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## Lessons from the first 150 Homes

Evaluation of the National Community Land  
Trust Demonstration Programme  
**2006-2008**

Jennifer Aird  
Community Finance Solutions



An initiative of



This report has been written by Community Finance Solutions (CFS) to evaluate and learn from the successes of the rural Community Land Trusts National Demonstration Programme.

The facts and views presented in this report are the views of the CFS team and not necessarily of Carnegie UK Trust or the University of Salford.

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- ⇒ All the respondents and project participants without whose commitment and enthusiasm the programme would never have happened
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Community Finance Solutions (CFS) is an award winning independent research and development unit engaged in promoting and developing integrated solutions for financial and social inclusion, and community asset ownership.  
[www.communityfinance.salford.ac.uk](http://www.communityfinance.salford.ac.uk)  
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The Carnegie UK Trust operates throughout the UK and Ireland and has supported CFS' work through its Rural Community Development Programme. This makes a commitment to the promotion of asset based rural community development and to the creation of a "community of practice" for community activists.  
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**Photo on front cover:** Work begins on site at Holy Island April 2009  
 Dick Patterson – Chairman Holy Island of Lindisfarne Community Development Trust • Barbara Kyle – Vice Chair  
 Lynda Peacock - Group Director of Development & Regeneration, Three Rivers Housing Association  
 Bill Carr - Investment Manager, Homes & Communities Agency (North East) • Rt Hon Sir Alan Beith, MP

## Foreword by Bob Paterson

The work of the CLT National Demonstration Programme 2006-8 has enabled Community Finance Solutions (CFS) with the support of Carnegie UK Trust, Tudor Trust and others to achieve significant outcomes in supporting Community Land Trusts, particularly in rural communities.

We have put in place some of the ingredients required: a body of research and good practice, a legal definition of a CLT, open source legal documents and access to the CLT Fund. A number of secondary bodies have been identified which have begun to provide technical support and the first project has accessed grant-aid from the Homes and Communities Agency. This report highlights the work of the pioneer CLTs in their quest to achieve citizen-led affordable housing. The creation of 150 homes in rural communities demonstrates that committed local people with access to land and resources can provide valuable assets which will help shape their local economy and wellbeing of their citizens. Many CLTs wish to provide homes at below market rate thus avoiding taking the 'Queen's shilling' to create taxpayer subsidised housing. However, in the present economic climate, with the 'credit crunch' and the subsequent fall in house prices and thus lack of availability of cross-subsidy from developers, this has become much harder to achieve.

There is much yet to do to empower communities who have started or who are embarking on this journey. Carnegie UK Trust with support from CFS have recently been selected by the Department for Communities and Local Government for financial support from the Empowerment Fund 'Community Involvement in Planning' theme. This will enable us to jointly continue our work by creating a national CLT facilitation body with the participation of national agencies, secondary support bodies and the CLTs themselves.

I hope that this report celebrating the success of the CLT pioneers will stimulate interest and turn the words into reality for the benefit of further rural communities.

### Bob Paterson

June 2009  
 Visiting Social Enterprise Fellow, Community Finance Solutions, University of Salford  
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Completed CLT Homes at St Minver, Cornwall.

# Section 1 – Measuring Success

## 1.1 Introduction

Many of the projects covered in this report are in areas which are highly scenic and desirable places to stay and visit – the Lake District, Devon, Cornwall, the Northumberland Coast, the Welsh Marches. As is well-known, this very desirability creates great pressures on the survival of rural life. Areas such as East Portlemouth in Devon have some of the highest house prices in the country. This is against a backdrop of few employment opportunities, low incomes and a planning system biased against development. With all the reports of doom and gloom for rural areas, what the CLT projects documented here show is that there are signs of hope and achievement. Community Land Trusts are showing that rural communities have a wealth of social capital and resilience and can do something to make a difference.

The National Community Land Trust Demonstration programme ran from September 2006 to December 2008. It was led by Community Finance Solutions (based at the University of Salford) and provided support and advice to 20 rural and urban projects around the country. The work was primarily focused on the provision of affordable housing but in some projects other community land ownership possibilities were included, eg workspace and community facilities

This report is based on a survey of the rural projects involved and aims to demonstrate the successes of these projects and learn from the challenges they have experienced.

The targets were to create at least 4 rural Community Land Trusts, with at least 1 to start building during the programme. These targets were well exceeded. With extra funding from Carnegie UK, the support to rural projects was able to continue, with the result that a total of 16 rural Community Land Trusts were supported or started up as a result of the programme. Six months after the funding ended, many of the projects are just beginning to bear fruit.

When the evaluation began, we estimated there were 150 homes either built or at the planning stage - this has since grown to 169 during the writing of this report, and number is no doubt growing all the time!

## 1.2 Measuring Success

How do we measure the success of the National Community Land Trust demonstration programme? The US Community Land Trust Handbook, published in 1982 by the Institute of Community Economics, has this to say about measuring success:

“we can best measure the success of newly formed CLTs not in terms of total acreage or total housing units but in terms of the constructive community activity being generated.

The open and democratic structure of the CLT is thus a centrally important feature of the model. A community land trust cannot succeed as something created merely for a community. It must represent an effort of and by the community.”

This is something to bear in mind when reading this evaluation. Although we aim to demonstrate the success of CLTs through the number of homes built or in the pipeline, the core strength of CLTs lie not in how many homes they can deliver, but in how these homes are built and managed and lived in, in order to build a sense of community.

Other studies have evaluated community land ownership<sup>1</sup>, such as Petra Vergunst “The benefits of community asset management and ownership”. Vergunst compared the difference between projects where communities only manage or lease the assets, compared to projects where communities have full ownership. She concluded that management or leasing of assets delivers most of the same benefits as community ownership, but ownership means these benefits can be secured on a more sustainable, long-term basis.

Increasing attention among policy makers and practitioners is being brought to community asset ownership in general, and community land ownership in particular. As this report goes to press, the Joseph Rowntree Foundation is about to commission two studies into the costs, benefits, outcomes and critical success factors presented by community asset ownership, including mutual financial institutions, credit unions and cooperative housing models.

