

Capturing value for rural communities

Community Land Trusts and sustainable rural communities



The Countryside Agency

The Countryside Agency is changing: Defra's Rural Strategy, published in July 2004, announced the Government's intention to establish a smaller, well-focused new Countryside Agency with a role to act as a rural advocate, expert adviser and independent watchdog, with a particular focus on rural disadvantage.

The Natural Environment and Rural Communities Bill published on 10 February 2005 for pre-legislative scrutiny, sets out provisions to establish a new integrated agency comprising the landscape, access and recreation activities of the Countryside Agency, English Nature and most of the Rural Development Service of Defra, and the Commission for Rural Communities to carry out the role of rural advocate, expert adviser and independent watchdog.

Until legislation is passed and the new bodies formally established, the Countryside Agency is organising its work into two main divisions: Landscape, Access and Recreation division, which will begin to carry out the functions envisaged for the new body, and Commission for Rural Communities division.

By 1 April 2005:

- **we will have established the new, well-focused division called the Commission for Rural Communities, paying special attention to rural disadvantage;**
- **our landscape, access and recreation teams will have already begun to work in confederation with our partners, English Nature and the Rural Development Service, regionally and nationally, bringing together our activities to improve services for customers;**
- **we will have transferred most of our current socio-economic delivery functions to Regional Development Agencies (RDAs) and Defra for delivery through Government Offices.**

We may be changing – but our skills, knowledge and enthusiasm will continue to support and help the interests of people in rural England

To find out more about our work, and for information about the countryside, visit our website: www.countryside.gov.uk.

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Introduction

This report aims to make an important and thought provoking contribution to the debate about building sustainable, inclusive and empowered rural communities. The report shows how Community Land Trusts – where land is held in trust for community use in perpetuity – can be at the very heart of that aim, by delivering affordable housing and other locally identified needs such as work and leisure space.

Rural areas have a diverse heritage, a variety of communities and varying needs. The Community Land Trusts (CLTs) highlighted here operate in an equally diverse range of circumstances. The common theme running through each of them is the way that land value has been decoupled from the building cost to bring about affordability. This is particularly significant for rural areas where there is often an acute shortage of affordable housing. The report shows how housing and a range of other needs identified by the community have been brought within the pocket of many rural people by this approach.

CLTs might not be as familiar to many as other regeneration tools. This publication aims to put that right by highlighting the contribution they can make to rural communities through innovative use of local assets. The report illustrates important themes from around rural England, but also draws on the Welsh and Scottish experience where there is much to be learned from a different approach. The report also identifies some common themes and best practice and suggests a way forward.

Meeting the countryside challenge

A wide variety of national and local organisations are working with local communities developing and supporting rural initiatives in the countryside, among them the Countryside Agency, the Housing Corporation, local authorities, parish councils, development trusts and rural community councils. Many of these feature as key players in the case studies highlighted in this report. But others also are playing a role such as the wider voluntary and community network, Business in the Community, the Prince's Trust, the Soil Association and the Country Land and Business Association.

Their work includes land management schemes, affordable housing developments, regional and local food projects, local transport plans and the development of tourism. They support training and job creation, better rural service delivery, healthy living projects, local branding schemes and the employment of rural housing enablers. At village level, projects range from internet pubs to local taxi-bus services.

But these rural champions face a challenge. Life for many people in rural areas is good, according to the Countryside Agency's *The State of the countryside 2004* report. People live longer and enjoy better health than city dwellers. Crime is lower in the countryside and more new businesses are started. However, the report also flags up some well-documented problems. It is becoming increasingly difficult to buy a pint or collect your pension in many rural areas. The percentage of rural households with a local school and access to GPs' surgeries have both decreased slightly and the number of banks and building societies has declined.

Affordable housing in short supply

Affordable housing for rent and sale is in short supply in the countryside. More than 100,000 council homes have been sold in rural areas since 1980 and an influx of commuters, retired people and second home-owners has pushed up house prices more swiftly than in urban areas. Many local jobs in rural areas are low paid.

The Countryside Agency estimates that more than 10,000 new affordable rural homes are needed each year for the next decade to meet the crisis. Often it is small schemes in English villages and towns that are needed. In response, the Housing Corporation has increased its

rural homes programme from 1,200 a year in 2002/03 to a minimum of 3,500 over the years 2004/05 and 2005/06.

However, this still leaves a shortfall, as Gloucestershire Housing Association found when it opened a small village scheme of six homes recently. It was overwhelmed with applications, all from people with local connections, and could have let the scheme more than ten times over.

Major challenges in the countryside

Poor access to affordable housing is a major challenge to the aim of achieving sustainable, balanced and inclusive rural communities. Housing shortages are often linked to, or seen side-by-side with, other issues such as:

- rising homelessness, particularly in remote rural areas, hidden homelessness and overcrowding;
- the out-migration of young people in search of jobs and housing, resulting in the loss of young, skilled and active people to rural communities;
- an increasingly ageing rural population that has implications for service provision, transport and mobility, as well opportunities for economic activity and community activity;
- falling school rolls and school closures;
- patchy service provision where shops, post offices, and pubs continue to close through lack of support;
- the cost or viability of public transport. Rural households spend nearly £14 more a week on transport, on average, than urban households.

A new approach

Many of the problems in rural areas are similar to those seen in urban areas. But conventional approaches to tackling these issues often do not work as well in rural areas because of unique rural characteristics. These can include sparsity of population, geographical isolation and poor access to transport and other services. It is clear that Community Land Trusts have a role in pioneering new partnerships to tackle a range of rural problems. Community Land Trusts can empower rural communities to acquire, develop and manage land and property in perpetuity; and help to deliver a range of other community needs.

Community Land Trusts and other similar forms of community-led regeneration organisations, which have their roots in the 19th century, offer a co-operative approach to the challenges posed by the lack of affordable housing and social exclusion in rural areas. This report looks at the work of trusts in England, Wales and Scotland and sets out the key ingredients for success.

What is a Community Land Trust?

In the past few years, the escalating cost of housing in rural areas, from Cornwall to the Lake District, has priced out workers in local services, local agriculture and parts of the tourism sector. In both urban and rural southern England, job vacancies for teachers, nurses, fire service workers and bus drivers cannot be filled because of the housing cost crisis. In successful regeneration areas, rising land and property prices and increased high-value residential development are making it hard to retain local retail, services and local enterprise. And in all areas in the country, the ability to retain and create thriving sustainable communities, with a diverse array of local service provision, green space, housing and community facilities, is hampered by high land values, ownership patterns and poor engagement of the community in planning decisions. A mechanism is needed to address these issues, whilst at the same time operating to capture economic value for lasting community benefit. Community Land Trusts can be the missing solution to these problems.

What is a Community Land Trust?

A Community Land Trust is a mechanism for creating community ownership of land, locking in land value and underpinning sustainable development for the benefit of a defined locality or community. A Community Land Trust is an instrument for democratic ownership of land by the local community. Land is taken out of the market and separated from its productive use so that the impact of land appreciation is removed, therefore enabling long-term affordable and localised development. The value of public investment, philanthropic gifts, charitable endowments, legacies or development gain is thus captured in perpetuity, underpinning the sustainable development of a defined locality or community.

A Community Land Trust offers communities the means to:

- (i) Capture the value of the land for the community in perpetuity whilst allowing productive use of the land separate from its ownership;
- (ii) Enable local residents and businesses to participate in planning

redevelopment schemes and to take responsibility for the collaborative delivery of approved redevelopment and renewal plans;

- (iii) Take land out of the market and hold it in trust for the provision of affordable housing for lower income residents and key workers in the community;
- (iv) Provide the means for lower income residents to become homeowners with an economic interest in the success of their community;
- (v) Develop land to meet local needs for affordable workspace and retail units for enterprise and to provide and maintain community facilities for social and public services;
- (vi) Locally manage green spaces and conservation areas and to provide access for new entrants to farming;
- (vii) Promote resident involvement, local democracy and active citizenship.

What are the origins of CLTs and where are they operating today?

The Community Land Trust mechanism was first developed in the UK a century ago in the early days of the Garden City movement. It grew out of experiments with practical land reform by the nineteenth century co-operative movement and the Chartists. Letchworth Garden City in Hertfordshire was set up on these capturing value principles. However, the 'co-operative land society' system developed in 1903 by Ebenezer Howard for the Garden City Pioneer Company was not replicated in Britain, but was revived in the 1950s by Gandhian land reformers in India. This Gramdan ('village gift') movement led by Vinoba Bhave brought over 1 million acres of gifted land into 'village trusteeship'. This success came to Dr. Martin Luther King's attention and the first CLT was established in rural Georgia in 1967 by the American civil rights activists, to provide both farms and housing for black share-croppers. In the early 1990s CLTs were introduced again to Britain by crofters in Scotland as a robust legal means to buy-out collectively their absentee landlords.

In the UK, the Community Land Trust model is still in its infancy. Sets of model rules are only now being registered. There are about a dozen CLTs established in rural Scotland and recent legislation by the Scottish Parliament provides technical and legal help to assist communities to get professional guidance and access funds to establish a CLT locally. In the US, the Community Land Trust is a clearly defined legal form and over 130 CLTs have been developed in urban and rural communities over the past fifteen years. Like in Scotland, the Federal

government in the US has provided technical aid support for local communities to access legal expertise and financial investment to develop their own CLTs.

How are CLTs governed and how can community control be maintained?

CLTs may take different legal forms, all of which are not-for-(private) profit organisations in which the community owns land and property in trust. Legal structures that have been used in Britain to date include companies limited by guarantee and Industrial and Provident Societies for community benefit. In future, the new Community Interest Company could be used to hold the land in trust. Whatever the organisational or legal form, the essence of the CLT mechanism is to capture the enduring value of the land for present and future generations. Democratic and local accountability to residents within the CLT area is also key.

So, memberships are open to local residents and those wishing to endow land or property for the benefit of the CLT's defined geographical area. The Directors of the CLT are elected by the members and, frequently, the company Directors are grouped into three categories: those representing the leaseholder tenants and homeowners whose housing or workspace is provided by the CLT, those living locally or community organisation representatives who are not CLT leaseholders, and those representing the broader public interest (eg, local authority representatives, gifters of land and gifters of professional skills such as surveyors, architects and lawyers). This governance system has proven to provide a healthy organisational balance on the board to protect the community's long term interest. Where gifters of land (eg, public authorities or private landlords) have contributed significant assets, their inclusion as a 'constitutional custodian' is a desirable feature.

