Briefing paper
‘Good housekeeping’
– working with partners
and ensuring good
governance in new
housing developments
Community-led Design and Development is a programme funded by the Department for Communities and Local Government’s Tenant Empowerment Programme and is designed to have the community at the heart of new housing design. This briefing paper forms part of a suite of documents to help tenants, residents, housing associations, local authorities and other housing professionals work together on the design and development of new housing.

This is the third of four papers. You may also be interested in:
- Briefing Paper 1: a Neighbourhood Guide to Viability
- Briefing Paper 2: Design for Everyone: a guide to the design process
- Routemap: step by step guide to getting involved in housing projects

This brief guide provides an approach to good governance aimed at community groups leading housing developments (Section GA) and to social landlords leading housing projects (Section GB). This will provide you with the following tools and documents:

**Section GA: Good governance for community-led housing projects**
- GA1. Forming a group
- GA2. Visioning
- GA3. Ways of working
- GA4. Project planning
- GA5. Legal structures
- GA6. Organisational structures for community-led housing
- GA7. Managing good governance
- GA8. Living in a new community

**Section GB: Good governance for social landlord-led housing projects**
- GB1. Community audit
- GB2. Strategy and protocols for community engagement
- GB3. Project brief
- GB4. Communications Plan
- GB5. Wider engagement and outreach

What is good governance?
Good governance promotes and supports the administration and efficiency of community groups or organisations. This involves planning the project, establishing objectives for the project, protecting the group or organisation’s values and looking after finances and participants. Good governance is a key factor in the successful delivery of quality homes and places. The failure of a project is usually as a consequence of poor governance.

A successful group or organisation plan will effectively and seek to optimise opportunities, people and financial resources. As they grow, additional considerations and rules come into play, calling for more formal structures and practices to manage membership and resources to run projects efficiently.

Please note that this paper provides some initial advice on an approach to governance only. The context for every project is different, and it is strongly recommended that your group seeks professional advice early on to help you understand all issues and risks that will affect your project.
Good governance principles
Whichever model you adopt, and whether your project is landlord-led or community-led, there are some common features which underpin effective governance. Considering them at the outset of your project will help you to avoid problems and be well-equipped to manage any challenges you encounter on your project journey.

<table>
<thead>
<tr>
<th>Principles</th>
<th>Community-led</th>
<th>Landlord-led</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transparency</td>
<td>Be transparent about how you will work with other members of your group. It will help build trust with one another and get jobs done. Make an effort to communicate transparently for all activities undertaken, including how the budget has been spent even if your group has not yet formed a formal legal structure.</td>
<td>Being clear about your plans and why you’re doing things will allow community groups to understand and engage and help avoid misunderstanding down the line. Transparency is important in helping to overcome conflict, as it helps people understand why you’ve taken a particular course of action – even if they disagree.</td>
</tr>
<tr>
<td>Inclusion</td>
<td>Think about how you can remove any barriers for participation – such as where and when you do things and how you welcome new people into your group. Think too about how you communicate with particular groups – a variety of styles and ways of communicating will help ensure everyone has the chance to be involved. Make sure it’s not only the loudest voices that get heard in group decisions. Build an inclusion policy into your group’s constitution.</td>
<td>Making sure everyone has the chance to get involved will help you develop plans that better serve the whole community. Think about hard-to-reach groups and work with others to remove barriers for them to engage.</td>
</tr>
<tr>
<td>Respect</td>
<td>Treating everyone with respect – whether they are part of your group or not – is important in maintaining your project’s credibility and reputation. When under pressure and in disagreement, it’s easy to forget the importance of respecting others.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Trust and honesty</td>
<td>Do not hide your intentions or concerns to please members of the group. If certain issues need addressing that may displease some members of the group, communicate honestly work with other members and work others to address the challenge constructively.</td>
<td></td>
</tr>
<tr>
<td>Clarity and simplicity</td>
<td>Keeping things simple helps everyone to understand what’s expected of them and what they can expect from others. It means everyone can join in.</td>
<td></td>
</tr>
<tr>
<td>Participative and representative</td>
<td>Housing development involves managing a large number of ‘moving parts’ at the same time. Not everyone can be involved in every decision. To be successful, you’ll need to find a balance of representative and participative decision-making. Group decision making is a participatory process and a collective action. Get training to learn the art of group decision making as it will help the group build capacity to move forward in difficult situations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>While you’re unlikely to reach an agreement with everyone on everything, treating people with respect will give you a better chance of finding a way forward. You can show respect in the words, tone, body language and behaviour you use and display.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Working as part of a group and with other people requires trust on both sides. If the community groups don’t feel you’re being honest, they’re unlikely to support you. Acting with integrity and sincerity helps build trust, which will mean you’re far better equipped to manage challenges when things don’t go as planned.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Avoid jargon. Use simple and accessible language so people can participate constructively. There’s a lot of professional jargon in housing and regeneration that can seem confusing and make it hard for people to participate.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Clearly set out decision-making processes and protocols right from the beginning to avoid confusion and mistrust. Stick to the protocols and do not change the way it’s done midway.</td>
<td></td>
</tr>
</tbody>
</table>
Section A