The Scottish Land Fund was set up in 2001 to assist communities to acquire, develop and manage local land or land assets. In 2004 SQW Consultants were appointed to evaluate the fund. Some of the benefits from community land ownership were found<sup>2</sup> to be:

- it had promoted local interaction and networks
- people had increased confidence and had developed new skills
- it had helped to reverse population decline
- projects had helped to create jobs and develop new community facilities
- most projects were generating their own income
- there had been improvements to the natural environment particularly woodlands
- many projects incorporated renewable energy generation elements

This report will sit alongside the other research being carried out to provide further supporting evidence that CLTs can form the very foundation of sustainable communities.

In highlighting ‘the first 150 homes’, we aim to demonstrate to policymakers and funders that CLTs are now delivering permanently affordable rural housing, and have the potential to do this on a much wider scale. We hope that the recommendations from this evaluation will lead to more support to enable CLTs to operate, without detracting from their core principle, which is about creating a sense of collective power and trust among communities.

## 1.3 What is a CLT?

This is a question that is still being debated, although the establishment of a legal definition has helped to clarify the central principles (see box below). There is a very diverse range of models for CLTs, to suit different circumstances. Most of the CLTs had been created from scratch, some had evolved out of existing organisations (such as almshouses or charitable trusts), others were different organisations which met definition of a CLT (for instance development trusts). Some have preferred to use the term Community Property Trust.

However there are some generalisations we can make about the projects surveyed. The projects were all not-for-profit community based organisations, run by a voluntary board of trustees. Most exist for the benefit of a strictly defined geographical area, often just one or two parishes. CLTs can exist to develop a range of social and economic assets on behalf of a community. In this national demonstration programme CFS was tasked with developing CLTs specifically with the aim of providing affordable housing.

It is also a model that has application in an urban context (there are a great deal of examples from the US, and development trusts often exist in urban areas to hold and develop assets). However this evaluation specifically looks at the rural projects, which are so far the most evolved in this country.

A new model has emerged - the ‘umbrella’ CLT – which exists to cover a wider area, for instance a county, developing sites as they arise and also helping to set up smaller local CLTs where there is demand. The role of the umbrella can also extend to developing relationships at county-level with key players, negotiating deals and providing efficiencies of scale for the smaller CLTs. The benefit is that as well as acting as facilitator, it can act as a CLT and develop local needs housing on sites where there is community support for it.

### A Community Land Trust is a corporate body which

- 1) is established for the express purpose of furthering the social, economic and environmental interests of a local community by acquiring and managing land and other assets in order -
  - to provide a benefit to the local community
  - to ensure that the assets are not sold or developed except in a manner which the trust’s members think benefits the local community
- 2) is established under arrangements which are expressly designed to ensure that:
  - any profits from its activities will be used to benefit the local community (otherwise than by being paid directly to members)
  - individuals who live or work in the specified area have the opportunity to become members of the trust (whether or not others can also become members)
  - the members of a trust control it.

From the Housing and Regeneration Act 2008, Part 2, Chapter 1, Clause 79.

## 1.4 Background to the programme

The CLT National Demonstration Programme ran from September 2006 to December 2008 and was funded by the Housing Corporation, Carnegie UK Trust and the Higher Education Funding Council for England. It was led by Community Finance Solutions based at the University of Salford which provided support and advice to CLTs around the country on their formation, business planning and general technical assistance.

The level of support to each project was variable depending on existing local support structures, eg umbrella CLTs formed during the programme. The programme’s aims covered both rural and urban projects, however this evaluation is focused solely on the rural strand.

### Its objectives were:

1. To promote and influence the creation of CLTs
2. To increase understanding of CLTs and capacity to support CLTs within the regeneration sector
3. To provide housing associations with the expertise to support CLTs and to put this new expertise to practical use
4. To support a number of rural CLTs in their work to help local people establish CLTs to meet identified needs in their community, in particular to develop intermediate market housing.

### Targets:

- Stage-manage the implementation of at least 8 rural CLTs
- At least 2 rural CLTs to start on site

The list of rural projects assisted, including umbrella CLTs and support organisations, was as follows:

St Minver CLT	Cornwall
St Just CLT	
St Ewe CLT	
Cornwall CLT (umbrella CLT)	
Holsworthy CPT*	Devon
High Bickington CPT*	
Waterhouse Housing for East Portlemouth	
Buckland Newton CPT*	Dorset
Worth Matravers CPT*	
Wickham CLT	Hampshire
Gloucestershire Land for People (umbrella CLT)	Gloucestershire
Chedworth CLT	
Oxfordshire CLT (umbrella CLT)	Oxfordshire
Bishops Castle CLT	Shropshire
Land for People (umbrella CLT)	Wales/Shropshire
Chipping CLT	Lancashire
Witherslack CLT	Cumbria
Cumbria CLT project	
Allendale CLT	Northumberland
Holy Island CLT	
Federation of Northumberl and Development Trusts	
*Community Property Trust	

<sup>1</sup> Vergunst, P (2009) How many cards to hold? The benefits of community asset management and ownership Research report available at <http://www.sustainablecommunitydevelopment.co.uk> accessed 31/05/09

<sup>2</sup> SQW Consultants (2007) The Scottish Land Fund Evaluation – Final Report. SQ. Cambridge.

A rural report and DVD were produced in 2008 which detailed the achievements to date, proposed next steps and recommendations for future action. Please see "Then We Will Do It Ourselves: a report on rural Community Land Trusts" for more details of the National Demonstration Programme (available at [www.communitylandtrust.org.uk](http://www.communitylandtrust.org.uk)).



The geographical distribution of the CLT projects

### 1.5 Evaluation method

CFS identified the need to examine and quantify the progress made, now that there are some houses on the ground and real evidence that CLTs are delivering affordable rural housing. The aim was to measure the physical housing built, but also look at some of the community empowerment benefits and lessons learned by the pilots.

#### Guiding questions included:

- Which projects were successful and which were not, and why?
- What support they received from the programme, and what impact did it have?
- What were the most and least valuable aspects of support?
- What are the priorities for future support?
- How has understanding of CLTs within housing associations been improved?
- How have CLTs ensured their activities are based on identified local needs?
- Those that have built homes – who will be housed? How were they selected?
- How many people have benefitted from CLT advice?
- How have CLTs worked with the wider community?