How is the land acquired by a CLT and how is housing affordability preserved?

CLTs seek to obtain land to meet diverse community needs. Such needs vary in each locality but the provision of housing is common to CLTs. In rural areas with the consent of planners, agricultural land on the edge of a village can be bought at agricultural prices and, with 'exception planning' from the local authority, used by the CLT to develop affordable housing to rent or to buy to meet local housing need. In other situations, planning permission may be given to a private developer, if they agree with the local authority to endow a CLT with a portion of land for affordable housing development.

To prevent speculation and windfall gains, the CLT removes the land from the market. Thus, under a CLT a homeowner, for example, can only buy the building, not the land asset. Typically the homeowners will be given a long-term (usually 99 years) renewable lease that enables the property on the land to be purchased with a mortgage and that also allows succession rights to the property by family members. When a CLT homeowner wants to sell their property, the lease gives the CLT the right to buy back the property from the homeowner under an agreed resale formula. Each CLT sets its own resale formula which seeks to provide the homeowner with a fair share in the equity built up from their payments to reduce the mortgage and in return for improvements they have made.

What legal entities could use CLT mechanisms to capture land value for local communities?

Local communities have a choice in developing CLT mechanisms. They can form a dedicated, bespoke legal structure to undertake a particular project or utilise an existing organisation. For example:

Housing associations are non-profit making organisations which build, regenerate and manage affordable housing for rent or sale. They are usually registered and regulated by the Housing Corporation (a government body operating under the Office of the Deputy Prime Minister and also responsible for public investment in housing associations). While they are independent organisations operating within the ‘third sector’, they also operate within a statutory and regulatory framework, with their funding often largely from public sector sources. Housing associations which are not registered with the Corporation can be mutual, democratic and member-based organisations. These are principally of two types: ‘benefit of the community’ associations and ‘bona-fide co-operatives’ set up as a mutual for the benefit of their members. Both these organisations are incorporated with limited liability under the provisions of the Industrial and Provident Societies Acts 1965-1968. They are not required to be registered or regulated by the Housing Corporation unless they wish to use government housing grants. Unregistered ‘benefit of the community’ associations operate independently of any statutory regulation and are well placed to act as CLTs. In partnership with a mutual housing co-operative, they could provide housing on CLT land. Model sets of rules are available to set up both these types of mutual housing associations.

Heritage Trusts exist for a wide range of purposes, usually related to the conservation of land, property or cultural goods. Most are charitable trusts and rely on grant funding to carry out their objectives for the benefit of a defined community or locality or the public in general. A Heritage Trust could use the CLT mechanism, but most have a different focus. In the US, to distinguish and demarcate them from Community Land Trusts, they are known as Conservation Land Trusts or Environmental Land Trusts. CLTs usually have affordable housing as a core purpose and this is not generally the case for Heritage Trusts, including the National Trust. However some Heritage Trusts, like that on the Isle of Gigha in Scotland, have been CLT pioneers.

Development Trusts, of which there are over 200 across the UK, share common approaches to creating community assets to be held in trust for the long term. They are represented nationally by the Development Trusts Association (DTA) who define Development Trusts as:

- (i) engaged in the economic, environmental and social regeneration of a defined area or community;
- (ii) independent and aiming for self-sufficiency;
- (iii) not-for-(private)profit;
- (iv) community-based and community-owned;
- (v) actively involved in partnerships between the community, voluntary, private and public sectors.

Development Trusts take a number of legal forms, all of which are not-for-(private)profit distribution. Some Development Trusts may already be using or could use the CLT mechanism to underpin housing and/or mixed use land development.

Development Trusts are also similar to ‘settlement houses’ and community associations that hold community buildings and other assets to meet local community needs. The Community Alliance is a coalition of community regeneration trade associations. The DTA is a member as is the British Association of Settlements and Social Action Centres (BASSAC) and Community Matters. The observations made here about Development Trusts could also apply to members of these organisations.

Whatever the legal entity, the essence of the CLT mechanism is to capture the enduring value of the land for present and future generations.

Parish councils

Parish councils are expected to be given increased local powers and resources from Government to run village and community services in future, including managing parks, maintaining street lighting and employing neighbourhood managers. As democratically elected local bodies, parish councils might also utilise the CLT mechanism for capturing value to meet community needs. Indeed if developed in this participative way, CLTs could be the ideal vehicle for seeding a ‘micro-democracy’ movement that advocates of parish councils have long argued for.

Letchworth Garden City

Role model for sustainable communities



Letchworth Garden City is ‘a role model for sustainable communities’, said Deputy Prime Minister, John Prescott, when he visited Ebenezer Howard’s masterwork in March 2004. A great many people around the world share his view. Set up in 1903, the Garden City, a not for profit organisation, remains a robust example of how land values can be captured and used to support and develop communities in urban and rural areas.

Set in the Hertfordshire countryside 35 miles from London, the garden city occupies 5,300 acres and is home to 33,000 people. It is also an important service centre for local rural communities, serving many of the functions of a traditional market town. Its story began in 1903 when the Garden City Pioneer Company, set up to buy the land for the world’s first garden city, selected Letchworth as the site and bought 3,918 acres from 15 farm-owners at a price of £40.75 an acre. Other land was added later. First Garden City Ltd was created in the same year to develop and manage the project. It was agreed from the outset that all operating profits from the estate would be ploughed back into the community. This principle remains a hallmark of the garden city today.

‘Health of the country and the comfort of the town’

The master plan for the city that would ‘combine the health of the country with the comforts of the town’ was drawn up in 1904 by Barry Parker and Raymond Unwin, with tree-lined streets, low-density housing, spacious gardens and public parks. 100 years later the fruit of this plan is a thriving community managed by the not-for-profit Letchworth Garden City Heritage Foundation (LGCHF) that was set up in 1995. It took over from the Letchworth Garden City Corporation formed in 1962 to ward off the predatory approaches of a property company.

Annual income

An Industrial and Provident Society, the foundation is the freeholder of most of the land in the city limits and generates an annual income of about £6 million from land and offices, shops, farms and factories, which have a combined value of about £114 million. The foundation's charitable activities include funding and managing several community cornerstones, among them the Ernest Gardiner Day Hospital, a community centre, the Broadway Cinema and First Garden City Heritage Museum.

Trading companies

It operates five trading companies: Letchworth Garden City Services; Letchworth Garden City Farms; Garden City Technologies; Letchworth Cottages and Buildings; and Broadway Cinema. All operating profits from the estate and the trading companies, which total more than £12 million since 1995, support community services and activities or are reinvested in the property estate to help generate future surpluses.

In 2002/2003, for example, the foundation provided:

- £211,000 to local clubs and societies in grants;
- £251,000 to operate the day hospital;
- £482,00 to operate a community centre;
- £174,000 to operate the local museum;
- £65,000 to operate a local free mini-bus service for older and disabled people.

It also spent £161,000 on centenary events, and £195,000 on environmental improvements. In addition, it is leading the £65 million regeneration of urban and rural neighbourhoods in the city.

On a smaller scale, a grant made in 2004 supports the employment of a specialist nurse to work with the 200 Multiple Sclerosis patients who live in the town. Another will provide new IT equipment for every Letchworth school.

The Heritage Foundation employs 154 people, among them surveyors, accountants, nurses, farm workers, foresters, cinema operatives and bar and catering staff.

Elected representatives

The team of 4 Directors reports to an 8-strong management board of unpaid volunteers. North East Hertfordshire District Council and Hertfordshire County Council each nominate a member. The other 6 are elected from a group of 30 Foundation Governors who are the voice of the community. Of the 30 Governors, 6 are elected in citywide elections held every 5 years. At the last election in 2000, 20 candidates stood and almost 30 per cent of the citizens voted. A further 8 Governors are nominated by clubs and societies, 2 by the local authorities and 14 are appointed by the board. Vacancies for Foundation Governors are also

advertised in the local press. The foundation sold its 330 houses to the William Sutton Housing Trust two years ago, and plans to use the capital receipts to develop new affordable homes, principally for single people and key workers. With its extensive land holdings, finding sites will not be a problem.

Orwell missed the point

Letchworth Garden City has had its critics. George Orwell, for one. He dismissed it as a magnet for ‘every fruit-juice drinker, nudist, sandal-wearer, sex maniac, Quaker, Nature Cure quack, pacifist and feminist in England’. Similar criticisms have been made of other settlements that do not fit into the neat boxes of state or private ownership. Ebenezer Howard’s legacy is a garden city where 50 per cent of the land area is green open space and where the foundation adds an extra and substantial layer of funding to meet charitable objects. All in all, Letchworth Garden City is a pretty good advertisement for the principles of community land trusts.

Pronounced sense of citizenship

Moreover, residents have a pronounced sense of citizenship and ownership, says the foundation’s Marketing and PR Director, Alan Howard, who moved to Letchworth Garden City in 1964 after his dad’s job was relocated to Welwyn Garden City. ‘We came, we saw, we fell in love with the place and took great pride in the town. It is one of those places you never leave in your heart. Living anywhere else afterwards is just not the same. I came home in 1996, after living elsewhere, because I wanted to be part of another new chapter in the life of this special community. We have a system that works here. Every single penny we create in surpluses goes back into the town. How many communities across Britain can boast that?’

Further information: Alan Howard, Marketing and PR Director, LGCHF
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Key Facts

- The Garden City Pioneer Company chose Letchworth in 1903 as the site for its pilot development.
- The city has always been run as a not-for-profit organisation. The Letchworth Garden City Heritage Foundation (LGCHF), an Industrial and Provident Society, has managed it since 1995. Local people are elected to the Foundation’s board of management.
- The Foundation operates five trading companies. Operating surpluses of more than £1 million a year from the estate and the trading companies are reinvested in the community and the city’s fabric.
- Projects supported include a day hospital, a community centre and a museum.

Stroud Common Wealth

Capturing land values for communities

Stroud Common Wealth Ltd, a not-for-profit company limited by guarantee, was founded as a land trust in 1999 to acquire property for community ownership and to develop social enterprise. It supplies services to people from the Cotswold town and the surrounding rural areas.

