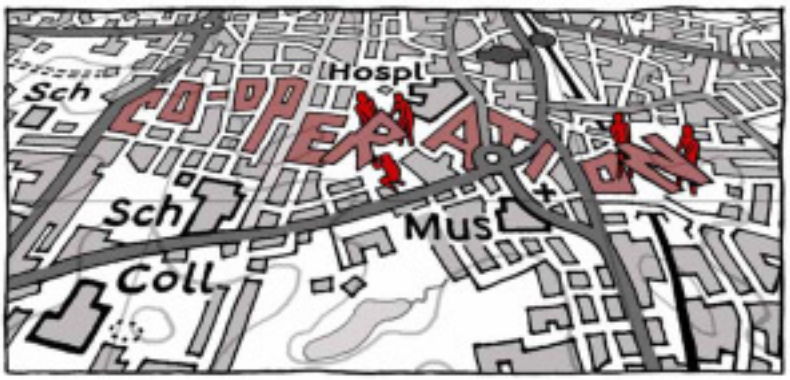
urbed

a co-operative future for student housing

first stage report

june 2004



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Co-operative Action

a co-operative model for student housing #1

first stage report

This study has been commissioned by the National Union of Students (NUS) in partnership with the student unions of Manchester University, Manchester Metropolitan University and UMIST. This is the first of the two parts. It seeks to assess whether there is a model for co-operative student housing that can be applied in this country. It looks at the general principles that might be adopted for such a model wherever it is applied in the country, including an analysis of the bricks and mortar issues. The second part will follow once the project partners have formed a view on some of the key questions that this report has identified such as site, size of development and its nature and probably most importantly how it will be developed. The second part of the study will produce a detailed development feasibility study for a project on a particular site.

This report has been produced by UrbED (Urban Economic Development Group). It is funded by the four commissioning bodies together with substantial grant support from Co-operative Action. Thanks are also due to Co-op Group (Northern Region) for their support.

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Summary of Findings

The report reviews the history of co-operation and how the co-operative housing sector grew. It examines the proven success of housing co-operatives in North America and how how the history of tenant management in the UK forms the backbone for a new wave of student housing co-operatives which would learn from the past but look forward to a future of affordable, accountable, community based student housing.

The report sets out the benefit of student involvement in their own housing – reduced rents as shareholder profits are removed from the equation and responsible management reduces cost (as demonstrated in Tenant management organisations elsewhere), cohesive communities which meet and share goals and experiences, real management training and personal development of use in students' future careers.

The report sets out options for possible multi-stakeholder arrangements and structures through which students are given as much management responsibility as they feel able to take on and emphasises the importances of accessing training and support.

It is recommended that voluntary tasks for student managers are clearly separated from staff responsibilities, and tasks should be those where on site responsiveness is key and tasks are quick, relatively easy and self contained, containing added benefits for the community without overloading volunteers. The possibility of payments for additional management work over and above what is expected is examined for further discussion.

The need for ground level responsiveness compared to larger organisations accessing more affordable finances is discussed, with options for national or federative asset ownership structures. A central ownership and development body is recommended, with stakeholders being student unions, students and investors. The body would grant local control to student residents through a management agreement or short term lease on buildings, while providing some management services to the student housing co-operatives. The proposed Modular Management options for repairs, insurance, rents, tenancy management and running costs are set out in full.

A training programme is proposed which would give students some of the management skills they need following allocation of properties prior to them moving in, during the summer term and holiday, to ensure that decisions were made by well-informed students from the start. The possibility of some management being done by sabbatical students with experience of the co-operative is suggested.

The generation and destruction of the 'somebody else's problem field' discovered by Douglas Adams is examined in some depth.

The report investigates possible development partners for the construction and management support of the projects such as housing associations, co-operative housing providers and private developers.

Analysis of student demand demonstrates that the most important factors to students are location, security, quality and who they share with and that en-suite rooms are not a key requirement for students as much as for private developers. The report notes the need to find

affordable land close to universities and proposes regeneration areas or university subsidised land as the best potential sites.

Developments of 200-400 bedspaces supported by 2-3 staff are recommended as optimum to create adequate social networks and economies of scale in housing management.

The recommended building design principles are based around the mixed-use urban block, giving security through 24 hour occupancy. A mix of accommodation types including larger flats, family flats and a mix of social spaces is envisaged, together with complementary uses. The key uses are café, corner shop, crèche, meeting space and management office, with additional proposals for copy shop, health centre, banking, gym and business units which would facilitate contact with the wider community and bring benefits to the community, which would help them to value the student development.

The report recommends building to the highest standards of sustainability, in terms of design and management. The building form, fittings and materials should be energy efficient and use green utilities provision and information systems to reduce energy use. Cycling promotion is encouraged, as well as recycling collection services and the sale of recycled products. As affordable, healthy food shop and cooking skills would complete the development of positive life skills, reducing energy use, food miles and waste generation.

The financial model generated uses real costs for construction and management of a mixed use co-operative building in Manchester. Adapted to the student context, this suggests rents of £50 per week for a 12 sq.m. room, inclusive of water rates and broadband internet access, to increase annually by inflation only. The construction of the workspace is grant subsidised workspace giving rents of £8.75 per square foot for commercial space and £4.50 psf for the communal student spaces (TV lounge, meeting area and cafe bar), paid from the housing income. This is based on a land value of £1 million per acre. The building is based on 47 shared flats with 6 rooms per flat in a courtyard block of four storeys, with 1,250 sq.m. of workspace on the ground/first floor. Management costs include a full time staff member and maintenance allowances based on lifecycle analysis. The return to investors in this model is 7%.

The long term strategy set out envisages a pilot project, with policies and building design created during the second part of the study, with management and training support from existing agencies. Further projects in different areas would be supported by a multi-stakeholder central developing body, which would grow to have offices in each city or region. These offices would eventually become autonomous, controlled by local student housing co-operatives.

contents

introduction

UK students endure financial conditions unprecedented since the introduction of the welfare state. However, increased access to higher education has produced high demand, in turn stimulating a market that is so strong that students are facing what can realistically be seen as simple exploitation. The student bodies have managed to ameliorate the situation but the structural problem remains and the only solution has to be a vehicle for the provision of housing on students' terms, within a viable but ethical and accountable business model.

The North American Students of Co-operation have shown that co-operative models offer much to students in the provision of many of their services including housing – but there has not yet been a sincere effort at it here in the UK.

This study looks into the key components of a co-operative model for student housing so that replicable and sustainable model can be developed, to show what is possible. Not only could this be a model which would secure the financial future of the student union movement, it must also have a seismic effect on the other providers of housing for students.

The brief is to develop a model of housing for students which delivers:

- affordability
- accountability
- care for the wider needs of students
- responsiveness
- recognition that one size does not fit all
- a more community based emphasis
- development of concepts of co-operation and mutual self help
- a democratic living environment

general

We have examined good practice in student housing co-operatives abroad, and approached key people directly. Here in England, we have found a few housing co-ops which were set up in the seventies aimed at students and young people, but none of them are still delivering that service, housing some students only due to a broader housing remit which includes them under the category of young single and homeless. We have examined how they were set up and what went wrong to make sure that the mistakes (and successes) of the past are learned from.

We have taken a close look at Tenant Management Organisations – one of the biggest growth areas in co-operation in housing. The Confederation of Co-operative Housing (CCH) produced a report called "Taking Control in your Community". There are case studies which warrant examination for the examples of community control they offer. We have consulted key players within the co-operative and community controlled housing movement to make best use of the detailed technical experience and principles.

We have taken a detailed look at the NASCO model in the USA, as they have built more student housing co-operatives than the rest of the planet put together. We have also found student housing co-operatives in Canada and Australia, as well as projects in Finland and Italy that house students and are nearly co-ops.

The student movement itself has a history of innovation. When students were not catered for socially by existing markets the movement responded with self organised provision in terms of a purchasing consortium and retail and licensed trade services. The pressures on the student purse means that this can no longer be relied on as a sustainable income stream.

what is a co-operative?

In the early 1800's Robert Owen, a cotton philanthropist, tried to establish co-operative communities and although these foundered, Owen identified some of the profound underlying values of co-operation as a means of organising economic activity.

In 1844, in response to the pressures on their businesses caused by unscrupulous suppliers supplying low quality and tainted goods at inflated prices, a group of weavers came together in Rochdale to pool their resources and set up the first retail co-operative. They sold the basic necessities of life to their members; butter, candles, soap, flour and blankets. Their aim was to supply good quality goods, cheaply and to return any profit to members of the co-operative. This set up a chain reaction as the ability of ordinary people to have access to quality goods at affordable prices became a reality and lots more retail societies were set up around the country. Retail co-operatives invented the supermarket and the department store and at the turn of the century there were 800 societies. Since then, the models that they championed were seized by other operators but it may surprise many to know that the co-operative retail societies that still exist in this country together operate 6,744 shops and supermarkets with a turnover of £12.6 billion[1] still supplying nearly 6% of the country's food retailing. Retail co-ops – with their commitment to community still built into their business models have more small convenience stores than any other in the country with 1,500 stores compared to Spar with only 1,000.

[1] Co-operatives UK website

At the 150th Co-operative Congress the co-operative principles were redefined (appendix 2). They define a co-operative as -

'A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.'

The central principle of a co-operative is that the members own the business. The co-operative model has spread throughout all sectors of life and across the planet, to the point now that half of the world's population depend on co-operatives for some crucial part of their lives[2]. They exist in farming, insurance, banking and finance, worker co-operatives in every sector, service co-operatives in sectors such as workspace and telecommunications and in housing.

In a housing co-operative, the people that live in the houses are the members, who are then collectively their own landlord. This means that decisions about their homes and their futures are made by the residents, not housing managers in an office somewhere. When the lift breaks down it is one of the residents or someone working for them who gets to deal with it. It doesn't have be on a form filled in and left in a neglected in-tray. While a relatively small sector in the UK, with around 1.5% of the country's housing stock co-operatively owned or managed. However, in Norway 20% of the country's housing stock is co-operatively controlled. The basis for these co-operatives is the same as the founding principles that moved the original Rochdale co-operators, known as the Rochdale Pioneers, namely that the service being provided to them was inadequate so they joined together and pooled their resources to do it for themselves.

> "From the outside, a housing co-op looks like the other homes in the neighbourhood. It can be a new apartment building, a row of townhouses or a charming old triplex. What makes it different is not bricks and mortar, but the way its residents share the responsibilities and control of their homes."

public sector, private sector

In looking at the future of student housing it is worth taking a brief look at the recent history of affordable rented housing, sometimes called social housing but once called Council housing. The Welfare State took over from the co-operative movement in the first half of the last century. Mutual solutions to problems were replaced by a new confident, empowered public sector. However by the time of Thatcher the cost to the country of state provision was not only huge in financial terms, the cost in social terms was already quite evident. With the creation of the Housing Corporation the voluntary housing movement - familiar to most in the form of Housing Associations - was kicked into gear. These are theoretically not dissimilar to co-operatives, they are made up of groups of people coming together to sort out problems collectively. The biggest difference is that they do not usually come together to sort out their own problems, but instead come together to sort out other people's. Many were set up by churches and other philanthropic of charitable groups. Some have been going since the 19th century. They have, in many cases, provided a vehicle for those with concern for their

[2] Background paper for United Nations World Summit on social development, Copenhagen, 1995

surrounding communities to come together and help improve housing conditions. In some cases they have even managed to help with employment. The area where housing associations are still not making much headway is when it comes to accountability and building the capacity of ordinary people to take control of their situations and sorting out their own problems. One could argue that this is the secret of a self sustaining and mature democratic society.

When political and fiscal priorities meant that the public sector was to withdraw from housing completely, the housing associations moved in to take the place. There is a Private Finance Initiative but it is only really used in exceptional circumstances. It is widely regarded as nothing more than an ideological imperative with at best little basis in economic reality – the Audit Commission has even been forced to find itself asking whether many PFI's constitute value for money.

It is interesting to look at student housing in the same way. Initially the universities and polytechnics provided their own housing, but now that many of them are choosing to withdraw there is only the PFI approach as an alternative.

It seems obvious that there should be something in between institutional provision and private companies, as there is in social housing.

why a co-operative model is needed

Co-operation has always flourished where the traditional business models have got out of control, where consumers of a service have found themselves with little choice but to sort out a solution for themselves.

Co-operative models arising from these kinds of circumstance are also very durable. The original retail co-operatives still going in some form, over 150 years after they were first set up.

The central features of the co-operative model offer to fill a substantial gap in student housing provision.

A key issue with student housing is that there is currently a serious shortage of student housing in much of the country and in the absence of any other vehicle the private sector is being asked to plug the gap. However, by definition the loyalty of a private company is to its shareholders before to the clients of the service it provides. As a result, student housing not only has to provide the housing service but it also has to maximise profit for shareholders. This has led to increasing rents. It has also meant the removal of communal areas, which has led to social problems for some students. In the traditions of the co-operative movement, a co-operative venture plugging this gap would be maximising benefits to its shareholders, the residents.

The principles of the movement contribute strongly to the case :

1. Voluntary and Open Membership

With so many segments of society setting themselves against those that are 'other', the future of society depends on finding ways of uniting people towards common goals. The co-operative model offers such a model. By creating inclusive models within which to house students, a foil to fragmentation and exclusivity is demonstrated.

The co-operative model is about self help, about people coming together to sort out a problem; building the concept of mutual self help into the structures of society, especially those that are run by and for younger people.

2. Democratic Member Control

There is little or no strategic or day to day accountability of current private sector provision or in the traditional halls, which are being replaced by the former anyway. A model is needed where there is some accountability, not only of the day to day service provided but of its direction. A model is needed which can respond to changing needs.

3. Member Economic Participation

The motivation for the huge growth in private halls of residence is that the market has grown at such a rate that the demand outstrips supply sufficiently far to mean that huge rents can be charged, maximising profit to outside shareholders. If the limited funds of students should be supporting anybody they should be supporting the bodies that support the students, or else be re-invested to provide more housing and keep that up which is already there.

4. Autonomy and Independence

There is probably less of the argument for the model in this principle, more a warning that, for it to work, it has to be independent of political organisations and be able to stand aside from those, if it is not to be swept away by future changes in the political landscape or legislation. It also has to be independent of institutions if the residents are to be able to feel sufficient ownership over the project to run it properly. This principle also applies to the membership itself. Co-operatives can suffer from factionalism and in-fighting. Members' loyalty needs to remain to their community as a whole and not be superceded by loyalty to particular groups.

5. Education, Training and Information

The co-operative model of housing has proved itself highly effective at building the capacity of people to sort out their own lives, not only at an emotional level but at a technical one as well. The skills of presentation in various forms, public speaking to report writing; being able to take a broad view housing management and capital projects; experience of governance rather than just waiting for someone else to sort it out for you; these are skill sets invaluable in later life that are not available if you spend three years in a hotel type hall with individual rooms, en suite bathroom and little or no communal facilities.

6. Co-operation Among Co-operatives

Mutuality fell from fashion during the building society de-mutualisations, but the conduct of these organisations since has made many think again.

Housing providers trading for social purpose, not just shareholder profit, are needed and they need to work in an environment of mutual support not competition.

Furthermore, so much of the country is unaware of the scale of the co-operative movement, this new area of co-operative endeavour will introduce a whole sector of people to a method of doing bushiness that they probably had no idea of.

Many students who have been involved in housing co-operatives in the USA have gone on to work in other co-operative sectors, with student housing co-operatives providing a training ground for the whole co-operative movement.

7. Concern for Community and sustainable development

As the state retreats from much of society, it is up to us to fill the gaps left ourselves. All new developments in this country need to work towards standards of sustainability which only a few years ago would have been regarded as extreme, but as global resource depletion takes hold and climate change becomes a reality which touches the lives of ordinary people, it is for the people, it would appear, not the state to show how it can be done.

But there is also the issue of how students relate to the geographical communities around them. Hulme proved that a student population can in some ways be highly beneficial but sadly proved also that it could cause problems. What is the future for those urban neighbourhoods that are now filled to the brim with large developments of students halls? Sustainable development does not just mean photo-voltaics on the roof, it also means making sure urban communities work.

existing models

It is crucial to point at this stage that what is being proposed here is not actually new or revolutionary in the global context. Co-operative housing has spread all over the planet – but to very varying scales depending on state policies.

Brazil	Over 223 housing co-ops registered with the Organization of Brazilian Cooperatives.
Canada	Over 2,100 non-profit housing co-ops, with 90,000 households and a quarter million people
Chile	Over 20% of low rent housing is co-operative.
Denmark	20% of housing in co-ops
Ethiopia	Over 1000 co-ops with 42,000 members
Germany	Over 800,000 co-ops
India	26,000 housing co-op societies
Mondragon, Spain	15 co-ops with 1,000 apartments
Scotland	Over 15,000 units of community ownership co-ops
Sweden	Over 500,000 homes built by tenant and owner co-ops. Housing co-operatives form over half the housing stock in the country.
Palestine	429 coops with 16,345 members
Tanzania	117 co-ops with 7,000 members
Turkey	Over 200,000 co-op homes with 800,000 people
Uruguay	Over 13,000 dwellings
New York City	600,000 dwellings
U.S.A.	376,000 low rent dwellings 10,000 co-op units in 165 student housing co-ops

student housing co-operatives

history

The majority of existing student housing co-operatives are in North America, around 140 in the USA[3] and 10 in Canada[4]. We have identified one in Sydney, Australia. We have made an extensive web search and enquiries to bodies including the International Co-operative Alliance and ICA Housing, who have not been able to identify any student housing co-operatives in Europe or Asia. An organisation called SHAC was set up in 1977 in Northern Ireland with the intention of providing services to student housing co-operatives, but in the end none were set up. None of the groups survived the long lead in time for constructing a project.

The first student housing co-operative in the USA was established in Illinois in 1873, when a house was purchased by a group of women. Women had only recently been allowed to go to college and the shared costs and shared experience and support provided by co-operatives was essential to them – some kept in contact for the rest of their lives[5]. Student housing co-operatives expanded during the 1930's, partly because the Depression meant that minimising living costs was essential to those trying to keep college places and partly for ideological reasons. A Japanese cleric, Toyohiko Kagawa, believed that co-operatives were the foundation of world peace and inspired many students during his speaking tours in North America. During the 1940's racially integrated co-operatives began to appear – in many cases these offered the first racially integrated housing on campus.

Some of the co-operatives purchased failed fraternity houses, (the American system where students with a common interest live together in housing made cheaper by the contributions of former residents). Others grew from dining clubs or food co-operatives which branched out into housing to enable members to keep living costs to a minimum. More co-operatives have been set up, often by students who had visited the existing ones, and continue to be set up and expand today.[6]

In Canada, the first student housing co-operative was set up at the University of Toronto in 1936, inspired by a visit from Kagawa. Several co-operatives were set up and faded away during the 1930s and 1940's – those that survived generally owned their own property, rather than leasing from the university or private sector. The strong performance of the original co-operatives and changes to the National Housing Act which enabled co-operatives to get finance from the Canada Mortgage and Housing Corporation led to a second wave of ten co-operatives, some of which survive today. Discussions with the Co-operative Housing Federation of Canada suggest that the co-operatives which did not survive were poorly managed and poor financial planning of the development, during an era when management competence and worrying about issues such as rent arrears was not fashionable in some circles. Some of the existing co-operatives continue to grow, others have focussed on improving management and governance. Some co-operatives had to sell buildings which were uneconomical to manage. A new co-operative recently formed in Montreal, where student numbers have

[3] Jim Jones, "The Expanding Alternative", NASCO 2002

[4] Co-operative Housing Federation of Canada website www.chfc.ca

[5] Deborah Altus, "A Look at Student Housing Co-operatives", www.ic.org

[6] Jim Jones, "The Expanding Alternative", NASCO 2002

increased 53% since 1997. Efforts to start others are under way.

The North American co-operatives are supported by NASCO, (North American Students of Co-operation) which was set up in 1968 to support the campus co-operative movement, including housing, food and other trading co-operatives controlled by students. NASCO provides training, operational assistance, education programmes, networking opportunities and other services to encourage the development of campus co-operatives. NASCO also helps link students with jobs in the co-operative movement. Out of this organisation grew the Campus Co-operative Development Corporation in 1987 which provides new student housing co-operatives with pre-development assistance, loan financing and organisational design, as well as full scale project co-ordination. CCDC used financing from established co-operatives and credit unions, rather than the public sector. CCDC is closely linked with Nasco Properties, set up to help co-operatives during a severe market downturn. Nasco Properties owns 11 buildings in six locations and helps new start up co-operatives which cannot find traditional financing.

In the UK, several co-operatives were set up during the 1970's by students.

Sanford Housing Co-operative was established in 1974 by the Society for Co-operative Dwellings to provide single persons accommodation for students and young people. It was built with private funds and includes 146 bed spaces in 8-10 person houses, plus a few studio flats. Staffing is currently provided by a management agreement with CDS Housing, who provide a professional manager on site plus 0.5 full time equivalent off site worker doing accounts and rent collection. Sanford continues to provide housing for many students.

Clays Lane Housing Co-operative was occupied in 1979, funded by Newham Council, the University of East London, the Society for Co-operative Dwellings and The Housing Corporation. It houses 450 people in shared houses based around ten courtyards. It was built on a landfill site about half a mile from other housing, with very little chance for involvement in a wider community. The co-operatives rules forced people to move on when no longer single, but no in other cases. This led to a high turnover. Other members stayed for a long periods, in housing that is relatively isolated. Highly complex rules made it difficult for new members to get involved. The co-operative was under the supervision of the Housing Corporation for over twelve years but little was done to solve the problems. The houses are in the process of being transferred to another housing association.

No model is perfect. The demise of Clays Lane has been a salutary lesson. In order for ordinary people to play a role in their housing they need to be able to understand the structure into which they are putting that effort; they need to be able to do so free from the spectre of factionalism. As explained later, community is not simply a group of buildings. The co-operative suffered from isolation from the wider community. The problems were exacerbated by people who had been in the co-operative for a very long time and had developed fiefdoms – a model for students and recent graduates would be insulated from this potential problem.

Dennis Central Housing Co-operative was set up in 1976 by the student union of University College London. The co-op manages property for the London Borough of Tower Hamlets and now takes applications from their waiting list. Wilfrid East London Housing Co-operative is another tenant management co-operative set up by students which now only takes referral from Tower Hamlets waiting list.

It is worth noting that all of these co-operatives have some of the lowest rents in London. In return the residents (the tenants) are expected to shoulder some of the burden of looking after their homes and the community in which they live.

None of these were set up to provide housing exclusively for students. In most cases this has meant that as people have stayed on, there have been fewer and fewer places for students. From the perspective of these co-operatives this is a good thing, as it means that they have managed to create successful stable communities. That said, this obviously lessens their impact in the quest to find affordable housing for students.

Many other UK housing co-operatives do provide housing for students, as part of allocating to people in housing need. However, waiting lists tend to be long and it is difficult for students to find co-operative housing at the fixed dates when they need it.

In terms of the scope of this study, we can confidently say that the model could work for students, however it is necessary to find some way of ensuring availability of housing at those crucial points in the academic calendar.

existing student housing co-operatives

We have chosen to study twelve of the existing co-operatives in detail. We have sent a questionnaire to each, covering areas including setting up the co-operative, the buildings and architecture, staffing, management, governance and links with the local community. In addition, we have studied leases, incorporation documents and working manuals where provided. Of the twelve; one is in Australia, three in Canada and eight in the United States. They range in size from 28 bed spaces in a single building to 800 bed spaces in a single building. The largest co-op has 1247 bed spaces in 17 buildings.