The evaluation research consisted of interviews, site visits and an electronic survey. Interviews were carried out by Jennifer Aird, Research Assistant at CFS, and Kate Braithwaite, Director of Carnegie Trust UK, one of the main funders of the programme. These interviews were conducted with the CLT projects named in 'The First 150 Homes' table – i.e. those which had reached the stage of planning permission. They were written up and compared in order to produce the findings in sections 3 and 4.

A social impact questionnaire was used with the small number of CLTs which had already sold homes in order to get an initial idea of the potential social impact of CLTs. For instance, Holsworthy Community Property Trust was the first CLT in the demonstration programme to house local people. Stonesfield Community Trust in Oxfordshire, although it pre-dates the demonstration programme, was included in order to demonstrate the impact a CLT has on its community after 20 years in existence. When it was set up in 1983, it was the first CLT to be set up in Britain since Letchworth Garden City in 1903.

In addition an electronic survey gathered views of CFS support. It was conducted anonymously to allow respondents to answer as honestly as possible. However respondents could also add their personal details if they didn't mind their comments being used by CFS. The survey was sent to all attendees of seminars and events, including voluntary CLT board members, CLT facilitators and staff employed by umbrella CLTs.

The scope and depth of the survey was limited by lack of resources – i.e. no dedicated funding was available for evaluation so it was carried out in a short time-scale in-house. Ideally an independent consultant would have carried out a fuller evaluation of the project. However as a result of a great deal of case study work, events and face-to-face contact with projects conducted throughout the duration of the programme, staff involved had developed a good idea of the strengths and weaknesses in the sector, what worked well and what worked not so well. In addition, regular advisory group meetings had given time for reflection, forward planning and allowed a range of different stakeholders to critically assess the programme. These have influenced the thinking behind this report.

The evaluation has also been useful in pointing to areas requiring further illumination in future studies. See Conclusions section.

## Section 2: Demonstrating success – what the programme achieved

### 2.1 Building homes

The table below represents a clear measure of the success of the national demonstration programme – 30 homes built, 139 more started on site or in the planning process as of 31st May 2009. These are all homes which will house local people, will be permanently affordable, and will provide affordable options in areas with no or very little affordable housing provision.

CLTs	Planning Situation	Total	Breakdown		How many built?	Disposal method
			Equity purchase	Rental		
<b>Cornwall</b>						
Cornwall (Umbrella) CLT	10 schemes, at various stages	53	53		9	Varied
St Minver CLT:-						
Phase 1	Completed homes	12	12		12	Self build/resale covenant
Phase 2	Planning permission pending	8	8			Sale with resale covenant
St Ewe Affordable Homes Ltd	due to start on site Oct 09	4	4			Sale with resale covenant
St Just in Roseland CLT	due to start on site May 09	8	8			Sale with resale covenant
<b>Devon</b>						
Holsworthy CPT:-						
Whitlock Court	Completed homes	5	5		5	Equity mortgage
DIY Equity ownership	Completed homes	4	4		4	Equity mortgage
Sheepwash	Planning permission granted	2	1	1		Equity mortgage
Waterhouse Housing for East Portsmouth	Planning permission granted	6		6		Rent
High Bickington CPT	Planning permission granted	16	9	7		Equity mortgage, rent. Scheme also includes market housing, workspace, school and green space.
<b>Dorset</b>						
Buckland Newton CLT	Planning permission granted	10	8	2		Declaration of Trust
Worth Matravers CPT	Planning permission granted	5		5		Declaration of Trust
<b>Shropshire</b>						
Bishop's Castle CLT	Planning permission granted	2		2		Rent
<b>Lancashire</b>						
Chipping CLT	Planning permission granted	11	7	4		Declaration of Trust
<b>Cumbria</b>						
Witherslack CLT	Planning permission granted	4	4			Self build
<b>Northumberland</b>						
Holy Island of Lindisfarne Development Trust	4 due completion 2009	4		4		Rent
Allendale Community Housing Ltd	Planning permission pending	3		3		Rent
Haltwhistle Community Partnership	due for completion late 2009	4		4		Rent
<b>Hampshire</b>						
Wickham CLT		8	4	4		
<b>Totals</b>		<b>169</b>	<b>127</b>	<b>42</b>	<b>30</b>	

## 2.2 Other programme outcomes

- ◇ Rural CLT residential seminars, covering the planning process, governance models, sources of finance, legal issues and policy. Reports are available on the CLT website.
- ◇ A national CLT conference held in London
- ◇ A report "Then We Will Do It Ourselves" with accompanying DVD showcasing examples of CLT projects and key areas of support needed
- ◇ All reports and template documents available on CLT website [www.communitylandtrust.org.uk](http://www.communitylandtrust.org.uk)

**"The opportunity to meet other practitioners and learn of their experience was interesting and motivating"**



Seminars were held for rural CLTs



A packed national CLT conference in July 2008

## 2.3 Programme sustainability

The programme founders were aware of the need to ensure that support to CLTs was continued beyond the duration of the funding. As a result they instigated a number of measures to deliver a supportive infrastructure and policy environment for Community Land Trusts:

- ◇ A legal definition drafted by CFS in conjunction with CDS Co-operatives was included in the Housing and Regeneration Act 2008, thereby gaining official recognition for CLTs as a means of delivering permanently affordable local needs housing
- ◇ A CLT Fund was set up with funding from Tudor Trust and Esmée Fairbairn Foundation and managed by Venturesome.

CLTs can apply to the Fund for a day's consultancy advice. Other grants and loans are available for various stages of development. This ensures that new projects coming forward can continue to benefit from the support provided during the programme.

- ◇ All programme documents and reports made available online on an open source basis.
- ◇ An online networking forum to encourage peer to peer learning

This demonstrates the programme has left a significant legacy of information and resources. This is contained in published documents, most of which can be accessed through the website [www.communitylandtrust.org.uk](http://www.communitylandtrust.org.uk).

# Section 3: Findings - forms of support

## 3.1 The role of CFS

**CFS' role took two forms:**

1. Intervening directly to support and develop individual projects
2. Supporting CLTs nationally, ie holding events, standardising templates and models, sharing advice, lobbying for policy change, instigating support structures.