GA Good governance for community-led housing projects
An increasing number of community groups are leading housing projects as clients (that is, leading and taking decisions on the design, funding, commissioning and management of a project). Some groups have delivered outstanding homes: well-designed places that empower community groups and others involved. Good governance has been key to their success. A housing development project involves complex processes affected by numerous factors, including the planning system, the wider socio-economic context and political climate. Good governance is necessary to build dedicated, responsive groups, who demonstrate a clear way of working and have an effective legal structure.

The activities below are suggestions to help develop and strengthen your community group's governance:

GA1. Forming a group
Forming the right group is the first important step. You may already be in a group of like-minded people or looking to join one. Carefully consider the group’s capacity, size, philosophy and values; housing development requires investing time and commitment so it is important that you are confident in your group.

If you cannot find a suitable group, consider starting your own. Gather like-minded friends, advertise locally and use social media to inform others of your initiative. To help you get started, there is seedcorn funding available such Community Land Trust Startup fund.

GA2. Visioning
Once established, set out your group’s vision. What are your group’s core values? What would you like to achieve from the new housing project? What kind of lifestyle do you want to achieve collectively? What kind of development are you thinking about – a new build or refurbishment on an existing building? To help explore the various possibilities, run a design visioning exercise with the support of an expert. See the briefing paper on Design for more information.

GA3. Ways of working
The design visioning workshop should result in tangible project objectives, enabling you to plan the process to achieve that vision. Begin by assigning roles and responsibilities to group members; to run a housing project, a project board (or steering group) is formed as the core decision-makers accountable for the project’s success or failure. The board members must look at whether they have sufficient experience and authority to carry out their responsibilities effectively, and whether they need to train in some skills in preparation. To appoint board members democratically, they can be elected by the group members and it is their responsibility to decide how frequently, by whom and how the election takes place. Formally document these arrangements by creating your group’s community constitution to promote efficiency of roles and demonstrate that you’re autonomous and accountable, so long as you continue to work to them. This will further support your cause when seeking funding.
GA4. Project planning
Project planning demonstrates how you will complete a project, indicating the timeframe, milestones and designated resources. Your group’s community vision and constitution will provide a good foundation for the planning process. Your project scope should include an outline of the work that needs to be done to deliver the project, along with a breakdown of the tasks and the time and resources required to deliver these. Once completed, run a feasibility study to test if your project is viable. Do not progress with the project until it has been proven feasible, to avoid investing further time or resources. Please see briefing paper on Viability for further information on feasibility studies.

GA5. Legal structures
There are numerous benefits to setting a clear legal structure for your community group. It helps establish a logical way of working, through outlining accountability for activities, and how and when decisions should be made. It gives the group credibility, particularly when engaging with professionals. There is a range of different legal structures available with various advantages and disadvantages, so carefully consider which is most suitable. On the next page are some examples of community group legal structures in a housing and regeneration context.
### Examples of legal structures