While there are many differences in style between the various co-operatives, there are some striking similarities :

- located within easy travel of, or on, the university campus
- generous communal areas and kitchens, as well as a shared laundry facilities
- clear and transparent allocations process, explaining what is expected from the student
- rents are cheaper than private rents in the local area and usually cheaper than other student accommodation
- a system for shared work in the house and the co-operative as an organisation

The co-operatives started over most of the last century, from 1933 to ongoing expansion with more buildings being created today. The majority were set up by student activists; from women going to college for the first time who needed a supportive, affordable place to

live, soldiers returning from World War 2 looking to restart their education, to radical students of the 1960's and 70's who wanted to create a tolerant environment with mixed-gender, mixed-race communities.

Many were built with assistance from cheap federal loans, donations of land from the university or city and with some private contributions. One co-operative takes a $50 capital loan from each new tenant, to be repaid on request five years later. This, along with the long life of the co-ops which has allowed loans to be paid off, has enabled them to achieve rents which are very cheap. However, many of the co-ops have not just focussed on cheap rents for existing residents, but kept in mind their wider aim to provide affordable housing and kept expanding into new buildings, often purpose built for them.

There is a wide range of accommodation provided. The larger co-operatives provide different flat sizes, from single studio to six bedroom flats, as well as dormitory style accommodation with small bed/study rooms and shared bathrooms. The single rooms are often allocated to more experienced, long term members as part of the rewards of making a contribution and to encourage people to stay, reducing turnover and the problems which that can create. There are a wide range of other facilities provided in some co-ops, including music and sports facilities, communal lounges, study areas, art room, barbecue, darkroom and sauna. Some have no extra facilities other than a communal hall, relying on central university shops and sports facilities.

The two small co-ops, Stucco with 38 members and University of Minnesota Students Co-op with 28 members, do not employ any staff and do all of the management and maintenance work themselves, which takes members around 3-4 hours per week. The students contribute to the management of the co-op in all of the co-operatives, with management work generally taking around 2hrs per week. The majority of the co-operatives also have a communal meal plan, with around 3 hours per week cooking, shopping and cleaning duties. Staffing ratios range from 1 per 9 members to 1 per 82 members (although it is unclear whether some of these are part time and some relate to the shared meal plan). Most have a general manager, and managers for membership services and maintenance.

The tenancy length is generally around 8 months, with an optional summer tenancy. In around half tenants can give one month's notice at any time, presumably there is a strong waiting list for these. Others give termly opt outs or allow people to leave if they find a suitable replacement. Most include a deposit against which any damage is charged.

Turnover averages around 2 years in all of the co-operatives, up to four years, with a maximum of 7 years for postgraduate students.

Four of the co-operatives found they did not have many empty rooms during the summer, as rents were slightly cheaper and the rooms were all reduced to single occupancy where many were shared during the term time. Two of the co-operatives (in Science 44, Kingston and Neill-Wycik, Toronto, both in Canada) operate as a cheap bed and breakfast hotel during the summer holidays, giving time to repair rooms which need it and also providing employment for students who decide to stay on for the summer. Only one co-operative, University of Kansas scholarship halls, chose to close for the summer holidays (this is probably the organisation with the least student control of those we studied).

The frequency of general meetings of the whole membership varies from once a year to every fortnight, mainly with the smaller co-operatives meeting more often. This is partly because the larger co-operatives devolve much of the responsibilities to the individual houses or flats, which meet more frequently to take their own local decisions. Stucco alone is run entirely by general meeting, with all members involved in all major decisions. The other co-operatives elect a board of around 10 members to take responsibility for the organisation, often emphasising their role as a trustee of the future as well as working for the good of the current students. Board service is generally for one year. They have a range of policies which have built up to deal with issues such as guests, parties, damage and systems of fines and payments for work missed or additional work done.

Only one co-operative we studied takes non-students and is considering changing this policy, (although many other co-ops do allow some non-students these tend to be recent graduates). Of the co-ops we studied, most check student registration status as part of the application process and annually thereafter.

Experience of crime is very low in all, which the co-operatives attribute to the fact that all the residents know each other and feel confident to deal with any potential problems. The majority of co-operatives have strong links to the university and other housing providers, but less to the local community, although some do organise community service such as beach clean-ups.

Commonwealth Terraces Housing Co-operative manages the married students' accommodation for University of Minnesota. The flats range from one bed to three beds, with eligibility based on family size. They charge different rents for non-members, members and active members. Tenants can join the co-operative after 122 days and fulfil basic membership requirements (quarterly meetings and cleaning duties) to obtain a $15 monthly rent reduction, with a further $15 a month discount available to active members who take a role on one of the committees. The board is elected by the membership, based on a representative for each of 14 areas of housing. The waiting list of 6-18 months demonstrates the popularity of this co-operative.

ownership housing co-operatives

Ownership housing co-operatives have been around for a remarkably long time, although under a variety of different names. Retail Co-operatives were providing housing for their members as long ago as 1861. The first specifically housing co-operatives started in Germany in the 1890's as Bismarck tried to placate restless workers. Migration took the idea to New York where in 1927 the East River Housing Co-op was set up by the Garment Worker Union to house its members – it is still going today.

The UK's first stab at the idea came in 1901[7], with the Ealing Tenants Co-partnership, which was an attempt to unite the interests of ethical investment and the interest of the tenants. Brentham Garden Suburb was built in 1904. For a minimum shareholding of £50, payable in instalments, the Ealing society provided housing in the same pattern book terraces as private landlords. Similar to current co-operatives, tenants were joint owners so that they would have pride in ownership and an incentive to keep their home in good order as their efforts were directly linked to the rent levels and the dividend they received on their shares. Finance not provided from member shares was provided by outside investors, but voting rights went with the number of shares, up to a legal limit of £200. The progressive basis of this new idea attracted the supporters of Ebenezer Howard's Garden City movement and with the setting up of the Co-partnership Tenants Housing Council later becoming a federation in 1907, the stage was set, finance could be co-ordinated, best practice could be shared – it even carried out construction work.

The marriage of garden city design and tenant co-partnership produced the famous estates such as Hampstead Garden Suburb where 5 societies produced 5,650 homes and Letchworth where one society produced 323 of the homes. Over 50 other societies were formed until war interrupted the movement and the 'Homes for Heroes' expected after the war heralded the full scale commencement of Council housing with the 1919 Housing Act. Welwyn Garden City was built using much of the principles but largely energies were switched away from co-partnerships to council housing.

The size of the deposits and the stress on the garden city ideas, meant that this movement appealed little to people on low incomes but nevertheless was highly effective at providing a form of tenure between outright ownership and renting. The members had a stake in their homes yet did not have to find the full cost of the home this burden being shared with neighbours and the other investors.

The shared interests this created also meant that societies did succeed in mixing people on different incomes, albeit not extending as far as semi- and unskilled workers.

The model was not stable however. Voting by share not member meant that tenants were in many cases never in control, as the investors retained the majority of the votes. This meant that financial not community interests ruled and over time most of the societies were sold out or wound up.

The experience suggested that:

[7] Common Ground – for Mutual Home Ownership, New Economics Foundation and CDS Co-operatives, Pat Conaty, Johnston Birchall, Steve Bendle, and Rosemary Foggitt

• where outside investment was sought it needed to be at least a minority shareholding if indeed it was a share in ownership at all.

•The lack of a user controlled co-operative movement to which to turn for support meant that many societies were left to fight on battles on their own that in many cases they lacked the experience and resources to fight.

On a positive note the concept of giving tenants a stake in the future of their neighbourhoods proved itself.

co-ownership

Co-operative Housing did not really emerge again until after the Second World War when in 1961 Harold Campbell (secretary of the Co-op Party) and others tried to import the dominant model of housing co-op in Norway and Sweden, the co-ownership society. This was similar to the housing co-ops which exist in the UK today in some ways in that the members jointly owned the properties, but then tenants were allowed to build up an equity stake over time. This found political favour as an intermediate form of home ownership and as a result between 1961 and 1977 over 1,200 co-ownership societies were set up and produced over 40,000 dwellings. This model however had serious structural flaw from a co-operative point of view. The co-ops were top down operations promoted by founder members, often sustaining existing housing associations on the development and subsequent management fees they could take. This meant that ordinary members were often not sufficiently educated or experienced to take on management which was therefore left to the 'professionals'. This lack of member commitment was further compounded by the fact that the members commitment to the society on monetary terms could only be withdrawn either when they left or if they as a whole society effectively 'demutualised' – by selling themselves their homes on an individual basis. Most of the societies were wound up when Margaret Thatcher included a 'right to sell' in the 1980 Housing Act, today only 24 societies still exist.

Another set of lessons can be learnt from this experience.

•Co-operative values and working methods need to be in from the start.

•If members are not adequately trained the co-op 'will fail to become in practice what it is in principle'[8]

•If member benefits do not accrue until departure or dissolution there will be insufficient reason to carry on

housing for rent

The prevalent model of housing co-op in the UK today is one where the housing provided is for rent – mostly subsidised to make rents affordable. It grew primarily from the 1974 Housing Act which provided the Housing Corporation with the necessary grants. A Co-operative Housing Agency was set up in 1976 although it only lasted a couple of years.

This model where communities were in control of their own destinies grew steadily over the late seventies and

[8] Common Ground – for Mutual Home Ownership, New Economics Foundation and CDS Co-operatives, Pat Conaty, Johnston Birchall, Steve Bendle, and Rosemary Foggitt

early 80's fuelled in London particularly by the radicalism of the squatters movement, as a result of which many perfectly usable homes were saved from demolition by new housing co-ops. By the time the Conservative Government decided the Housing Corporation needed a change of gear in 1988 there were over 450 co-ops recorded by the National Federation of Housing Co-ops (NFHC). This act was the turning point for the movement, it made the grant system into something that was much less generous and competition for grants was introduced, so that housing associations prepared to sign up to the government's decision not to define what constituted an affordable rent were able to take most of the grant. Most housing co-ops stopped developing as they felt that the rents on the new properties would have been prohibitively high. Where today there is a much better understanding (although still a very long way to go) that community empowerment is crucial to sustainable communities, in 1988 it was very much a new and in some eyes heretical idea that went too far. For many in the Corporation at the time co-ops were also therefore a bit much. Furthermore many of the secondary co-ops that had been set up to provide professional housing management services and guidance to housing co-ops were being forced to close due to the lack of development fee income. This meant that many co-ops found themselves with no visible means of support, just as the housing corporation started to enforce what was to be the death knell for a lot of the movement – regulation. In itself not a bad thing, the system constructed at first meant that small communities in housing co-ops had to produce data, policies and procedures similar to those of housing associations with thousands of homes. Many co-ops felt that they had a right to exist and that this was an attempt to deny them that right; however failure to produce the documentation gave the corporation license to close down co-ops.

The change in policy by the corporation also hit the National Federation of Housing Co-operatives hard, it had built its business carrying out pieces of work for the Corporation and had built up a staff team. With the withdrawal of the Corporation's patronage, the NFHC was forced to cease trading in 1990. The Confederation of Co-operative Housing was formed shortly after, finally getting round to incorporating itself in 1993. It set out to ensure that never again would representation of the movement be at the gift of its regulator. However CCH had a huge job to do. Handed an old NFHC database to work with, it pretty soon became apparent that the previous five years had decimated the movement. The number of housing co-ops still in existence is now only about 250, and in areas where there is no support agency they are still closing. In 1988 there were 32 co-ops in Manchester now there are 6. Yet CDS Co-operatives and Coin Street Community Builders have proved that the fault is not in the model as they continue to develop new co-ops.

CDS Co-operatives has set up 59 coops and provides services to 80 in total.

Coin Street Community Builders was set up 1984 after a successful community campaign against developers proposals for the area. They have developed a mix of social housing, commercial premises and community facilities. The homes are managed by a secondary housing co-op which leases the properties to four independent housing co-ops.[9]

[9] Pete Duncan and Nic Bliss, "Tenants Taking Control", Confederation of Co-operative Housing 2003

So looking back at the last 25 years the clearest lessons to learn from this most recent phase is that:

•Reliance on government support leaves you extremely vulnerable to changes in policy or political favour.

•As in previous phases, the lack of proper support and a movement to rely on leaves individual co-ops fighting battles they are (or feel they are) unable to fight.

tenant management co-operatives

Tenant involvement in the management of social housing, especially Local Authority housing has been a growing goal since the late 1980's. In 1994 the new Housing Act created The Right to Manage for Local Authority tenants, along with "Section 16" funding to enable those moves towards tenant control to be appropriately resourced. This has created some 200 Tenant Management Organisations (TMO's) and a wealth of experience in developing models and methods which allow communities to pick their own level of management and be appropriately resourced to do it. This history gives a wealth of experience and tested robust models to draw on. The advantage of using this experience is that there is also a considerable body of knowledge established suggesting not only how it can be done, but what to avoid. There is also the chance to take the principle of the right to manage, but reconfigure it to be more ideally suited to this situation.

Under the right to manage a community group can come together and claim its right to manage its property. Notice is served on the local authority. If it is agreed, a feasibility study is started by an accredited agency (known as a Section 16 agency). This report can take up to nine months, following which there is a ballot of all the tenants on the estate to provide that there is support for the idea. If this vote is positive there is then a development programme which can take up to two years, during which a management agreement is drawn up and there is a second ballot on the agreement.

There are two models of TMO – Tenant Management Co-operatives (TMC) and Estate Management Boards (EMB). TMC's are entirely made up of tenants, while

EMBs have a majority of tenants on the board but may also include councillors and council officers. In both types, the landlord retains ownership and enters into a management agreement, which sets out the functional and geographical areas which the TMO will be responsible for, in return for payment of agreed Management and Maintenance Allowances. TMO responsibilities include day to day repairs, void management, tenancy management, clearing communal areas, grounds maintenance and allocations. Over half are responsible for rents and service charges and over one quarter are also responsible for capital works.

Most of the management agreements set up use the Modular Management Agreement, so called because it is laid out in such a way that tenants groups can pick and choose which areas of management they wish to take on themselves and at what level. The money to support the newly formed Tenant Management Organisation (TMO) comes from allowances, which are the sums of money allocated by the local authority to each of the areas of housing management that the TMO is to take on.

Before a TMO is allowed to take on the management of the housing stock, it has to achieve a certificate of competency to do so. The TMO has to prove that as a group (not necessarily all of the individuals) that it has the ability to

understand and interpret housing policy

be able to employ staff

equal opportunities

committee skills

be able to consult clearly

be competent in financial governance

office systems

a grounding in the legal framework in which they operate

The certificate is laid out like an NVQ.

Many successful organisations have been set up a result, including:

Twin Crescent Co-operative in the West Midlands took over management of repairs, allocations, tenancy management and rent arrears in 1997. They make a surplus from the budget which is used for local improvements. The TMC has built an office and a community room in the centre of their communal gardens.

The Eldonians, Liverpool was set up in 1983 against proposed demolition by the local council. The association owns or manages 451 homes and employs it's own staff team. With it's own sports centre, village hall and local labour schemes, it is a successful example of urban regeneration.

There have been two major studies on the benefits of tenant involvement in the management of housing. Price Waterhouse's study Tenants in Control [10] concluded that "tenant management co-operatives were very effective mechanisms for securing improved housing services, higher levels of tenant satisfaction and more economical running costs while estate management boards have demonstrated that they can deliver a tenant oriented service... in the most difficult operational contexts". A study by Oxford Brookes University[11] agreed with these findings. The report found strong social benefits,

[10] Price Waterhouse, "Tenants in Control" 1995

[11] Oxford Brookes University "Evaluation of tenant management organisations in England" 2002

"many TMO's ... undertake a range of activities over and above their housing role that contribute to the sustainability and empowerment of individuals and the communities in which they live".

TMOs were found to be very inclusive, successfully involving women and black and ethic minority residents in management boards. They have low staff turnover and good relations between board members and staff, with good levels of job satisfaction.

issues with tenant management

The study found that the problems experienced by TMOs were mainly attracting sufficient active members, financial issues relating to inadequate allowances for maintaining often poor quality housing and lack of training. Allowances are not set sufficiently far ahead to allow the TMO to plan spending. The study identified a failure rate of 5%, as a result of lack of local authority support, lack of community support and in one case mismanagement by the chair.

The important division to make here when one describes tenants taking over the management, this does not mean individual tenants themselves replacing the housing professionals in most cases: it means the tenants taking over the management of the staff providing those services. Almost all TMO's have staff to carry out repairs and do rent collection work. Most continue to use the council's cash handling systems. As an example of the success, many have saved huge sums of money by directly employing their own odd-job people part time, who have been able to respond to repairs within hours rather than days, reducing consequential damage that might have otherwise occurred.

application to the student situation

The first point in examining this model is that we are not talking about a situation where residents of an existing set of properties would be looking to take over the management of them. Instead we would be looking for groups of students to take over some level of management in new buildings, although this does not in any way preclude groups of students forming together to manage existing stock. For the purposes of this study however, as part of the aim is to seek to provide an answer to a shortfall of housing, we will concentrate on how the model applies to new developments.

The right to manage process applied to any TMO no matter whether they wish only to take on looking after the garden or take on the full range of housing management services. This makes the process very long and very expensive. Certainly were this to be applied to a student scenario, the students would have graduated before they were allowed to start taking on the management.

In order to train student managers, either Section 16 agencies would need to be approached to carry out the work or new systems (either in house or stand alone) would need to be created. If this were the case, attention would have to be paid to ensure that the independent arbiter function provided by Section 16 agencies was dealt with, both in terms of ensuring that student groups were not overburdened with responsibilities that they were ill-prepared to take on, but also to provide advocacy functions to whatever body might be granting these abilities to manage. It would be important to ensure that the housing management service is designed to be attractive and easy to

understand, for example the benefits of being able to decide if and when cleaning staff come to your property. Perhaps an area most challenging to get across to any group in the situation that students might find themselves in here, is the ability to convey that the freedoms that they might enjoy in this housing can only be gained through the willingness to accept responsibilities. Currently TMOs, as part of the group building process, write their own policies and procedures. In the context of a student model, given the lack of time, it would seem useful to explore the extension of the modular approach not only to the management modules themselves but to the policies and procedures governing their delivery. More detail in this area will be included in the second stage – see appendix 1. The area of perhaps the greatest need for caution will be long term repairs and planned maintenance, which in most housing projects is planned over as long as 35 years. It would be important to ensure that long term strategic decisions on investment of this nature were not devolved solely to the students, but done in consultation with whatever body is charged with the long term stewardship of the asset.

New community controlled organisations are set up in a number of ways,

- new community based organisations, for example Leicester Housing Association has established community-led village companies in north Derbyshire to tackle problems of social and economic deprivation in urban villages

- in partnership with housing associations, CDS Housing in Liverpool negotiated an estate agreement with the Pinehurst Estate Tenants and Residents Association which gives tenants some control over housing management decisions

- in partnership with other organisations, such as Redditch Co-operative Homes which is a partnership between Accord Housing Association and Redditch Borough Council to develop new community controlled homes funded by the Housing Corporation and has set up four co-ops

- new community controlled organisations, such as Waltham Forest Community Based Housing Association which was set up by Waltham Forest Housing Action Trust to take over new and refurbished homes with a tenant majority board.

Organisations being set up include new co-operatives, such as Cedarwood Housing Co-op in Harlow, Essex, was established by Swan Housing Association and Harlow Co-operative Development Agency. Tenants were selected from the association's applicants who had expressed an interest in co-operative housing. Despite some initial doubts about the benefits, the residents have found that it has been a very positive experience. A training programme was carried out before occupation to help the co-operative form its policies. The co-operative now makes a surplus from allowances, based on what Swan HA would expect to spend on the properties, which is used for local improvements.[12]

This demonstrates that there is experience of setting up new co-operatives which can be drawn from.

[12] Pete Duncan and Nic Bliss, "Tenants Taking Control", Confederation of Co-operative Housing 2003

new models

There is a view that students have many other priorities in their lives than looking after their own housing. The tenure of student housing is, relative to other forms of rented housing, characterised by high turnover, even with committed students residents. It is highly unlikely that there will be many people able to put in more than 2 years useful involvement. Any management models need to take both of these characteristics into account if the model proposed is to be sustainable in the long term – sufficient to guarantee the long term future of the asset, the buildings themselves as well as able to ensure that each new group of members can pick up where the outgoing ones left off.

The argument has already been made as to why a co-operative model is needed. However within that title there are many options. The interests in co-operation exist at different ends of the process. The NUS being a membership body needs to ensure that there is the level of commitment to any projects from the local student union to make sure the project receives the help and support it will need to be sustainable. There are likely to be other key parties to the model, both if other partners are involved and if there is to be meaningful key non-residential uses.

At the other end of the process are the consumers of the product or service – the housing. The co-operative model is unique in it ability to bring people together guided by the co-operative principles to ensure that interests are brought together in a democratic environment.

However it is worth not taking for granted the idea that the consumers of a service should be involved in its provision.

A menu of options and tools for local involvement and control					
Type of structure/ organisation	Level of Influence				Type of agreement with landlord
	Consultative/ Advisory	Power Sharing	Control but not ownership	Control and Ownership	
Individual involvement	?				Local compact Estate agreement Tenants Quality Promise
Residents' association	?				
Customer consultative panel	?				
Joint advisory panel	?				
Panel/board delegated responsibility		?			Statement of delegation Management agreement Service level agreement
Estate management board		?	?		
Tenant management co-op			?		
Tenant controlled RSL				?	[Tenant controlled body is landlord]
Ownership co-operative				?	

involvement

The debate about why tenants should be involved in the management of social housing has raged for at least the last 15 years. It is worth being clear about the benefits of students being involved in how their housing is procured and run:

1 community

The desire is that students who wish to are able to live in a community. This was most accurately defined by Jane Jacobs as a 'group of people with shared experience and common assumptions'[13]

In order for people to achieve this collective ambition they need to meet each other to be able to share those experiences and generate mutual understandings. This can be aided by the layout of the buildings, and we will start to address this later in the document. The nature of the way the building is run also offers another way of achieving this aim, as people involved in the running of their neighbourhood have to be able to act as a community, they have to meet each other and be able to work together.

The greater the shared experiences and assumptions negotiated through these encounters, the stronger the community, so by maximising opportunities for people to generate them the community is strengthened. This dynamic has been shown to be true in many studies of housing estates where residents are in some level of control.

The advantage of using co-operatives to strengthen communities is that they help create a democratic living environment referred to in our brief.

2 responsive management

TMO's in Local Authority housing have proved that tenant governance can reap major benefits in terms of decision making alone, paid staff then carry out the work itself. This is due largely to a level of responsiveness produced by having those in a decision making capacity on site – in the case of TMO's those decision makers are all over the housing stock so able to respond very

[13] Death and Life of Great American Cities – Jane Jacobs 1961

quickly to issues as they arise – there is no need to report issues off site.

Management that is quick to respond to issues saves a lot of money. While there are internal staff methods to achieve this, by far the most effective is to enlist the occupants of the premises in the process.

The best way of illustrating this is the leaking pipe scenario: a gasket under the sink in the bathroom fails, and starts to drip, not loudly but you can hear it. Two weeks later, water soaks through the ceiling, staining the plasterboard. The tenant thinks about reporting it, but doesn't actually do anything until a friend a month later suggests the stain above the sink looks a little unhygienic; eventually the tenant drops in the office and fills in a form, which goes off to the estates office and a repair note is filed. It's a non-urgent repair so eventually someone calls round to visit 2 weeks later, decides that a plumber has to come round. Two weeks the plumber turns up, by which time the plasterboard above the sink has sagged and the plaster on the wall has failed. So once the plumber has been, a joiner has to turn up to replace the plasterboard, then a plasterer, followed by a decorator.

The repair takes 10 weeks to get sorted and costs £800. Had the tenant felt able to sort this out and that this was not someone else's problem then they'd have dealt with it within the co-op when the first drip was heard, which would have cost 30p.