Overall, 82% of respondents to the questionnaire rated CFS support as useful or very useful.

### Consultancy support

This took its cue from the needs of each individual project, but generally included any of the following:

**Advice on:**

- ◇ Registration as a charitable body or IPS
- ◇ Housing needs surveys
- ◇ Housing allocation statements
- ◇ Section 106 agreements
- ◇ Feasibility Studies
- ◇ Tenure options
- ◇ Funding strategies

**Facilitating relationships between the CLT and:**

- ◇ Lawyers
- ◇ RSLs
- ◇ Local Councils
- ◇ Other stakeholders, eg Rural Community Councils

**And in addition:**

- ◇ Facilitating and presenting workshops
- ◇ Producing detailed business plans

In interviews with CLTs, almost all projects cited the intensive support provided by CFS consultants as of vital importance to the progress they had made. The consultants have been instrumental in the creation of a number of CLTs, and applied this experience to advise others.

In the long run CFS was aware that measures were needed to sustain the support when funding ran out. See section 2.3 for measures for mainstreaming the best elements of the consultancy support provided by CFS.

### Strategic support

The national strand of work aimed to develop networking among CLTs, develop standard documents and guidance to assist CLTs, and to develop policy on CLTs. In collating and demonstrating the activity on the ground, CFS facilitates the development of a CLT 'movement' through the following stages:



While the individual CLTs must proceed at the development stage they are at, CFS (or another consultancy body) can intervene at crucial points in order to take the movement to the next stage. A pioneer project may be hard work as 'experimentation' but subsequent projects can learn from this experience and it becomes easier. Currently there is still a great deal of diversity among CLTs, and many are at the early stages of overcoming barriers and achieving success.

CFS' role has been to encourage more communities to take the first steps, by providing documents and toolkits that communities can use free of charge. This helps to lead the process to the replication stage. This report will also help to lead to replication, by analysing examples of success and failure for the lessons learned, and identifying replicable models.

In the survey the seminars and consultancy support were rated very highly, with lower scores for the online resources. CFS is currently producing a strategy for improving the website and networking site. However the low score may also be due to some people's reluctance to turn to the internet for certain tasks, and so consideration should be given to retaining alternatives to the online resources.

## 3.2 Secondary CLT support bodies

A major factor in the success of the demonstration scheme in building properties has been the existence of secondary CLT support bodies, such as umbrella CLTs. They are housed within rural housing associations, development trust networks or are started from scratch. The most successful have developed a number of their own housing developments as well as supported the creation of new CLTs. At its best, this model will provide the model of support for the future, providing a crucial secondary link in both directions –

- ◇ Downwards, to enable funding to flow from large governmental bodies to community projects
- ◇ Upwards, to allow CLTs to come together to form a 'critical mass' and have a greater influence and a area-wide 'voice'

They also potentially provide a home for sources of expertise and professional advice and can remove many of the administrative burdens which currently swamp many small CLTs.

On a cautionary note, umbrella support bodies must be careful not to raise expectations among communities without the confidence of being able to deliver, or to divert resources unnecessarily away from community projects. The range of skills required by CLT support workers is wide, and includes housing and development expertise, community engagement, and networking, financial and lobbying skills.

The key role of the support bodies is to provide support to CLT start-ups. Many of the secondaries are also registered as CLTs themselves. This means that where sites come forward they can be developed for affordable local needs housing where the community is supportive but does not wish to form its own CLT. The evaluation found that an important role of umbrella CLTs and county-wide support bodies is developing relationships and negotiating favourable conditions at the county and regional levels. For instance, Cornwall CLT and Land for People are both working on developing appropriate mortgage products with lenders. Land for People also has support from the Welsh government, which may find it easier to support an secondary organisation such as Land for People than work with individual CLTs. Several secondaries are also planning to develop local revolving loan funds for CLT development.

Cornwall CLT developed relationships with Cornwall County Council and the former District Councils, such that the District Councils have donated land and provided public subsidy to a number of Cornwall CLT's schemes. This shows that they have trust in the organisation's ability to deliver. They do not have to take a risk with a new organisation each time a scheme arises, as the umbrella CLT has involvement in every scheme. Cornwall CLT has advised many of the other secondary bodies, and provides an exemplary scheme. Its success being not only due to local authority support but also to having a dedicated specialist member of staff located and supported by a rural housing association.

Rolling out the secondary support model will require the development of skills similar to those developed at Cornwall CLT. There is a role for peer learning in order to spread these skills.

Interviews also revealed a demand for formal skills development training for delivering CLT support. Also useful would be the development of a 'housing' module which could form part of existing community sector training, such as the training delivered by the Development Trusts Association and others.