Stroud has a lively tradition of mutual action for community benefit. Stroud Common Wealth follows in the footsteps of Whiteway Colony, which established a mutual approach to land ownership and development in 1898. It began life as a money-free community living in Whiteway House surrounded by 42 acres of open fields held in common ownership. The colony thrived, with members living in a variety of homemade sheds, huts, houses and railway carriages on a patchwork of smallholdings. In 1924 a hall was built to house a school and social activities. A swimming pool was opened in 1969.

Spirit of mutuality remains in Whiteway

Today it is the longest surviving secular community in the country, is run by its members and has 67 households. Conventional houses have replaced many of the early buildings, but the spirit of mutuality

remains, with a monthly meeting to decide matters affecting the colony. Under the rules of the colony houses cannot be rented nor can they be used as second homes.

However, only cash buyers can purchase the houses. The land is held in common ownership without deeds and other buyers cannot get mortgages, as it is only the structures on the land that are bought and sold. Prices are the same as for local freehold houses, putting houses beyond the pockets



of first-time buyers and making the case for more enduring and more formal community land trust arrangements to keep homes permanently affordable.

Filling empty properties

Partly building on the Whiteway experience, Stroud Common Wealth Ltd (SCW) was set up to bring empty properties back into use for the benefit of the local community. It aims to:

- own land in trust for the local community and lease it for affordable housing, workspace, amenity, food growing and conservation ‘for the benefit of present and future generations’;
- build capacity for social enterprise;
- promote and enable the development of community land trusts.

Successful projects

Several major projects have been completed. An empty town centre church was bought at less than the market rate from Gloucestershire County Council and leased to Reclaim Arts, a performing arts charity. The church now houses The Space, a successful arts venue that serves Stroud and the surrounding countryside and attracted more than 16,000 people into the town to events in 2003. Space is also used by community groups. SCW converted a second empty building in the town centre into the Social Enterprise Centre (SEC) for meetings, workspace, IT training, workshops, action learning groups and other capacity building activities. Part-funded by Stroud District Council, it is now too small and the SEC plans to acquire premises for a cluster of social enterprises.



Bid for hospital site

SCW is a partner in the Mutual Bid for the local 72-acre Standish Hospital site, now surplus to NHS needs. The proposal is to acquire the site for £1, put the land into a community land trust for permanent affordability and develop a cluster of mutual health care businesses and affordable housing for key workers.

Stroud Cohousing

Stroud Cohousing's scheme of 32 homes is the first new-build cohousing development in the country. All households are directors and shareholders in The Cohousing Company, a private limited company that owns the common spaces. Each homeowner has a 999-year lease of their property. The ecologically designed homes are built to high standards and homeowners, having taken risks to join as founders, have been able to obtain homes at less than market rates. Three homes have been part-equity funded by the company for affordable homes for first-time buyers.

Local fund-raising

The British School, a Victorian building earmarked for demolition as part of a bypass scheme, was bought for £20,000 with money raised from the local community in a year. The building was converted into offices, a hall and a cafe. In 1992 the pub next door, The Painswick Inn, was bought for £75,000, with the first £40,000 raised in a fortnight among local supporters. Charities, Single Regeneration Budget, the Lottery and housing associations funded building renovation. The Painswick Inn is now a dispersed foyer in a group of buildings:

- supplying training and work opportunities in the community for young people from Stroud and the neighbouring rural areas;
- housing a public hall, cafe, restaurant, bakery, print shop and public arts centre;
- running information, counselling and advocacy services that are in short supply in rural areas;
- providing supported housing for 25 young people. Giving Knightstone Housing Association a lease on the flats made government money available for their conversion from part of the pub building.

Partnerships with housing associations

Working in partnership with Sarsen and Elim housing associations Painswick Inn provides move-on accommodation with floating support. It works with its young customers, developing their life and personal skills to help them move into independent living through a highly personalised development process. About 100 people a year pass through the foyer, which is integrated into local housing and training strategies. The organisation plays an active role in the Local Strategic Partnership. A valuable community asset, the hall is used by a large number of local groups. Painswick Inn has an annual income of about £750,000. Of this about £300,000 comes from Supporting People

contracts and a further £350,000 from training contracts. The rest is property income of around £100,000 – which demonstrates the success of the asset-based development strategy started in 1987. The organisation is successful in raising money from many sources and is completely self-supporting through income from the property it owns and the services it supplies. A small surplus provides opportunities for research and development of new services to help young people take their next step.

Further information: Lucas Schoemaker, Project Manager, Painwick Inn project lucas@shiretraining.org.uk

Key Facts

- A visit by Lord Rogers' Urban Task Force in 1999, which identified more than 70 empty buildings in Stroud, was the catalyst for setting up the Stroud Common Wealth Ltd (SCW).
- SCW has converted a disused town-centre church to provide an arts venue, and has fashioned a social enterprise centre from another derelict building.
- It is a partner in a mutual bid to buy a redundant local hospital for £1, put the land into a community land trust and build business spaces and key worker housing on the site.
- Painswick Inn is a dispersed foyer providing training, development, work and housing for young unemployed people in Stroud.
- Stroud Cohousing is the first cohousing project in the UK.

Stonesfield Community Trust

Local response to housing shortage

The work of the Stonesfield Community Trust is a local and effective response by residents to the shortage of affordable housing in the Oxfordshire village (population 1,900). Set up in 1983, the Trust has produced 14 affordable homes and 2 workspaces with very little public subsidy.

Driving force behind the Trust is Chairman Tony Crofts. In the 1980s he became concerned about the falling roll in the local primary school and the rising tide of wealthy incomers who were driving up housing costs in Stonesfield and other villages. 'I watched villages dying all over the Costwolds,' he says, 'and I didn't want Stonesfield to suffer the same fate.'

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Land donation

With two friends he set up the Trust and donated a quarter-acre site in the village for the first scheme. A donation of £3,000 from an enlightened local company that had grown up in the village covered the setting up costs, legal fees and the planning submission for the scheme of four houses. Planning permission was granted, instantly increasing the value of the land from £3,500 to £150,000 and giving the Trust the security to raise a bank loan to build the first four houses. One of the houses was later converted into two flats and a granny flat was added to another, making six homes on the site.

Ethical and charitable funding

A second quarter-acre site in the village was bought with a loan of £80,000 from West Oxfordshire District Council. Five houses were completed by 1993 with funding from a variety of sources, among them:

- loans from the Triodos Bank and the Ecology Building Society;
- advertisements in *The Friend*, the Quaker magazine, which raised £119,500 in gifts and fixed-interest loans from private ethical investors;
- Quakers attending in the Witney Monthly Meeting area, who donated almost £7,000;
- The Quaker Housing Trust converted a £20,000 interest-free loan into a grant.

© CA/Andy Tryner



As is so often the case, the ethical concern that led to the creation of the Trust contains a strong green element. The houses are designed for maximum solar gain and insulated to a high standard. The 11 homes are let to people with local connections and modest incomes. They are managed on the Trust's behalf by a professional letting agent, who for many years supplied a free service and now charges only £80 a month. 'Many local people have chipped in to help keep the housing affordable', says Crofts.

Factory conversion

Next door to the Trust's second scheme, Tony Crofts and his architect wife Randi Berild fashioned two houses, a flat and two work-spaces from a former silk-screen factory with bank loans and a grant from the former Rural Development Commission for the work-spaces. The scheme was completed in 1994 and the loans are serviced by rents from the properties. Ten years and many repayments on, the bank has relinquished its claim on one of the work-spaces. Home to a pre-school group, it has been transferred into Trust ownership by the Crofts for the perpetual benefit of the village.

The Crofts are about to acquire and transfer to the Trust the second commercial space, which houses the village post office at a fixed rent, the flat above it and one of the houses.

Community initiatives

'When the loans on the schemes are cleared, the Trust plans to use any surpluses from the rental income to fund better Home Help for the elderly and to employ a youth worker. There is very little for young people in Stonesfield, where the last bus for Oxford leaves at 3.40pm and the last bus comes back at 6.00pm,' says Crofts. 'We are also

looking at Individual Learning Accounts for youngsters from the village who are apprentices or in further education.’

The initial donation of land set the financial ball rolling and made all three schemes possible. In addition, many local people have given their money, time and expertise. The clerk to the parish council, a county councillor, a retired teacher and a local Quaker sit with Crofts on the Trust management committee.

Local authority willing ally

West Oxfordshire DC has been a willing ally. It has a strategic responsibility for providing affordable housing in its area and has supported housing association schemes in 13 other villages that have produced 200 affordable homes.

None of them is quite like the Stonesfield scheme, which will be owned by the community when all the loans are paid off rather than an outside body, however well-intentioned. The Trust’s homes, the post office and the pre-school group are part of the village fabric along with the pub, the school, the church and the chapel. They are testament to the huge contribution a small organisation can make to sustainable village life.

Further information: Tony Crofts
tony.crofts@virgin.net

Key Facts

- A flood of wealthy incomers and the falling roll in the local school led Tony Crofts and others to set up the Stonesfield Community Trust in 1993.
- Tony Crofts donated a site for the Trust’s first scheme of six affordable homes. In a second scheme five houses were completed in 1993 on land bought from West Oxfordshire District Council.
- Two houses, a flat and two work-spaces were created from a redundant print works in a scheme completed in 1994. Ethical lenders and charitable sources have funded the projects. A small amount of public funding supported the development of the work-spaces.

Tablehurst and Plaw Hatch Community Farm

Co-operative rescue of rural businesses

Tablehurst and Plaw Hatch Community Farm Ltd is a community supported agriculture (CSA) venture in Forest Row, East Sussex. It owns two farm businesses about three miles apart, Tablehurst Farm and Plaw Hatch Farm, and is a shining example of the way in which a community can come together to secure the future of local enterprise.

Tablehurst Farm is a 260-acre mixed biodynamic farm. Until the mid-1990s the Emerson College Trust, a Steiner teacher training college, ran it as a commercial business where bio-dynamic agriculture techniques were taught. In the face of sharply declining agricultural profits, the College decided to sell the farm in 1994. As a charity, it was obliged by law to obtain the market price, and it seemed likely that the farm would be lost to the bio-dynamic movement and sold for intensive agriculture.