3 pinpointing the problem

The other issue supporting local involvement is accuracy of solutions to problems. Here it is very easy for a remote staff member to see problems in a certain way, where both perspective and distance mean they not only see problem differently, they do not see the detail. Local knowledge can help with this. Housing management is peppered with examples to illustrate this:

- the installation of entry communication systems to try to prevent strangers wandering the balconies of social housing schemes, but only one key per household is given out so the other members of the household end up feeling they have to break the locks to be able to gain entry to their own homes.

4 stewardship

Colin Ward noted in his writings on housing in the 80's that social housing was the only tenure type that declined in value. While the collapse of housing values in areas of low demand over recent years have added another scenario, at the time he was accurate. Rented housing can create a mindset in the minds of its tenants that any problem in their building or neighbourhood is 'somebody else's problem'. This can mean that serious problems can be allowed to persist without intervention. By giving people a tangible stake in the future of their neighbourhoods the concept of caring what goes on around you soon becomes second nature and intervention tends to occur far more than in just instances where the fabric of the building under your care is threatened. This will mean that the 'somebody else's problem field'[14], surrounding all those problems that tenants often don't seem to see, will go away.

what kind of involvement do we want.

Involvement in housing can mean a variety of things, there is a spectrum, on the following page of which there are a few key areas to look at:

[14] Hitch-hiker's Guide to the Galaxy – Douglas Adams

One of the important areas to look at will be to explore whether there is an appetite to get involved in the actual work of managing the building or whether it will simply be an issue of students being in the loop of control, with only paid staff carrying out management tasks.

1 Consultation

This merely means people are asked for opinion, there is little power in this relationship and the body carrying out the consultation have no obligation to act on the opinions they receive. It can be useful for achieving greater responsiveness and accuracy but the unequal power relationship can work against this.

2 Governance

The leap of faith from consultation to actual decision making is considerable, but it is people taking responsibility for their opinions which makes such a difference, as in a consultative arena people who feel dis-enfranchised can often become cynical about the consultation and become irresponsible about the demands they make. Also when people are able to ask for things without having to take responsibility for them it is easier to make impractical demands, in the full knowledge that it will be someone else's problem if it fails. It is only by completing the circle that the dynamic works

> "Freedom is constituted primarily of responsibility not privilege"
> *Albert Camus*

3 Management

This is a more debatable area. One could argue that if capacity building is really to take hold, then people need to do some of the work themselves. This varies considerably between housing co-ops. It starts at minute taking and goes all the way to getting the tools out and doing the repairs and sweeping the walkways, through rent accounting and chasing rent arrears.

However, any structure seeking to involve students in the management of the buildings needs to be able to adapt to different levels of motivation and ability.

The resources of a volunteer are finite. Also they are proportional to their commitment to the project and their perception of the value of the work in relation to the other things they either wish to or must do in the rest of their lives.

So care must be taken not to use up volunteer resources on tasks that might better be done by staff as they offer little benefit to either member, organisation or both.

However, by working together the community of students get to know each other better and form a more cohesive group, which is a central part of building a strong community within the co-operative.

If staff are to be employed alongside volunteers it is crucial that the work of the staff is clearly separated from that of the volunteers. If not then over a period of time an osmosis will occur where the paid staff become expected to do all the work that was previously shared; possibly with the exception of a handful of beleaguered volunteers who feel deserted by the rest of the membership.

Finally there is a need to make sure that staff are appropriate for the task before them; if they are to help volunteers do tasks themselves then one sort of person should be sought. If the intention is that staff carry out tasks themselves and others carry out the work of enabling the volunteers then a different staff member should be sought. It is also worth pointing out that with some tasks the amount of time taken to help members do it themselves may take more time than the staff member doing it. So it is worth asking when selecting tasks for the members to carry out whether this is to:

- save the co-op money,
- add value to the co-op or
- enhance the members skills and confidence

professional or volunteer

However if tasks can be carried out by volunteers then there is a substantial saving to be made on the overall costs of management. This is not automatically the case though. Volunteers are rarely professionally skilled at what it is they are volunteering for. As a result they need support to be able to do what they do, in many cases this needs to be professional. If this is the case then the support has to be paid for and if the level of support becomes too great then it is easy to reach a point where the amount of staff resource used to assist others is more than what it would have cost for them to it themselves. Obviously cost should not be the only basis for deciding whether volunteers should carry out key functions; capacity building of the residents is a key output of the co-operative housing model.

Therefore the areas of management where volunteers can have the greatest impact are those where:

- on site responsiveness is required

  such as minor maintenance tasks that will cause inconvenience or consequential damage if not dealt with quickly as described above.

- tasks are quick

  volunteers are more likely to be found when tasks do not take up too much time, taking out the bins, posting the newsletter

- tasks are relatively easy

  it is surprising sometimes how easily perturbed volunteers become when facing tasks they are not sure about – this can be especially difficult if tasks are seen as likely to attract criticism if carried out incorrectly

- tasks are self contained

  dividing tasks into recognisable parcels has several advantages:

  members can take personal or smaller group credit for work done which can strengthen their resolve to keep at it.

  tasks can be tracked from start to finish rather than disappearing into an ether of 'they said they'll do it' or 'oh that's not for us/me to do'

- tasks not 'mission critical' but adding value as a whole

  Life in a community as opposed to individuated isolation opens a whole new area of possible increases in the quality of life. Once the volunteer dynamic has broken out people not able or willing to

do any of the types of task listed above can still add tasks like setting up or enhancing the buildings networks, running music sessions in appropriate spaces if they exist, setting up recycling facilities in addition to those on site, creating artworks for blank walls, planting flowerbeds. Once there is space to do it, the history of housing co-ops has shown that they really take off once this positive version of involvement takes hold.

incentivising involvement

The history of housing co-ops has been characterised by how to get volunteers involved, how to maintain that involvement and how to make sure the process can be re-invigorated by new people. These issues are likely to be more acute within the student population, as key members will only be around for a limited time.

As discussed, the tasks that are picked will assist or impede the process of creating a willingness to help out.

Incentive can be through reward for work done or sanction for work not done. Many co-ops we have studied use both to varied degrees. In UK social housing most sanctions are quite difficult and financial reward is strictly prohibited by law. In Homes for Change in Hulme Manchester a broadband internet network has been set up charged at only £1/week. Members who fail to fulfil their membership obligations to attend meetings and take an active part in one of the working groups that run the place have their connection cut off. Brent Community Housing like most housing associations and co-operatives have a points system on the basis of which they allocate properties, in their case however members who attend meetings get additional points. Sanford Housing Co-op which operates mostly shared flats has a small number of single bedroom ones which are allocated to members who have done the most work.

Non-participation is used in many co-ops as a reason for termination of membership and therefore tenancy however the law is unclear here and the right to remove a tenancy as a result of loss of membership has not been tested in the courts.

Basically, most housing co-ops are sustained by people volunteering, but it is worth looking at what possible incentives may help.

personal development

If tasks are sufficiently well segregated then those left to the students to carry out should offer some hope of, if not enjoyment per se then at least, satisfaction.

There has been some discussion about whether there is merit in formal accreditation of the skills that students gain in the term of tenure in a co-op.

This will need to be explored in detail if it is to be proved viable. If an appetite for such an examination appears in the consultations on this first phase then we can do more work in the second.

There are arguments for and against. Anything that a student can produce that sets them apart from another graduate at a job interview is bound to be of value to them, this would be even better if it wasn't simply proof of living in a co-op or trying to go through reports produced or such like.

In TMO's there is a Proof of Competency Test that the committee has to go through before they can be entrusted with the housing stock. However the skills they have to prove are among the committee as a whole not individuals.

The Co-op College and Birmingham Co-operative Housing Services (BCHS) have developed an "Access to Housing" course where tenants of co-ops can go and learn about all the key areas of housing and co-operative management but this is additional to the members' work in the co-op not something produced while they are doing it.

Monitoring and evaluation of the members work would take up quite a lot of resources.

If the student housing co-op movement really takes off there is the possibility that the economies of scale would allow for this to be absorbed.

But perhaps the key disadvantage of this approach would be its effect on the collective dynamic. Co-ops rely on everyone looking after the community as whole seeing the satisfaction of their own interests in that approach – anything which creates an interest position working against that would threaten the group's viability.

It may turn out to be easier for student co-operators to be confident that the skills they develop as members will show through in their abilities at interview and in the rest of their working lives.

rent will be cheaper?

Hopefully the key incentive for making this work is that the rent will be cheaper – this is certainly the way a lot of the US co-ops keep demand high. It follows that if work is being done by volunteers the wage bill should be cheaper, however as pointed out above this may not always be the case.

That said there is little doubt that if profits or surpluses from the operation are kept within the business rather than all going out to pay external shareholders then this money could be used to reduce rents.

rent reductions or personal payment?

If students carry out management tasks that would otherwise have to be paid for, there is an argument that there should be some recognition of that. Given that a substantial part of the rent will be service charges arising out of management costs these could vary considerably depending on how much has been done by the student tenants.

There are choices as to what to do with any savings to the co-op as a result of this.

1. The surpluses can be re-invested in additional or enhanced services or facilities for the co-op.
2. Surpluses can be used to assist in the development of more schemes.
3. Rent/service charges to all the members can be reduced.
4. Rent / service charges on individual shared flats or houses can be reduced
5. Members who do work can be paid or receive rent credits.

Any business will do an element of the first 2 as part of a sensible approach to the service they provide. It may well be that the second option happens by way of a levy charged by the central body as a percentage of profits. The third option will be up to the members in general meeting when it comes to setting the rents each year when balanced with the desire for other or better services.

Option 4 has the attraction over 5 of being potentially easier to manage if tasks are allocated to flats as a whole. perhaps more important however is that it is less divisive and will encourage collective action on the part of the house/flatmates. In most voluntary bodies the dynamics between those that work and those that don't is probably the most destructive. By offering reward to flats the number of people over which this dynamic works is confined to the 5 or so people in the flat where individual negotiation and social pressure to help out can be done without having to resort to public humiliation or formal procedures.

Individual payment or rent credit will require quite a lot of management and there would probably have to be limits on the numbers otherwise there would be management issues. The University Students Co-operative Association at the University of California asks each flat to elect the person that will get paid for doing central office work for the organisation as a whole while expecting a minimum contribution from the members in the running of each house – they terminate the tenancy once time owed has exceeded 20 hours!

Similarly the University of Minnesota pay $10/hour for additional maintenance work, while allocating responsibility to each members to carry out a minimum number of hours first and fining them at the same rate for work not done.

Most co-operatives cannot afford to pay their members to do work and where this does happen, it has been found that members increasingly do not contribute unless paid. This leads to a reduction in community strength.

The issue with financial reward is a difficult one when it comes to voluntary organisations. The central basis of a good co-operative is that all members are equal and they come together to pool there resources to solve a problem. Once payment is introduced it can eclipse the motivations that encourage people to volunteer. There is a wealth of experience suggesting that community organisations that work for years with no money at all collapse amid bitter recriminations once payment is introduced into the equation.

Perhaps the Californian model of a clear separation between what is expected and what can be done on top in return for rent credits is worth exploring.

Once we have set up a group of interested students in the second phase we can discuss models for this and see whether it is worth piloting.

management models for a new student housing co-operative

In the following sections, we have separated management of property from its ownership. This does not mean it has to be this way, simply that it limits the number of permutations we would otherwise have to explain. We will deal with how the places are run first.

While this study is investigating the viability of a co-operative model, we can do this at different levels, there is a demand for a co-operative venture at a strategic level to create the projects themselves, the classic motivations are there, the student unions and the NUS do not have the ability to intervene in addressing the problems of student housing individually but can contemplate it collectively. There interests are sufficiently shared for a co-operative venture to have a good chance of success.

At the other end there is a need to create well run housing which allows students to live in a community rather than as isolated individuals. They have a need for affordable housing and harnessing some of their energies to reduce the cost creates a motivation to co-operate with the rest of the tenants – the studies on the efficiencies of TMO's in council housing suggest that the co-operative model at this level has a good chance of success too.

So the model that needs to be created needs to maximise the potential for those 2 levels of co-operation to flourish.

There seems to 5 basic models for structuring the management of a student housing co-operative to achieve this:

1. Ad hoc local partnerships

The vision behind this study is to start a process that makes a real impact into the future provision of student housing. All the rest of the ideas for models therefore assume a central body of some form, but it is worth considering a version where the only centralised part of the process is the NUS or broader student movement attracting investors into the idea, negotiating with potential partners along with local unions and disseminating best practice as local partnerships evolve. These local partnerships would be with other developers and service providers, they would most likely be Housing Associations as there would need to be a body able to provide the co-op with the key management services that a new co-operative would be unlikely to be able to do by itself.

This model would have the benefit of requiring little central resourcing, but equally would probably have less chance of achieving the kinds of growth rates needed for this to be a serious contender. The NUS's benefit from the process would be limited to the extent to which it was part of the investment process as well as a level of political satisfaction as a result of showing how the hegemony of the existing student housing providers could be challenged. The local unions might have input as they may be able to provide some of the management services such as referrals for accommodation. There may also be opportunity for some kind of franchising kind of control as intermediaries in both this and the investment attracted.

This model does however become more viable if the partnerships come together and resource a federal body of some form that can then stimulate further development and co-ordinate dissemination of key

information and best practice. At this point this model starts to look like option 3 and could therefore be seen as one of the stages in developing that model rather than as an end in itself.

2. A central multi-stakeholder co-operative

All co-operatives trade for the benefit of their members, some co-operatives have members who are the consumers of a service while others, the deliverers of it. Retail co-operatives fall into the former category, worker co-ops the latter. A multi-stakeholder co-op enfranchises both sides and there are also models being looked at that involve investors. In this model the 2 levels of co-operation are in the same body. The stakeholders would be students unions, students and investors. This body would own and manage property. It could have levels of devolved decision making to student committees in each facility. These facilities would have representation onto this central body.

This model has the advantage of simplicity in that only one body is needed, but complexity in that the two sets of co-operative interest will need to be balanced with each other in some sort of constitutional arrangement. The students need to feel it is worth them taking part as they have a voice that can influence decisions but those putting in the assets and the cash need to feel that they are not allowing their interests to be so downgraded that they are unable to retain adequate control over those assets.

The disadvantage is that the 'somebody else's problem field' discussed earlier does not really go away until the scale of an organisation is sufficient for people to see that they will not simply be a number, one of thousands. While this model therefore would work for the first few projects, at some point levels of local representation and hierarchies would have to be created to try and create a grassroots level of input.

3. A student housing co-operative development operation.

This would be a central developing body setting up independent facilities, in the same way Co-operative Development Agencies (CDA's) work for worker co-ops. This is also how some of the secondary housing co-ops used to develop – the aspiring co-operators effectively hire the agency through a development agreement. The agency concentrates expertise so is able to efficiently procure new developments. It is then also able to concentrate resources to efficiently provide management and training services to the new co-operatives which is done through a service level agreement.

This model sprang out of the early ownership co-operative aspiration to have as much autonomy as possible. The assumption is that this is likely to be a little daunting to the average student, it also puts the onus on the students to set up the co-op which would seem a little unlikely in the current climate.

It does however mean that from the student tenants' point of view there can be no doubting whose responsibility the co-op is. There is no-one waiting behind them to take over the reins if they mess it up as it's their co-op. Among social housing co-ops this has often created the most robust co-ops as there is sufficient commitment from the members to carry the co-op through crises rather than them just giving up because they know someone will pick up the pieces.

4. Central owning body and student tenant management organisations.

This takes much from options 2 & 3. There is a central strategic body – much like housing associations but in this case a multi-stakeholder co-operative as option 2. This concentrates expertise for development and future service provision as option 3. But unlike option 2 where students may feel like they're not really in control at all or option 3 where they may feel a little over -exposed, in this option, control can be gradually acquired in bite size pieces as is currently done under the Right to Manage for council tenants already described.

This model therefore has the advantage of considerable flexibility, one model can accommodate a range of positions starting where students only want to be able to exercise influence when something goes wrong all the way through to running it themselves.

The detailed areas of housing management that students might elect to take on are described in the next chapter. It is also worth noting that very few TMO's in council housing do their own actual housing management work they employ paid staff to do it - either their own or secondees from the council – the difference is that they decide what the staff do not the council

A key issue is how to make this happen in order to avoid the default position where the facility to enable students to build co-operatives is there but they don't take it up so the facilities never really grow into their roles.

The motivation for the students needs to be clear, the motivation for those that have procured the scheme to let the students have the control needs to be equally clear.

It may be that the developing body employs staff specifically to work with the student co-ops to build their capacity to take on responsibility in return for the control over the environments this will afford them.

Work would have to be done to make sure the financial structure by which co-ops were recompensed for their efforts was sufficiently generous to allow the student tenants to feel it was worth taking on the subsequent responsibilities.

The power structure needs to be carefully constructed too. The power the students acquire needs to be theirs to take as a right and only removed under clear and specific conditions. This then works the other way too. This means that power flows with responsibility, students will not be able to feel they are having to do loads of work for power that can be removed easily.

5. Central owning body granting short term leases to student co-ops

This is another development on from the previous options – it is very similar to option 4 but instead of the central body starting off in control and the student co-ops gradually acquiring the power over time the co-ops are given all the power at the start as they are leased the new building – albeit on a short enough lease for the owning body to retain strategic control over the asset. At the same time as they are given the lease they are also provided with management services from that same central body – in fact it is appropriate for the owning body to insist that for an introductory period the owning body has the right to insist that the co-op buys its services from them until they have found their feet, after which they can then either do the work themselves or even go to another service provider.

This model is essentially how CDS Co-operatives and Coin Street Community Builders, both in London work. The model attracts some detractors because the co-ops are effectively created as shells before there are any co-operators to populate them, so the members take a while to generate their own feeling of ownership over the co-op. This feeling of ownership is crucial to developing the necessary commitment to put in the work.

In the student context however there is not the time to recruit a bunch of student co-operators, design a building and indeed management structure with them then get the building built, train up the members then move them in – the degree would have finished by then. So the shell co-op model offers an easy way out.

There is the possibility that some of these models can follow on from each other. Care will have to be taken that such a structure does not end up creating an unresponsive behemoth as the default position. The history of the retail movement is well coloured by this debate.

The last 2 models look like the best ones to look at more closely.

Modular management provides a way of staircasing up and down a ladder of control and involvement while not leaving areas of management uncovered. We rewrote the existing Right to Manage model to make it easier to understand, as the co-operative will be able to work independently of the Government so is not restricted by the rules of the Right to Manage for council housing. The principle of tiered involvement does look like a principle worth adopting if the model is to be robust yet flexible.

This flexibility could also be built into option 5, services bought off the central body could be done so in modules in a list from which the co-op effectively shops.

Succession and the competency need to be considered – one group of students may not be as cohesive or contain the skills base that the outgoing bunch exhibited so management services need to adaptable.

The second stage will look in more detail at ways of dealing with these issues.

service provision

It is likely that most student housing co-ops will take a while to skill up and there will need to be a continual process of induction and training to make sure that the turnover does not undermine the efficient management of the building or mean that those that understand how the co-op works do not leave before they have had the chance to pass it on to new residents.

Even once confident and set up, it is highly unlikely that tenants will want to carry out all the management tasks themselves. There needs to be flexible access to provision of management services in whatever models are picked from the management options above.

With the options involving students having control over the management they will have to make sure the following management services area available to some degree.

Rent collection
Rent accounting
Arrears management
Bookkeeping
Membership including welfare
Lettings
Caretaking
Day to day maintenance
Cyclical maintenance and major repairs
Complaints/disputes
Legal advice
Management of non housing facilities
Secretariat – minutes, agendas policies and procedures.

It may be that not all of these need to be procured from the same place. If for example housing management services are bought from a local housing association then there is probably little point in them doing member relations issues, as they'll have no expertise or capacity n the field. Some student unions may already be well geared up to look after members and may be able to expand that service to assist the student co-op. In most housing co-ops the members do it themselves. Even if there are no procedures for all the members to be paid for work it may well be that for things like bookkeeping which many find a challenge but some seem to find very easy a member exhibiting the latter qualities could still be paid by the rest of the co-op.

Care does have to be taken if this is the case to make sure that the way decisions like this are taken is clear and transparent with procedures to deal with the complex interest positions that can arise in a close knit community where lots of people voting on something like this will be friends of the parties concerned.

Depending on the roll out of the model it may well be appropriate for either local student unions or the NUS to consider expanding existing operations or starting new ones to be able to provide some of these services.

Certainly at the outset where the student unions may not be geared up to provide housing management services there is a business case to be made for a contract with an existing service provider, from the world of social and preferably (but not exclusively) co-operative housing. This arrangement could be permanent, short term or on an arrangement where the service provider is setting up a new operation, which it then supports until it can run by itself. This seeded service provider could also be part of the property owning operation.

training up

The first service that will have to be provided for any on-site tenant member involvement will be training up the prospective members. Lack of it has seen off many co-operatives. The cyclical nature of the tenancies gives us opportunity to train up tenants in groups as they move in. The short term nature of them means the need to move quickly. There are going to be 2 scenarios –

- training up the first group of members for a new building
- training up new members who move in as older members move out.

There is a basic amount of training that every member should have which would want to be along the lines of what is regarded as sufficient for the competency test in TMO's discussed earlier in the document.

These were an ability as a group to: understand and interpret housing policy, be able to employ staff, equal opportunities, committee skills, be able to consult clearly, be competent in financial governance, office systems, a grounding in the legal framework.

These by themselves would not be sufficient for a co-op, the committee skills section would have to be enhanced. This sort of training is however largely available to a new body and could be bought in off existing agencies that provide services to TMO's with some additions on the co-op development side.

Once up and running there would need to be an induction process for new members. Given the cyclical nature of the tenancies, rather than the slow trickle of most housing, it would useful to do induction training in advance and that be a condition of getting the room or flat. This way student members could get off to a running start. There is an argument that this training wants to be fairly close to the moving in point to ensure that it is not forgotten, but as many students rely on the summer period for income this would preclude summer holiday training. However, students sign up for housing in February so there would be opportunity to set up induction training sessions between February and June and then have a more intensive orientation period during the first week of moving in as occurs in some American co-operatives. Induction sessions will need to repeated due to different exam timetables etc.

This could be resourced from external agencies (such as Co-operatives Assistance Network, who are developing on-line training for housing co-operatives which could be adapted to suit the student model) or internal managers. There is also the opportunity to internationalise this new movement, as NASCO have suggested that there may be US students willing to fulfil this service. There is also the possibility of resident managers that are phased out post-occupation following the initial training up period. This will be examined in more detail in the second part of the report.

modular management options

The Modular Management Agreement (MMA) allows for a gradual process of development and change during which a Tenant Management Organisation (TMO) - in this case a Student Management Co-operative (SMC) - can take on new areas of management as they wish, with appropriate notice. This is done by picking options from the various headings which are listed below. Perhaps of equal importance is that the staircase of options can be stepped down as well as up. This will allow for changes in the make up of the student co-op.

The headings are taken from the new draft of the Modular Management Agreement currently out for consultation which will form the basis for all new TMO's in Council housing.

It is worth noting that with the freedom of being in control of key areas of one's environment a lot of responsibilities and liabilities follow.

Only those of relevance to a student situation have been kept in the list, references to the Council have been replaced by 'Landlord'. In signing the management agreement, different options are selected, many are reliant on being linked with other clauses, for clarity these have been omitted as this is to illustrate the breadth of options available under the MMA.

• general

`Starting Date`

A: The same **Starting Date** for all functions exercised by the **SMC.**

B: Staggered start dates for different functions exercised by the **SMC** or for different dwellings.