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unincorporated Association/community group</strong></td>
<td>An unincorporated association is a group of individuals, coming together for a particular reason. Those involved are ‘members’ of the association and it has a set of rules (or constitution) explaining how decisions are made and how people become members. Being unincorporated means individuals involved are personally liable for any debts, as it does not offer the ‘limited liability’ protection of companies. The examples include residents associations and tenant federations where budgets are usually small.</td>
</tr>
<tr>
<td><strong>Companies and Charities</strong></td>
<td>Companies come in two different forms; limited by shares and limited by guarantee. Both forms are governed by a Board of Directors (called Trustees if it’s also a charity). Companies are regulated by Companies House, which registers companies and the information such as annual reports that they are required to supply. It provides guidance on setting up a company on its website. If a company is limited by shares it can ‘sell’ parts of the company as shares or equity to individuals or companies who then receive a proportion of any profits made. Companies Limited by Guarantee are a popular structure with charities – though companies need to apply separately to the Charity Commission to become a charity. These companies have no shareholders and no shares.</td>
</tr>
<tr>
<td><strong>Charitable Incorporated Organisations (CIO)</strong></td>
<td>Charitable Incorporated Organisations are like companies limited by guarantee that also register as charities. However they are regulated solely by the Charity Commission and therefore are not required to register with Companies House.</td>
</tr>
</tbody>
</table>
Community Interest Companies (CICs)

Community Interest Companies are similar to other companies; the key difference is that they must offer ‘community benefit’ and have to demonstrate how they do this. The amount of profit which can be distributed to shareholders is strictly limited (an ‘asset lock’). They can be limited by shares or limited by guarantee. Unlike registered charities Community Interest Companies allow directors to be paid members of staff and can also issue shares to raise finance from social investors. They are regulated by the Community Interest Company regulator and Companies House.

Cooperatives and Community Benefit Societies

Cooperatives (or Co-ops) are organisations owned and run by their members, who share in the profits or benefits. They come in many shapes and sizes – from small community groups to multi-million pound organisations. Housing cooperatives allow residents to collectively own housing, either through shares or membership rights. A Community Benefit Society is similar to a cooperative but is run for the benefit of the whole community, rather than just for members.
<table>
<thead>
<tr>
<th>Group</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tenants and Residents Association (TRA)</strong></td>
<td>A Tenants and Residents Association is a group of residents and tenants on an estate (or with a common landlord) who join together to tackle common problems faced by residents and tenants. They might campaign on particular issues, organise community activities, run local services or manage assets. They are often the main group landlords consult with to gain tenants’ and residents’ views. There are no legal requirements for the governance arrangements of Tenants and Residents Associations and many are run informally (as unincorporated associations). However many landlords expect Tenants and Residents Associations to have open memberships and a constitution to formally recognise the group. If an association wants to apply for grants or take on management responsibility for their estate then they’ll need to be formally constituted.</td>
</tr>
<tr>
<td><strong>Tenant Management Organisation (TMO)</strong></td>
<td>A Tenant Management Organisation is an organisation set up by tenants and/or leaseholders to manage their housing estate or elements of it, through a management agreement. It receives funds to carry out the work specified in the management agreement. Tenant Management Organisations take different forms and sizes – some are cooperatives, some companies and charities, and others are Community Interest Companies. English housing laws give Council tenants a collective ‘right to manage’ the housing where they live. Housing association tenants do not have this right, so the landlord’s support to establish a Tenant Management Organisation is required. Please note that this is not a comprehensive list – undertake further research and seek professional help to ensure you have implemented an appropriate structure.</td>
</tr>
</tbody>
</table>
GA6. Organisational structures for community-led housing

The outcomes of design visioning and the governance structure of your group should provide a basis for identifying relevant structures and constitutions to take your housing project forward and manage it in the future. There are a range of different types of organisation and some will be more suitable than others. Do your research: there is a wealth of information available on the web, and the selection of case studies on Design Council website explores how others have done it and the lessons learnt. The list of representative organisations overleaf are a good place to start:
## Types of community-led housing organisations