However, in 1995 local people set up a co-op, raised £150,000 in the community in cash and pledges, and acquired the assets of the farm business. The land remained in the ownership of the Emerson College

Trust. The money raised to buy the farm business also funded improvements to the milking parlour and chicken houses. A large pond was reinstated with the help of an environmental grant, and a new irrigation lake was funded with farm surpluses and a donation from a local resident. Renovation of the farm shop cost £15,000 and new processing equipment a further £7,000. Some co-op members have donated their professional services to the farm.



Two farms are better than one

In January 2001 the co-op bought the nearby 200-acre Plaw Hatch Farm business from the St Anthony's Trust, a registered charity, with £62,000 raised in the local community. The farmland and buildings remained in the ownership of the Trust.

Ownership structure

The two farm businesses are owned by one co-op, Tablehurst and Plaw Hatch Community Farm Ltd, which is registered as an Industrial and Provident Society and has about 400 shareholders. Tablehurst Farm Ltd and Old Plaw Hatch Farm Ltd run the farms as separate businesses. Each employs farmers and gardeners to work the land. Most are also co-op shareholders. Plans are in hand to bring the farmland into single ownership by transferring the Tablehurst Farm land to the St Anthony's Trust.

The ownership structure is designed to:

- protect the land in perpetuity for community farming;
- disperse ownership as widely as possible in the local community;
- prevent a single unfriendly individual taking control of the business, the charities and the co-op;
- sell most produce locally;
- create a cohesive community of support and interest around the farm.

Co-op members are not directly involved in running the business.

While each farm has a management team that includes co-op members, day-to-day farming decisions are left to the farmers who are very committed to the community farm ethos. Between 10 and 12 co-op members are elected to the management committee, which meets quarterly to deal with issues such as fund raising and the production of newsletters. The annual general meeting apart, members come together to discuss important issues relating to the farms. Earlier this year, for example, a meeting revisited the underlying objectives of the co-op to 'sense-check' that activities were still in tune with those objectives.

Annual turnover

The farms have an annual turnover of about £250,000.

Tablehurst Farm is predominantly a meat and poultry business, with beef, pork, lamb, chicken and eggs the main products. Turkeys and geese are raised for seasonal sale. Meat animals travel about 30 miles to the nearest abattoir for slaughter and are returned to the farm for butchering by a full-time butcher, who also prepares a wide range of

sausages and burgers to complement the cuts of meat. Poultry is slaughtered and prepared on the farm, where eggs are cleaned and graded before sale. Nearly all the meat and poultry is sold direct from the farm shop to local people. Wheat from Tablehurst is milled on the farm and sold to a bakery in the village. An orchard was planted in 2000 by a couple who work two and a half days a week on the farm in exchange for board and lodging and rental of land. When the trees fruit, the couple will pay 10 per cent of the gross income to the farm.

At **Plaw Hatch**, dairy products include raw milk, a hard and a soft cheese, cream, plain and fruit yoghurt and several yoghurt derivatives. Dairy products are sold direct to local people through the farm shop and the milk round. In addition, pasteurised milk is sold to local education institutions and some dairy products are sold on to other

local retail outlets. The vegetable garden, which includes open plots and polytunnels, produces a wide range of fresh vegetables for the farm shop. Laying hens have recently been introduced to the farm, adding eggs to the range of farm produce on sale at the shop.



Training schemes

Training is a key element of the co-op's work. Up to six apprentices work at Tablehurst in return for board and lodgings, a weekly allowance of £25, and weekly lectures on biodynamic farming by guest speakers. The farm receives a local authority allowance for three adults with learning difficulties who live and work alongside the farm staff. The farms' doors are open to the wider community. An annual harvest barn dance attracts more than 300 people and regular open days, volunteer workdays, farm walks and school visits are organised. Study groups are held on biodynamic farming and related topics. Shop customers are encouraged to visit the animals and look around the farms, and a regular newsletter is posted to about 500 people and distributed at the farms and in the local villages.

Sustainable community enterprise

Tablehurst and Plaw Hatch farms are a highly successful and sustainable CSA enterprise, where the proof of the pudding really can be seen in the eating. Unable to meet local demand for its produce, the co-op is renting a further 200 acres of land locally. The key to the success is the 460 acres of land, which are held by the charities, locked in for the benefit of the community and made available rent-free to the co-op. Any surpluses made by the farms are ploughed back into their development.

Community focal point

Mutuality is alive and well in Forest Row. Says co-op Chairman Chris Marshall:

‘Our co-op has many characteristics of which its members can be justly proud. It has become a real community focal point. As a result, and through the various activities we organise, we are creating a local population who both habitually buy their food from local sources and have some real understanding of the realities of farming. We believe this direct engagement with agriculture – lost almost completely over the last 50 years – is essential if a wider public are to be persuaded of the benefits of sustainable agriculture and local food.’

Further information: Chris Marshall, Chairman, Tablehurst and Plaw Hatch Community Farm Ltd
Chris.Marshall@Symonds-Group.com

Key Facts

- Villagers in Forest Row set up a co-op and raised money to buy a failing local farm business in 1995. Six years later the co-op bought a second farm, and now operates as Tablehurst and Plaw Hatch Community Farm Ltd, a community supported agriculture (CSA) project.
- Each of the farms is run as a separate business. Together they have a turnover of £250,000.
- The co-op, which has 400 members, has been highly successful, selling meat, fruit and vegetables, milk, eggs and other produce through two farm shops and directly to commercial customers.
- Unable to meet local demand for its produce from the 460 acres it owns, the co-op is renting a further 200 acres of land from a local farmer.

Meden Valley Village Companies

Regenerating coalfield communities

The Whispering Wood in the village of Whaley Thorns is the stuff of sustainable communities. It brings together in one project the social, environmental and economic initiatives that are regenerating the Meden Valley in the former Derbyshire and Nottinghamshire coalfields, through the work of six village companies that are supported by Leicester Housing Association.

Planted in 2002, the four-acre wood on the edge of the village has transformed a piece of wasteland that was plagued by fly-tipping and anti-social behaviour to provide a valuable amenity for local people in a wildlife haven. In addition, its hazel and willow trees will be coppiced to supply wood for a local furniture business, creating local jobs and training opportunities. Whispering Wood is the work of the Whaley Thorns & Langwith Village Company, which was set up by Leicester Housing Association (LHA) and Bolsover DC in 1999 as a pilot scheme in response to the deep post-industrial blight and social exclusion faced by the former coal-mining community in the Meden Valley.

Over 7,000 colliery jobs lost

Between 1984 and 1996 more than 7,000 colliery jobs were lost in the valley. The declining and ageing coalfields community was experiencing high levels of poor health and haemorrhaging more than 1,000 young people a year. Housing, neglected by British Coal for decades, was generally very run-down. In Whaley Thorns, for example, a 1999 survey revealed that 81 per cent of the housing in the village was in poor repair and 57 homes were empty.

Village companies

The brainchild of LHA's Chief Executive, David Seviour, the village companies are community-led vehicles for regeneration. They own and manage assets on behalf of the community and run social enterprises. Village companies are not-for-profit companies limited by guarantee. Local residents make up the majority of their unpaid boards, and they work in partnership with many stakeholders and funders, leveraging in money from a cocktail of sources to support regeneration.

Major funders

The East Midlands Development Agency (EMDA), for example, funded the £78,000 Whispering Wood project. Other sources of income include the Heritage Lottery Fund, the Coalfields Regeneration Trust, various Single Regeneration Budget phases, the Neighbourhood Renewal Fund, Home Office Safer Communities Fund and Social Enterprise East Midlands. Local authorities have contributed staff support and free land. First fruits of the Whaley Thorns pilot include two new shops, which will be built by LHA with English Partnerships funding. Now on site, they will be handed over to Whaley Thorns Property Services Ltd, a not-for-profit trading arm of the village company to provide a valuable asset against which the community can borrow. A village chip shop, owned and run by the local community, will shortly be doing a lovely cod and chips in its new premises.

Other community-owned resources include a printing business and a resource centre with a full-time manager. The village company has also brought abandoned allotments back into use, developed strategies for play areas and residential renewal and campaigned successfully for street lighting improvements.

Housing investment

Leicester HA has invested £14.5 million in housing across the Meden Valley: £11.8 million on the refurbishment of 385 homes, the rest on new houses, bungalows and flats for single people, older people and families. The new-build spending has been the catalyst for the creation of Meden Valley Making Places Ltd. A special-purpose vehicle funded by EMDA, English Partnerships, Mansfield DC and Bolsover DC, it has a target programme of £28million of which £15million is public money. Launched by John Prescott earlier this year, 'it is a good example of how a local initiative can sow the seeds for strategic regional investment', says Seviour.

Social enterprise initiative

The refurbishment of the former British Coal homes has been carried out in partnership with Newlife Regeneration and Construction (NLC). An arms-length social enterprise organisation, NLC was set up in 1999 by Leicester HA to work on this massive refurbishment task. Wherever possible, local suppliers and labour are used and sub-contractors are encouraged to offer training places to local men and women. Six local people are part of the Newlife permanent Coalfields Team, and 12 trainees were employed during the life of the refurbishment programme. About 20 jobs have been created through locally nominated partner sub-contractors.

Roll-out funding for five more companies

With a £430,000 grant from the Coalfields Regeneration Trust, £207,450 from the European Social Fund, and £158,000 from Leicester HA, the village company idea has been rolling out across the valley since 2000. Today four more community-led village companies are working in:

- Elmton & Creswell (Derbyshire);
- Shirebrook (Derbyshire);
- Warsop area (Nottinghamshire);
- Forest Town and Clipstone (Nottinghamshire).

More recently, a sixth company, Bull Farm, has been set up on a 1920s council estate. The six organisations are not-for-profit companies limited by guarantee. Four of the companies have also established Industrial and Provident Societies.

Local projects

A five-strong support team set up by Leicester HA and based in Market Worsop offers advice and guidance to the village companies, which are working on a large number of projects that reflect their own local priorities and aspirations.

For example:

- Elmton and Cresswell has converted a redundant bank into an IT centre and offices, opened a new village shop and secured funding for youth and sports facilities;
- Shirebrook is planning to open a market garden, a willow crafts business and a print shop;
- In Warsop four communities, who have come together in the Warsop & Villages Enterprises Society (WAVES), run a project with a local garage where young people are taught basic car and motorcycle mechanics. WAVES is planning to buy, demolish, and rebuild a managed workspace in a £1million scheme. Also on the stocks: a handyperson scheme, a local newspaper, a resource centre and an after-school club;
- The New Clipstone and Forest Village Company plans to buy up vacant allotment land to expand an existing community food co-operative that grows organic fruit and vegetables and sells them in local markets at prices affordable to local people. It has also opened a resource centre and is planning a white goods recycling project with the RENEW Trust;
- Bull Farm Village Company, which is in a Neighbourhood Renewal Area, has opened a resource centre and plans to convert an old school into a community centre.