• repairs, maintenance + services

`responsive or programmed repairs`

A The **SMC** exercises none of these functions, they are retained by the **Landlord**

B: The **SMC** carries out those classes of **Responsive or Programmed Repairs** that it wishes providing the **Landlord** is satisfied that it is reasonable for the **SMC** to carry out those classes of **Responsive or Programmed Repairs**. The **Landlord** retains the remaining functions.

`major works`

A: The **Landlord** carries out **Major Works** but agrees to consult the **SMC** in relation to them.

B: **Landlord** enters into **Major Works** contracts buts the **SMC** agrees to supervise them.

C: The **SMC** agrees with the **Landlord** to enter into **Major** Works contracts and supervise them within the budget for **Major Works** contained within the **Allowances**

`repairs covered by the landlord buildings insurance`

A: The **Landlord** makes claims for repairs covered by its buildings insurance and carries them out.

B: The **Landlord** makes claims for repairs covered by its buildings insurance, the **SMC** carries them out if they are listed in the Schedule.

C: The **SMC** makes claims for repairs which are covered by the buildings insurance policy.

estate services (caretaking)

The **SMC** provides estate services for the Property as listed in the schedule. The **Landlord** provides those **Estate Services** not provided by the **SMC.**

• rent

rent setting + collection from tenants

A: The **Landlord** sets and collects rents. The **SMC** has no involvement in rent collection

B: The **Landlord** sets **rents** but the **SMC** collects and pays them into the **Landlord's** bank account.

C: The **Landlord** sets **rents** but the **SMC** collects and pays them into its own bank account.

D: The **SMC** sets and collects **rents** and pays them into its own bank account**.**

note: notification of rent changes would be made by the landlord in options A + B, by the SMC in C + D.

rent arrears control

A: The **SMC** has no involvement in Rent arrears management.

B: The **Landlord** collects **Rents** and consults with the **SMC** on action proposed in serious arrears cases.

C: **SMC** collects rents and manages rent arrears, but may request the **Landlord** deals with serious arrears cases.

D: The **SMC** manages **Rent** arrears in accordance with **SMC** policy, including initiating actions for possession. The **Landlord**, unless it exercises discretion not to serve the relevant notice, serves a notice at the request of the **SMC**.

E: The **SMC** manages all aspects of **Rent** arrears including bad debts and write offs in accordance with the agreed policy. The **SMC** agrees to notify **Landlord** at specified stages.

former tenants' arrears

A: The **Landlord** manages the collection of the debts of former tenants.

B: The **SMC** manages the collection of the debts of all former tenants.

• financial management

calculation of allowances

A: The **La**ndlord sets rents and allowances

B: The SMC sets rents and allowances.

payment of administrative, management & maintenance costs

A: **SMC** has management and maintenance budgets within the **Landlord** budget. Payment for costs incurred is made by the **Landlord**.

B: SMC receives Allowances from the Landlord, where the SMC pays rents into the Landlord's account

C: The **SMC** retains **Allowances** from **Rents** and **Service Charges** collected by it and pays the **Landlord** a rental amount.

SMC's banking arrangements

A: Simple arrangements as **Landlord** holds all the accounts (Surplus, Reserve and Major Works) and pays all costs other than the **SMC's** administrative expenses.

B: **SMC** has appropriate accounts, and notifies **Landlord** of account details.

• tenancy management

allocation of vacant properties

A: The **Landlord** allocates applicants to vacant Property dwellings

B: The **SMC** considers applicants nominated by the **Landlord** in accordance with the **Landlord's** policy.

C: The **SMC** considers direct applicants and notifies the **Landlord** accordingly

granting of a tenancy

A: The **Landlord** carries out the administrative procedures prior to granting tenancies.

B: The **Landlord** carries out the administrative procedures prior to granting tenancies at the **SMC**'s request.

C: The **SMC** carries out the administrative procedures prior to the **Landlord** granting the tenancy.

D: The **SMC** carries out the administrative procedures prior to granting the tenancy on behalf of the **Landlord**.

variations to the tenancy agreement

A: Variations to the terms of a tenancy can only be initiated by the **Landlord**.

B: Variations to the terms of a tenancy may be initiated by the **Landlord** or the **SMC**.

C: Variations to the terms of a tenancy can only be initiated by the **SMC** on behalf of the **Landlord**.

breach of tenancy

A:. The **Landlord** monitors tenancies and serves notices.

B: The **SMC** monitors tenancies and asks the **Landlord** to serve the notices, which it has discretion not to serve.

C: The **SMC** monitors tenancies and is authorised to end them.

unlawful occupation

A: The **Landlord** takes action to end unlawful occupation. The **SMC** notifies the **Landlord** of suspected cases.

B: The **SMC** investigates unlawful occupation and informs the **Landlord**, who takes action.

C: The **SMC** is authorised to take action to terminate unlawful occupation of **Property dwellings**.

other

There are further options for the SMC to leave with the Landlord or take on:

harassment

residents' disputes

void dwellings

applications for tenant transfers within the stock covered by the agreement or further afield

7 staffing + managing the relationship between smc + the landlord

The SMC can chose whether or not to

second staff,

carry out consultation within the development,

use the landlord's approved list of contractors for contracts over a certain amount

SMC responsibilities

The above list is of those options that can be picked, whatever the co-op takes on

8 performance, monitoring & reviewing of standards

Key Performance Indicators (KPIs)

Performance Standards

Monitoring Meetings

governance

Within any of the management models that follow there is the finer detail of the management structure within the student tenant body itself. In the world of housing co-ops there are 2 basic shapes, management by general meeting and management by committee. Within either of these there are often working groups to focus on the key areas of housing management without meetings getting out of hand. The detail will be looked at in the second stage as these structures are better evolving out of the workings of the members themselves rather than being imposed before starting.

general meeting co-operatives

In one of these co-ops, the decision making body of the co-op is all of the members in a general meeting (GM) which will be described in the co-ops rules. These will contain details such as notice periods, numbers of people that need to present for it to be a legitimate meeting etc.

GM managed co-ops are often quite small as there is little point in electing a committee if it is likely to be most of the members. In cases where the co-op is actually quite large, management by GM can be too difficult simply because the meetings will be too large for reasonable debate to take place and everyone be appropriately informed to be able to make properly considered decisions. In these cases sometimes authority to make decisions is delegated to working groups of the co-op so that key issues are still debated at the GM but the day to day work is delegated to small more manageable forums. Homes for Change Housing

Co-operative has 75 flats but is still run by GM with the assistance of 8 working groups. The working groups cover specific areas of work – rents, bookkeeping, membership, publications, externals, maintenance, complaints, worker management.

There is little doubt that sustaining this level of democratic participation is much harder than just electing a committee and sustaining the involvement of that smaller group of people. However if one of the chosen outputs for member participation is capacity building of as many members as possible then GM led co-ops can be highly effective. The benefits of participation in the management of a business are spread across a larger number of people.

GMs are also very useful when it comes to 'in' groups and 'out' groups. These are the standards groups that almost all voluntary organisations divide into. The 'in' group are those that either do or feel they do all the work needed, and resent those that don't to varying degrees. The 'out' group feel they are excluded from most of the running of the organisation mostly, they feel, by not being given access to adequate information. They resent the 'in' group and feel they are insufficiently accountable.

GM's can if well run offer a forum to ameliorate some of this quite corrosive dynamic as members are able to see the decision making process in action.

management by committee

This is the more traditional form of co-operative management. Once a year the members in general meeting will elect a committee of people to act on their behalf for the following year. This means that people who are genuinely committed and adequately informed can be brought together to run the organisation. Training resources can be concentrated and focussed, meetings should be easier.

That said in a committee led co-op the 'in' and 'out' groups are clearly there. While the uncertainly about who is in which group is removed the committee need to ensure that they keep the rest of the members as informed as possible about what is going on, to stop the dynamic getting too destructive not only to the co-op but to the resolve and commitment of the individual committee members.

issues of scale

In both versions of governance, there are variations that can be brought to bear to ensure appropriate enfranchisement of the membership. Very large co-ops may have an additional layer of committees, before the main one. In Clay's Lane – the biggest ownership co-op in the country until recently, the houses are designed around courtyards. The co-op rarely met in full general meeting but each courtyard had something resembling one. Representatives of these constituencies then went on to the committee. It is worth noting that Clay's Lane is in the process of being shut down as a result of 20 years of very poor governance and some points of view have suggested that the constituency approach to governance led to fragmentation of the co-op. This meant that there was no real feeling of a common identity under which all the members could unite themselves to save the co-op when it came under threat. Internecine factionalism took precedence over proper governance.

This does raise the question of how big co-ops should be which we'll come back to later.

ownership models

Discussions so far have suggested that given the inappropriateness of expecting students to make long term commitments to particular areas, let alone cities, long term ownership of the buildings in which they are living has to rest with the longer term strategic stakeholders. One of the purposes of this study is to make sure that the primary owners of these assets are the student movement. That said, the expectation and indeed necessity of rapid growth of this housing provision may well require access to capital beyond the resources of the student movement. It may well be that this vehicle might be an appropriate stage at which other partners from the co-operative movement join the process.

There is also the issue about how the procurement bodies cope with growth. There will be a need to be locally responsive and able to meet local challenges, while also retaining access to the economies of scale possible in a large operation especially when it comes to the cost of finance.

Working backwards from a desirable outcome;

Data sources we have seen have suggested that there are about 1 million students living in rented accommodation in the country at the moment, 800,000 privately renting and 260,000 in university run halls. The target for this model is to make 10% of their accommodation affordable and accountable. With over 300 universities and higher education colleges in the country then the average size of provision would be 350 bed spaces each, but this would be about 6,000 in Manchester. The latter is enough to support a staff team of about 60, but would be unlikely to hit the kinds of borrowing requirements to be able to lever in the cheapest finance.

1 group structure

The Housing Corporation and the Housing Association movement it regulates came to the conclusion a while ago that the most logical solution for this kind of problem is to set up group structures. In this context that would mean that there are local strategic and co-ordinating bodies which work locally with students, setting up co-ops, providing maintenance services at least, but part of a larger group which would be able to negotiate substantial borrowing facilities and centralise some of the services, to maximise efficiency. Group structures also mean that services bought by different parts of the group do not incur VAT, as it is internal to the group.

2 federative structure + financial intermediary

An arguable disadvantage of a group structure is the inevitable centralising of control, which can alienate grass-roots members. A federative structure, while offering none of the tax advantages, does offer a membership based organisation over which ordinary members can feel more control. This organisation could start as a national federation and gradually grow a regional or sub-regional infrastructure.

A while ago the National Housing Federation (the national federative body for Housing associations) set up the Housing Finance Corporation to provide access to cheaper borrowing for members. Various things have got in its way but this model should still be examined.

There is also the Co-operative Housing Finance Society through which, by mutual guarantees provided through CHFS, reduced cost borrowing can be made available to member co-ops.

So in this model the local, regional or sub-regional housing providers would be shareholder members of a body whose main job was to go out and negotiate finance. It would have to take the form of a mutual guarantee society, in order to be able to offer the kinds of security necessary on borrowing facilities.

It may well be that it could also be a national face for this project and centralise negotiations on issues like legislation.

3 joint venture

Once off the ground this model would appeal to a wide variety of people already involved in housing. There are already bodies like this such as UNIPOL is Leeds. It may well be that Registered Social Landlords (RSL's) would want to become involved and they would be able to bring their own financing facilities to bear. The key issue in this kind of relationship would be how equal the power relationship would then be and how the students bodies involved would be able to win enough of the arguments for this project to deliver the potential it promises. A key will probably be shareholdings.

4 investment

Work is going on in the co-op movement at the moment to see if it is possible to stimulate investment in co-operatives. Even without this work, it is highly likely that this project would be attractive to operations wanting returns on investment in new expanding markets. As long as some of the ideas above yield a strong enough operation on the student side, enabling them to remain majority shareholders, this idea is being investigated.

5 single national operation

It needs to be examined, but there is an argument that the co-operative option is about control from the bottom up and for that control to be real, the bottom cannot be too far away from the top. That said, the stakes are high and if this option looks like it will be the only way to deliver the goods, then there are other organisations that have tried this route. The Co-operative Group is probably the largest; originally set up as the wholly owned wholesaler to the individual retail co-operatives, it took over the ailing ones and therefore has gradually got larger and larger to the point now where it eclipses the rest of the retail co-operative movement and in terms of numbers of stores is the largest retailer in the country.

It may well be that some of the dreams of democratic structuring that have not been possible to implement while facing the cut and thrust of modern retailing could be built in from scratch.

The relationship to the students in the buildings themselves needs to be thought out here too. If these groups are the members of this larger organisation there will need to be care taken to make sure that participation is meaningful and not just staff ticking the boxes while volunteers are kept in the dark.

management v procurement

In this section we have talked about how a new model for student housing in the UK might be managed and another about how it might be owned. Development has come up on both sides.

In the ideal world, a group of students wanting to form a housing co-op would be assembled, they would design the building then it would be built while they trained themselves up in how to manage it then they'd move in and live happily ever after, but there isn't the time.

This means therefore that it is highly unlikely that the people who will be invited to involve themselves in the management will have anything to do with the design or procurement of the building. This is going to mean that incoming students will not have the kind of loyalty and white knuckled commitment which experience has taught the rest of the housing co-op movement is needed to see co-ops through the awkward moments – of which there are likely to be a few in the opening years of a new movement.

This suggests that the longer term stakeholders will the ones with that feeling of ownership. This will need to be looked at as it could lead to students placing a 'somebody else's problem field' round key parts of the life of the building.

There would seem to be an argument that there ought to be intermediaries between the owning bodies and the students. These will most likely be the front-line staff. This leads to a type of employee that is seen as 'one of us' by the student members. These staff members are potentially going to know a great deal about how the development is built and run. Instead of trying to set up administrative procedures that reign in these valuable resources it would seem logical that they should be accountable to the students as well as mucking in with them. The student movement's experience of sabbatical officers drawn from the ranks of ordinary students would seem to be an area of experience worth looking into. There would seem to be a model worth examining where outgoing members are given an opportunity in larger developments to stand for sabbatical manager / 'warden' posts for a 2 or 3 year term. By standing for election where the constituency is their student peers, this will help create the perception not only of accountability but of reward. This would satisfy some students needs for personal development and would also help ensure valuable experience for newer co-op members could be put to good use.

People like these could also bring valuable experience to bear in the design of new developments. In the design and financial modelling work we have been doing so far it has become apparent that the ratio of lettable spaces to other bits of building that have to paid for to service them is crucial in achieving low rents. It is likely that certain building layouts will become apparent quite quickly and the work of developing these new types would best be done in conjunction with those already living in them.

We would certainly, on the basis of these ideas, see that it is crucial that there is a very close working relationship between those managing developments and those procuring new ones. There is an argument that development staff have a different skill set to management staff and this may be true. This does not however mean that there should not be an interactive working relationship between the two. Allowing managers to dictate developments will lead to one set of things being missed and vice versa with development staff.

bricks + mortar

demand

The most detailed survey of students housing needs which we have found was carried out by UNIPOL Student Homes in Leeds in November 2002.[15] 1460 completed questionnaires were received from students at the University of Leeds and Leeds Metropolitan University, from a range of years.

The majority of students lived in shared houses. The reason given was to live with friends, as well as being convenient, independent and a way of sharing costs as the rents were found to be cheaper than university accommodation. The attraction of university halls was for new students to meet people and have a sense of security, as well as being convenient and perceived to be cheap by new students. A student housing co-operative might be able to combine both sets of desires through the allocations process.

The most important features were having a shower, security, who they were sharing with, clean and affordable accommodation. Central heating and laundry facilities were desirable.

The features which students in shared houses did not think were important were access to cable TV, gardens, phone sockets in individual rooms (presumably because they have mobile phones) and washbasins in bedrooms. However, students in university accommodation wanted their own washbasin, on site staff, their own telephone socket and access to the university computer network.

They would prefer to share a kitchen with around 3-4 people, although older students gave much lower numbers than younger students. The questionnaire gave a last choice of "over 4" so it may be that students would be equally happy with five sharing a kitchen, but not ten.

Students wished to live in an area close to the university, but access to shops and nightlife was also important, as well as living in an area with other students. They avoided areas with high crime levels and that were too far from the university.

Noise and other people's waste disposal were the main problems experienced. This can be dealt with by good quality construction and well thought out services.

Students felt that their accommodation was value for money if it was in good condition (including furnishings), low cost relative to other choices, with good sized rooms. The main reasons for disagreeing were high rents, poor maintenance and poor condition. Students who did not feel they were getting value for money were the most dissatisfied with their accommodation.

Many students found their accommodation in less than one week, often through the UNIPOL database, demonstrating that the student housing co-op would need to be well publicised through university and college accommodation offices.

Students were not asking for anything very outrageous – an affordable, well-built, well maintained room with access to local facilities and reasonable travel costs. It is important to note that they like to live with friends and consideration should be given to this in the lettings policy. Who they are sharing with is an important factor

[15] UNIPOL Student Homes, "Accommodation Satisfaction Survey", November 2002

and many of the North American student housing co-operatives ask questions in their application form regarding lifestyle which are used to try and place compatible new students in the same flat. As they share sports facilities, shops or common rooms the measure does not reduce their experience of new attitudes and cultures through the people they will meet in the same building.

Location of the building will be a key factor, as discussed below.

The study showed that demand for en-suite rooms is growing. Approximately half of students stated a preference for en-suite accommodation and were willing to pay an average of £6 extra for this. The average number of people they would prefer to share a bathroom with was 2-3 people. First year students had stronger preferences for en-suite, perhaps because the older students were disillusioned with this type of accommodation or perhaps because growing debts were becoming more of an issue and they wanted to keep costs down. Given the high level of en-suite accommodation being constructed, this demand is probably well met already. There is a strong argument that the reason for the construction of this type of accommodation has more to do with the commercial requirements of private companies, who want to use the halls for conferences and commercial uses during the summer period and need this standard. Indeed, this is proven in figures for applications to Manchester Metropolitan University for the year 1999/2000 when the first choice for 85% of applications for halls of residence (known in America as "group housing") to the MMU Accommodation office were for university owned halls with shared bathrooms and larger flat sizes. [16]

The combination of HEFCE restrictions and ageing stock in need of modernisation pushed Universities towards private providers, while the increasing number of students meant that universities needed to expand their halls provision. Money from the land sales of closed halls has contributed towards the construction of new academic buildings to provide teaching space for the expanding student population.[17] Increasingly students are being offered little else other than private provision in en-suite or small 3-4 person flats with very little communal and social space (unless the private gym at extra cost can be included). However, for many students this has made particularly their first year at university much more difficult, as the old "group housing" halls had more social space including large kitchens with rooms for visitors and larger numbers of rooms per flat, giving students a better chance of finding someone they get on with. As the UNIPOL report showed, who they shared with was a major quality of life factor for all students.

It is not accurate to say that all students want en-suite accommodation these days, although an appreciable number who can afford it may do and are well provided for in the current market. Demand is being led by the provision given – a reasonable assessment by prospective students of what they might be able to obtain, when they would like the feeling of security of being in halls for the first year.

[16] Manchester Metropolitan University Wardens Group Report 2000

[17] Louise Yates, Manchester Metropolitan University Student Union President, speech 15.10.2002

This security has also proved quite elusive in newer halls, with many instances of the rooms not being ready at the start of the academic year and students being placed in recently closed university halls, given unsuitable bed and breakfast accommodation or left to fend for themselves in rooms within a building site with major repairs outstanding.

procurement options

While this is mainly an issue for the second part of the study, some of the discussions need to be started now.

In order to get developments built several key pieces need to be put together.

- development expertise
- development finance
- long term finance

As things stand there is no development expertise to speak of within the student union movement itself. Across the whole student movement there may be sufficient unencumbered assets to be able to provide security on a development loan followed by a smaller amount needed to guarantee the outstanding percentage of the mortgage not covered by the value of the finished new development. The question that will most likely be asked by decision makers before allowing that type of transaction will be, quite rightly, what's the risk?

risk

There is plenty of development expertise that can be hired to carry out work, but even with the best development team in the world things can and do go wrong when building.

The expectation of innovation for this project increases the potential for costs to rise. Much of the construction industry is structured around risk, how to avoid it, manage it or share it.

The intention of this study especially the second part is to make sure that as much forward planning has been done to enable as much risk as possible to be avoided.

The second stage will produce not only a full brief , but also an outline building design against which financial and management assumptions can be rigorously tested so that changes are made before the building is being designed in detail then built.

Types of building contract can reduce risk, but only by passing it onto others; while the intention is that those others are better equipped to manage risk, they will still charge for the risk they are allowing you to avoid, so while this can give greater cost certainty it cannot remove the risk altogether.

Another route is to share risk.

partnerships

Initial conversations with some housing associations have suggested that while some have dipped their toes into the water and indeed in the case of Acton Housing Association are well immersed, many feel that student housing is just asking for trouble.

This seems to be based in a perception that this is a high risk market place with too many factors outside the association's control. Social housing managers have always been apprehensive of anything that is high turnover, the experience of Hulme in the 80's was that they had not idea how to handle it at all.

There have been concerns raised about the sustainability of the current high demand for student bedspaces – whether it is vulnerable to changes in the fortunes of universities and colleges leading to contraction of numbers rather than the current rapid expansion. This is not an unreasonable fear.

It may also be the case that with the decline in perception of housing associations nationally[18] many are concentrating on issues within their own backyards rather than looking out to expand, especially as student housing is not well regarded among a lot of the communities that housing associations serve.

That said there are 8 housing associations listed in the NUS's recent accommodation survey, who are providing student housing.

One of these is UNIPOL, based in Leeds providing housing for students in Leeds and Bradford some directly owned others managed by them on behalf of other owners. They have procured several developments in arrangements where an investor gets them to design, build and manage the development which the investor owns but leases on to them.

This model relies on the strength of the reputation of UNIPOL to deliver the goods. A new body would have less fortune in this kind of endeavour. This model also has a disadvantage in relation to the brief for this project as the asset will not be owned by the new movement and so cannot be used to provide security for other new developments unless the original investment partners are prepared to go along with it. Also the profit from the venture will accrue to the investor not the new body so cannot be re-invested or used to support other activities. In reality in a scheme funded by loans the same issue will apply as that same money will be going to pay off the loans, however the loan will eventually be paid off and also reduces in real terms as inflation makes the payments less a percentage of the turnover of the business. In addition further loans can be secured against

[18] NHF's Housing's Better Future Campaign 2003 – to date

the first building once enough payments have been made to create the asset cover.

There is a hybrid of these two models that looks not dissimilar to hire purchase, where on expiry of the lease ownership of the building transfers to the organisation which was managing the property. There is precedent for this model in relationships between small and large housing associations.

Another potential partner could be from within the co-op housing movement itself. CDS Housing in London was born out of the early experiments in housing co-ops for young people and students in the 70's. Their development method would suite this project well as they are well used to setting up and building the co-ops homes while still recruiting the members. Their executive director, David Rodgers, helped set up some of the first co-ops referred to at the beginning of this report.

It may well be the case with both of these bodies that partnership arrangements can be used.

There are also the existing private providers as well as the universities and colleges. At this stage it would appear crucial for the idea of student housing co-operatives to stand in its own two feet. However in areas of high land cost, partnerships with universities might be the only way to get hold of land and still produce affordable rents.

There is equally likely to be a business case to be made in some situations for the existing PFI providers to be invited to tender for fixed price contracts to deliver housing to particular specification – UNIPOL provide such a document.

contracting

As described earlier, risk can be passed on to the contractor – this is either in return for additional money or more control over the building process.

Traditional contracting involves the maximum control or the client as well as the maximum financial risk. These risk can be mitigated by employing project managers with a proven track record.

Design and Build offers the opportunity for the contractor to take control over much of the detailed design and specification so feel able to offer a client more cost certainty. There is a strong argument based on the evidence before us in the UK that this route does not stimulate innovation and build quality is rarely high. However this may be a British thing as this is a route used extensively by the Germans, French and Japanese. Closely written specifications up front can help and there are intermediate versions of this route that offer varying levels of control.