### Secondary CLT support bodies

Umbrella CLT or support body	Origin of project	Legal structure	Services provided	CLT start-ups	Number of CLT homes built as a result
Cornwall CLT	Set up in April 2006 with funds from Tudor Trust, Cornwall County Council, Cornwall Rural Housing Association and DEFRA. First project to employ a county-wide CLT development worker, hosted within Cornwall Rural Housing Association.	Industrial & Provident society. Meets CLT definition.	<ul style="list-style-type: none"> <li>Community events to promote the CLT concept</li> <li>Advice to CLTs on legal, financial and operational aspects</li> <li>Act as project manager for sites that come forward but where there is no local group</li> <li>Agreed a £1m revolving loan fund with Cornwall CC</li> </ul>	St Minver CLT Ltd (2006), St Just in Roseland CLT (2007), St Ewe Affordable Homes (2008).	18
Federation of Northumberland Development Trusts (FoNDT) Community Housing Project	The project ran from December 2006 to March 2009. The aim was to support community based housing initiatives. The Project Group continues to meet to seek new resources, while the project manager now works nationally on CLTs for the Development Trusts Association.	Time-limited project.	<ul style="list-style-type: none"> <li>Implementation of community-led housing schemes</li> <li>Research into CLT development</li> <li>Foster dialogue and understanding between project and local authority</li> </ul>	Prudhoe Community Partnership, Allendale Community Housing Ltd, Haltwhistle Community Partnership. 3 more projects at feasibility stage in Seahouses, Wooler and Bellingham.	4 started on site in Holy Island.
Land for People (Wales and Shropshire)	Set up with support from Powys County Council, the Welsh Government, the Carnegie Trust and the Waterloo Foundation.	Not-for-profit company with charitable objects. Meets CLT definition.	<ul style="list-style-type: none"> <li>Housing needs surveys</li> <li>Model rules</li> <li>Raising finance</li> <li>Creating governance structures</li> </ul>	Knucklas Castle CLT, Bishops Castle CLT, Bro Dyfi CLT, Aberystwyth CLT, Castle Caereinion CLT.	8 with planning permission.
Cumbria CLT project	Community Finance Solutions (CFS) and Cumbria Asset Reinvestment Trust (CART) commissioned a report into CLTs when local interest was expressed in Cumbria. Subsequently the Lake District National Park Authority, South Lakeland District Council and Eden Housing Association supported the appointment of a post within Cumbria Rural Housing Trust.	n/a	<ul style="list-style-type: none"> <li>Inform communities about the CLT model</li> <li>Support existing CLTs</li> <li>Help new communities assess the model in depth and consider forming legally</li> </ul>	Witherslack CLT (2006), Wardhall CLT.	1 pub and a shop in community ownership. 4 self-build homes with planning permission.
Gloucestershire Land for People	Set up as Stroud and District Community Land Trust in April 2005. Employs a development worker with funding from Tudor Trust.	Industrial & Provident Society. Meets CLT definition.	<ul style="list-style-type: none"> <li>Developing sites for affordable housing, community allotments and gardens and workspace</li> <li>Promoting concept of CLTs</li> <li>Technical support and template documents</li> <li>Developing a local CLT network</li> </ul>	Chedworth CLT (2009), Bibury CLT (2009).	0 (plans for several schemes in the pipeline)
Oxfordshire CLT	Set up in 2006 inspired by Stonesfield, a CLT set up in the 1980s.	Industrial & Provident Society	<ul style="list-style-type: none"> <li>Identifying sites and developing affordable housing</li> <li>Promoting CLT concept</li> <li>Supporting new CLTs</li> </ul>	They hope to develop a site on the outskirts of Oxford.	0

### 3.3 Peer support

CLTs were quick to build on contacts made at seminars and networking events. Many had conducted site visits to other projects, shared template documents and emailed other projects for help. Informal networks had developed between CLTs in the same geographic regions, which saw offshoots and new projects and intermediary support bodies being created.

An informal network is developing in Oxfordshire/Gloucestershire, with Oxfordshire CLT, Stonesfield Community Trust, Chedworth CLT and Gloucestershire Land for People all inspiring and supporting each other.

There is a desire to support others through the hurdles, as well as a desire to learn from others. A respondent said he had wanted to give up due to the obstacles, but had persevered in order that his experience could be learned from. In particular, they went through lengthy negotiations over designing a mortgagee in possession clause for a s106 agreement which they hope can be used by others.

Land for People has developed model rules for both CLTs and umbrella CLTs which are being used by a number of projects, including Cornwall Community Land Trust. Other CLTs have made documents such as section 106 agreements, rules, valuations and membership policies available on their websites or on the CLT website to help other projects. This has been made possible in many instances as a result of lawyers and others forgoing fees and copyright issues in order to make them open source.

### 3.4 Local authority support

Local authorities played a significant part of whether a CLT scheme can be successful or not. County-wide CLTs seem particularly suited to working with County Councils, District Councils or devolved governments (such as in Wales) as they can build up a track record more easily.

Some of the ways in which local authorities have contributed to the success of CLTs is: donating land; taking a flexible approach to planning, eg granting planning permission, allowing CLT to receive 'commuted sums' or land from development schemes; agreeing an allocations policy that suits the CLT's aims; and providing enabling grants. These grants have enabled Cornwall CLT, for instance, to develop affordable housing at high quality standards. In Cumbria the council has worked with Witherslack CLT and has contributed to funding a development manager to support the development of CLTs.

However, local authorities were also cited as a barrier in many instances, due to suspicion of new initiatives or a perception that they are risky.

However CLTs can help achieve local authority priorities, for instance to serve those on average or below average incomes, or to provide homes within a certain affordability bracket. They can also go beyond local authority priorities, for instance by ensuring affordability in perpetuity. CLTs should find out local authority housing targets and priority areas and demonstrate how they help to meet them.

### 3.5 Other support

There a number of skills that housing associations possess which CLTs can usefully access, if a satisfactory partnership agreement can be arranged. For instance, Chipping CLT developed an extensive agreement with a local housing association, in which the housing association would provide management services in return for a seat on the CLT Board.

However some CLTs found that some housing association staff lack the flexible approach and particular skills sets needed to work with community partners.

In terms of funding, charitable trusts and private donors were very significant. The Tudor Trust and the CLT Fund were cited as very helpful in enabling new initiatives to happen. Tudor Trust funding was vital to at least four of the projects in the study. Other sources of finance were often from ethical sources – Charity Bank, Triodos Bank, Esmee Fairbairn Foundation, Ecology Building Society, Lloyds TSB Foundation, Leader Plus (Funded by DEFRA and Europe) and Carnegie Foundation provided funding to other projects.

However not all projects were able to access this support. Local RSLs, village almshouse associations, Rural Housing Enablers, local businesses, Local Strategic Partnerships, Parish Councils and the Welsh Assembly were also mentioned as sources of support.

## Section 4: Findings – Benefits of CLTs

### 4.1 Housing and beyond

Almost every CLT had the aim of delivering affordable, local needs housing. Many also had wider aims dealing with jobs, protecting community facilities and greenspace, and ensuring the sustainability of their community. Aims are set out in their constitutions, many of which are posted on their websites.