The village companies have:

- supported 57 community groups, developed 11 community facilities and supported 18 community businesses;
- created 26 full-time jobs. In addition, 339 people have received training and 24 have gained qualifications;
- empowered local communities. 60 local people sit on the village company boards where they have helped to produce 13 business plans, publish 24 newspapers and test 28 projects with focus groups.

Valley-wide projects are now under consideration, among them home support services and a community consultancy.

Moving to self-sufficiency

The village companies are becoming more and more self-sufficient, says Seviour. As a result Leicester HA's village company support team has been reduced from 5 to 3 staff over the last 18 months. The association has committed a further £90,000 to the initiative from October 2004 to December 2005, during which time its exit strategy will be implemented.

'The established companies don't need much support. They are able to do their own fund-raising and run their organisations. Gradually, they are getting there. Most importantly, they are accumulating assets that will give them a revenue stream'. However, he warns, creating businesses is relatively easy. 'Maintaining the focus and momentum for sustainable businesses is the key.'

Further information: David Seviour, Chief Executive, Leicester HA
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Key Facts

- Six village companies were set up with the support of Leicester Housing Association in the Meden Valley to address the serious social, economic and environmental problems faced by former mining communities in an area of deep poverty.
- All six are not for profit companies limited by guarantee. Four have also set up Industrial and Provident companies.
- The village companies support community groups and community businesses, develop community facilities, carry out environmental improvements and create sustainable jobs.
- They have empowered damaged communities.
- Sixty local people sit on the village company boards.

Glendale Gateway Trust

New life for rural Northumberland

The stone-built Northumbrian town of Wooler (population 1,800) and the surrounding area have benefited greatly from the work of the Glendale Gateway Trust (GGT). An initiative of Berwick Borough Council, the Community Council of Northumberland and Northumberland County Council, the Trust was set up in 1996 to address rural decline identified in a village needs appraisal and ‘to promote, improve, maintain, encourage and advance the benefit of the inhabitants of Glendale.’ So far it has delivered a community centre, a youth centre and other community facilities. Affordable housing is the centre-piece of plans to regenerate the centre of Wooler.

The GGT is a community-led organisation. Local residents sit on its board alongside councillors and representatives from the private and

voluntary sectors. Based in Wooler, its area of benefit is 250 square miles of Northumberland along the border with Scotland, an area that is home to about 6,000 people in hamlets and villages scattered across the Cheviots.

The Trust, which has been instrumental in attracting funding of more than £2 million into the area, has converted Wooler’s old workhouse into a community centre and fashioned a youth drop-in centre from a mechanical institute that had stood empty for ten years. More recently, it has turned its attention to providing affordable homes and commercial spaces in the town.

A development trust, GGT is a registered charity and a company limited by guarantee. Any surpluses it makes go back into the community. It got off the ground with the help of the Community Council for Northumberland and Berwick upon Tweed Borough Council. It also works closely with the Northumberland National Park Authority, parish councils, housing associations, the private sector and voluntary organisations.

Initial set-up funding of £20,000 was raised through EU Objective 5B, *Rural regeneration – general and infrastructure*. Some of this money was used to employ two part-time workers.



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The Cheviot Centre

First major project was the Cheviot Centre, which opened its doors in November 2000 and brings together community activities and services. The Victorian workhouse was converted to provide community offices, a children's area with crèche facilities and large community rooms for hire. A ten-place computer room with internet facilities was added in 2002. The centre is fully accessible to disabled people and has a lift to the upper floor. Prince Charles formally opened the centre in October 2001.

The cocktail of capital funding for this £600,000 project included grants from One North East (the regional development agency), the EU Regional Development Fund, Berwick Upon Tweed BC, the Lottery and private funds and trusts.

The Mechanics Institute

The Trust has given a new lease of life to the Mechanics Institute that was empty for ten years and is now home to the Wooler Youth Drop-in Centre, which started life as a GGT sub group and is now moving swiftly to full independence. Refurbishment of the building cost £30,000 and was funded by grants from One North East and private trusts. Other GGT projects include the Wooler Website, The Glendale Festival and the Glendale Oral History Society.

Market Towns Initiative

The Trust is playing a leading role in the Market Towns Initiative in Wooler. The three-year project began in 2002 and brings together groups and agencies to develop community services and facilities. Funding of £1.2 million has been raised from the Countryside Agency, the EU and private trusts.

Under the initiative, the Trust has bought three derelict buildings in the High Street and a large plot of land behind them with planning permission for 28 houses. One of the buildings, a large house, has been renovated and let to a local young couple.

The land will be sold to a housing association and developed to produce affordable housing for local people. The money raised from the sale of the land will finance the refurbishment of the other empty buildings to produce commercial spaces with flats above and to end the blight on the High Street, where a visual improvement scheme is under way.

Affordable housing

A community hall has been sold to Home Housing Association, which has converted the building into three self-contained and affordable flats for young single people. A skateboard park was completed in March 2003 and work is in progress on the construction of a walk and cycle

way along the bank of a local river. 'The Market Towns Initiative has been a life-line for small communities like ours', says Tom Johnston, GGT Market Towns Initiative Manager. 'It has encouraged and supported local participation and demonstrated that self-determination can help build sustainable communities.'

The future

With farming, tourism is the main breadwinner for the area. The need to raise the quality of shops, cafes and restaurants in Wooler was flagged up in a visitors' survey and is a priority for the Trust. The High

Street refurbishment scheme will help with this work. Developing archaeology and the pre-history of the area as tourist attractions is another aim, along with the provision of wet weather facilities for tourists. While GGT has an income from groups using the Cheviot Centre and the one house that has been refurbished and let, it still receives revenue funding of £15,000 a year from the Countryside Agency for the life of the three-year Market Towns Initiative project and £25,000 a year from the

Northumberland Strategic Partnership. Its own income will rise when the High Street refurbishment is completed and the properties are let. The aim is to become completely self-sufficient.

Further information: Tom Johnston, Market Towns Initiative Manager, GGT
mti@wooler.org.uk

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Key Facts

- Glendale Gateway Trust was set up in 1996 to address rural decline in the Cheviots area of Northumberland identified in a village needs appraisal.
- A community-led development trust, it has raised more than £2 million in public funding to deliver a community centre, a youth centre and other community facilities in Wooler, the main town in the area.
- It also supports tourism and history projects.
- Affordable housing is the centre-piece of plans to regenerate the centre of the town in partnership with a housing association.

High Bickington Community Property Trust

Mutual approach to rural regeneration

Devon County Council has ripped up the rulebook and adopted a new approach to community planning in the village of High Bickington, says Bill Holman, Head of Devon Property Practice. It has been done by setting up a Community Land and Property Trust (CLPT) with the help of the villagers and the imaginative use of the planning exceptions site mechanism.

High Bickington, 10 miles south of Barnstaple, could become very celebrated in a very short time as a model of rural regeneration for others to follow. Like many other isolated rural communities, it has seen its young people and local families moving away to find jobs or affordable homes and its services threatened. The village shop has closed and the pubs, the school and the churches are all under pressure.

Partnership the key

However, all that could soon change, thanks to a partnership between the villagers, the county council, the parish council, Torridge District Council, the Countryside Agency, the Housing Corporation and Wessex Reinvestment Trust. Between them they have developed a plan to regenerate and sustain village life over the next 20 years.

At the centre of the plan is 20 acres of redundant farmland on the edge of the village at Little Bickington Farm, which is owned by the

county council. When the farm became vacant, the council asked the villagers what they would do with it.

With the district and parish councils, it commissioned a Parish Appraisal to explore possible alternative sustainable uses. The work was carried out by a group of villagers who published the *High Bickington Parish Plan 2003 to 2023*, with the help of a Vital Villages grant from the Countryside Agency.



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Vision for a sustainable future

With planners, architects and other professionals at their elbow, the villagers then translated their vision into an ambitious Development Plan for the sustainable future of the village. Indeed, says Bill Holman, it is one of the first new-style 20-year Development Plans to see the light of day and certainly the first to be driven by residents rather than officials. The plan will see the end of the piecemeal development and decline High Bickington has endured during the last 30 years. It addresses the acute shortage of affordable housing for local people and key workers; the need for local jobs; health and social care needs; education and life-long learning; improving access to services; and the need to improve transport choices.

Joint venture vehicle

The county council and its partners will set up a joint venture vehicle to take the project forward. The newly created High Bickington Community Property Trust (HBCPT) will build some of the 52 new homes and manage the community assets realised by the scheme. The Trust board, which will work closely with the Parish Council, has six directors who are all villagers and membership is open to all adult residents in the parish. Torridge DC has granted outline planning permission for the scheme and the village is now waiting for approval for its plans from the Government Office for the South West.

Main proposals

The proposed redevelopment of the farm is likely to increase the population of the village by about 300 to a total of 1,000 people. Phase 1 will provide:

- 15 homes for rent and shared ownership built by Devon and Cornwall Housing Association;
- 17 mixed tenure homes built and managed by the High Bickington CPT;
- 4 self-build homes (2 rental and 2 owned) managed by High Bickington CPT;
- 16 houses for sale on the open market;
- 750 square metres of employment/retail space;
- A 'Rural Primary School of the Future' with integrated community facilities, including a day nursery, community restaurant, conference spaces, sports and cultural activities;
- A new community woodland and sports field.

Sustainable development

Sustainable building methods will be used throughout the project and energy will be supplied from renewable sources. Phases 2 and 3 will focus on sheltered housing, environmental issues and transport and could include Britain's first rural home zone.