<table>
<thead>
<tr>
<th>Development typologies</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community Land Trusts</strong></td>
<td>With the purpose to provide housing that is locally led and affordable. Community Land Trust is a local organisation set up and run by ordinary people to develop and manage homes as well as other assets important to that community. The National Community Land Trust Network is a charity supporting Community Land Trusts in England and Wales providing funding, resources, training and advice.</td>
</tr>
<tr>
<td>See Community Land Trust Network website</td>
<td></td>
</tr>
<tr>
<td><strong>Self-help housing</strong></td>
<td>To meet immediate needs for housing, self-help housing involves groups of local people bringing empty properties back in to residential use. <a href="http://www.self-help-housing.org">www.self-help-housing.org</a> is a dedicated website with the purpose to provide support to community based organisations to run self-help-housing projects.</td>
</tr>
<tr>
<td>See Self Help Housing website</td>
<td></td>
</tr>
<tr>
<td><strong>Cooperatives</strong></td>
<td>Co-operative housing works by tenants democratically managing and controlling their homes as an autonomous organisation. The Confederation of Co-operative Housing is an organisation set up to support co-operative and mutual housing organisations.</td>
</tr>
<tr>
<td>See Confederation of Cooperative Housing website</td>
<td></td>
</tr>
<tr>
<td><strong>Co-housing</strong></td>
<td>As a form of intentional, self-managed community, co-housing moves away from conventional ways of buying and renting homes to shared living, with mutual home ownership and income-related rents. The UK Co-housing Network is an organisation set up with a mission to help communities to use the cohousing model by providing resources and direct expert advice.</td>
</tr>
<tr>
<td>See Co-housing website</td>
<td></td>
</tr>
<tr>
<td><strong>Development Trusts, settlements and social action centres</strong></td>
<td>There are a range of community organisations running projects that involve asset development plans, and services that include housing management. Locality is a national network of community-led organisations to help people set up locally owned organisations, and share best practice and ideas on community asset ownership, community enterprise and social action.</td>
</tr>
</tbody>
</table>
GA7. Managing good governance
Good governance should be managed throughout the project development. Review this regularly to make sure the governance structure, the group’s vision and constitution remain relevant and valid. Monitor progress of your project against the original plan and examine whether milestones have been met. Renew your group’s membership and continue to recruit new members.

Hold regular planned meetings as set out in your community constitution. Minute the meetings, clearly noting what decisions have been made, why and what actions are to be taken. Reflect on how well the board is governing, how well it functions as a group and identify any areas that need improving, both individually and collectively. It might help to get an independent person to assist with this, or consider training for the board as a means of supporting good governance.

GA8. Living in a new community
Good governance does not cease once the houses are built and the members move in. Ensure that the management of the development is sustainable and the values of your community group are maintained. Appointing a green caretaker can be a helpful way of managing the quality of communal spaces. Develop a ‘moving-in guide’ to set out in-house policies to conserve your community group’s values and aspirations for living. It will also help new members to adapt to your community culture and encourage their involvement.
Part B

GB. Good governance for social landlord-led housing projects
For social landlord-led new housing, effective working relationships with tenants, residents and community groups will significantly increase the chances of success. Community groups enable a better understanding of the place and can help highlight and address potential sources of conflict. Engagement should be treated as an integral part of project governance as empowered community groups will become advocates of the project, taking ownership and demonstrating stewardship.

Do think about how you would like to work with residents and the wider community as early as possible. There may be a core community group with a majority stake in the development, but there are other types of community groups such as interest groups and the wider public that require different types of engagement strategies.

GB1. Community audit
To identify your key audiences, a community audit or community profile can provide a comprehensive picture of a neighbourhood, which will help support a strategy for involvement. It should be done with and for a community, so rather than running formal consultation events use drop-in events, exhibitions, school visits and web-based forums to gather feedback. Social media is also a good way of reaching a wide audience. Tap into the knowledge of people living in the neighbourhood to help identify the questions and the methods to include in the audit.

Ensure you approach a diverse, cross-section of people who are not part of local groups but are affected by the proposed changes. Hearing what they have to say will require you to find creative ways of meeting with and listening to them. Try to include future generations and prospective tenants. Potential community groups and members of the public to approach are:

- Local tenant and resident associations
- Current and potential future residents
- Community interest organisations
- Local businesses and chambers of commerce
- Local employers and employees amenity groups
- Local politicians
- Children and young people (future prospective tenants)
- Visitors to the area.