Off the shelf passes the entire responsibility onto the builder, maximising cost control from the client's point of view. The client can name their price, can define what they are prepared to buy through a specification, but the cashflow on something like this does not do the contractor any favours and so this model is likely to be costly if available at all.

Urban Splash have re-invented a model from the past, where the entire design, development, contracting and subcontracting capability is all within the same operation. At each stage of a traditional contract route some liability is passed onto those carrying out the next stage while some is retained by those passing it on. This causes no end of arguments as people argue about what

liabilities they are likely to be exposed and charge accordingly, or just hold the whole job up by having legal tussles. Urban Splash by employing their own staff avoid those boundaries of liability between companies and so are not only able to reduce costs when things go wrong but also able to encourage and deliver innovation.

refurbishment vs. new build

It is worth noting at this point that while this particular project is concentrating on new build, it does not exclude working with older halls that are being passed up for redevelopment or considered no longer cost effective in their current form.

The basis for looking at new build is that costs in refurbishment cannot easily be predicted as, by definition, each project is different. In this we are looking to create a picture for a project that can be replicated across the country and therefore requires some standardisation.

In the second stage we will also take a look at the opportunities offered by prefabrication and off-site construction.

location + sites

While the demand for student housing on a city by city basis is high, this can vary considerably from area to area within each city. These variations are based on key characteristics which need to be considered when locating sites to achieve a cost effective balance between them.

key characteristics

cost

neighbourhood

- public realm
- local community

threat of crime

access:

- by foot
- by bicycle
- by public transport
- [by car]
- for those with impaired mobility.

to:

- education establishment
- social life
- shops
- key services (health and advice)
- leisure facilities
- part time work

Land prices are central to the business plan for a student housing project. Some of the North American co-operatives used land donated by individuals, universities or the city, but this level of support may be difficult to generate in the UK as universities need to maximise the return on any assets which they have.

The Valuation Office Report on Residential Building Land Autumn 2003[19] gives average land prices in areas around the UK for small sites (less than 5 houses), bulk land (more than 2 hectares, approx. 5 acres) and site for flats and maisonettes. Student housing co-operative developments will generally come into the "sites for flats and maisonettes" category. The average price outside London for this type of land is £2,180,000 per hectare, with highest costs in the East/South East areas around £3,400,000 per hectare. In London prices rise to £9,700,000 per hectare in Inner London and £6,570,000 in Outer London.

Location is a key factor for a successful housing project, both in terms of ensuring demand and ensuring financial success. Some areas will be too expensive to generate practical, affordable rents. In some areas there may be resistance to granting planning permission for student housing. Campaigns in areas such as Leeds, Lincoln, Durham and Nottingham focus on the negative effects on student housing, giving examples of petty vandalism, parking problems and house prices driven up by landlords who want to rent to groups of students, providing a higher return than a family tenant. A high level of student tenants can change the facilities in the area, increasing takeaways and bars and leading to loss of local primary schools, according to a study by Nottingham Council.[20] However, all of these problems are aggravated by the lack of halls of residence, so it should be possible to persuade council planning departments that a properly designed student housing co-op in the right location will be a positive contribution, as the Nottingham study emphasises that if purpose built student housing is created more housing will be released for families.

The general nature of the data we have been able to find and the other factors that influence rents has made it difficult to properly assess the impact of land costs on the rents for student housing. Taking as a sample Sheffield (land cost £1,250,000 pha), Exeter (land cost £2,500,000 pha) and Cardiff (land cost £4,000,000) we found room costs to be very similar:

city	land price/ha	room in shared house	single room in halls	en-suite room / luxury single
Sheffield	£1,250,000	£38-£68	£68	£74-£95.62
Exeter	£2,500,000	£42-52	£52	£77-£97
Cardiff	£4,000,000	£35-54	£51.60	£69.60-£96

Either the land is subsidised, or the developments take advantage of pockets on less expensive land (or possibly developers are making excessive profits where land prices are cheaper). Areas which have recently undergone regeneration may provide a good choice for student housing – generally these have had infrastructure investment such as transport, roads and shopping facilities, but land prices have not yet risen to the surrounding levels. Councils may also be more welcoming to new developments in these areas. As long as security and transport issues have been well

[19] Valuation Office, "Property Market Report Autumn 2003", www.voa.gov.uk website

[20] quoted in Daily Telegraph Property Supplement, "Students, don't you just hate them", 14 June 2003

addressed, these up and coming areas could prove attractive to students.

scale of developments

We need to examine what scale developments should be. Big developments mean considerable financial exposure, but much greater opportunities to generate public awareness. Small developments might be intimate to some, claustrophobic to others; they may give people the opportunity to be more involved while lacking any economies of scale. Larger developments may offer the opportunity for social networks to develop in a more organic and therefore sustainable way, but if too big will become impersonal. Co-operative ventures need people to be able to see their place in the larger picture.

The ideal size of a co-op is influenced by several key factors:

1. how many people are needed to create a feeling of community with various social networks
2. Numbers needed to make on-site staff cost effective
3. Number of properties needed to support non-residential activities.
4. Numbers needed to make environmental measures viable.
5. Ideal building forms to create secure environment and the numbers needed to do that
6. Impact on existing communities.

Studies done of the Liverpool housing co-ops some years ago suggested that the co-ops became unwieldy from a governance point of view at about 100 properties. Homes for Change has 75. Between 50 and 75 seems to be the average in ownership co-ops here in the UK

There has been other research done in Canada that has suggested that between 100 and 150 properties is optimum balancing management issues with governance.

The administrative blocs of council housing mean most TMO' are far larger than this and have up to 2000 properties.

Discussions with TMO experts have suggested that for co-ops to work, over 1000 is getting too large and perhaps between 300 and 500 is optimal for a happy compromise between management efficiency and social dynamics.

Discussion with Martin Blakey of Unipol suggested that figures of between 250 and 350 bedspaces were the optimal for the students to feel they are not dwarfed by the development but feel part of something, while management resources can be efficiently used.

When it comes to management services, there need to be sufficient numbers being provided with the key management services to be able to set up and staff systems that provide efficiency, ease of use, clarity and economies of scale. This has been estimated by some at between 2,000 and 3,000 properties under management.

If management services are to be provided on site and there is to be no external body providing those then at about 50 properties is is feasible to have a staff member part time. However this is not optimal, staff tend to work better working as part of a team. Therefore either need more properties or staff resources to be provided by an external service provider are required.

Looking at numbers of people not flats, if the average size is 2-3 bedrooms for standard housing co-ops we might therefore feel that the optimal co-op size would therefore be about 200 – 400 people. This would justify the employment of 2-3 staff and create sufficient numbers for social networks to build up and support a feeling of community.

This would not by itself support many non-residential facilities so these would have to be set up in such a way that they attract custom from outside the development. As we will discuss later this may well help ensuring a favourable reception for the development from the local community.

With environmental measures, some of them are scalable others require a minimum. CHP (combined heat and power – see sustainability section for further information) for example will need about 2-300 households to become really viable – this would probably equate to about 400-600 bedspaces. On site sewage recycling is similar. With both however the service offered does not need to confine itself to the student housing, indeed in the case of the CHP in order to make sure the plant operates at peak capacity other uses need to be supplied by it to balance the heat load.

In the second phase we will examine how many of the environmental measures can be viable on a scheme by scheme basis as the interrelationship between different ones can vary the viability thresholds. For example if there are solar thermal collectors on the roof they will reduce the heat load on the CHP plant which will mean it will need to be supplying a larger number of properties.

To create a secure building form, ideally any open space wants to be a courtyard within the block – this needs to be enclosed by the homes. Much less than 100 bedspaces is less likely to achieve this. This is also about casual surveillance. This means living spaces overlooking

key areas – this works the best when there are lots of windows rather than just a few, as this increases the likelihood of someone looking out of the window at the moment something happens. In the Homes for Change courtyard for example there are about 65 flats directly overlooking the courtyard. This means that when gangs of marauding bored teenagers come past at half term many people see what is going on and so enough people emerge from their flats in the full knowledge that they are not the only ones. This has been so effective that these days, these gangs of kids no longer bother because they know they will not get anywhere. The development opened in 1997 and there have only been 2 break-ins to flats since then and no muggings, which in an area like Hulme is unprecedented.

property types + layout

Creating new student housing by and for students offers the chance to revolutionise the nature of student accommodation. This new housing needs to provide for a variety of lifestyles, within a development which fosters a feeling of community as well as being cost effective.

There are few key ideas which inform some of this – these inform all of Urbed's work and are indeed these days enshrined in government best practice.

To create community it is necessary to understand how one works. In the 70's and 80's there were several attempts to create new housing developments that the architects felt would make good community, but they failed to understand the nature of the interlocking social networks that make up real communities – the people you might identify with in the neighbourhood will not necessarily live next door or even on the same street, therefore you want to be able to get to other streets easily.

This requires simple layouts which are secure, but it also means you want the density of development to be high enough for you to be able to walk to your friends house.

As discussed earlier, it is beneficial to maximise the opportunity for the casual encounters that allow people to exchange ideas and experience so that they generate the image of community that is what creates one.

Low density housing developments can become social deserts as no-one gets to meet anyone – they drive instead. When these developments then erect 8ft fences onto the public streets it ensures that nothing else around works either. Streets are not defined by the

tarmac surfacing the roadway they are defined by the buildings around so buildings need to address the street. This then makes building frontage onto those streets, by default therefore the back of the building will be where the communal or private activities happen.

The urban perimeter block arises from this very simple diagram. They have been the building blocks of cities for millennia and are very robust. The Homes for Change development in Hulme among many others is built this way, all the actual building comes up to the back of the pavement preserving the maximum space for a courtyard inside. While this scheme is helped by being a co-op as people look out for each other anyway, the nature of overlooking into the courtyard and the continuous perimeter of street frontage has given the scheme the best security record for break-ins in the area.

Social networks are encouraged by circulation around the walkways overlooking the courtyard rather than up and down separate staircases inside the building.

This also maximises access to a lift as only one is needed but almost all the properties have level access to it.

Mixed use allows for activities to occur at different times of the day - likely to be less of an issue with students, but having people working on site guarantees 24 occupancy and activity. This is discussed in more detail in the nest chapter.

We intend to apply these principles to our proposals for student housing.

Much new student housing provision is based on expediency, as measured by private companies with little or no interest in the pastoral welfare of the occupants beyond ensuring the rental stream and ease of management. This has led to provision being largely single ensuite rooms where communal areas are minimised, as this allows for a maximum ratio of total floor area that has to be paid for to area that can be rented out.

There is obviously a need for more of a mix. Students inhabit all the kinds of property that there are:

Shared house /flat

Individual rooms and shared living /cooking/ washing areas.

The key variants in this are whether the tenancy is joint or individual, and therefore whether rooms are individually let and how many rooms there are.

Traditional hall of residence

Individually let rooms, with few facilities in them possibly a wash hand basin. Shared toilets and TV rooms. The key variant here is whether they are self catering or not.

New Hall of Residence

Individually let rooms with en suite bathing facilities and therefore no communal facilities to speak of. Main variant is the provision of other facilities for residents which have to paid for such as gyms. This type of facility also needs to address access to healthy eating options.

Individual dwelling

While there is unlikely to be much of a market for flats for individual students, there is greater demand for students who already have families or other dependents. The case needs to be examined as to whether this kind of provision should always be separate from general provision or whether there is a case to be made for the

civilising effect that this kind of occupancy might have on the wider body of residents. This would need to be balanced with issues of noise and other disturbance and how easily different cultures of students can mix in developments.

Each of these need to be assessed for pro's and con's as well as experience sought as to preference in the market, both now and in the future.

the co-operative variant

In looking at the North American student housing co-ops, it was noticeable that a lot of the schemes look very much like normal institutional student housing. This raises the interesting question as to the usefulness of some older models of student housing once the student residents have more control over what is going on and don't feel like there's a matron down at the end of the hall waiting to come and tell them off.

In the American model the clusters of rooms that appear in the plans of a traditional hall of residence are managed as apartments and referred to as such. For example, in Ann Arbor there is a 150 room co-operative with 9 apartments. Smaller groups which we would refer to as flats are called suites, such as 21st Street Co-operative, College Houses.

Social space at the end of corridors in a lot of student housing can be rather barren unused places, how does this change of the potential users of that space are fully in control of its use as well as responsible for its condition?

So the question of where you socialise becomes quite important for design. In the usual model it happens in your room, is this a given or can it be challenged? Does it have to be in a common room, or would informal spaces be better?

For the purposes of costing we have started to have a look at some of these questions but at this stage do no more than that, we hope to work out answers in the second stage.

complimentary uses

All bodies charged with encouraging best practice in urban development now recognise (and in some cases require) that developments should contain a mix of uses. If one of the intentions of the co-operative model is to encourage the creation of viable communities, then other uses have to be included in the development. This section will look at those and recommend areas for further development. The possible grant/subsidy implications of these will also be considered.

The list of possible uses will subdivide:

Uses intended solely for the occupants

Uses for the wider neighbourhood.

Another subdivision will be those there to provide essential services so profitability may not be a pre-requisite although desired, and those that will have to be able to turn a profit in order to attract the uses desired.

Key uses/services

Access to food/meals

'Corner' shop

Crèche

Meeting space

On site management office/information point

Desired uses/services

Copy shop/ printers (addressing issues of Student Union business)

Advice

Health – doctor, dentist, district nurse

Internet Café

Takeaway

Video Shop

Banking facilities/ cashpoint

[Off licence?]

Chemist

Quiet study area (post-grad lounges)

TV + Video lounge/ facilities

Gym

Workshop spaces / business incubator units

Job shops

The financial modelling chapter later describes the assumptions we have made in assessing which of these uses can be accommodated.

Given that it is not actually desirable for other reasons for these developments to be too big, few of these desired services will be viable just on the basis of the trade and use from within the development only. There will therefore need to be a detailed assessment on a site by site basis of what facilities are already available within walking distance of the site and which could be considered appropriate within a new student housing development.

For those uses which we think can be included we have assumed that it will be best if they can be run as going

concerns rather than as subsidised from the rental income from the housing.

We have chosen not to include a laundrette as the decline in their fortunes across the country has meant that the availability of machines and servicing infrastructure is no longer cost effective, it now being cheaper to install domestic type washer dryers in every kitchen.

It is possible that the shop may not be viable by itself, however this is such a crucial service to members that it may be worth the co-op subsidising a satellite of a larger NUSSL serviced shop. This would hopefully be able to provide some of the other uses from the desired list inside such as cashpoint, videos, some basic off the shelf medicine.

Workshop spaces have been included as these have proved popular where universities have provided them and would give an opportunity for graduates to remain connected with the community even after they have left the housing. These types of non-retail use also qualify for grant assistance in much of the country. Work for Change workspace co-operative in Hulme has proved that once a number of businesses are working together in a co-operative environment other services can be supported out of that rental stream. Work for Change is able to provide members of the co-op with cheap photocopying as well as networked printing. The snack machine is stocked solely with organic and fair-trade goods and turns a small profit while providing a small but valuable service to the 65 people that work in the development. The meeting space/theatre is supported partially out the rental income it attracts directly but it would not have been viable were it not for the far steadier reliable income of the surrounding 26 workspace units. Together with the housing co-op above there is also a hard wired broadband Internet connection for only £1/week for flats and £2.50/week for smaller businesses rising in line with the number of additional workstations.

We have included space for a co-op office. We assume that the co-op will have a very close relationship with the local student union so in conjunction with it would be able to have people come round and run drop-in advice services and such like.

Food

In the financial modelling, there has been an assumption of a cafe attached to a larger flexible space with moveable partitioning so that function spaces can be created serviced by the café. We have assumed that while the café may well receive favourable rental terms it will be let out to an operator as a commercial concern.

However, in the US, most of the student co-operatives go further than this and provide communal meals for the student members, in one or more large common dining rooms and kitchens. These meals are almost entirely cooked by the student members, where it is regarded as one of the crucial member contributions to the co-operative. This is very similar to the co-housing movements in the US and Denmark. Opinion is split in the UK as to whether this level of communal life is desirable. There is no doubt though that in seeking to maximise opportunities for the co-operative members to learn to work together, the activity of meal making is highly effective. In the second phase we will need to investigate whether there is a market for food provision of this nature and whether student members would be prepared to commit themselves to the necessary

workload. The costs of creating a communal dining facility and the scale of commercial kitchen would be quite high and could seriously undermine a new operation if not cost effective.

Dining co-ops

A dining co-operative is where members come together to pool their resources to provide meals. Some of the American housing co-ops grew from dining co-ops, which were absorbed into the housing co-op. In a student co-operative where central dining is available, there may well be some resistance if this is a compulsory part of living in the rooms it serves. In this instance a dining co-op which one chooses to join becomes a potentially attractive option. There could also be merit from a business planning perspective in looking at setting up a seperate dining co-operative for those interested.

The advantage of a seperate co-operative is that it need not be exclusively for resident members, given appropriate recruitment a provision of this nature could prove attractive to other students in the surrounding area and could provide a useful provision for ex-students who have left the housing but want to retain a link with the co-op as well as having good quality food. It could also make a strong contribution to the local community if promoted to people in temporary accommodation. More research will be done on this as part of the second phase.

Training/Conference

We are told that for a while now there have been conversations within the student movement about provision of training and conference facilities for the movement itself. In seeking to identify commercial benefit to having the catering provision discussed above the idea has arisen that a suitably designed student housing facility would be able to provide the sort of small scale conference facilities required. One model that needs to be explored (among others) would be a series of suites of rooms served by communal lounges which are sufficiently large to serve as breakout rooms when the facility is being used for a conference. These could be arranged in the building so that they are easily accessible from the eating area and/or meeting place. This arrangement would not preclude the use of part of the space with the kitchen as a commercial concern to serve the general public if designed appropriately. A venue that would take perhaps 120 sitting in conference format would be take about 80-90 people sat at tables for a meal. Communal meal making on this scale would be challenging for volunteer members unless they are assisting qualified catering staff. One issue would be when the facility would be available for conferences. It may well be that parts of the facility would still have student members in residence while other parts were cleared over holidays for conference guests. The scale of development necessary to be able to do this during Christmas and Easter holidays would be substantial and it may be that this is only viable during the summer holidays. Given the split of opinion and therefore the likely split in the market for the food provision discussed, the proposed facility would most likely be a mix of self contained shared flats and the suites of rooms with central dining.

connection to wider community

In many towns and cities with large student populations, there is often a tension between the students and permanent residents about their connection to the communities in which they live. This is especially the case where access to housing means that students are forced to move into more marginalised communities. This new form of student accommodation needs to make sure that it brings added value to the neighbourhoods in which it is built. There are several key areas examine in order to achieve this:

non-residential services

As discussed, the services required to make the student housing facility attractive are going to need to trade locally outside the building as well as inside it if they are to be viable. An analysis of local retail or service provision around any site will not only make sure that the new facility does not end up duplicating it will also allow it to fill in some of the gaps that the local community feel exist.

This could be a very effective way of ensuring that the community into which a new development is put feel they will get something out of the deal too.

Too often neighbourhoods lose valuable services and retail to centralised developments, shopping centres or supermarkets. The difficulties in redevelopment areas of producing the kind of retail infrastructure needed mean that all too often you are lucky to find anything more than a corner shop. In 1965 the Stretford Road in Hulme, Manchester had 1730 shops along its length. Now it has 3, one of the units is still empty 10 years after the development was built. On of the problems here are the lack of context – once a shopping area has left someone's mental map, and they have replaced that shopping with the local supermarket it is very difficult to re-establish. In the absence of this grant or business support can help but too often these programs stop once the new buildings are built.

A new student housing co-operative could be a very important player in this instance. There needs to be a shop or café to attract members, so some cross-subsidy from the housing could be justified. Then as it is to trade outside too, it provides benefits for the community as well.

This elision of interests, it could be argued is the secret of success in this context.

business model

It has been proved all over the country that communities are far more likely to support ventures that they see are ethical and of wider benefit than just the profits to shareholders. The fact that a part of the surpluses of such a venture are likely to be re-invested in the neighbourhood (eg by paying local maintenance contractors) should further enhance the chances of support.

type of layout

While building design cannot solve problems all by itself there is little doubt that building design and layout can enhance the chances of success. As discussed in the previous chapters, this development needs to stimulate community. This should not just be an inward looking development though. The development needs to contribute to the public realm outside – it needs to give

life to the streets outside as well as an communal space inside.

The non residential uses that open onto the street will help with this, but it also means that the housing needs to open onto the streets outside the development too to give life to those streets.

developed as part of larger projects

While most opinion seems to suggest that students prefer to live in developments with other students there is an argument that this preference could be balanced with the need to live in a more balanced environment where the ability to negotiate with other priorities and lifestyles is learnt.

This will be examined more in the second stage, but it may help the future stability of the community if it is developed alongside other housing which shares some of the management services. Many developments for students are being badged as 'key worker' housing too. With appropriate design that ensures noise generating students do not adversely affect those that prefer a little more quiet – students as well as others – accommodation for a wider population including families could be included.

This approach could be particularly effective where a partnership with a housing association is the development route.

community outreach

There are already a number of programmes through which student can go out and provide help to communities.

In the type of development conceived of here this sort of work could become second nature. Students can offer a great deal to communities – especially marginalised ones where educational achievement is compromised by other factors. As equally those communities can offer a great deal to the students allowing them to learn about a wider picture of society than is perhaps available in a lot of universities.

A development that allows entry to the wider community as a result of the facilities it offers is bound to assist in creating a climate where the students themselves engage with the wider community.

This type of exchange is the lifeblood of communities. It is when people don't communicate that fact about what is going in is replaced by supposition then suspicion.

management methods

The management models for these new co-operatives have looked at just the development itself – and it is likely that his will be the case for while. If development partnerships mean that other forms of housing are developed at the same time and management is shared then there is an opportunity for management to include more than just the students. If this management is of mutual i.e. co-operative form then there is a good opportunity for some of the wider community to be involved, albeit only those living in the rest of the development.

However there may be opportunities once the development has got up and running for a mutual relationship with other housing providers. In much of the country the way in with social housing investment has happened has led to a situation where there are several social landlords operating in the same

neighbourhood. In Balsall Heath in Birmingham there are 13 social landlords providing housing. The Confederation of Co-operative Housing (CCH) has been looking at ways bringing all the management services under one mutual body. This has arisen from the work done on the Community Gateway Model[21] – a proposal for increasing opportunities for community control and mutualising the social housing sector especially but not solely through stock transfer.

In this idea, a neighbourhood wide body would be set up – a community gateway association which would provide a single place through with housing services were provided on behalf of all the owning landlords in that neighbourhood that signed up to the idea. While intended for social landlords, it would be relatively easy to see how a student co-operative could play a very useful role in such a body, as well as making sure that the student housing scheme was seen by its neighbours as part of that community.

[21] http://www.cch.coop/docs/cch-gateway.pdf – original idea conceived by Nic Bliss and Charlie Baker

sustainability

This model needs to demonstrate best practice at all levels of its provision. A key area is its ecological footprint. This section sets out the four headline sustainability themes proposed as forming the basis for the student housing co-operative – energy, transport, food and waste. It then examines co-operative strategies that could be used address the 'headline' sustainability themes, focussing on:

New forms of infrastructure;

- The provision of innovative services;
- Encouraging more sustainable lifestyles.