Finance

As a farm, the holding was worth about £500,000. The granting of planning permission increased the value five-fold. Phase 1 of the redevelopment will see the value rise to £12 million, generate quality of life improvements for the community and deliver improvements in education and other community services. The Devon and Cornwall housing association homes will be developed with Housing Corporation grant and private funding. High Bickington CPT will raise grants and loans for the 17 mixed-tenure homes with help and advice from The Wessex Reinvestment Trust, a registered charity. Sites for the 16 homes for sale will be sold to a private builder. Proceeds from the sale will cross-subsidise the affordable housing. Sites for the affordable housing will be transferred to Devon and Cornwall HA at an affordable rate and to High Bickington CPT at no cost, thus reducing development costs and making rents more affordable. It is proposed that the work-spaces will be developed by the district council on a site provided by the county. Ownership will then be transferred to High Bickington CPT.

The CPT will own a slice of the development in perpetuity, worth between £4 and £5 million, which it can borrow against for future initiatives. Rents from the housing and the work-spaces will give the CPT a revenue stream to meet management and maintenance costs and support community development.

The county council will provide a dowry of £250,000 in working capital and revenue cash flow support to create new community enterprises.

Next steps

The plans deeply impressed Alun Michael, Minister for Rural Affairs and Local Environmental Quality, when he visited the village in March 2004 with the Bishop of Exeter. 'It is the very best of the many rural regeneration schemes I have visited', he said. 'I applaud the vision and initiative of the villagers of High Bickington'.



Bill Holman and his colleagues at Devon County Council hope the Government Office of the South West will look favourably. They must consider whether the project should be called in for determination by the Secretary of State, because it is a major departure from the local plan. Should it be approved, the county council, which owns more than 11,000 acres of land, hopes to take the same action in several villages that are suitable cases for treatment. 'We believe we have found a new choice for landowners and new solution for communities,' says Bill Holman.

Further information: Bill Holman, Head of Devon Property Practice
william.holman@devon.gov.uk

Key Facts

- The people of High Bickington and Devon County Council have set up a community land and property trust to redevelop a disused 20-acre farm on the edge of the village. Members of the Trust board are all villagers.
- Ownership of the farm will be transferred from county council to the trust. New housing for rent, sale and shared ownership, a new primary school and work-spaces will be built on the land under a development plan that will see the population of the village rise from 650 to 1000 people.
- The work will be funded with a mixture of public and private funding and offers a sustainable future for the Devonshire village.

Wessex Reinvestment Trust

The Wessex Reinvestment Trust (WRT), which is helping High Bickington CPT raise grants and loans to build affordable housing, workspace and community facilities, is a Community Development Finance Institution (CDFI).

It was set up in 2003 as a response to research undertaken by the University of Salford which identified an intrinsic link between employment, enterprise and property and revealed demand for locally delivered loan services to develop enterprise and facilitate access to affordable housing and workspaces.

The Trust has been set up with support from the Countryside Agency, the Housing Corporation and Lloyds TSB and covers Devon, Dorset and Somerset as a national demonstration project of a community-based finance initiative. As a not-for-profit CDFI, the Trust will raise funds from grants, commercial organisations and investment from individuals wanting a social rather than a financial return.

The Trust provides:

- funding for rural enterprise to support small business and social enterprise start-ups and expansion;
- loan finance for housing for low to moderate income homeowners to tackle disrepair; and
- access to property and workspace – by facilitating pioneering land and property transactions and transforming redundant land and property into affordable housing and workspace for the benefit of the wider community.

Promoting Community Land and Property Trusts is at the heart of its work, and it offers advice and technical aid support to rural communities who wish to acquire land and buildings and develop them for the benefit of local people.

High Bickington apart, the trust has been working with the West Dorset Food and Land Trust with funding from the Countryside Agency to establish the Bridport Community Property Trust.

Ownership by local stakeholders is integral to the success and sustainability of the trust. Its day to day management is the

responsibility of a local board of directors who are drawn from a large number of organisations working, for example, in local food development, sustainable buildings and social housing. Furthermore, the Trust's services will be delivered in partnership with existing statutory and voluntary organisations throughout South West England.

Further information: enquiries@wessexrt.co.uk

Cwmni Tref

Community lifeline for Caernarfon

Galeri, a £7.5 million community-owned creative enterprise centre in Caernarfon, opens its doors in March 2005. Built on a brownfield site, it will house a 400-seat theatre, two large rehearsal studios, rooms for hire, bar, café, visual arts exhibition area and workspaces. It is the latest and most ambitious work of Cwmni Tref, Caernarfon. A development trust set up by local people in 1992, the organisation has played a major part in reversing the economic, social and physical decline of the North Wales town.

Serious concerns about Caernarfon's future were first voiced in the mid-1980s when an alarming number of businesses shut up shop in the town centre leaving behind them a decaying collection of empty buildings. The concern coalesced in a citizens' forum, which set up an independent and not-for-profit limited company, Cwmni Tref. Its choice of delivery vehicle was greatly influenced by two publications: *Creating development trusts*, published by the (then) Department of the Environment, and *Grass roots developers*, a Royal Institute of British Architects publication. A community based and mutual organisation, Cwmni Tref's objectives are: 'To pursue social, economic and environmental projects for the benefit of the community in Caernarfon and its environs.'

Success through partnership

Regenerating the town bit by bit has been a slow process, says Gwyn Roberts, the Trust's first employee and now Chief Executive. 'Much of the success is the fruit of close partnerships with the public and private sectors. We have a very good relationship with the Welsh Development Agency (WDA) and the Arts Council of Wales, and the National Assembly of Wales has been very supportive. We've even managed to get two cabinet ministers up here to look at our work and they've gone back to Cardiff very impressed.'

The Trust started work in 1992 with a grant of £100,000 from the Welsh Office to buy empty buildings in the town. The former Arfon Borough Council backed this up with a grant of £250,000, a mixture of capital and revenue funding for 3 years.



Funding to buy empty buildings

In 1995 a formal Joint Agreement was entered into with the WDA, which agreed to provide acquisition finance to Cwmni Tref to buy empty buildings in Caernarfon, on condition the Trust found the resources to renovate them. The building work is funded with a mixture of mainstream grants, donations and commercial loans. The WDA has first call on the buildings should the Trust decide at some point to sell them. Another partnership has seen the demolition of a long-standing eyesore in the centre of the town and its replacement with two shops and six flats. A local housing association funded the building of the six flats on the upper floors, in return for a long lease at ground rent, whilst Cwmni Tref funded the building of the two shops on the ground floor. When the lease expires the properties will be returned to Cwmni Tref.

Property portfolio

The Trust now has a £2 million property portfolio in Caernarfon. It has faithfully restored the 20 buildings in its ownership, created many jobs in the local building industry and made an important contribution to the economic and social regeneration of the town, by halting the blight and letting good quality premises to local businesses at affordable rents. Increasingly, it is able to fund its work from the revenue stream created by property rents. It employs 8 full-time staff and has a 12-strong board of directors, who are elected for three-year terms by the Trust's members. Its aim is financial independence.

Regenerating local slate valleys

In August 2000 the Trust won a competitive commercial contract to work as development agent for Adwy Cyf, a City Challenge project set up to regenerate five slate valleys around the edges of Snowdonia. On behalf of the project it buys, refurbishes and manages offices and shops in small towns and villages, among them Blaenau Ffestiniog, Bethesda and Deiniolen. Its completed projects include the conversion of a redundant chapel into studios and offices in Talysarn.

When Adwy Cyf entered its second phase in 2003, with European Regional Development Fund (EDRF) Objective 1 support, it renewed the contract with the Trust.

Arts project

The other main strand of Cwmni Tref's work has been developing an arts programme in Caernarfon, a town once described by the Arts Council of Wales as a 'cultural black hole' in terms of its provision of facilities and venues for arts events. In 2001 the Trust set up the Caernarfon Arts Project with an Arts for All grant. Working with local organisations, among them Canolfan William Mathias, Dawns i Bawb

and Theatr Solo, the project provides classes in drama, dance and rock music for children, young people and adults. Now in its fourth year, the project has grown dramatically with more than 300 local people taking part.

Galeri Caernarfon

From next spring Caernarfon Arts Project will be housed in Galeri Caernarfon. The project is funded by the Arts Council of Wales Lottery Fund, the Welsh Assembly Local Regeneration Fund, the ERDF Objective 1 programme, the Wales Tourist Board, the Welsh Development Agency and Cwmni Tref Caernarfon itself. The Centre is rising from a site in the town's Victoria Docks, sold to the Trust for a nominal sum by Gwynedd Unitary Council. 'It is a fantastic location', says Gwyn Roberts, 'and brings together our regeneration and cultural work. The project replaces a derelict abattoir and other low-grade industrial buildings with a building that will become one of the leading venues for the arts and creative activity in North Wales.' Six additional full-time posts will be created by Cwmni Tref to manage the centre, plus many part-time jobs. Most of the creative workspaces at the centre have been let and will produce an income stream to help fund the Centre's substantial running costs.

Changing the face of the town

Cwmni Tref's work has changed the face of Caernarfon, says Gwyn Roberts. 'It doesn't bear much resemblance to a town where ten years ago you couldn't give commercial leases away and there was no proper venue for cultural and artistic events. Today we don't really have any trouble letting the 40 shops, offices and flats we have bought and refurbished. What's more, our success has encouraged the private sector to bring other empty properties back into use. Our efforts have made a great contribution to improving the economic and social wellbeing of the town'.

Further information: Gwyn Roberts, Chief Executive, Cwmni Tref Caernarfon

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Key Facts

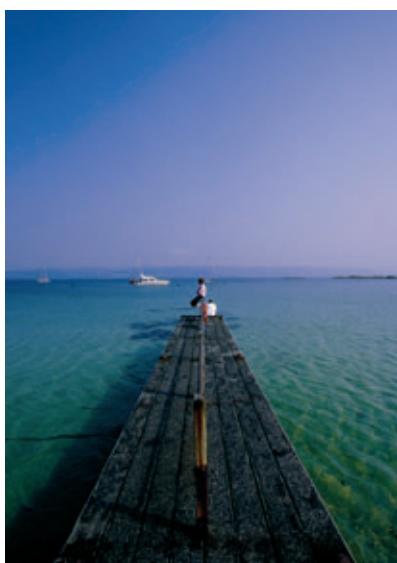
- The steady decline of Caernarfon led local people to set up Cwmni Tref, a community controlled development trust, in 1992 to bring empty buildings back into use with funding from Arfon District Council and the Welsh Development Agency.
- The Trust, a not-for-profit organisation, has a £2 million property portfolio.
- It has revived the town by rescuing 20 wasted buildings from dereliction to provide homes, offices and workspaces.
- It also works as development agent for a regeneration trust working in nearby slate valleys and runs an arts programme for people of all ages in the town.
- It will open a £7.5 million community owned creative enterprise centre in Caernarfon's Victoria Docks next Spring.