This exercise should be proportionate to the scale of the project but should always include those directly affected or with a direct interest. See also the technical paper on Small and Infill Sites for more information.

To understand each person’s role and level of participation, map out the community groups, who they are, their resources, skills, and the commitment they have. This will reveal who has the power and influence and who can enable or prevent progress. Ensure people understand each other’s areas of interest, roles and the relationships between them. Keep this updated to reflect any changes in roles or relationships as these can shift regularly.
GB2. Strategy and protocols for community engagement
The result of a community audit and the mapping exercise will help you to write a strategy that sets out how and when people will be involved throughout the planning and design process. To work as effective partners with the identified core community group, determine if they should be part of the project board and who you will need to consult with formally about decisions and when. Work with them to decide the governance structure and set this out in a Terms of Reference, agreed by all.

Writing a joint strategy with community groups will help to set out how the quality of the scheme will be measured and monitored through the development stages, what the key milestones for monitoring quality are and who will lead on implementing it. Think about the following criteria:

- The role of board members and how it will develop over time
- The amount of control the project board has – relative to decision-making being delegated to other stakeholders
- Who has input on, agrees and signs off key project documents, such as the project brief and business plan
- How partners or consultants are appointed. This may include involvement in setting evaluation criteria, sitting on a selection panel and taking part in interviews
- Agreeing conflict resolution processes
- Formal and informal relationships with other stakeholders and the wider community requirements for record-keeping and monitoring of various project milestones and key ‘sign-off’ stages
- The process for testing, evaluating and communicating decisions

While there will be a project programme with critical deadlines and milestones, people need to be provided with an opportunity to frame the project and have influence over what is being proposed. Your strategy should reassure people that they will be able to have some influence over planning and decision-making, and at what stages.

It’s good practice to have a basic protocol for various community engagement events planned throughout project delivery and through to post occupancy. It should set out principles to ensure that the process is inclusive and democratic but which also allows groups to fulfil their many roles (see G2 on good governance codes for more information). It is particularly important that the voice of those who do not usually take part are heard – see the briefing paper on design for more information on inclusivity.

GB3. Project brief
Your project brief is what the project will be about and, therefore, needs to be produced together with the community groups. A good brief will help reconcile competing interests and clearly set out priorities, preventing conflicts and misunderstandings later. Preparing a project brief involves coordinating various parts of the project and bringing together the conclusions from tasks already completed during the initial stages. An individual should be nominated to take account of all views, with final sign off from members of the project board.
GB4. Communications Plan

Often conflicts arise between the landlords and community groups simply because of a break down in dialogue. A communications plan can help overcome this. Where the community involvement strategy focuses on who is involved, when and how, the communications plan outlines and defines messages that you and others put across. Sometimes this might be needed for marketing purposes – for example, to build investor interest – but most of the time it is simply about ensuring the clear, accessible communication of ideas and information about the project. It should:

– present technical information in ways that are easy for non-experts to understand. You should also have adequate numbers of well-briefed staff available at events and exhibitions to speak with people about the materials and the project, recording feedback
– ensure materials are in plain English, and other relevant languages, with clear, simple graphics and tactile models
– ensure that the right amount of information is made available to support consultation, catering for people with special needs and particular language needs
– using a diverse range of communication to encourage wider participation – for example, arrangements for blind and partially-sighted people, deaf people and people on the neuro-diverse spectrum.

GB5. Wider engagement and outreach

Once the housing development is built it contributes to the identity of the place and the neighbourhood as a whole. It also affects the wider sustainability agenda and social objectives. In this respect the wider public has an important stake in your development. Therefore, outreach and wider engagement plays an important part in the good governance of your project.

Share housing development progress with the wider public using various means, including social media, and celebrate success at key milestones of project delivery. Host events to share lessons learnt and incorporate feedback and views from the wider public for future projects. Provide apprenticeships during design and construction stages to provide opportunities for young people and disadvantaged groups to learn new skills and confidence.

New housing development involves complex processes but it also provides opportunities for rich learning, better quality of lives and social cohesion. Good governance plays a key role in that process: to empower communities, build effective organisations, improve relationships and help shape sustainable places for people and communities.