Some of the CLTs had initially been seen as competition by local housing associations, for instance in the competition for local sites. However several CLTs reported that local housing associations had eventually become convinced of the benefits of partnering with CLTs. CLTs offer many advantages and complementary benefits when compared to conventional providers of rural housing, including:

- ↳ Bringing sites forward that wouldn't otherwise come forward (for instance exception sites)
- ↳ A strong community support base
- ↳ Volunteer time and resources (low overheads)
- ↳ Expertise donated for free and contributions in kind, for instance local people or board members with skills and expertise such as construction, law, surveying, architecture etc.
- ↳ Local fundraising, especially if charitable status
- ↳ Close links to those who will be housed
- ↳ Contribute to community empowerment
- ↳ Can use local contractors to provide value for money and keep build costs and overheads down
- ↳ Can tailor housing very specifically to local need, for instance by providing a mix of different units, eg. one bed, two bed, three bed, to suit different sizes of household or link with workspace

Initially most CLTs had aimed to provide opportunities for part-equity homeownership, however in the recent economic climate this has changed and half the CLTs are looking at providing rental homes only. This is particularly the case in small villages with pressures from second home ownership (such as East Portlemouth and Holy Island of Lindisfarne) – the cost of even a 20% open market share would still rule out anyone on a local income. In these cases, CLTs have focused on rental properties as the only viable option.

Some of the CLTs had very wide-ranging aims, taking a holistic approach to the sustainability of their entire community. The most notable example, High Bickington Community Property Trust in Devon, carried out a comprehensive community appraisal which identified needs relating to leisure facilities, schools, employment and housing.

As a result their plans include, in addition to a mix of rented housing, open market housing and part-equity housing:

- ↳ A multi-use games area
- ↳ A new school
- ↳ Allotments
- ↳ Community hall
- ↳ Wildlife habitat
- ↳ Cycle paths
- ↳ Community woodland
- ↳ Community health centre
- ↳ Live-work space and workshops
- ↳ A flat adapted for disabled use
- ↳ Woodchip boiler to supply energy

The plans have recently been granted planning permission, and some of the workspaces are already being considered by local businesses. Many other CLTs are looking at developing facilities other than housing – some own pubs, some are looking to provide renewable energy generation, workspace or allotments. It seems that there is no limit to the ambition or ability of communities to plan and deliver their own visions of the future.



1 Plans for community school at High Bickington (www.highbickington.org)

### 4.2 Financial viability of schemes

A key challenge for CLTs is financial viability. Part-sale properties have a low sales value since they are held in trust for homeowners with modest incomes and are prevented from reaching the open market. Nevertheless, CLTs will expect to pay the same costs of development and professional advice as larger projects with more funding.

So balancing the books is a challenge. Often the main starting point for CLT board members looking at budgeting is who the CLT aims to help and what they can afford as either a rent or mortgage. The CLTs income from likely equity sales and from long term borrowing serviced by rents can therefore be estimated. The key to ensuring financial viability for every Community Land Trust scheme is then that any difference between the cost of the scheme and this income must be capable of being bridged. It could be bridged by public grant, cross subsidy from open market housing, charitable donations or a combination of these.

The CLT needs to work out what its costs will be. A standard build cost per metre can be calculated from likely types and sizes of the proposed homes. On top of this there will be professional fees and a range of other costs including interest for borrowing the funds needed for development. It helps a great deal if local contractors are found that are sympathetic to the project aims and many CLTs have found builders, designers, surveyors, etc to offer significantly lowered fees.

Following the recession build costs have fallen below £1,000/m<sup>2</sup> in many cases and tenders for build costs at £850/m<sup>2</sup> have been obtained. On the other hand where labour remains short or sites difficult, £1200/m<sup>2</sup> may still be requested.

Another way the CLT reduces costs is in land purchase. Rural exception sites are typically valued at £5000 per plot. If land is acquired through a developer's affordable housing requirement, or land is gifted by a local landowner, then land costs can be zero. On the other hand in some areas like within National Parks prices for exception sites have been driven up by competition and may be as high as £15,000.

### Self-build or self finish

A further contribution to the financial viability of schemes is for the purchasers to be identified prior to construction and to use a self-build or self-finish approach. The labour put in by the self-builders usually comprises around 25-40% of build cost. With a self-finish scheme the proportion is obviously smaller and might be, say, 15%. The following table shows an example of a cost breakdown of a self-build and a self-finish scheme.

	Per plot		£
Land	5,000		15,000
	cost/m <sup>2</sup> m <sup>2</sup>		
Build	£981	288	282,528
On costs	46%		129,996
<b>TOTAL</b>			<b>427,524</b>
3-bed 5p	2@		129,148
4-bed 7p	1@		169,228
<b>Self build</b>			
Build	£981	288	282,528
On costs	46%		129,996
<b>TOTAL</b>			<b>412,524</b>
Sweat equity	25-40%		-113,011
<b>Actual cost</b>			<b>299,513</b>
3-bed 5p	2@		90,478
4-bed 7p	1@		118,557
<b>Self finish</b>			
Build	£981	288	282,528
On costs	46%		129,996
<b>TOTAL</b>			<b>412,524</b>
Sweat equity	15%		-42,379
<b>Actual cost</b>			<b>370,145</b>
3-bed 5p	2@		111,815
4-bed 7p	1@		146,516

What this shows is that for a 3 bed 5 person home, the cost falls for the first residents from £129,148 to £90,478 for a self-build dwelling and £111,815 for a self-finish. This would not apply to subsequent occupiers as the first owners would expect to take the value of their 'sweat equity' (ie savings in labour costs) as a share of value when they leave. Self-build and self finish are methods of reducing costs but it depends whether the CLT chooses to go down this route.

CFS have developed a pro-forma cost analysis template for non-self-build schemes that can be accessed at [www.communitylandtrust.org.uk](http://www.communitylandtrust.org.uk).

### Public subsidy – to take or not to take?

Most of the CLTs in the National Demonstration Programme are delivering their shared equity schemes without government housing grant. However the Homes and Communities Agency (HCA) have carried out a pilot with the Holy Island of Lindisfarne Development Trust to trial how the HCA could provide grants to CLTs for the first time. This was a ground-breaking move and sets a useful precedent for CLTs wishing to access housing grant. The grant agreement developed with Holy Island for rental housing will form the basis for a guide to accessing funding for CLTs which will be launched in late 2009.

The grant agreement process with the Homes and Communities Agency is complex and will have long-term regulatory implications. For projects who do not wish to go down that route, there are other sources of gap funding. Local authorities may provide small grants. For example, Councils in Cornwall and Devon have made funding available from the Second Homes Council Tax for affordable housing schemes.

