands*, Master Thesis, Lund, 2018 p. 24
 - 11 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0024&from=EN>
 - 12 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0651&from=EN>
 - 13 https://ec.europa.eu/competition/state_aid/studies_reports/vademecum.pdf
 - 14 W.K.K. Altes, "Housing and Positive European Integration: Permissible State Aid for Improving the Urban Environment." *Journal of Housing and the Built Environment*, vol. 30, no. 2, 2015, pp. 341–353.
 - 15 *ibid.*
 - 16 https://ec.europa.eu/competition/state_aid/cases/240892/240892_1264302_58_3.pdf Article 46
 - 17 V.Toussain, legal adviser, Union sociale pour l'habitat, 27.11.2018 <https://union-habitat-bruxelles.eu/social-housing-sgei-legal-analyse-ecj-ruling> "Thus the EGC emphasised that delimitation criteria other than mere income ceilings could have been adopted by the Dutch government, "but one cannot rule out the possibility that the Commission would have also approved a definition of the SGEI proposed by the Dutch authorities based on a criterion other than an income ceiling, if this definition was sufficiently clear and related to economically disadvantaged persons".
- With respect to a possible narrow definition of Social Housing resulting from the "Dutch Case" EGC Ruling 15 November 2018. "Although the EGC dismissed the Dutch petitioners' challenge in the present case, the ruling did not inasmuch approve a restrictive definition of "social housing", but rather came out against the inaccuracy of the Member State's definition of the general interest mission that was entrusted to the housing associations."
- 18 "Social housing or publicly-supported housing is an important resource for fighting poverty and social exclusion, and for improving social cohesion. It

should not be limited to those most in need of affordable housing.

The exemption of social housing from state aid notification in the Almunia package is welcomed in principle. However, as city authorities, we do not agree with the restriction of access to social housing to 'disadvantaged citizens or socially less advantaged groups' as stipulated in the package. This is contradictory to subsidiarity and to the local right to define, organise and finance services of general economic interest, such as social housing. Focusing only on low-income groups limits social cohesion, as it can prevent social mix; it also limits the integration of refugees for example. We recommend that the sentence, which refers to 'disadvantaged citizens or socially less advantaged groups' in recital 11 of the decision of the Almunia package is deleted." http://nws.eurocities.eu/MediaShell/media/EUROCITIES%20statement%20on%20state%20aid%20and%20local%20public%20%20services_16%2001%202016%20final.pdf

19 cf. also ACTION N° 3 Revision of the SGEI decision with regard to the narrow target group of social housing, The Housing Partnership ACTION PLAN December 2018 Urban Agenda for the EU, https://ec.europa.eu/futurium/en/system/files/ged/final_action_plan_euua_housing_partnership_december_2018_1.pdf

20 "The shared values of the Union in respect of services of general economic interest (...) include in particular: the essential role and the wide discretion of national, regional and local authorities in providing, commissioning and organising services of general economic interest as closely as possible to the needs of the users" <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A12016E%2FPRO%2F26>

21 The Apeldoorn case (EC 2011c, State Aid no. SA:31877) ruled that housing approaches receiving state aid that address affordability within an integrated policy framework in a specific place whose broad aims clearly coincide with EU Objectives such as economic and social cohesion, compact and sustainable development, etc. and executed with proportionality would be compatible with the single market.

22 "Funding is provided as a general service within the framework of Art. 2 part a) of the Commission decision of December 20, 2011 on the application of Art. 106 Para Companies entrusted with the provision of services of general economic interest. It is therefore limited to compensation payments of no more than € 15 million per year for the provision of services of general economic interest.

The respective funding measures are in accordance with Section 4 Paragraph 1, Sentence 3 No. 1 of the Law on the Hamburg Investment and Development Bank (IFB) carried out by IFB Hamburg." <https://www.ifbhh.de/api/services/document/1171> p.30

23 https://www.london.gov.uk/sites/default/files/london_chf_prospectus_0.pdf p.22.

24 *ibid.*, p.22

25 *ibid.*, p.21-22

26 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/607691/bis-15-148-state-aid-manual-update.pdf p.15

27 Communication from the Commission on the application of the European Union State aid rules to compensation granted for the provision of services of general economic interest 2012/C 8/02 [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52012XC0111\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52012XC0111(02)) "As to the award criteria, the 'lowest price' obviously satisfies the fourth Altmark criterion. Also the 'most economically advantageous tender' is deemed sufficient, Provided that the award criteria, including environmental or social ones, are closely related to the subject-matter of the service provided and allow for the most economically advantageous offer to match the value of the market . Where such circumstances occur, a claw-back mechanism may be appropriate to minimise the risk of overcompensation ex ante. The awarding authority is not prevented from setting qualitative standards to be met by all economic operators or from taking qualitative aspects related to the different proposals into account in its award decision."