Isle of Gigha Heritage Trust

A road for the Isles?

When the Hebridean island of Gigha was put up for sale in August 2001, a steering group of islanders put forward the radical idea of a community buy-out. Three years later, the island is in community ownership. Social and economic decline has been reversed. For the first time in many years, the population is increasing, new businesses have been created and new houses are on site.

In a secret ballot in 2001, the community buy-out proposal was supported by 76 per cent of the islanders. The Isle of Gigha Heritage Trust (IGHT) was set up and the Scottish Land Fund (SLF) was approached for a small grant to develop proposals for the future of the 3,400-acre island. In seven weeks the Trust produced a feasibility study and business plan, which was overwhelmingly approved by fellow residents, and submitted a bid to the SLF for funding to buy the island. The Lottery-backed fund put £3.5 million towards the purchase price of £4.15 million. The owner deferred £150,000 of the purchase price for a year and a grant of £500,000 from Highland and Islands Enterprise (HIE) made up the balance. £1 million of the SLF money was in the form of a loan, repayable by March 2004. Along with the deferred payment, it was paid on time.



Impact of community stewardship

Only two years later, the fund's faith in the islanders' vision of mutual ownership has been rewarded. After years of decline, uncertainty and neglect by some of the absentee landlords – 7 in the previous 20 years – community stewardship is having a profound impact. The island's population has grown to 123, the school roll has risen from 6 to 14 and the waiting list of people who want to move to the island is growing. New businesses have started, 6 privately owned houses are on site and a local housing association has started work on 18 homes.

The £1 million repaid to the Lottery has been recycled to help other rural communities eager to follow in the footsteps of the people of Gigha. Most of the money was raised through the sale of the 'Big House', the main residence on the island, for £640,000 to American

businessman Don Dennis. In addition, he has created local jobs by moving his flower essence business to the island from the South of England.

Community control

The IGHT is a company limited by guarantee with charitable status. Membership is open to all residents aged 18 or more. Each has one vote and together they elect the Trust's directors. All major decisions are referred back to the members.

The IGHT five-year development plan has six main aims:

- debt repayment;
- affordable housing for all;
- agricultural restructuring and the creation of modern Gigha crofts;
- development of the social infrastructure;
- economic growth;
- ensuring all development is sustainable.

Commercial development

Gigha Trading Ltd, which operates a hotel and other commercial activities for the benefit of the island, is the vehicle for commercial development. Trust members elect its directors. During the last two years, the Trust has restructured the farmland and secured continued milk collection from the island by a mainland creamery, an arrangement that is vital to the island's economy. Seven new businesses have opened their doors since 2002, among them a tea-room, a catering firm and a publishing company. Another, based on the Outer Hebridean island of Barra, has opened a branch on Gigha.

Community-owned wind farm

The Trust's most ambitious project to date, Scotland's first community-owned wind farm, began generating electricity in October 2004. Sales of electricity from three 40-metre turbines are expected to yield up to £140,000-a-year, paying for their own upkeep, eventual replacement and funding development projects on the island. Gigha Renewable Energy Ltd, a new company, limited by shares, runs the £400,000 project. Electricity generated on Gigha will be sold to a registered power supply company. Funding for the wind farm has been raised through:

- A Social Investment Scotland loan of £148,000;
- £50,000 from the Big Lottery Fund's Fresh Futures;
- £40,000 from IGHT reserves;

- £82,000 grant from the Scottish Executive's Scottish Community and Household Renewables Initiative (HIE);
- In addition, HIE is buying shares in the wind farm worth £80,000. The Trust is committed to buying the shares back by 2009 with revenue from the project.

Tackling housing problems

The Trust owns 41 of the 67 houses on the island and took an early decision not to sell any of them. Residents who were tenants of the previous landowner are now tenants of the Trust. Before the buy out, only one house had been added to the island's housing stock in 34 years. The housing stock, generally, had been badly neglected. The island saw a housing sea change in 2004. Work began on a £3 million housing improvement programme, funded by a housing improvement grant and 20-year loans.

Meanwhile, Fyne Homes Housing Association is building 18 new homes, 16 for rent and 2 for shared ownership on land bought from the Trust for £150,000. Local people or those moving to the island to live and work will be given priority. Income from the sale of the two shared ownership homes will cross-subsidise the cost of the rented homes.

The Trust has set up a construction consortium as a joint venture with Fyne Homes and three local builders to carry out the improvements and build the new homes. Building apprenticeships will be created, and a small island quarry will be opened to provide local materials for the work and create new jobs.

Fund raising

The success of the Gigha community has been marked by a successful search for funding to underwrite the regeneration of the island. Money has been found in various pots of government funding, the Lottery and the sale of the Big House. The people of Gigha have raised more than £200,000 through a huge range of activities, among them coffee mornings, ceilidhs, sponsored balloon races and pantomimes.

The past two years have been a challenge for the island. Willie McSporran, MBE, Chairman of the Trust, told *The Independent* in July 2004: 'It has been a difficult couple of years, but it will be worth it. Nobody can realise what a community like this can suffer through bad lairdship. But whatever happens now, the island can never be sold again. Children on the island can be secure that a laird will not come along and sell off their homes for profit'.

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Key Facts

- The Isle of Gigha Heritage Trust was set up by local people in 2001 to buy the island when the owner put it up for sale. Money for the purchase was raised from the Scottish Land Fund, which was set up specially to support community bids for land ownership, and Highland and Islands Enterprise.
- Islanders now run their own affairs through the Trust, a company limited by guarantee with charitable status with membership open to all residents aged 18 or more.
- In three years they have revitalised their community. For the first time in decades, the island's population is rising, and a waiting list has been opened for people wanting to move to the island.
- New businesses have opened their doors and new homes are under construction. A new community-owned wind farm started generating electricity in October 2004.

Land reform in Scotland

The islanders of Gigha were pushing at an open door when they sought the government's help to buy their island. Legislation that would finally be approved in 2004 as the Land Reform (Scotland) Act was high on the Scottish Executive's agenda. The Act introduced a Community Right to Buy that gives local groups in rural areas anywhere in Scotland first refusal to buy the land where they live when it comes up for sale. However, they have to prove a buyout will contribute towards the sustainable future of their community and is not simply an attempt to block new development.

Almost all of the Highlands and Islands outside Inverness (population 55,000) are covered by the Act, which gives communities with a population up to 10,000 the right to buy. In crofting areas, the law goes further. Landlords can be forced to sell their land, where it can be shown it will be beneficial to the community.

Under the Act, landlords are theoretically guaranteed a fair market price. In each bid the community must raise about 6 per cent of the purchase price. The lion's share is provided by the Scottish Land Fund (SLF), which makes grants and repayable loans available from its treasure chest of £15 million of Lottery money. Repaid loans, like that honoured in only two years by the people of Gigha, go back into the fund to help other communities.

The SLF has awarded similar grants to communities in Lewis, Harris and South Lanarkshire to fund investigations into community buy-outs.

Scotland's Community Land Unit

Advice, support and grant aid for Scottish communities interested in owning land are available from the Community Land Unit (CLU) that was set up in 1977 by Highlands and Island Enterprise (HIE). About 400,000 people live in the area covered by the Highlands and Islands Enterprise network supported by more than 8,000 voluntary and community groups. The network's aim is to unlock the community potential 'and help create a strong, diverse and sustainable economy where quality of life is matched by quality of opportunity.' CLU plays a major part in fulfilling that aim. Its task is: 'To increase the role of communities in the ownership and management of land and land assets, and the sustainable management of these resources for the benefit of the community. In the process of achieving its aims and objectives, the team will encourage diversity and experimentation in community land initiatives.' The unit delivers the Scottish Land Fund for the Big Lottery Fund for the whole of Scotland. It had a busy year in 2003/04, supporting 28 community acquisitions.

It also gave pre-acquisition support to a great many schemes, including the proposed buy-outs of several sporting estates. While the Scottish Land Fund is the main source of financial assistance available for the community purchase of estates or smaller plots of land by communities, the CLU may provide additional funding. Community groups in rural Scotland can apply to the Scottish Land Fund and the CLU for up to 100 per cent of valuation and legal costs, and the production of feasibility studies and business plans in advance of a community making an offer to buy land. The CLU can also provide a £2,000 start-up grant to cover legal costs, consultation and operating costs of new community groups.

Post-acquisition, both the Scottish Land Fund and CLU can provide revenue grants for land development project management. The Scottish Land Fund can provide grants of up to £250,000 for land development capital projects, including investment in the management of natural resources, infrastructure projects to meet local servicing needs, and the provision of facilities with clear economic and social benefits – up to a maximum of 50 per cent of costs.

Setting up a Community Land Trust:

Key ingredients for success

Every rural community is different, with its own unique story, people, needs, context, opportunities and constraints. This section looks at the process of setting up a community land trust and identifies some of the key ingredients of success. The lessons are based on the experience of the case studies.

1. Turning a problem into an opportunity

All the organisations featured in this report have been established in response to local problems.

The confiscation of Commons land, removing a key economic resource from local people, was the problem Ebenezer Howard sought to address at Letchworth Garden City and lies at the root of the Community Land Trust movement.

The proposed sale of the Isle of Gigha under their feet led residents to propose a community buy-out.

Severe market town disinvestment prompted the communities of Stroud and Caernarfon to take action.

A shortage of affordable housing for local people provoked action in the villages of High Bickington and Stonesfield.

Failing agricultural businesses led to the development of community supported agriculture at Tablehurst and Plaw Hatch Farms.

Post-industrial blight in the coalfields of Nottinghamshire and Derbyshire drove the development of the village companies at Whaley Thorns and Langwith.

Rural decline in the North East lay at the root of the establishment of the Glendale Gateway Trust.

2. Guiding values: co-operative principles

‘Capturing land value through CLTs is an issue of social justice for the upcoming generations who have been disenfranchised by rising land values’ (Ken Bartlett, chair of the 2000 Joseph Rowntree Land Inquiry).