Other projects, such as Stonesfield Community Property Trust, wish to avoid public subsidy altogether and worked on a combination of bank loans and private donations. Bishops Castle CLT plan to launch a community share issue to raise the money for development. For Jim Gaffney, it's imperative that funding is truly empowering rather than burdensome – as community self-help is the essence of the Community Land Trust model:

"The CLT only has power as a model if the money has no strings attached."

If projects do wish to receive public housing grant, the strings attached to government funding models such as the HCA grant agreement include a requirement to partner with a housing association, and a stipulation that the homes return to the ownership of the HCA if the CLT goes bust.

There is therefore a choice for CLTs whether to access public housing grant from the HCA, particularly if rental housing is to be provided without cross-subsidy from open market sale of dwellings.

### 4.3 Affordability and value for money

What is affordable housing? All houses are affordable to those who can afford them, after all. CLTs are more about providing choice. In many communities there are no properties for rent, or properties suitable for first-time buyers. As a result, young people leaving home for the first time are forced to leave the area.

CLT	Unrestricted occupation values	Price paid for land per home	Cost of build (structure and externals)	Other costs (fees, interest etc) as % build cost	Total cost per house	Cost as a % of value	Other factors
St Just, Cornwall	£290,000	£3,750 per plot (but subsidy from LA reduces price to £1)	£95,000	13%	£107,500 (3-bed, self-build)	37%	Self-build
St Minver, Cornwall	£320,000	Around £10,000 (incl planning)	£63,000 - £70,750	5% (interest free loan)	£77,000 (2-bed) £85,000 (3-bed)	26%	Self-build
St Ewe, Cornwall	£167,000	Around £7,500	£99,950	19%	£92,500 (2 bed) £110,936 (3 bed)	63%	Joint CLT/HA scheme. Subsidy of £23,367 per home from HCA.
Nancledr, Cornwall	£160,000	£1 (donated by Council)	£90,000	21%	£109,000 (2 bed)	68%	Infill site with section 106 agreement

The region where there is the greatest concentration of CLTs is South West England, which also was found to be the least affordable region outside of London for young homebuyers in a study for the Joseph Rowntree Foundation in 2003<sup>3</sup>. The South West districts listed as the 'least affordable in England' (ie with the highest house price to income ratios) read almost like a list of where CLTs are located:

- A selection of the least affordable districts in England:
- Carrick, Cornwall; (St Just in Roseland CLT)
  - Penwith, Cornwall; (2 Cornwall CLT schemes)
  - North Cornwall, Cornwall; (St Minver CLT)
  - Gloucester, Gloucestershire; (Gloucestershire Land for People)
  - Torrige, Devon; (Holsworthy and High Bickington CPTs)
  - South Hams, Devon (Waterhouse Housing, East Portlemouth)
  - Purbeck, Dorset. (Worth CPT)

In small communities, CLTs may already have a good idea of the extent of need in the area, and what people can afford. What CLTs aim to do is ensure the sustainability of their communities. Therefore they aim to provide housing which can be provided to local people - those who live or work in the area, or those who have moved away but wish to return. These can be identified through a housing needs survey.

Often CLTs are providing local needs housing in areas where there is literally no other provision for people on an average wage. For instance in St Minver, where average wages are £18,000 and average house prices are £350,000 for a 3-bed home, the CLT is providing equivalent homes at just £85,000.

East Portlemouth on the South Devon coast is a particularly extreme example of local unaffordability. Homes on average in this village sell for around £1.2m, and rents are around £1287 (for holiday lets - private rentals are non-existent). In the village average local wages per person are only £17,000. Yet here the CLT is providing a vital source of affordable rented housing at maximum rents of £600/month for a 3-bed home.

In other areas, North Wales (covered by Land for People) has the lowest average incomes in the UK, but is also an area popular for second homes. Here the top priority for CLTs is providing homes for rent, as homeownership may not even be an option for many local people.

CLTs and government funders will be concerned about delivering value for money. There is evidence that they are no more expensive, and can even be cheaper than equivalent housing association schemes. There are of course occasions where difficulties of access and tightness of the site adds costs. It is also true that CLT schemes must usually stand alone without cross-subsidy from housing sales on the open market.

CLTs are also meeting the needs of a defined population: if in a particular community household incomes are only high enough to afford a mortgage of £70,000 then the grant required has to be higher to make this possible. An indication of the affordability of the homes provided by CLTs is given below, using some examples from Cornwall.

The elements which make up the cost of scheme comprise the land cost; the build cost; the external works (access, service connections, landscaping and fencing); and "other costs" made up of professional fees, interest, other fees such as planning and building regulations, guarantees, finance fees, development agent costs and a fee for the CLT itself to provide a dowry for its initial operations. Of these the superstructure is relatively predictable and "other costs" involve generally the same elements. The variables are the land cost; the substructure (although this only varies significantly where difficult ground conditions); and the externals (which can vary substantially if the site requires a long access or exceeds the capacity of local sewerage services).

The table above demonstrates a range of actual part-equity schemes being developed by Cornwall CLT from the most expensive to the cheapest. It shows the value for money which CLTs can deliver if the land cost is kept to £5,000/home or below; the build cost (superstructure, substructure and externals together) is kept below £1,200/m2 and "other costs" add no more than 30%. There will be sites with exceptional development costs in excess of this and with little land cost to offset them against, which may be more expensive.

It also shows that self-build provides an effective strategy for reducing costs below this figure, with savings of up to 30% in build costs which convert into better affordability and a lower initial equity investment for the first purchasers.

In Cornwall the CLT is based with a rural housing association - their average CLT unit subsidy is just over £4,000 over their whole programme of 95 homes, which is provided by local authorities. Given this figure, what CLTs are delivering, albeit on a small scale, looks impressive in terms of value for money.

Other aspects of the homes contribute to their affordability - namely high standards of construction meaning homes are energy efficient and very cheap to run. Stonesfield CLT reported that one of their tenants had a winter gas bill covering heating and hot water which came to just £25. Other CLTs had similar stories to tell.

#### 4.4 Construction and environmental considerations



A very common aspiration of the projects was that the scheme should achieve high standards of sustainable building. This goes hand in hand with aspirations to generate local employment and training opportunities; and also complement and enhance the built environment. In choosing and briefing their architect, communities will seek to find a firm that can bring these aspects together while at the same time keeping costs down so as to enable local needs to be met.