AHB ANALYSIS

1 <https://www.housingagency.ie/sites/default/files/18-11-26-AHB-Voluntary-Regulation-Framework-FINAL.pdf>

2 <https://www.dublininquirer.com/2017/11/29/it-s-time-to-give-social-housing-tenants-more-power-some-councillors-say>

3 NOTE: Some AHBs, such as Ó Cualann and Oaklee, do allow residents to elect one representative onto the Housing Association's Board.

4 <https://www.housing.gov.ie/housing/social-housing/voluntary-and-cooperative-housing/approved-housing-bodies-ahbs>, Who May Be Considered For Approval?

5 <http://www.irishstatutebook.ie/eli/2000/act/30/section/93/enacted/en/html#sec93>

6 Part V of the Planning and Development Act 2000, Guidelines issued by the Minister for Housing, Planning, Community and Local Government under section 28 of the Planning and Development Act 2000, January 2017 p.4 give:

- "the existing need and the likely future need for social housing;
- the need to ensure that housing is available for persons who have different levels of income;
- the need to ensure that a mixture of house types and sizes is developed to reasonably match the requirements of the different categories of households, as may be determined by the local authority, and including the special requirements of elderly persons and persons with disabilities,
- the need to counteract undue segregation in housing between

persons of different social backgrounds." cf. also p.9.

https://www.housing.gov.ie/sites/default/files/publications/files/part_v_of_the_planning_development_act_2000_guidelines_jan_2017.pdf

7 See here for a note on the benefits which Brighton & Hove CLT observed in becoming a 'Registered Provider' in the UK, in order to provide affordable homes for a 'city-wide' area: <http://www.communitylandtrusts.org.uk/article/2019/2/1/to-be-or-not-to-be-a-registered-provider>

Also a note here from Tom Chance, Director of the National CLT Network, on the advantages of becoming a Registered Provider: <http://www.communitylandtrusts.org.uk/article/2018/9/4/our-director-tom-chance-confronts-the-anxieties-around-becoming-a-registered-provider>

COHOUSING & COVID-19

1 C. Schetsche, L. Jaume, L.G. Galvagno, & Á. Elgier, *Living in cohousing communities: Psychological effects and coping strategies in times of COVID-19*, *Interpersona: An International Journal on Personal Relationships*, Volume 14., 2020, p.169-182

2 <https://www.theguardian.com/society/2021/jan/17/is-the-boom-in-communal-living-really-the-good-life>

3 <https://www.housinglin.org.uk/blogs/New-Ground-Cohousing-Community-High-Barnet-resilience-and-adaptability/>

4 <https://www.ic.org/intentional-communities-fared-pandemic/>

5 <https://us17.campaign-archive.com/?u=e9a2e0e75bdbde81384cdf-d25&id=4555af7588>

6 <https://www.archio.co.uk/blog/2020/06/03/what-does-covid-mean-future-co-housing/>

SOCIAL VALUE

1 <https://socialvalueint.org/social-value/what-is-social-value/>

2 <https://www.legislation.gov.uk/ukpga/2012/3/enacted>

3 [https://en.wikipedia.org/wiki/Public_Services_\(Social_Value\)_Act_2012](https://en.wikipedia.org/wiki/Public_Services_(Social_Value)_Act_2012)

4 <https://www.gov.uk/government/consultations/social-value-act-review>

5 <https://www.socialvaluecalculator.co.uk>

6 <https://www.socialvalueireland.ie>

7 <https://www.communityledhomes.org.uk/sites/default/files/resources/files/2018-09/community-led-housing-key-role-local-authorities.pdf>

8 <https://www.hact.org.uk/community-led-housing-social-value-calculator>

9 <https://www.hact.org.uk>

10 <https://www.futureoflondon.org/wp-content/uploads/delightful-downloads/2019/12/Foundations-for-Community-Led-Housing-WEB.pdf>, p.17

11 *ibid.*, p.39

APPENDICE ENDNOTES

APPENDIX A

- 1 <https://www.hamburg.de/baugemeinschaften/kontaktboerse-fuer-baugemeinschaften/>
- 2 Interview with Herr Bendix Bürgener, Behörde für Stadtentwicklung und Wohnen, Agentur für Baugemeinschaften, Hamburg, op. cit.