Whilst the former might fall within the responsibility of facilities or estates management, services and lifestyles could play an important role in the development of students' life skills during their residence. This theme could be developed in a number of ways that could encourage students to engage with the issues in their day to day lives:

Feedback on each student households' performance (e.g. energy use, waste arisings, food purchasing habits) used to encourage them to reduce their environmental impact

- Development of life skills that contribute to reduced environmental impact (e.g. cycle repair and maintenance, food preparation and cooking, household energy management)
- Establishment of student consumer co-operatives to support markets for goods and services and reduce costs (e.g. organic / local food, cycle hire, recycled products)

A dedicated home page on the Internet could be used as a single point of access for services and supporting information on environmental issues.

1 energy

1.1 Policy Context

One of the major environmental threats the world faces is global warming caused by greenhouse gases. The most significant greenhouse gas is Carbon Dioxide (CO_2). It has been estimated that the average person living in a modern house has CO_2 emissions are estimated to be 1.3 tonnes/annum. CO_2 is released into the atmosphere when we burn fossil fuels such as coal, oil and natural gas. Global warming threatens to unbalance the atmospheric systems which we depend on to sustain life. The impact of this could be dramatic, melting the ice caps, destabilising weather systems and increasing rates of desertification, habitat loss and crop failure.

The Royal Commission on Environmental Pollution has recommended that it is necessary to make 60-80% cuts in CO_2 emissions by 2050 if global warming is to be tackled. Achieving these cuts would have fundamental implications for the way we use energy. This will require;

- Substantial improvements in energy efficiency,
- More efficient electricity generation using CHP (Combined Heat and Power) technology,
- Development of renewable sources of energy such solar, wind and biomass.

Evidence from progressive EU countries such as Denmark and Germany is that this will require long-term investment and higher energy prices. However, despite the publication of a radical energy white paper in 2003 and adoption of a target of 60% CO_2 reductions by 2050, the focus of the Government's energy policy has been on short-term reductions in energy prices, reducing operating margins and threatening investment.

1.2 Developing an Energy Strategy

Key to the delivery of CO_2 reductions for a co-operative housing scheme will be the development of an energy strategy. This will bring together measures to address both the supply and demand for energy, as well as measures to manage occupier's energy consumption patterns over time. The predicted energy consumption for student halls of residence and student households can be benchmarked using circa 1997 figures published by the government. These indicate a typical consumption of 85 kWh/m^2/yr for electricity and 240 kWh/m^2/yr for gas. Associated facilities also have distinctive energy consumption patterns. Catering, for example, is energy intensive with 650 kWh/m^2/yr for electricity and 1100 kWh/m^2/yr for gas.

Building Form and Microclimate

The internal and external microclimate created by a building can influence energy demand and the quality of life of occupants. The surface area to volume ratio of a building influences the heating requirements. Flats within compact urban blocks have less heat loss walls, allowing for larger areas of heat-loss glazing to increase passive solar gain and daylighting. However, large areas of south facing glazing will tend to require shading, good cross ventilation (requiring dual aspect or enclosed atrium) or the use of winter gardens in order to counter overheating.

Solar gain can be moderated by ensuring that the building structure has sufficient thermal mass e.g.

concrete floors and cross walls. Super-insulated buildings also need to be air tight creating problems for introducing sufficient ventilation. Specification of a breathable external walls are a passive means of allowing for controlling humidity and air quality e.g. timber stud external walls with cellulose insulation. Wind effects created by the building form also require consideration, and they can be used to assist ventilation systems and generate electricity (see energy supply).

Possibilities

- Communal spaces specified with blinds to encourage the use of controlled daylighting
- Balconies can be used to shade high angle solar gain
- Dual aspect communal spaces to allow for cross ventilation
- Thermally heavyweight building structure with breathable external fabric

Energy Efficient Design and Specification

Based on 2001 Building Regulations around a third of a household's energy use is associated with space heating – equivalent to a SAP rating of 100 or 20-25% CO_2 reduction on 1997 levels. Around a third of a household's energy use is associated with hot water and the remaining third of a household's energy use is associated with electricity for lights, appliances and plug loads. Electricity accounts for the majority of a households CO_2 emissions because of the inefficiency of electricity generation (<40% of the fuel is turned into electricity at the power station).

Design and specification of a SAP 100+ super-insulated building fabric will minimise the requirement for space heating. Internal heating systems can then be specified to reflect the reduced load, with lower temperature, and less intrusive, underfloor and perimeter floor duct space heating complementing the building fabric. Thermostatic control systems will ensure that occupiers can control comfort levels.

However, design principles and construction techniques will need to minimise risks associated with the actual delivery of the predicted building fabric performance. The basic principle of an energy efficient building fabric is to achieve a continuous and uninterrupted thermally insulated layer. To ensure that actual performance matches design performance will require:

Attention to detail during design to, for example, minimise cold bridging and ensure air tightness;

- Knowledge and experience of materials, specifications and techniques such as insulation; and
- Quality control and precision during construction to achieve predicted performance.

The insulation will need to be designed to avoid thermal breaks, particularly in areas around windows, corners and where structural elements penetrate the insulation layer e.g. structural supports for balconies and walkways. Techniques such as timber stud walls with sprayed cellulose insulation can significantly reduce the potential for thermal breaks. Precision construction will also assist, with wall panel systems reducing the potential for thermal breaks.

It is likely that efficient systems for the supply of hot water (and space heating) would be provided at a

communal level via a hot water distribution network (see energy supply). The efficient use of hot water will reduce demand. This can be achieved through the specification of spray taps, low flow showers and efficient appliances. Communal washing machines will allow for the specification of more efficient machines and could ensure a greater number of full loads because residents would be charged for the end-use i.e. per wash.

The main target for reducing electricity use are lights and appliances. The specification of efficient compact fluorescent lighting throughout the scheme could cut electricity use by more than 10%. Whilst these bulbs have a higher capital cost they have a lower lifecycle costs, with a lifespan of between 5-10 years. LED bulbs would deliver the lowest consumption and would last over 10 years. The communal management of student housing would allow them to form part of an ongoing replacement programme, with contributions to a lighting sinking fund potentially taken from energy bills. This fund could also be used make bulbs available to students so that they can be used for task lighting (which contributes to plug loads).

We have already discussed the specification of communal washing machines. Each student household would have a kitchen likely to be specified with fridge/freezer. Electricity consumption could be halved by specifying refrigerators without freezer compartment. This could have the benefit of encouraging the purchase of fresh produce. The demand for refrigeration can be reduced through specifying A-rated appliances, European Energy + refrigerators would deliver further significant reductions in electricity use. The lowest consumption can be achieved using the 'Fria' refrigerator which is assisted by natural ventilation – functioning partly like a traditional larder.

Possibilities

- Careful attention to design principles and construction techniques in order to ensure delivery of design SAP rating
- Specification of lower temperature and less intrusive space heating systems
- Specification of spray taps and low flow showers to minimise hot water use
- Communal laundry facilities allows for specification of more efficient machines and ensures residents charged for end-use i.e. per wash
- Specification of compact fluorescent lighting throughout, with replacement contribution added to occupier energy bills and bulbs made available for task lighting
- Specification of A-rated or Energy + refrigeration (without freezer compartment) in kitchens

Supply Systems and Suppliers

Traditional halls of residence tend to be served by their own communal boiler plant, or supplied by heat from campus boiler plant. This has the benefit of allowing for the specification of larger more efficient boiler plant, and with a mix of uses in the building this would allow plant to run for longer hours. Communal heating would also future proof the energy supply for a block or collection

of blocks, allowing fuels and supply technologies to be cost effectively switched.

Government guidance suggests that specification of a Combined Heat and Power (CHP) plant to supply hot water and electricity would represent 'best practice', delivering 30-40% CO_2 savings. CHP plant generally consist of natural gas-fired engines or turbines, allowing for the on-site generation of electricity and the local use of the waste heat for space heating and hot water. For an urban block it is likely that minimum viable size for a CHP plant would be around 200-300 kWe (based on maintenance and capital costs) equivalent to around 100 households – though a purely residential building would require 150-200 households as a smaller CHP unit would be required.

CHP systems require long-term investment as they are inherently more capital intensive than conventional utility supplies. The direct supply of electricity to the building would maximise viability. The direct supply of electricity and heat to surrounding buildings, particularly if they include non-residential uses, would allow for specification of a larger and more cost effective CHP plant – providing benefits to the wider community.

If the investment was attractive such a plant could be operated and financed by a third party specialist CHP company. However, discussions with the Co-operative Bank suggest that they would be willing to finance such a system as part of a housing or mixed use scheme. Experience from Denmark suggests that a larger neighbourhood system could be established and financed as a multi-stakeholder consumer co-operative. Metering and billing can be cost effectively sub-contracted to specialist metering/billing company such as Viterra (see next section of discussion of advanced metering/billing).

Communal boilers or CHP generally use natural gas – a fossil fuel. Switching to a renewable fuel would allow CO_2 emissions to be reduced by 40% and 100% respectively. Woodfuel (commonly called 'biomass') could be used instead of natural gas. Biomass can be sourced from urban green waste, forestry (branch residue and whole tree harvesting) and dedicated energy crops. These would need to form the basis for a supply contract with local authorities and/or farmers. The market for biomass fuel is poorly developed in the North West so supply chain development would be required, potentially with the support of Renewables North West.

Early indications in the UK market are that community scale biomass CHP based on gasification technology (sub 1 MW) would not be able to recover its capital costs over the lifespan of the equipment (up to 20 years) without significant gap funding – though this situation could be improved through direct sale of electricity over private wires.

Given the relatively high cost of biomass electricity generation, biomass heating is attracting increasing interest in the UK market. Modern pellet or wood-chip fired boilers are an established technology in EU countries such as Sweden, Germany, Finland and Austria. Early indications in the UK market are that community scale biomass district heating could recover capital costs over a 15 to 20 year payback period – with the higher capital costs to an extent being offset by lower fuel costs. The payback for single urban blocks with significant heat loads is likely to be lower.

The demand for natural gas *and/or* biomass fuel for communal heating could be reduced by incorporating solar thermal collectors into the building. The 'Urban Villa' at Amstelveen in the Netherlands is a good example of how this can be achieved. Gas fired boilers are supplemented by communal flat-plate solar thermal collectors. A Distributed Control System tops up each flat's storage cylinder when solar energy is available. This has been demonstrated to reduce the demand for natural gas by 30%. Solar thermal systems have a relatively low capital cost at less than £1,500 per flat. However the low price of gas means that they still have a long payback period.

The demand for natural gas for grid electricity *or* CHP electricity could be reduced by incorporating solar photovoltaic panels into the building. The average size of a domestic array is 4 KW which will generate around 3,000 kWh – equivalent to a typical household's annual consumption. In a block of flats arrays can be configured to supplement the building's AC supply at the point of supply. A range of roof integration solutions exist though costs and lead-time implications require careful consideration. For both thermal and photovoltaic arrays the orientation and pitch of the roofs will need to be considered and futureproofed as part of the building design – 30-60° pitch orientated between south east / south west.

Solar photovoltaics currently have a very high capital cost with the lowest priced UK installations coming in at around £4-5/installed watt. However, these costs are likely to fall sharply over the next few years. There are also a number of ways in which these costs can be managed;

50% of the cost of solar photovoltaic and solar thermal arrays can be obtained through DTI grants,

- Installation as a communal array could allow the co-operative to claim Renewable Obligation Certificates (ROC's) which are currently worth 4-5p/kWh,
- 'Green' utilities may also be interested in leasing roof space and financing the arrays so they can sell solar electricity to the grid.

The inherent problem with solar photovoltaics the electricity generated is not matched with residential demand i.e. peak output is in summer during the day, allowing it to displace an equivalent commercial demand. Matching the supply and demand for electricity within a building will therefore require a solution based on a number of different energy sources, with studies suggesting wind energy provides a good match for solar energy.

Harnessing wind energy in urban areas presents problems, with turbulence and low wind speeds minimising its potential contribution. However as discussed building forms create their own wind effects. This can be used to concentrate winds for use by vertical axis wind turbines. This technology is still being developed, however, URBED have been in discussions with Altechnica in the UK to establish a demonstration project. They are currently developing a roof integrated ridge turbine system and are working with potential manufacturers.

The costs associated with development of the technology are likely to result in a capital cost comparable with solar photovoltaics. Grants are available from the DTI and EU for projects.

Possibilities

- Communal heating would futureproof the energy supply.
- Private electricity cables improve viability of alternative supply systems
- Specification of CHP (Combined Heat and Power) system to supply electricity, space heating and hot water to the building(s). This would be a standalone investment with its own business plan.
- Neighbourhood CHP with district heating supply would benefit the wider community and, depending on the mix of used, could be more viable
- Biomass heating could deliver similar CO_2 savings to gas-fired CHP but would require supply chain development
- Solar thermal collectors could be used to supplement communal heating systems and reduce demand for natural gas and/or biomass fuel by 30%
- Solar photovoltaic panels could be used to reduce demand for grid or CHP electricity (CO_2 saving dependant on size of arrays and density of scheme)
- Solar technologies have high capital costs but these can be minimised with DTI grants, communal arrays, and 'green' electricity sales
- Experimental urban wind generation could make significant contribution to electricity use at peak times, however there would be

Energy management systems and feedback mechanisms

Studies have shown that sensitising occupiers to their energy use by introducing well designed information and feedback mechanisms can reduce consumption by 5-15%. The metering and billing of student households would also encourage students to manage their energy consumption, and could also be linked to informal education and awareness raising.

A system could be specified to provide student households with readily accessible and easy to interpret information on their consumption patterns. This could be achieved by;

Disaggregating energy consumption within each household,

1) Benchmarking consumption across student housing,
2) Providing feedback via bills, web interface and a visual display unit in each household.

The system would be facilitated by a broadband or wireless network serving the community. The key features of such a system could be:

- Prominent LCD display and/or web interface - this would provide student households with real-time and cumulative consumption figures (KWh, end-use price, CO_2 emissions). The LCD display could be located in each kitchen and could include colourful displays eg. benchmarking household/occupier

consumption or the energy source (brown - gas/coal, green – renewables).

- Networked meters - this would enable the aggregation of data across the student housing which could then be presented separately and/or as part of billing eg. comparison with other student households. It would also allow ease of meter reading for billing purposes.
- End-use metering - splitting the recorded and displayed data by end-use eg. cooking, lighting, ring main plug loads. Reports/bills could also display this data if it is logged.

The benefit of this system is that it could allow for 'end-use metering'. This would focus students on what they were using energy for rather than KWh consumption. The household bill would be based on different end-uses ie. washing loads, lighting, cooking, refrigeration, hot water, heating. Use of communal facilities could be logged as a component of the bill eg laundrette.

Possibilities

- 'End-use metering' and billing of energy consumption ie. washing loads, lighting, cooking, refrigeration, hot water, heating
- Energy management system providing information on household consumption (KWh, end-use price, CO_2 emissions) and allowing comparison with other households

2 transport

2.1 Policy Context

Patterns of living and working in the UK are overwhelmingly shaped by use of the private car. Car use also accounts for around 30% of the average persons CO_2 emissions, estimated at 2.1 tonnes/annum, and is one of the fastest rising source of emissions. The social and economic costs of congestion, stress, air pollution and road accidents have been widely reported, with the NHS having to deal with the 3,000-4,000 deaths from road accidents each year and the £1 billion annual costs of pollution related asthma The CBI has recently estimated that congestion costs the economy 3% of GDP (£20 Billion annually). However, despite their collective impact cars remain desirable objects which provide comfort and convenience to millions of owners.

2.2 Developing a Transport Strategy

In order to reduce transport related emissions it is normally the priority to consider how car use can be reduced as much as possible. However, students are less likely than the average household to own a car. The focus should therefore be on ensuring that walking, cycling and the use of public transport are safe, attractive and convenient options. To discourage car use it may be desirable to charge a premium for car parking on-site. It will also be important to encourage students develop skills and habits which they will hopefully continue in later life.

In order to do this it will be important to consider the different types of journeys made by students. This will relate to the location of the housing co-operative relative to the university campus, as well as local facilities and

amenities. For the purposes of this study we have focussed on the promotion of cycling, though the hire facility could be extended to provide cars for one-off journeys as and when required.

Whilst cycling is one of the most sustainable alternatives to car use, in UK cities it is also one of the most dangerous. At a broader level measures to promote cycling need to be supported by safe connecting routes from the site to other locations within the city. In many UK cities cycle routes are patchy and where they exist they have been developed by planners and highway engineers without practical consideration from the perspective of the cyclist using them. This can create a false sense of security for those using poorly thought out and impractical routes. A cyclists 'audit' of the local area could be undertaken and used as the basis for lobbying. The national charity Sustrans undertakes studies for supermarkets and housing schemes, assessing existing routes and formulating recommendations.

To promote cycling within the housing co-operative it will be important to address cycle parking and storage. Secure storage space for up to one bicycle per resident would need to be provided within the scheme. The space would also need to be convenient to access, potentially using a swipe card which would cover other environmental services (see cycle hire), and sheltered from the elements. Temporary parking spaces would also need to be considered for visitors and workers in the scheme, with the prominent location of lockup hoops near to facilities as well as access to more secure storage where appropriate.

Wider promotion of cycling could be supported by the provision of a range of on-site services, as demonstrated by a number of US student housing co-operatives. This could include a shop selling new and second hand bicycles, as well as providing a repairs and maintenance service. This could be provided through partnership with local co-operatives such as Bicycle Doctor in Manchester. Training courses covering cycling proficiency and basic cycle maintenance could also be arranged to help develop student's life skills.

Given that many facilities and amenities are likely to be within walking distance of the housing co-operative, students could benefit from provision of cycle hire service. This would avoid the need to own their own bicycle and instead they would have access to well maintained bicycles at short notice. EU cities such as Munich and Copenhagen have successfully introduced such services for the wider community. A modern cycle taxi service could also be established to provide transport to and from local shopping centres and public transport hubs, as well as for nights out. This would only likely to be viable as a wider community service.

Possibilities

- Cyclists audit of the local area looking at the safety of connecting routes. This could be used for lobbying purposes.
- Provision of secure, convenient and weatherproof storage for residents, as well as parking for visitors and workers.
- Provision of shop retailing new and used bicycles as well as providing repairs and maintenance services
- Potential to provide training in cycling proficiency and basic maintenance
- Provision of cycle hire service, probably as wider community service
- Provision of cycle taxi as wider community service

3 waste

3.1 Policy Context

The manufacturing of products from virgin materials leads to the depletion of natural resources and substantial CO_2 emissions from industry. The result is that the waste created by the average person means that an additional 1.6 tonnes/annum of CO_2 emissions are created. Reducing our dependence on natural resources will require implementation of the waste hierarchy – in descending order of priority the reduction, re-use and recycling of waste. In its national waste strategy the Government has set a target for 25% of household waste to be recycled by 2005-06, with Greater Manchester having been set an 18% target.

The average household generates 823 kg of waste every year of which on average only 12% is currently recycled. Of the remaining 88% around 9% is incinerated and 79% goes to landfill. It has been estimated that up to 68% of the materials in the average household's bin could be recycled or composted. Research has shown that this could create value of £400-500/tonne and save 30-90% of the energy of virgin materials.

Waste creates a series of dilemmas. Household waste arisings are increasing 3% year on year – mainly due to increased packaging waste and the short lifespan of consumer products - and landfill space available is dwindling. Furthermore the cost of landfilling waste in the remaining space is increasing as a consequence of the Landfill Tax and it will become increasingly difficult to gain planning permission for incineration plant due to local opposition.

Implementation of largescale recycling services will be costly at a time when Local Authorities are being forced to cap increases in Council Tax. Recognising this dilemma, extra money has recently been made available by the Government for household recycling services – though Local Authorities have to bid for this money and it needs to be matched from their own budget.

3.2 Developing a Waste Strategy

Segregation of waste at source by households, accompanied by a recyclables collection service is recognised as the most effective means of achieving high recycling rates and encouraging a culture of waste minimisation. The low value of collected materials such as paper, glass and plastic means that high participation rates need to be achieved to make collection services cost effective. However this requires a culture change that needs to be supported by an effective, and ongoing, programme of education and awareness raising. This is particularly challenging for a student housing scheme which will probably have a relatively high turnover.

There are a number of ways in which participation could be encouraged and incentivised:

- Waste charging – students could be charged by weight for the disposal of rubbish. A swipe card system could be introduced that would be similar to that used on housing schemes in Holland. This would be feasible given that student halls would generally budget for waste disposal services provided by the council or independent contractors such as Biffa.
- Buy-back – instead of a conventional collection service a 'buyback' shop could be established on-site. This is analogous to a supermarket in reverse, with students bringing recyclables to the shop where they would be given credits for the materials collected, probably using the same swipe card as for rubbish disposal. Though it would not be possible to give students the full value, the credit could be linked to special offers on recycled products eg. stationery and clothing. The credit could be maximised if the scheme was run on a voluntary basis by 'community champions' (see below)
- Community champions – collection services and marketing can be tailored to students needs by fostering an ongoing relationship with service providers. 'Community champions' can act as direct liaisons, and would be given basic training in recycling and would then assist with the marketing and running of the service.

Another important element of awareness raising will be encouraging students to 'buy recycled'.

A shop on-site could stock a range of products with a high recycled content, with stationery such as A4 paper being a good example. The shop could also take-back items for recycling - such as used printer cartridges. Alternatively, basic products such as recycled paper could be bought in bulk by students, potentially acting as a consumer co-operative. Retailers that might appeal to students could also be attracted to the scheme, such as Oxfam Originals to encourage the re-use of fashion clothing.

Introducing recycling collections to a high density development creates a logistical challenge. The materials need to be segregated in kitchens, stored, taken to recycling points, and then collected by a service provider. The extent of the provision will depend on the configuration of the housing units, and whether they are self-catering. It is likely that student households will generate significantly higher than average quantities of glass and aluminium packaging, as well as mixed packaging waste and bulky goods at the beginning and end of each year

In terms of the quality of the service provided, recent research by SNU (Safe Neighbourhoods Unit) on high rise and high density collections highlighted some of the key issues to be addressed:

Convenience – the scheme needs to be convenient to use so that there is a good level of participation. Either through limiting the distance that materials need to be carried, or combining a trip to dispose of rubbish with separation of recyclables.

- Reliability – in the case of door-to-door collections, failure to the honour the weekly or fortnightly collection times communicated to each household can result in reduced participation and an accumulation of materials which are then likely to be disposed of.
- Security – Issues of security for those using facilities such as a bring site of bin store need to be considered, as well the risks associated with fire and vandalism.
- Management – Facilities may need to be managed in order to keep them in an acceptable condition, and to ensure that materials are being segregated according to the requirements of the recycling company.
- Costs – this will depend on the nature of the facilities that are to be provided. The nature of the scheme will rely on the manpower and vehicles that will need to be put in place by the recycling company.

In terms of the internal design of the housing units, this will require kitchen space provision for a recyclables storage container and (potentially) an organic waste container. These can be designed into standard kitchen units, usually under the sink. Containers can also lift out and include handles for ease of carriage to a collection point in the building.

The new development could make use of existing local collection services run by community recycling company EMERGE. Experience has shown that community based or not-for-profit recycling companies consistently achieve higher participation rates than schemes delivered by large waste contractors.

EMERGE's flats collection service is based on 'bring' sites – provision of a central point within a block consisting of wheelie bins for paper, glass, aluminium – and is supported by a Community Champions scheme. However, depending on the configuration of the building, the service could be made more convenient by locating collection points nearer to flats, for example on each level, or if the scheme is deck access (flats with front doors onto walkways) through door-to-door collection using a small trolley system. Such a 'multi-materials' service could reduce waste by over 30%.

EMERGE's sister company Fairfield composting are also looking to work with housing providers to trial on-site systems for the composting of organic (kitchen)

waste. This would probably consist of a single in-vessel composting unit which could potentially be co-located with a 'bring' site in a designated recycling centre. It could also become more viable if household waste was combined with catering waste from restaurants and retailers. Whilst such a system requires minimal maintenance, end-uses for the compost would need to be developed. Combining composting with the basic multi-materials service could reduce waste by over 60%.