CLTs are motivated by community benefit and mutualism, rather than private gain. Values such as stewardship, participative democracy and co-

operative principles are fundamental. In 1820, Robert Owen's plan for Lanarkshire in Scotland set out a practical vision of 'Villages of Unity and Co-operation'. Ethical values developed by the co-operative movement lie at the heart of CLT endeavours – self-help, self-responsibility, democracy, equality, solidarity, honesty, openness, social responsibility, and caring for others. The seven co-operative principles are core to establishing on a sound basis the corporate governance and ethical investment practices of a CLT.

The International Co-operative Alliance Principles

1. Open and voluntary membership (non-discrimination)
2. Democratic control (one member, one vote)
3. Limited return on capital
4. Education, training and information
5. Co-operation among co-operatives
6. Autonomy and independence
7. Concern for community

3. Public policy and an enabling legal framework

The pioneering community buy-outs of the Assynt Crofters and the Eigg islanders in the 1990s demonstrated the benefits of community ownership to the Scottish public and politicians. The Scottish Land Reform Act has created a legislative framework to enable every small town and village of up to 10,000 residents to exercise the community right to buy. It also contains an enabling and funding framework. Community land ownership is now a mainstream option in Scotland. In the USA, the Department for Housing and Urban Development has supported the steady development of CLTs in different rural and urban areas.

4. Acquiring land

Land can be:

Bought using public grants, as with community buy-outs in Scotland.

Gifted to the community by individuals or a parish council, as at Stonesfield and the National Trust.

Bought at below market rates for identified community uses from local authorities, health authorities and other public landowners.

Entrusted under long leases by local authority and regional or central government.

Endowed for enduring community benefit by statutory bodies such as English Partnerships.

Obtained through Section 106 planning gain negotiations. In Stroud District, for example, it is proposed that 25 per cent of the land in any development of more than 15 homes should be sold for £1 to a CLT.

Disposed of for best community value by government bodies. The organisations involved in the Mutual Bid for Standish Hospital (owned by NHS Estates) produced a business plan that identifies a set of social benefits to make the case for the disposal of the land for best community value. The benefits included new jobs and affordable key worker housing.

Secured at agricultural land prices under rural exception site planning permission to capture planning gain for community benefit, as is the case at High Bickington.

5. Sustainable development: integrating housing and workspace

CLTs allow for a mix of users, tenures and partnerships to develop community-controlled land. The Painswick Inn, for example, gave Knightstone Housing Association a 99-year lease on a property to allow its conversion into a foyer scheme for young people. A recent lease of only 15 years to a housing association produces a ground rent to the Painswick Inn. Other CLTs sell or lease land to housing associations for affordable housing developments.

Some CLTs, like Stonesfield, manage the whole development process with outstanding design and financial results. The Isle of Gigha has sought help from a local housing association to build and manage houses, although the islanders retain overall control. It is proposed to procure housing at High Bickington through a joint venture partnership between the landowner (Devon County Council), a housing association (Devon and Cornwall HA) and the High Bickington Community Property Trust. A mixture of open market sale, housing association and 'intermediate market' housing will be developed to benefit local people on modest incomes. Village companies in the Meden Valley are developing social enterprises to regenerate local economies in former mining communities. The Isle of Gigha has developed a community-owned wind farm, manages farmland, has negotiated with a dairy to process the island's milk and successfully encouraged new businesses to set up on the island.

6. Community participation and technical aid

Involving the community engages residents and attracts members and initial funds. It can also be time-consuming and difficult. To overcome these problems a core initiative group at Stonesfield drew up proposals involving key individuals and organisations. It was then well positioned to incorporate and implement a pilot project. Once it had established a track record it was better placed to attract members. This approach may result in rapid, practical results, but may not always inspire confidence and empower community members. High Bickington used an inclusive process from the beginning.

'You get alongside people, identifying what they have to offer, and form a cohesive group, lead in a supportive way so as to include people. When the village developed its vision of a community that was viable economically, socially, environmentally and culturally, we made sure we kept our eye on the ball, where we wanted to go, and how we wanted to get there. We made sure all our working groups were chaired by a member of the community to show we were leading the process. We also made sure we responded to the feedback we got from local people to our plans.' (David Brown, Chair of High Bickington CLPT).

CLTs need to harness technical expertise and forge partnerships. The Community Land Unit (CLU) was set up in the Strengthening Communities Section of the Highlands and Islands Enterprise Board to offer an integrated technical support service to potential community buyouts, including aftercare. Feasibility studies, business plans and development workers are fully funded, with access to the Scottish Land Fund for loans and grants.

'We are there to give technical assistance and help groups through the process step by step. But the community is in control, not us. We are there to build capacity and the long-term skills to manage' (Andy Anderson, Highlands and Islands Enterprise Board, Community Land Unit).

To provide High Bickington residents with professional help, Devon County Council Property Services formed an in-house team from the legal, property, architecture, community regeneration and planning departments. The Project Steering Committee included the Director of Planning from Torridge DC. In addition local people and county, district and parish councillors were enlisted to establish broader links in the Steering Committee. The results of this process are impressive.

'Community spirit soared. When people realised they had a lot of power to influence planning decisions affecting their village, I saw a transition from local government leading and cajoling to the community driving the agenda with local authority support' (Bill Holman, Devon CC).

Enabling organisations in England and Wales, such as the Development Trusts Association, provide technical support to projects like Glendale in Wooler. The Wessex Reinvestment Trust, a Community Development Financial Institution, is developing an integrated community technical aid process and ultimately a regional reinvestment funding service in the South West, linking up with other enablers like Stroud Common Wealth and the Devon Reinvestment Service.

7. Champions, sponsors and local partnership

CLTs need both leaders and political champions. Stroud's David Drew MP, and former Secretary of State for Scotland, Brian Wilson MP, exemplify the worth of political champions and local sponsors of community ownership initiatives. Such leadership gives credibility, helps make strategic connections and is crucial to cutting through red tape to get resources. Sponsors play the leading role in getting a CLT started. They may be grassroots groups, statutory bodies, a local landlord, a key

employer, a non-profit organisation, a housing association or a development trust. Whether a grass-roots community leader provides the original initiative, as at Stonesfield, or it is led by a parish council, as at High Bickington, or driven by a group of non-profit organisations, as with the Stroud Mutual Bid for Standish Hospital, a broad-based partnership is essential. This builds legitimacy, credibility, support, and resources.

8. Partnerships, funding and development

Raising the initial development funding and the core operational funding for setting up and running CLTs is a key issue. Funding comes from many sources, and most of the organisations featured in this report have raised money from more than one funder. Grant aid for initial operational funding is available in Scotland. In England and Wales public funding has been received from Market, Coastal Towns and Vital Villages initiatives, government agencies and regional and local authorities. Other funding has come from charitable trusts (Stonesfield), grassroots fundraising (Tablehurst and Plaw Hatch Farms and Painswick Inn), membership contributions and individual donors.

The High Bickington CLPT has benefited from a substantial 'Leader Plus' grant from the European Community for use as start up fund and to support core operational costs in the first three years. Glendale and Cwmni Tref, Caernarfon, have also received grants from the European Community.

In the longer term all CLTs aim to be financially independent with rents, ground rents, letting and service charges covering mortgages and running costs, with any deficit covered by reserves or local fund raising.

9. Resource assembly

Securing funds and land in the start-up period of a CLT requires the involvement and support of key organisations and individuals, among them government agencies, housing associations, parish, district and county councils and regional bodies. Funders, such as banks and building societies, are important allies. So are lawyers, estate agents and other professionals. Start-up costs must be paid for, or at least funded, until a scheme starts on site and the developmental costs are capitalised. Who underwrites these costs is a key decision for the development partners. In the longer-term a tension arises between ensuring permanent affordability and meeting operational costs. This is why an initial endowment of land and secure funding from statutory and private sources is vital. Furthermore, it is unrealistic to expect pioneer CLTs to reinvest any surplus in the community in the early years, as it will first and foremost need to ensure its own financial viability. Once mortgages and financing charges have been paid, surpluses can be re-invested to meet the needs of the local community.

Recommendations: the way forward

Perhaps the strongest theme to run through this work is that the ability to retain and create thriving, sustainable rural communities is hampered by high land values and poor engagement of the community in planning decisions. A recent development is that the Government asked for views on community ownership in January 2005, as part of discussion papers on modernising local government and opportunities for neighbourhoods and community ownership of assets.

The case studies examined here highlight how CLTs can develop into the missing mechanism to tackle these issues. A number of key recommendations flow from this research which would help to establish this:

- Local authorities, the health service, English Partnerships and other government agencies should follow Devon CCs example and seek opportunities to make land available for the development of Community Land Trusts (CLTs).
- Tax and other incentives should be explored which would encourage private landowners and companies to donate land or buildings to CLTs or to discount the price.
- The Housing Corporation should encourage housing associations and housing co-operatives to work with local communities, local authorities, rural housing enablers and others to promote and develop CLTs.
- A rural CLT demonstration project should be set up to take these recommendations forward in a cross-section of villages, market and coastal towns in high and low value areas of England. The partnership could include English Partnerships, the Housing Corporation and the Regional Development Agencies.
- A CLT network should be considered to disseminate good practice and promote public understanding and acceptance of this mutual approach to ownership of land and property.

- All local authorities involved in regeneration schemes and programmes should consider setting up areas of land for community land trusts in order to underpin the development of ‘sustainable communities’ by locking in land value and retaining appropriate mixed housing, green space, and local services and enterprises as land values appreciate.
- The extension of commonhold legislation should be explored to enable new forms of mutual property ownership and co-operative tenure to be developed.
- Funding should be available to promote the formation of local CLTs, and provide revolving loans for land purchase and other capital costs.
- Changes to the planning system through the introduction of Local Development Frameworks should be responsive to the development aspirations of communities, particularly with regard to land for community-based developments to be held by community land trusts.

Acknowledgements

'Capturing Value for Rural Communities' is a national demonstration project funded by the Housing Corporation and the Countryside Agency which aims to identify how people all over the country are trying to put their community more in control of its future by securing or retaining affordable property assets.

The project outcomes, in addition to this publication, include the first national Community Land Trust (CLT) conference and a CLT practitioners guide which will enable other communities to take on the agenda.

The project work has been carried out by Community Finance Solutions (CFS) an initiative of the University of Salford in partnership with the new economics foundation (nef). Further information about the project can be found on the website at www.communitylandtrust.org.uk

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