APPENDIX B

- 1 <https://www.netzwerk-generationen.de/aufgaben>
- 2 see <https://www.netzwerk-generationen.de/projekte-und-gruppen>

APPENDIX D

- 1 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C:2008:115:FULL&from=GA>
- 2 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C:2008:115:FULL&from=GA>
- 3 <https://eur-lex.europa.eu/legal-content/MT/TXT/?uri=uriserv%3AOJ.L.2015.325.01.0001.01.EN.G&toc=OJ%3AL%3A2015%3A325%3ATOC>
- 4 https://ec.europa.eu/competition/state_aid/overview/new_guide_eu_rules_procurement_en.pdf p.74.
- 5 <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32012D0021>
- 6 https://ec.europa.eu/competition/state_aid/overview/analysis_tree_en.pdf
- 7 https://ec.europa.eu/competition/state_aid/overview/state_aid_procedures_en.html
- 8 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/443686/BIS-15-417-state-aid-the-basics-guide.pdf p.6
- 9 https://ec.europa.eu/competition/state_aid/overview/new_guide_eu_rules_procurement_en.pdf

APPENDIX E

- 1 <https://socialvalueint.org/social-value/principles-of-social-value/>
- 2 Action on Empty Homes, *Using empty homes to regenerate communities*, May 2019, p.5-8 <https://www.actiononemptyhomes.org/Handlers/Download.ashx?IDMF=ee3e040f-2cbf-461a-b680-4024d2193df6>
- 3 HACT Social Value Bank <http://www.hact.org.uk/social-value-bank>

APPENDIX F

- 1 D. Caturianas et al., *Policies to ensure access to affordable housing*, Publication for the committee on Employment and Social Affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg, 2020.
- 2 https://ec.europa.eu/regional_policy/en/policy/what/glossary/e/economic-and-social-cohesion

- 3 https://ec.europa.eu/futurium/en/system/files/ged/a_briefing_note_on_the_european_semester_housing_europe_2018.pdf
- 4 "The government has implemented various measures to support housing supply, which have contributed to increasing annual housing completions by almost 40% in the two years to September 2019. Combined with effective macro prudential tools, this seems to have helped curb house price inflation. However, housing completions still fall short of demand. Housing affordability is a problem for many households and inflation in the rental sector is persistently high. Improved infrastructure, combined with spatial planning, could be a critical enabler for improving housing supply. In addition, solving administrative deficiencies in the vacant site levy might ultimately help improve housing affordability in the medium-term. Shortages in social housing supply remain a significant challenge to foster inclusion, also for the most vulnerable. Of the around 10,000 homeless people registered in Ireland, 3,500 are children. This raises concerns about the potential risks of deepening inequalities, entrenched poverty and social exclusion. Single parents with children are among the groups most affected by homelessness." https://ec.europa.eu/info/sites/info/files/2020-european-semester-csr-comm-recommendation-ireland_en.pdf
- 5 https://ec.europa.eu/commission/presscorner/detail/en/IP_16_3477
- 6 <https://ec.europa.eu/futurium/en/urban-agenda-eu/what-urban-agenda-eu>
- 7 <https://ec.europa.eu/futurium/en/node/1710#General%20Housing%20Policy>
- 8 <https://www.google.com/maps/d/viewer?mid=1RcxrQ2QqfgUAU9Pw3EkuLOY-DyJw&hl=en&ll=54.42592703033412%2C10.210401349999977&z=6>
- 9 https://ec.europa.eu/futurium/en/system/files/ged/final_action_plan_euua_housing_partnership_december_2018_1.pdf
- 10 https://ec.europa.eu/futurium/en/system/files/ged/final_action_plan_euua_housing_partnership_december_2018_1.pdf
- 11 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52012IE0597&from=EN>
- 12 M.E.A Haffner, & M.G. Elsinga, *Towards inclusive service delivery through social investment in the EU: the case of housing* (Deliverable 6.3), Delft, Delft University of Technology, 2018, p.14
- 13 Housing rights arising from international human rights instruments include:
 - "The Universal Declaration on Human Rights 1948 (UDHR) at Article 25.1;
 - The Geneva Convention Relating to the Status of Refugees, 1951 at Article 21;
 - The ILO Recommendation No. 115 on Workers Housing 1961;
 - The International Convention on the Elimination of All Forms of Racial

Discrimination 1965 at Article 5;

- The International Covenant on Economic, Social and Cultural Rights 1966 (ICESCR) at Article 11.1;
- The UN Convention on the Elimination of All Forms of Discrimination Against Women 1979 (CEDAW) at Articles 13 and 14;
- The UN Convention on the Rights of the Child 1989 (CRC) at Article 27;
- The International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families 1990 at Article 43.1;
- UN resolutions as well as the Istanbul Declaration and Habitat Agenda 1996"

Housing rights are addressed in the Council of Europe (CoE) European Social Charter (1961) and Revised Charter (RESC) (1996).