Possibilities

- High participation rates require a culture change supported by an effective, and ongoing, programme of education and awareness raising
- Participation could be encouraged and incentivised through waste charging, buyback and Community Champion schemes
- Recycling collections in high density housing creates a logistical challenge requiring kitchen segregation, storage and then collection
- Collection services could be provided by local community recycling companies, and this could include installation of on-site composting facilities.
- Composting and multi-materials collections could reduce waste by 60%

4 food

4.1 Policy Context

Modern patterns of industrial food production are resource intensive – requiring significant inputs of inorganic fertilisers and pesticides, which permanently degrade the soils fertility. Modern patterns of food consumption are also energy intensive. Because food is bought from the cheapest source rather than the closest, food has to be transported to the UK from all over the world, generating significant 'food miles'. Over half of the vegetables and 95% of the fruit we eat are imported due to the fact that we no longer eat seasonally. The end result is that the average person's food related CO_2 emissions are estimated to be 2.7 tonnes/annum.

Dependence on a small range of crop varieties has also led to a loss of local diversity and knowledge. Over the last century the figure is as high as 80-90% for common crops such as potatoes and tomatoes. Unfair trading arrangements have also discouraged long-term stewardship of the land. In the UK this has led to the near collapse of the agricultural industry, and in the developed world it has led farmers to cut down forests and become dependent on resource intensive cash crops.

Over the last decade farming has become an increasingly marginal business. Average farm incomes last year were £11,100 and 50,000 farmers are predicted to leave the industry by 2005. The industry is being squeezed by a combination of overseas competition and the stranglehold of the supermarkets over the food supply in the UK. Once the costs of centralised transport, processing, packaging as well supermarket's high mark-ups are factored in only 20-25% of the value of food typically reaches farmers.

With the crisis in the industry farmers are now looking to alternatives. Increasing numbers are looking to convert to organic, though greater incentives are needed. They are also trying to respond to increasing interest in farmers' markets and direct sales, but these need to become more widespread to create enough business to generate a steady income.

4.2 Developing a Food Strategy

A good starting point for encouraging the purchase of local, organic and/or fair trade produce is the development of an awareness of food issues. The quality and nutritional content of a student's diet is one of the most immediate issue of concern. There are three main areas in which healthier and more environmentally sound options could be encouraged:

Healthy Diets

Budget often forces students to buy cheap and easy to prepare foods. A healthy diet contributes to a reduced risk of coronary heart disease, diabetes, cancer and many other diseases. However, whilst NHS Primary Care Trusts can play a role in raising awareness there is more to diet than education about what is healthy. The availability, cost and ease of preparation of healthy options is a major factor in people's dietary choices. Many urban areas are still 'food deserts' where access to fresh food is severely restricted. Lack of basic cooking skills can also be a barrier.

Making affordable fresh produce available could encourage students to improve their diet, examine their eating habits and differentiate sources of produce. This could be made available through a number of different initiatives discussed below, including bulk purchasing and the provision of food retail units and market stalls.

Cooking skills

Students may lack the basic skills to prepare fresh ingredients, and this lack of skills may be carried into later life. Cooking skills can help people develop an appreciation of food diversity and seasonal dishes. There is the potential to make basic training available or to encourage the development of skills in the communal atmosphere of shared kitchens, potentially with trained supervision and/or visiting chefs from local restaurants to introduce diversity. In the case of the latter there is the potential to learn from the cohousing model, whereby co-operative members share the responsibility for cooking on a team rota in communal kitchen and eating space.

Affordability and Choice

Making access to local, organic and fair trade produce convenient for students will increase the available choice. On-site retailing could be developed in partnership with co-operatives such as Unicorn or mainstream consumer societies. For mainstream retailers a lettings policy could be developed to screen for independents, as well as policies on local/regional sourcing, organic and fair trade. Public space within the scheme could be used to encourage farmers or local produce markets, which could serve the wider community.

These products can be more expensive so bulk purchasing could be developed for food staples, potentially in partnership with farmers and co-operatives such as Suma. This could run using a consumer co-

operative model similar to Japanese Seikatsu's (which are based on orders made by groups of households) and membership could be linked to education and awareness raising of broader issues.

These three options could have implications for the scheme's design including configuration of the kitchen areas, use of public space, and the inclusion of food retail units. From the point of view of the student they could be used to offer choice, convenience and affordability whilst also encouraging good housekeeping and the development of cooking skills.

Possibilities

Education and awareness raising related to diet, shopping habits and cooking skills

Make affordable fresh produce available through bulk purchasing and the provision of food retail units and market stalls

Provision of basic training to develop cooking skills, either formally or as part of communal cooking environment

Communal cooking environment could be used to increase confidence with a wider range of dishes and raise awareness of diversity

Ensure access to local, organic and fair trade produce as an option through bulk purchase or on-site retail

financial models

The financial model used for this project is based upon the models built up over eleven years for Homes and Work for Change co-operative housing and workspace project in Manchester. This model has been adapted over this long period to create a responsive and accurate assessment tool, incorporating all areas of building management, and has proved to be accurate during the seven years for which the building has been occupied. The authors of the report have been closely involved in the development and management of the building, giving access to detailed information.

Homes and Work for Change provides 75 flats and 32 workspaces, including offices, artists studios, theatre and cafe, on a site of 1.4 acres. The building was constructed to the highest standards of durability with strong environmental criteria for the selection of materials and very low levels of sound transmission between flats. We have consulted with a Quantity Surveyor regarding likely construction costs for 2005, which are £950/m for the housing space and £900/m for the workspace. We have used the anticipated costs for this building, which were subject to detailed lifecycle analysis, plus building contract inflation of 17% since 1996, as the basis for the major repairs costs.

The annual maintenance budget uses a sliding scale relating to the age of the building, up to a maximum of 15 years, to give an increasing fund for cyclical and day to day repairs.

It is assumed that the workspace would attract grant funding of 20%, either through European Regional Development Fund (available in Objective 2 areas at 40% for non-retail workspace) or UK grants such as Enterprise Grant. This grant is administered by the Small Business Service, part of the DTI (Department of Trade and Industry. Land and building costs are eligible. The maximum grant available is 7.5%, with a value of not more than £75,000. (One possible problem is that the business must be an SME (small/medium enterprise) and not more than 25% owned by another organisation which would not fulfill these criteria).

For the purposes of the model, in order to create a similar amount of accommodation, we have allowed for construction of 47 shared flats with 6 bedrooms each. The bedrooms are 12 sq.m. in area. It is likely that a wider mix of accommodation would actually be desirable, with some family accommodation. The rents are £50 per week for a shared room, including water rates and broadband internet access. Electricity and heating would be metered per flat and recharged to the tenants although communal systems would be used to keep this to a minimum. Rents would increase annually by inflation only.

Occupancy rates

From the perspective of business planning, it is obvious that the building wants to be attracting income for as much of the year as possible. This can be done in two ways. The easiest (and the one frequently used by the private providers) is simply to sign the students up for anything up to a 48 week lease period. The other option is to make sure that the student leave at the end of the summer term and use the building either for conferences or as a hotel. From the student member perspective, this is a mixed blessing. Many students, especially those with families or dependants, will want to stay in their housing throughout the year and depending on personal circumstances many single students may find that they

need to do the same. In some of the American student housing co-ops this problem is overcome by giving people the choice. In any year there are two lease periods, one for the college year and the other for the summer holiday. This has the added advantage that if a percentage of student desire to stay on over the summer they can be gathered together so that other flats or suites can be used for other purposes or simply to reduce management costs. In areas where summer work is easier to find, such as large cities, summer occupancy rates are likely to be higher.

So for the purposes of the financial modelling, occupancy rates assumed are an average of 48 weeks for the shared flats (rent period includes Christmas and Easter holidays, 50% occupancy during the summer). To reduce the occupancy rates for the shared flats to 42 weeks only would require an extension of the loan term to 35 years and a rent increase to £52.50 per week (£2.50 a week extra).

Two of the Canadian student housing co-operatives operate as a cheap, "backpackers" hotel during the summer and we have discovered that University of Westminster and Imperial College in London use their student accommodation in the same way during the summer. This would be worthy of further investigation.

There is an allowance for voids/bad debts of 5% for the housing and a starting rate of 25% for the workspace, falling to 18% in year 2 and 10% thereafter. In our experience these targets are achievable with good publicity before opening and careful selection of business tenants.

The workspace area is 1,250sq.m. which would be facilities such as shop, crèche, gym, small office units etc. as discussed above and 350sq.m. of communal space for the occupants, including café bar, TV lounge and meeting areas. The rent for the communal space of £4.50 psf is paid from the housing budget, the rent of £8.75 psf for the remaining workspace is assumed to be paid from trading budgets. At this stage, the profits from the café/bar have not been calculated, but these may provide either a subsidy for a cheap, healthy café or a surplus to be used for other services in the project such as advice services.

Fittings and furnishings allowances are included for the initial fitting out of flats, with a replacement fund from five years after commencement based on the anticipated reasonable life of each item. It is assumed that vandalism and damage within flats will be recharged to the residents. Each bedroom is provided with double bed, mattress, fitted wardrobe, shelving/drawer unit, built in desk, chair and low energy light bulbs at a total cost of £498. The kitchen/lounge for each shared flat is provided with cooker, fridge freezer, washer/dryer, microwave, waste bin, ironing board, hoover, dining table, 6 chairs, 2 3-person sofas, shelving and low energy light bulbs at a cost of £1,601.

A land value of £1 million per acre is allowed for in the model, which is the current land value of the site of Homes for Change[22]. The site of Homes for Change is 1.4 acres, including a central courtyard which provides garden and parking spaces. Hulme is an area which has undergone regeneration during the last ten years. However, it is close to the city centre and to University of Manchester, UMIST and Manchester Metropolitan University, which makes it an ideal location in terms of accessibility and affordability. Sensitivity testing shows

[22] Information from Manchester City Council

that at £2 million per acre, rents would have to increase to £57.50 unless the loan term were extended to 30 years in which case this rent rise would only need to be £54. At £3 million per acre rents the increase would be up to £65 a room or £59, with a loan term of 35 years – although at this price it would also be sensible to reduce the footprint of the building and create a taller, more compact development. This demonstrates that it should be possible to find affordable land in the majority of locations outside London, where it would be necessary to find subsidised land.

The development is funded partly by loans and partly by investors. Bank loans for the cost less investments are assumed at interest rates of 5.75% for housing and 6% for the workspace (which is seen as a slightly higher risk). These rates are based on a bank margin of 1.5% for the housing and 1.75% for the workspace. The housing loan is repaid over 25 years, with a one year capital repayments holiday at the start. The workspace loan is repaid over 20 years, with a one year capital repayment holiday.

Investors are assumed to receive a return of 7% per annum from year two onwards for the housing and 7.5% per annum from year 3 onwards for the workspace. Investments of £2 million in the housing and £1 million in the workspace have been assumed. However, the model does work without investors – housing loans would be paid off over 27 years and workspace loans over the same period, with housing rents at the same rates but workspace commercial rent increased to £9.50 psf. It is assumed that the investors would be able to trade their shares but would not be repaid during the period of the cashflow, although the large surpluses made in the later stages of the housing cashflow would mean that it would be possible to repay the investors – perhaps desirable, so that the whole surplus could be put towards the aims of the project rather than ongoing payments to investors. However it should be noted that some capital appreciation would be expected in excess of the 7% annual return, with a key performance indicator of 10% for return on investment by co-operatives.

Inflation is assumed at 2.28% which is the average of the last five years. As rents rise with inflation, but finance costs do not, even a small increase in inflation gives strong improvements in the long term cashflow. Similarly small reductions affect the cashflow – at 2% inflation it would be necessary either to extend the loan terms to 26 years each OR increase rents to £50.75 a week and £9.00psf for workspace. Inflation at 1.5% would give rents of £52 per week and £9.20 psf.

Management cost allowances are based on the actual costs of Homes and Work for Change, with inclusion of a full time manager (salary: £23,000) for the building shared between the housing and workspace and a maintenance consultant on a part time basis (1 day per week). Shared costs such as insurances for buildings and public liability are split on the basis of relative areas. These allowances should also be sufficient to buy in management services if this option is preferred. No allowance has been made for cleaning except in the commercial space, assuming that this will be part of the students contribution.

If the students chose to take on the management of both housing and workspace, as well as providing the labour for some maintenance tasks such as repainting, it would be possible to reduce the management costs by the £23,000 administrator's salary and reduce day to day and cyclical maintenance costs by 40%, as well as charging

the workspace £6,000 for the work done. This would reduce rents by £2.50 per week, a saving of £120 per year each or a 5% reduction in rents. Alternatively, if not all students wanted to take on this work, it would be possible to give 28 students half rent in return for carrying out the management work. Assuming that the students would take 50% longer than the professional manager to complete the management tasks, so allowing 1.5 times 37.5 hrs x 48 weeks and allowing a total of 660 hours maintenance work per year, this would be a payment of £10 per hour worked, which is an improvement on most student jobs. If every student took part, the work would take 12 hours per student per year.

As a fully mutual housing organisation, the housing company will only have to pay corporation tax on the interest received on surpluses. The workspace does not benefit from this and pays corporation tax on all surpluses, with the capital element of loan payments excluded from the costs. For this reason, it is worth having two separate legal companies. However, it is assumed that ownership of the land will remain with the housing company, which bears the costs of land purchase and external works. The housing company then grants a long lease to the workspace company, in return for the low rent level on the communal spaces and a ground rent of £3,000 increasing with inflation.

This model would require adaptation to a real building when designed, but proves that it is possible to create new, good quality student housing at lower rents than those being charged by private housing companies.

investment

Property is currently a major attraction for many seeking stable returns on investment now that the stock market has proved itself unreliable.

The Co-operative Commission recommended that many retail societies were not making the best use of their funds when they invested them and that they should not make investment where the return was going to be less than 10% ROCE. Some of the retail societies which have more of their investments in property have protested about the one size fits all nature of this recommendation. As a result research has been commissioned which suggests that there may be merit in having a different measure for property investments where there is not only possibility for growth in the funds but also for capital growth in the asset itself. It looks like a figure of 7.5% ROCE with 7.5% capital growth may prove to be an alternative measure.

It may well be that the cost of debt finance at the moment means that at these kinds of returns are simply not worth it and will only be sought where there is a debt funding gap.

The nature of the investment needs to be examined in more detail in the second phase of the report, as there is inevitably a potential for a conflict of interests between equity investors and members. An equitable division of these interests and their concurrent liabilities would need to be sought. There is much discussion in the co-operative movement at the moment on this subject and we anticipate that either new models will come to fruition or at least some of the recent developments will become more accessible, such as loan stock and markets for ethical shares.

long term development

Preliminary work on this model has suggested that for investors prepared to look at the long term, this model offers potentially huge returns both socially and financially. To even aim for 10% of student bed places in universities would involve 170,000 bed spaces. The long term returns from this could be used simply to push rents down over time or used to finance more autonomous student union or co-operative activities. Future scenarios need to be examined – the history of the co-op movement supports a view that knowing what the preferred end result is and setting up the structure appropriately enhances the chances of later success.

From earlier chapters it is obvious that this model will need to prove itself before it is going to spread out and be more widely implemented, as potential development partners like the housing association sector are not currently attracted to such a transitory market. Also while the 'mother daughter' development scenario has proved itself to be the most efficient and robust model there needs to be something there first. The long term picture is of regional or citywide secondary co-ops setting up and supporting student housing co-op facilities at various levels of capacity and consequent autonomy. These regional secondary co-ops will be serviced in turn by a national federal society. This will probably act as a finance provider (although not the only one), with NUS and participating student unions as major shareholders. This may change depending on how individual student unions move forward as there is another picture where there is no national service provider and all development is done regionally, including the arrangement of finance.

The key point that needs to be made is that this will take a long time to grow and at each point it is essential that the organisation does not become too top heavy with expectation of greater things. While being geared up for growth, the models built must not rely on it.

So taking some key stages:

1 Getting a pilot built

This is the process which is currently ongoing. This first stage report is to show the opportunities available so that support for taking a pilot from idea to reality can be galvanised. The second stage report will aim to produce the kind of detail necessary to attract sufficient support to secure funding to commission detailed design and development work and get a building built.

The promoters of this project will have very little of the required capacity free with which to procure a building of this nature. While some capacity can be found internally, and possibly some directly commissioned or employed, it is prudent to seek out partners of some form, either as development partners or simply as contractors carrying out key parts of the work.

This first stage is probably the most difficult. The apparent risk is quite high so many will not want to be first in. However it is whoever is first in who, historically, reaps the greatest benefits. Control and future profits resting with the student movement will also expose it to early liabilities. Attempts to minimise those will produce a consequent loss control and reduction in profits, either monetary or otherwise.

It is the intention that the second stage report looks at this in more detail.

It is our recommendation that one of the student management options be chosen to take the model forward. We would see a core group of students being assembled quite early on in the process to drive the design process. A first version of this group will be put together in the second stage of work. With sufficient support from the local student union publications we envisage that as members of the group move on the profile of the project will ensure that not only do we not have difficulty in recruiting more, the calibre of the new participants will be appropriate to build this first piece of the edifice this project is intended to create.

A common wisdom in the co-operative movement is that the parties most critical to making them work need to be the parties that set them up. In this case, there are two key stakeholders – the student members themselves, who will be critical to the success of the short to medium term management and the student movement who are critical to the medium to long term success. We anticipate that this elision of interests can be made to be of benefit rather than being seen as top down provision of developments.

2 Servicing the pilot

This first building will be the test bed for the ideas that spring both from this report and the next. Student tenants will need to be trained up to be the managers of this new development. Building and housing management functions will need to be procured, whatever the chosen model turns out to be. These are not likely to be available from existing resources within the student movement. Again, and possibly using the same partners/contractors, external resources will have to be used. Several potential sources have been identified in the carrying out of this first piece of work and these will have to be explored in the second stage.

Training will be the other major service required in this stage. Once on site our core group will need to start the process of training themselves to be housing managers. There are already agencies who provide versions of this service, but we need to establish the differences between training tenants for the long haul of neighbourhood management and training student tenants for a relatively short period.

3 Developing interest in rolling out the model, nascent central body

Once the pilot is up and running, the whole model should change up into the next gear and start motoring. The gestation of the next set of co-ops need to be started. As it would be both inappropriate from a PR and political point of view to develop the early facilities all in one place, there is role for central developing capacity to promote projects nationally. While this could be additional staff in a new department of the NUS, it is likely that by this point sufficient other interests will be involved either inside or outside the student movement that it will be worth setting up a new operation. This need be no more than a promotional organisation at first, employing a handful of people to seek out appropriate sites alongside relevant local student unions.

4 Developing the next set across the regions – services provided partially by local partners contractors and central body staffs up

Once interest has been attracted it needs to be turned into commitment, in much the same way as the first

project was developed with some local as well as some central resources. The same could happen in different areas across the country. As there will be several times the amount of work to be done, the central body will need to start increasing its staff numbers – it should be possible to do so against the allowances for this kind of work that would be in each project budget rather than having to look at core funding arrangements.

Management of this central body will need to be broadened. Student representatives of each facility will need to be recruited, although the fact that the body is still national rather than regional will probably mean the student representation will have to either be done less frequently than ideal, or through other means than meetings. The multi-stakeholder nature of the central development body should start to become apparent at this point.

5 Developing additional facilities in each key city/region, central body seeds regional satellites.

Once there are a few facilities in a region or a city, the amount of service provision required will justify and mandate the creation of a local office of the central body. Once a local presence is established some of the contracts that have been with local service providers can now be replaced by dedicated staff in the new offices. The extent of this will obviously need to be examined at the time, it is even possible that the local contractors will assist in this seeding of these new service providers allowing their staff to be seconded to the new nascent agencies as they will be set to become.

6 Developing sufficient facilities in each region to justify regional satellites becoming autonomous secondary co-operatives.

This is the big picture that we feel should be the long term aim. A network of local development and service agencies controlled by management committees made up both key stakeholders and representatives of the student housing co-ops it has created – the latter should be in the majority as soon as there are enough co-ops to fill the places.

footnote?

It is worth considering whether at some point in the future the service providers cease to confine themselves to student housing co-ops or look to assist the rest of the co-operative housing movement. So many of the services required are the same as other forms of housing, and much of housing management efficiency is about economies of scale.

appendices

I second stage brief

This first stage has produced a theoretical model that can be implemented anywhere in the country. The second stage will look at the delivery of a detailed physical project – a building.

end users

Involving end users in the creation of buildings produces far more viable and sustainable projects for 2 key reasons: the first is that end-users are going to be the ones with a finer grain knowledge than any financier or architect will possess so the design is likely to be more successful; the second is that for community control to work there has to be a feeling of ownership and the consequent responsibility that goes with it. Without that it is far more difficult to get people to look after the assets of which they become the de facto stewards.

It is likely that the second output will be more difficult to achieve than the first but it would be the intention to put together a consultation group to test out and help develop both organisational models and physical building proposals. If the first stages go to plan then it should be feasible certainly for sandwich course and postgraduate students to feel it worth putting in the effort and still get somewhere to live at the end of it. Even if not the work of the consultation group should still be of a nature as to be considered useful.

building design

In order to ensure that the modelling of the scheme, physically, organisationally and financially is well tested there has to be a real building to work on. This also helps speed up the procurement process if this stage

produces sufficient data to make a bid for a site and apply for outline Planning Permission. This first project will be the benchmark by which later projects are judged so it needs to demonstrate best practice at all levels, from participatory, environmental, urban contribution, community development and of course architectural.

construction methods

Buildings can now viably be built in factories in controlled conditions and shipped to site where the costs of late delivery warrant the expenditure. If not there are still options to build in timber, steel, masonry and concrete. All of these have cost, design and long term maintenance implications which need to be considered while the design is being developed. The implications of each will be outlined on this basis for consideration by the project team.

maintenance

There is an argument that the UK property industry has a small blind spot when it comes to designing for the future. This must not be the case in this project and the maintenance of the project from day to day to long term plan will be considered in detail.

environmental measures

Taking the list of possibilities from the first stage these will be taken forward into detailed proposals in this stage with fully budgeted proposals. Much of the available technology to reduce the ecological footprint of our cities in resource terms is only viable if developers are prepared to invest for a medium to long term, the lack of investors prepared to do this has left phenomenal potential untapped. The nature of this project suggests that it will be the student movement that picks up where the Beddington Zero Energy Development left off and produces a viable replicable urban model.

policies + procedures

Drawing on the research already carried out by the Confederation of Co-operative Housing into best practice in policies and procedures. The team will work with the consultation group to put together a model framework of policies and procedures.

training

It is not possible for a venture like this to work without a fully worked out training program. Drawing on best practice in the field a training program will be drawn up which the project team would then look to deliver in advance of letting up the new development.

cost plan

Quantity surveyor will draw up the elemental cost plan

business plan

The preferred financial model suggested in stage 1 will be developed into a full business plan to be used to secure the full project funding.

legal structures

The investment models examined in the first stage need to be firmed up to provide a vehicle to take the project to its next stage.

consultation #2

Key parties on the same basis as the first stage will be consulted on the proposals before the final publication.