See P. Kenna, *Soft law and housing rights in the European Union system*, Irish Human Rights Commission Conference December 2005, Dublin.

https://ec.europa.eu/commission/sites/beta-political/files/social-summit-european-pillar-social-rights-booklet_en.pdf

- 14 National Action Plans for Social Inclusion
The National Action Plans for Social Inclusion is one of the five instruments of the Open Method of Coordination (OMC). The OMC takes place in areas which fall within the competence of EU countries, such as employment, social protection, education, youth and vocational training. The OMC is principally based on:
 - jointly identifying and defining objectives to be achieved (adopted by the Council);
 - jointly established measuring instruments (statistics, indicators, guidelines);
 - benchmarking, i.e. comparison of EU countries' performance and the exchange of best practices (monitored by the Commission) https://eur-lex.europa.eu/summary/glossary/open_method_coordination.html
- 15 https://www.europarl.europa.eu/doceo/document/EMPL-PR-653984_EN.pdf
- 16 Clauses include:
 - calls on the Commission and the Member States to ensure access for all to decent housing
 - calls on the Commission to develop an integrated strategy for social, public and affordable housing at EU level to ensure the provision of safe, accessible and affordable quality housing for all
 - calls on the Commission to assess the contribution of EU policies and regulations to financialisation of the housing market and the ability of national and local authorities to ensure the right to housing and, where appropriate, to put forward legislative proposals to counter financialisation of the housing market
 - calls on the Member States and local

authorities to put in place taxation measures to counter speculative investment, and to develop urban and rural planning policies that favour affordable housing, social mix and social cohesion;

- Urges the Commission to adapt the target group definition of social and publicly funded housing in the rules on services of general economic interest, so as to allow national, regional and local authorities to support housing for all groups whose needs for decent and affordable housing cannot be met within market conditions, while also ensuring that funding is not steered away from the most disadvantaged, in order to unblock investment and ensure affordable housing, create socially diverse neighbourhoods and enhance social cohesion;
- calls on the Member States and local authorities to put in place taxation measures to counter speculative investment, and to develop urban and rural planning policies that favour affordable housing, social mix and social cohesion;

17 <https://skupnostobcin.si/wp-content/uploads/2020/05/new-leipzig-charter-draft-050520.pdf>

18 See C. Fioretti, M. Pertoldi, M. Busti, & S. Van Heerden, (eds), *Handbook of Sustainable Urban Development Strategies*, EUR 29990 EN, Publications Office of the European Union, Luxembourg, 2020 and I. Vandecasteele et al., *The Future of Cities – Opportunities, challenges and the way forward*, EUR 29752 EN, Publications Office, Luxembourg, 2019

19 <https://ec.europa.eu/esf/main.jsp?catId=35&langId=en>

20 https://ec.europa.eu/regional_policy/en/funding/erdf/

21 https://www.eib.org/attachments/thematic/social_and_affordable_housing_en.pdf

22 http://nws.eurocities.eu/MediaShell/media/EUROCITIES_report_on_ESF_and_cities_FINAL.pdf

23 D. Caturianas et al., Op. Cit. p.46

24 D. Caturianas et al., Op. Cit. p.46

25 https://www.eib.org/attachments/thematic/jessica_2008_en.pdf

26 InvestEU

Invest EU is an EU-level initiative to address housing affordability in Europe. Between 2021 and 2027, the Commission plans via InvestEU to further boost investments in social housing (including energy-efficient social housing) projects. The programme is further enhanced by Next Generation EU, an instrument intended to contribute to Member States' economic and social resilience and their sustainable recovery from the COVID-19 crisis.

URBIS is a dedicated urban investment advisory platform within the European Investment Advisory Hub (EIAH). URBIS

is set up to provide advisory support to urban authorities to facilitate, accelerate and unlock urban investment projects, programmes and platforms. URBIS has been developed in partnership by the European Commission (DG REGIO) and the EIB in the context of the EU One Stop Shop for Cities and in support of the ambitions defined in the EU Urban Agenda.

Council of Europe Development Bank (CEB) CEB loans often finance sustainable and affordable housing for vulnerable populations (large families, young people or other groups, as defined by national authorities) that have difficulty accessing housing or can only do so under unfavourable conditions.

European Green Deal

- The European Green Deal provides an action plan to:
- boost the efficient use of resources by moving to a clean, circular economy
- restore biodiversity and cut pollution
- Support the circular economy

The EU aims to be climate neutral in 2050. Reaching this target will require action including:

ensuring buildings are more energy efficient. A central tenet is "no person and no place is left behind".

EC communication 14.10.2020 on the Renovation Wave has as a Key objective: "pilot the renovation of 100 lighthouse social and affordable housing districts" to "Combine various aspects, such as sustainability, liveability, accessibility, access to social and local services

- Use and develop human-centred business models, promote social innovation and facilitate frameworks to empower residents and integrate them in the projects (co-investing in the renovation, shared ownership)
- CLTs models can inspire to integrate these aspects
- CLTs are relevant local stakeholders to achieve this ambition at district level
- Ensure that renovated units remain affordable
- Social and affordable housing districts targeted for renovation under the AHI can be CLT projects



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