2 statement on co-operative identity

January 1996

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility , democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote), and co-operatives at other levels are also organised in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they

do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation Among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional, and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

3 list of consultees

Angela Begg	Manchester Student Homes
Trevor Bell	National Federation of TMOs
Blase Lambert	Croydon East TMO
Greg Robbins	Dennis Housing Co-operative/East London Co-ops Group
David Rodgers	Executive Director, CDS Housing
Ron Bartholemew	Co-op Homes

Steering Group

Verity Coyle	NUS VP
Jennie Bailey	Manchester University SU
Laurence Rowe	UMIST SU
Louise Yates	MMU SU

Consultative Group

Kate Kirkpatrick	UMUSU
Tim Rutt	MMU SU
Ali McGregor	UMUSU
Martin Blakey	Unipol
Michael Jones	NUS
Chris Hammond	UMIST SU
David Clarke	Plymouth SU
Simon Kemp	Unipol
Lindsey Fidler-Baker	NUS
Ian King	NUSSLtd
Hannah Charnock	Liverpool SU

Stephen Bland	Royal Holloway HUL
Dave Mullaney	University of Lincoln
Liam Jarnecki	NUS Scotland
Mal Edgson	Bucks + Chilts SU
Nick Gash	NUS
Elliot Gould	LSE SU
Andy Parsons	Loughborough SU
Natasha Hirst	NUS Wales
Rami Okasha	NUS Scotland.org.uk>
Anne-Marie MacGarrity	Liverpool John Moores SU
David Rodgers	CDS Co-operatives
Blase Lambert	CCH
David Dickman	Co-operative Bank
Elaine Gathercole	United Co-op
Ursula Lidbetter	Lincoln Coop
Joan Keysell	Co-op Group
Neil Homer	Oxford Swindon + Gloucester
Michael Gaskell	Cobbetts Solicitors
Helen Seymour	Cooperatives UK

4 about the authors

charlie baker

Summary

Trained as an architect, Charlie worked for a number of years as a professional photo-journalist. He has returned to architecture through work as a tenant activist in Hulme in Manchester. He was a founder member of the Homes for Change Housing Co-operative, established the Hulme Community Architecture Project and co-authored the Hulme Guide to development. He was a founding member of the Confederation of Co-operative Housing and a member of the UK Co-operative Council.

For seven years he was a director of Build for Change a design and fabrication company working on projects ranging in scale from furniture design to neighbourhood planning. Urban regeneration projects include London Fields in Hackney where, working with URBED he brought together the council and squatters to agree and design a live work scheme which has recently been completed. He also worked with Daniel Libeskind on the Allerton Bywater Millennium Village and is currently working on masterplans for Southall and Oldham.

He continues his involvement with the co-operative movement as chair of the Sustainability Working Group of Co-operatives UK and a member of its New Ventures Panel.

Qualifications

1979 - 1982 University of Manchester, BA (Hons) Architecture

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Positions

2000 - present: Urban designer URBED
1993 – 2000: Director Build for Change
1987 – present: Founder member Homes for Change Housing Co-op
1992 – 2002: Director Work for Change Ltd. - Workspace co-operative
1992 – 2003: Founder member Confederation Co-operative Housing
1992 - 2003: Board member UK Co-operative Council
1992 – 1993: Director Hulme Community Homes

Major Project Experience

• **The Sustainable Urban Neighbourhood Initiative** - Design work on a hypothetical autonomous neighbourhood in Hulme Manchester as part of a BRECSU/Altener research project.

• **Homes for Change/Work for Change** - Founder member of a co-operative which has developed a £5 million mixed-use building of 50 flats plus 15,000 sqft. of workspace in Hulme Manchester.

• **Urban Design** - Masterplanning for Oldham, Southall, Brighton Station, Telford Millennium Community, Bristol Temple Quay, Allerton Bywater (with Daniel Libeskind) and co-author of the Hulme urban design guide.

• **Design and fabrication** - Design and fabrication of a range of structures including: Play furniture for the Hulme Park, a 40ft high lighthouse for Walk the Plank Theatre Co, MASH mobile drug advice truck and fit-outs for shops and cafes in Manchester and Sheffield.

• **Architecture:** Designs and fit out for the Unity Theatre Liverpool, Gatecrasher Nightclub Sheffield and Red or Dead shop Sheffield.

• **Urban Mixed use buildings:** Homes for Change Phase II (25 flats and 5,000 sqft workspace). Design work with the co-op members to design the scheme up to planning. London Fields design, feasibility work and negotiation of a complex live/work scheme with a squatters group, Hackney Council and Greater London Enterprises. The scheme was completed 1999.

Sarah Hughes BSc (Hons)

Sarah has lived in Hulme since 1991 and was involved in the setting up of Homes for Change housing co-operative (where she still lives) and Work for Change, a co-operative of small businesses which share the building. She continues to manage the workspace areas. She has a degree in business management and has managed a number of small businesses. She is a trustee of ICOF (Industrial Ownership Common Finance) which provides funding for co-operatives and community businesses and was until recently the treasurer of the Confederation of Co-operative Housing.

Qualifications :

UMIST, Manchester - BSc (Hons) Management Sciences - First Class

Subjects studied include marketing, accounting & finance, law, psychology, industrial relations and industrial sociology. Prize for best third year dissertation (The impact of Hulme City Challenge on local business).

Positions:

November 2003 -Urbed - Financial management and research.

June 2000 - Work for Change Ltd, Hulme - Workspace Manager, responsible for maintenance, lettings, financial records, business plan development and day to day running of 32 units + theatre space.

May 2002 - March 2004 Confederation of Co-operative Housing - Treasurer, responsible for financial records and reporting to General Council

June 1993 - May 2000 Build for Change Ltd, Hulme - Finance & Administration Director of design and build co-operative with full responsibility for these aspects of the company.

December 1991 - September 1993 Cruickshank and Seward Architects, Manchester - Assistant to Senior Partner.

July 1990 - December 1990 - Blue Dog Shop, Manchester - Joint owner of a shop importing clothes and jewellery from Turkey

April 1989 - May 1990 - Snappy Snaps Photo Labs, London - Manager of two "1 hour photo" franchises in Holborn and Westminster.

Nick Dodd BSc (Hons) MPhil

URBED – Environmental Consultant

Nick is URBED's environmental consultant with degrees from Salford University, and UMIST. Since 1998 he has researched and developed URBED's Sustainable Urban Neighbourhood (SUN) initiative. He is also a non-executive director of EMERGE, Manchester's leading community recycling company, and a member of Homes for Change housing co-operative.

Project experience includes action research - such as 'City of Villages' research on London's suburbs for the GLA - consultancy - such as the sustainability statement for J.Sainsbury's Brighton New England Quarter - and auditting – such as management of Igloo Regeneration Fund's Socially Responsible Investment (SRI) policy. Recent work includes scoping renewable energy opportunities for Co-operatives UK, and a solar photovoltaic manufacturing study for the North West RDA.

Current Position:

1998- present Researcher and Consultant URBED, Manchester

Other Positions:

2000-present Non-Executive Director, EMERGE Recycling

2000-present Rent Co-ordinator/External Negotiator, Homes for Change Housing Co-op

Previous Employment:

BNFL THORP Division, Sellafield (Environmental Management / Health Physics)

1997-98 National Centre for Business & Ecology, Demonstration Project

Qualifications:

BSc (Hons) Environmental resource science, Salford University

MPhil Environmental Purchasing, UMIST School of Management

Project Experience

Telford Millennium Village (2003-ongoing) Development of energy and waste strategies for the selected development team led by Taylor Woodrow.

- **North West Remanufacturing** (2003-ongoing) feasibility study for the development of a recycling based industrial park funded by NWDA and GM Waste
- **Photovoltaic manufacturing in the North West** (2003) scoping study for Renewables North West looking at the potential to establish manufacturing in the region
- **Energy: the future generation** (2003) scoping study and publication for Co-operatives UK looking at the potential for co-operative sustainable energy generation
- **Igloo Regeneration Fund** (2002-ongoing) development and implementation of Socially Responsible Investment (SRI) policy for Aviva's regeneration fund
- **Cliveden** (2000-2002) Development of sustainability brief for the National Trusts' proposed new residential development in Buckhinghamshire.
- **Smithfield sustainability** (2000-2002) Consultancy support to ICIAN Developments (AMEC and Crosby Homes) on sustainability strategy for major mixed-use commercial development..
- **Brighton New England Quarter** (2000-2001) Consultative work on the sustainability brief for developers QED, Sainsburys and Gleesons.
- **Autonomous Urban Development** (1999-2001) Project management of joint DETR / EU ALTENER funded project examining energy, water and mobility systems for hypothetical neighbourhood
- **A Sustainability Centre for London?** (1999–2000) Research support on best practice, potential models, learning strategies and conceptual basis for feasibility study

Student Housing Co-operatives - Comparison of a sample of existing organisations

Contact details	Co-op Name	University Student Housing Co-operative	Stucco Student Co-operative	College Houses	Waterloo Co-operative Residence Inc	Science 44	University Students Co-operative Association	Chateau Student Housing Co-op	Santa Barbara Student Housing Co-op	University of Kansas Scholarship Halls	Students Co-operative Association	University of Minnesota Students Co-op	Neill-Wycik Co-operative
	Contact Person	Joan - SHC Office	Chris Jeffries	Alan Robinson		Brent Bellamy - General Manager	Victoria Fowler		Jenn Dematteis	Diana Robertson	Benjamin Cutler	Brendan Nee	Sarah Hollands
	Email	coop@msu.edu	cjef0916@mail.usyd.edu.au	info@collegehouses.org	info@wcri.org	gm@science44co-op.com	housing@usca.org	office@riverton.org	info@sbshc.coop	housing@ku.edu	asuosch@gladstone.uoregon.edu	studentscoop@hotmail.com	housing@neill-wycik.com
	Website	www.msu.edu/user/co-op	www.stucco.soc.usyd.edu.au	www.collegehouses.org	www.wcri.org	www.science44co-op.com	www.usca.org	www.chateaucoop.com	www.sbcoop.org	www.ku.edu	www.gladstone.uoregon.edu	www.studentscoop.org	www.neill-wycik.com
	Location	Michigan USA	Sydney Australia	Austin, Texas, USA	Waterloo, Ontario, Canada	Kingston, Ontario, Canada	University of California, Berkeley, USA	Minnesota, USA	Isla Vista, California, USA	Kansas USA	Oregon, USA	Minneapolis, USA	Toronto, Ontario Canada
Set up	Date established	from 1940, adding more houses	1982, building completed 1991	1965	1964	1944	1933	1939 founded as dining co-op, 1973 as housing co-op	1976	1926 first hall opened	1937, further buildings bought over the years	started from Phi Upsilon fraternity est. 1891, building completed 1908, changed to student housing around 1949, became co-op	1970
	Who was involved in setting up the co-op?	students including ex soldiers from WW2, housing co-ops and fraternties	Sydney University students + architecture faculty	students	students with help from existing co-op - had to buy second house when mixed gender plans led to threat of expulsion from uni	students Queens University Science class	students	initial dining co-op changed into Chateau Community Housing Assoc now known as Riverton Community Housing	some students, mostly progressive members of the community	privately funded for students who would not otherwise afford university, operated by university	set up by students in the Depression	Phi Upsilon Association	students
Building	How was it funded?	collective land trust with donations of property, Housing & Urban Development loans	Dept. of Housing/University	one ex sorority house, loans from Dept of Education and banks	mortgages	members make capital contribution which is repayable after five years once they have left	$500 loan from University Club House fund, leased boarding house then built up capital to buy fraternity house	$3.2 million loan from Department of Housing and Urban Development	co-op, founders pooled funds to buy first house	private donations	co-op bought first building, expansion funded by NASCO/CCDC loans, city of Eugene, Oregon and bank loans	started as fraternity, bought by dairy co-op to house sons attending agricultural college, has been co-op student housing since	ex city council flats due for demolition given to student co-op with $5.4 million loan from CHMC for renovation
	Who owns the building now?	co-op	Department of Housing 66% and University of Sydney 33%, co-op owns 16% at end of lease	non-profit co-op started by students, students elect board	some rented, some owned	co-op owns the buildings but does not have the power to sell them, built up over 60 years with some government funding for housing/students	UC Berkely owns some, co-op owns others, using bank finance and federal subsidised loans	co-op leases from Riverton Community Housing	co-op	university	co-op	co-op	
	If not co-op owned, length of lease?												
	Who is responsible for cyclical repairs?	co-op		co-op	co-op	118		co-op	co-op	university	co-op	co-op	
	Who is responsible for major repairs?	co-op		co-op	co-op	co-op		co-op	co-op	university	co-op	co-op	co-op
Architecture	Distance from University	easy walk	10 min walk	easy walk		easy walk						on campus	a few minutes from 3 universities
	No of buildings	12	1	6	6	19	20	1	4	10	3	1	1
	No of flats		8		201	2 x 2 bed, 2 x 3 bed, rest shared houses		127	12				290
	No of bedspaces	128 singles and 35 doubles, in houses from 5 - 28 rooms	38	468	972	39	1247	300	47	500	82	28	780
	Flat sizes	single/double rooms	6 x 5 bed, 2 x 4 bed	single or double rooms with bathroom	room in 3-4 bed flat, 1-2 bed flats, dormitories		17 group housing from 17 - 151 students, 3 apartment blocks	1-4 bed	6 x 2 bed, 3 x studio, houses with 9/11/12 bedrooms with 1 bath to each 2 bedrooms				5/6 bed flats with kitchen/lounge and 2 baths, 72 2-bed, 48 single bed
	Height of building (storeys)	02/04/04		02/05/04	4			18	2	3	3	3	22

	Other uses eg shop	laundry room, internet access	communal laundry, courtyard garden, hall with piano & pool table	laundry, internet wired, TV room, computer facilities, swimming pool, planned trips, games rooms, volleyball court	lounge/tv, kitchen shared between 4 flats, laundry, bike store, games room, piano, sports equipment, restaurant and pub	shared laundry and central dining hall	some have internal shop	lounges available to hire, quiet study areas,	laundry and office facilities	none	none	art room, woodwork room, storage, 2 offices	gym, laundry, roofdeck barbecue, billiards room, computer lab, darkroom, party room with large screen TV, sauna,
	Sustainability features		converted glass factory	50% of energy from wind power source, recycling	12 rooms wheelchair accessible		recycling seperation - rubbish, recycle, reuse, grease, compost	recycling co-ordinator, two floors wheelchair accessible			recycling seperation inc recycled furniture		
Staffing	Number of staff	3	none	7		4	25		2		1	none	19
	members per staff	54.33	0	66.86		9.75	49.88		23.5		82		41.05
	Staff structure	Executive Director, Member Services Co-ordinator, Maintenance Co-ordinator		General administrator, Construction/Maintenance Co-ordinator, Training and Kitchens Co-ordinator, Office Manager, Accounting Assistant, Advertising and Marketing, Accountant		General Manager, Property Manager and Kitchen Co-ordinator, 1 admin	General Manager + accounting, operations (allocations and warehouse/food service), maintenance, member resources and development/fundraising.		Executive Director and Membership Co-ordinator	full time Complex Director	Business Manager, accounting and paperwork + occasional office staff etc as required	none	general manager, 2 housing staff, 2 hotel staff, 2 security/systems, 7 maintenance staff, 2 finance
	Recruitment procedure				detailed policy using recruitment consultants								
	Disciplinary process				board to review								
Management	Tenancy length (weeks)			autumn/spring, two seperate summer sessions	52	school year	autumn to summer	26 weeks fixed, then monthly up to 7 years max	sep-june and june-sep	academic year	1 year	month by month	8 months, 4 month optional summer tenancy
	Deposit	$200 deposit +$60 joining fee	4 wks	$300 deposit +$50 fee	$200	$300	$250/175				$220		$200
	Notice period				6 months	1 month		1 month	can leave when replaced by new tenant	no	termly opt outs	30 days	two months + $50 admin fee for breaking lease
	Allocations process	application form, reference check, house review of application	attend 3 meetings, application form, interview with flat members + membership committee reps	on-line application form, send in with deposit and joining fee and room will be reserved	written application	waiting list first on list except priority to returning members	special priority to previous members, disabled, other nasco members, EOP students, $50 deposit secures place on waiting list + $10 fee, long waiting lists	non-refundable screening fee, max 2 offers or removed from list, waiting list up to 75 eligible people	application form, waiting list cleared monthly so must reinform, 24 hrs to respond to offer	3 essays, 2 references, test scores, class rank, financial need, assessed by residents of all houses and staff	on line application form, references and personal information, according to time on waiting list subject to maintaining male/female balance	application form on waiting list for 6 months, references, person with highest point score gets offer	application form
	Turnover	2 yrs average		1.5-2 years		1-2 years	1-4 years		mostly 1 year, up to 7 years postgrads	up to 4 years - generally longer than other residence halls	1 year	min 3 months, max has been 10 years (both of these discouraged) usually about 2 years	
	Other uses during empty periods?	school year and summer only rent contracts available, summer is cheaper but not usually full				bed and breakfast in summer $20 a night	summer contracts for people who were students the previous term or who have ever lived in a student housing co-op, not many empty rooms but all reduced to single occupancy		not many rooms empty as rooms are cheaper	no - closed during holidays	no - alot of empty rooms over summer	not alot of empty rooms	cheap hotel May to August
	Single gender buildings?	some	no	yes, one	no	no	2 women only buildings, 1 vegetarian, 1 graduate		houses split into vegetarians, people of colour, individual cooking and apartment block	yes, all	no	no	

	Single gender flats?		no		yes						no	no	
	Mixed gender flats?		yes		yes	yes	yes some		yes some	none	yes	yes	
	Noise policy	one quiet house		one house mostly post grad and mature students	yes	no noise 11pm to 7am							
	Damage policy / recharges			no much of a problem but do deduct from deposit	yes	recharged, can be grounds for eviction	damage recharged when it can be allocated to a student	damage from parties charged to tenant, $200 reward for turning in vandals	members charged for damage, co-op pays for usual wear and tear but estimate this is less than standard property companies		some damage problems, recharged to tenants	not much of a problem but do recharge	charged to deposit
	Complaints policy												
	Rents info	25% less than area, 30% less than dorm	AUS$ 68/wk, some local terraced houses for A$70/wk, most A$100-300 / wk	autumn/spring : single $579 double $449 no meals $405 per month, summer two six week sessions, costing $540/$460/$365 per session		similar to other student accomodation but lease 8months instead of 12 months, rent includes utilities and meal plan very good value	autumn and spring terms, $2496 room and board, approx $2,850 single room approx $1900 shared down to $1500 for 4 bed share	$20 fine for late payment, group responsibility for apartment rent, 1 bed $626 to 4bed $1165 month	about 30% cheaper	$1400 a year cheaper than standard halls, considered a form of scholarship to be allocated to best students	single room $990-1150/term $885 summer, includes rent food cleaning supplies toiletries etc	cheapest in campus and city, rent $175-270 depending on size/double rooms, other student housing $700 for 1 bed flat to $550 for student apartment complex room	$489 studio, $410 single,$310 shared double per month
Governance	Frequency of general meetings (wks)	26	2	26	17	26	hardly ever	52	13		13	2	
	Committee structure	each house elects 1 board of directors member, entire membership elects Exec Committee (Executive Vice President, VPs of Membership/Education)	all members assigned to a committee	board of 13 directors, 2 from community	board of 10 directors, can be removed for non-attendance	Board of Directors 8 people elected from membership Also house reps meeting monthly, Green Crew Chair (oversees environmental issues), Community Services Chair (organises community related events) and Scoop Editor (edits the monthly newsletter	each house elects 1 for each 65 members, plus 2 alumni and 1 staff, federative structure with some matters dealt with at house level	between 7 - 16 directors	houses run themselves and elect board of directors to run organisation	each hall government elects graduate student director and undergraduate proctor who oversees work shifts etc	11 board members, house reps & presidents elected by houses, chair, speaker, treasurer, maint co-ord, membership co-ord, harrassment co-ord	10 house managers - president, secretary, treasurer, finance, 2 x kitchen, 2 x maintenance, recruitment, house manager organises rest of membership to do work	
	Frequency of committee meetings (wks)	2	2	2	4	4	2				1		
	Length of service (months)	12		1 year for students, 3 years for community directors	12		semester for students, others indefinite	12	no limit		12		
	Working groups available	physical development, membership, education, finance committees, houses elect house officers who attend these committees	building & maintenance, membership, finance, panda (problems & administration)	planning finance facilities development, management operations organisation, membership education marketing, central budget committees - houses with no director on committee can send voting rep	Co-operative work, energy, marketing, member development, menu, policy & procedures, rate (rents), redevelopment, judicial		cabinet, administrative, education and resources, finance, planning, personnel and operations	education, finance and operations, policy - open meetings chaired by board director	board of 8 - 4 elected annually, 4 house reps elected each term		organisational, education, finance, membership, maintenance, harrassment, education, history/archive, food	no - by general meeting	
	Frequency of working group meetings	2	2	2		monthly	2						
	Fully mutual?	yes	yes	yes	some pre-1970 life members, non-resident members & resident members	`		yes			yes	yes	

	Students only? (how this is enforced)	no - although office located on campus at no cost, considering changing to student only or limiting officers to students	yes, Sydney Uni only	students and staff from Austin area	no, although priority given to returning members then students	state course and university on application form	yes, after six weeks warning letter, proof of status by wk 8 or 15 day termination notice	yes students for non-tenured faculty at higher education institute in Minnesota, proof of full time study checked annually otherwise evicted	students faculty and staff of University of California	university of kansas students only, must complete sufficient credits in year	yes proof of enrolment		
	copy of constitution sent?	yes	yes	yes	yes	yes		yes					
	weekly hours contribution to co-op expected	varies between houses, job assigned at house meeting	some flats have cooking/cleaning rota, others not	4hrs with meals, 2hrs without	officials assign co-op work credits (cows)	3hrs kitchen, 3 hrs co-op work per week	5 hrs, system of fines and financial rewards for attending meetings/training, start eviction when 20hrs owed, rent credits for central level workshifts			4-6 hrs per week, shared cooking and cleaning, communal food buying	buying & cooking food, cleaning, maintenance - 10 hours per week. Jobs taken for a term, 3 or 4 jobs per person PLUS work parties for painting, major cleaning etc 1hr per week. Can be fined or evicted for not doing the work/not finding a replacement person. Plus co-op education credit hours.	weekly 2hrs cleaning or management, 1hr maintenance, 1 day/month snow shovelling, 0.5hr kitchen cleaning, attend house meetings, miss job times get evicted, sliding scale of fines, maintenance fine $10/hr but paid $10/hr for doing extra	2hrs per month
	frequency of house meetings (weeks)	2	informal	house meeting elect house committee and board of directors reps		house rep elected each term, orders food and organises work, house meets bi monthly	every 1-2 weeks		monthy			2	
	Newsletter?	yes		yes		yes	plans for email newsletter, printed one stopped	yes monthly	yes in theory		no		
Community	Links to community		via university and co-op movement, lets local community and drama groups use hall	other co-ops and nasco		to university and other student housing co-ops in ontario	campus and nasco more than city		links with other co-ops and community service eg beach cleanups	no	Member of West University Neighbourhood Assoc, community affairs rep attends meetings. Also Campus Community Relations task force.	support local food co-ops and other student housing co-ops in area	
	Experience of crime	no crime - one theft from front step in seven years because there are always people around	none in co-op - a bit locally	can be a problem but students tend to support each other once they get to know each other		minimal	similar to other student housing, although better fittings and sense of community makes it on the low side		not a problem as there are always people around	break ins when empty during holidays, otherwise not a problem	less than other student housing	very low - leaves room door unlocked except during parties	
other notes				choice of dorm style communal living with meals or one house with 2 bed apartments with own kitchen, 21st Street House specifically built for co-operative good maintenance officer section on website	net surplus used in the interest of co-op, balance repaid to members based on service to the co-op biggest in Canada and second biggest in n america plan of new building lots of good policies on website	15 of 19 include meal plan $50 capital loan repaid after 5 years on request	grievance policy, substance abuse policy, party policy, harassment policy, if house goes over budget fined 10% extra rent	policies on guests, parties, cleaning , directors paid "per diem" for work done	good repair form online	small sleeping rooms with adjoining work rooms, some of which are shared - lots of fraternity traditions etc			