Cornwall CLT Limited has generally aimed for a simple but conventional design, using small local contractors, often with contracts negotiated as a follow-on to previous contracts won in competition to provide the builder with continuity. As the previous section shows, local builders can match the costs of volume builders through lower overheads and margins.

Elsewhere, two Dorset CLTs have employed a firm of architects with existing experience of using locally sourced insulations materials (wool and straw) to design a highly energy and air-tight dwelling with the use of off-site construction to build the timber frames and the insulating panels. The methodology has still to be proved but could also provide a high level of local labour as a workshop to make the frames and panels can be set up locally for each scheme.

Achieving eco-housing standards or Sustainability Codes is often difficult because some settlements are remote and public transport and local amenities are out of reach. However renewable energy sources such as ground source heat pumps have been included and opportunities have been taken to make the homes more efficient and less resource intensive where possible.

Nevertheless, at High Bickington comprehensive plans have been approved which will provide local amenities and workspace as well as housing, thereby reducing the need to travel. The aim is to deliver a carbon saving of 72% across the whole site, with the whole development supplied with heating and hot water through a District Heating System powered by a woodchip boiler.



Aerial view of house designs, Worth Community Property Trust (www.worthcpt.org)



Ground source heat pumps used in construction of homes by Cornwall CLT

#### 4.5 Social impact

A small number of projects were surveyed about the social impact the CLT has had so far on the wider community (see Appendix 3 for questionnaire). For instance, what is the profile of who has been housed, have any local services been retained, have jobs been created, and the impact on any specific groups such as young people, older people, people with disabilities.

<sup>3</sup> Wilcox, S (2003), Can Work, Can't Buy: Local measures of the ability of working households to become home owners. Joseph Rowntree Foundation, York.

Some of the social impacts which were revealed include:

- ◇ On Holy Island, the school now has 11 pupils, which is attributed to the development of affordable homes on the island<sup>4</sup>. In addition to the seven housing units the Trust manages, it operates the visitor centre on the island, owns the Harbour, and is converting the former lifeboat station into a museum. All of these together cover the Trusts core running costs.
- ◇ At St Minver the self-builders worked on all the homes in the development, not just their own homes. This helped to create a strong sense of common ownership and involvement in the community before they even moved in.
- ◇ At High Bickington, interest has been shown in 5 of the 6 workshops planned, including a graphic design company that wishes to expand and employ local staff.
- ◇ High Bickington Community Property Trust plan to introduce training for new committee members, to encourage more young people to come forward.
- ◇ In Holsworthy in Devon, the retained Fire Station was under threat until the Community Property Trust provided housing for one of the volunteer firefighters
- ◇ In East Portsmouth, where homes sell for up to £1.2 – 1.5m, the charity has already housed four families with eight children and all are employed in East Portsmouth and surrounding villages.

The communities in which CLTs are situated already possess a great deal of social capital. This is often the key to the success of a CLT, and many Board Members possess very useful skills which they contribute to the CLT on a voluntary basis – architecture, quantity surveying, law, planning, journalism, construction, landscaping, environmental campaigning, local government. The CLT brings people with all these skills together and thus strengthens existing social networks, as well as creating new ones.



**“The new homes will mean four families who may otherwise have had to leave will be able to stay on the island. This can only enhance the sense of community here, which is vitally important for the quality of life.”**

Dick Patterson, Holy Island Development Trust

#### 4.6 Governance

The governance model used by CLTs is important as it is the tool for ensuring the organisation is democratic and representative of the community.

The ‘classic’ model for CLT governance as developed by the Institute of Community Economics in the US, is a tripartite structure – one third residents or leaseholders of CLT property, one third representatives of the wider community, and one third as key stakeholders such as housing or local authorities.

However, in the projects surveyed, as in the US, there is variance in the governance model used. See Appendix 5 for a table detailing the governance and membership of each CLT.

All the projects have either adopted the Industrial & Provident Society model or set up as Companies Limited by Guarantee. However, while some have an open membership of up to 200 members, others have achieved success without recruiting members from the wider community. These projects focused on getting together a small dedicated group who would work on getting a first scheme off the ground and look then at community engagement later.

Others, such as Bishops Castle CLT and High Bickington CPT, have developed a broad support base and are building a momentum of community interest before commencing any schemes. This is useful to their model as they wish to raise funds from a community share issue. High Bickington, as it had such a long gestation time before finally getting the go ahead, has built up 200 members out of a population of 800.

Many CLT Board members are conscious of the need to recruit more members and to ensure Board members are democratically elected by the membership. Some are actively seeking young people or people potentially in need of a home to be on their Board.



2 Community land trust group at Chipping



**“It has been a long and winding road to get this far. We know that these issues face most villages in the UK, but hit particularly hard in the National Parks. We hope that our work will have some, small influence on Government in all its forms and that they will now accept that many of rural England’s problems are actually solvable by the communities themselves, and move to actually support and encourage such actions.”** Nick Stanley, Witherslack CLT

#### 4.7 Main findings

##### Achieving targets

- ◇ The success and number of homes produced was well beyond expectation – three CLTs have started on site with 30 homes built (target was one to start on site). 139 more homes are on their way. The ability and determination of communities to get things done with the right support has been proven
- ◇ The support provided by CFS took time to reap benefits (in terms of quantifiable evidence), but will continue to do so long after the end of this particular programme.

##### Support provided

- ◇ At least 4 CLTs said they would not exist without CFS’ technical support
- ◇ The development of online resources and a directory of technical documents means the programme will benefit a wide group of projects beyond the immediate beneficiaries. In fact the networking forum has well over 170 members, from various countries.
- ◇ However, the online technical directory could be expanded and made easier to navigate

#### Benefits

- ◇ CLTs help to retain jobs in rural areas by providing workspace and providing affordable housing for people who are employed locally
- ◇ CLTs build on and strengthen social networks
- ◇ They manage a range of community facilities as well as housing
- ◇ High environmental standards are a top priority among CLTs
- ◇ They are delivering homes which are affordable to local people in areas of extremely high house values
- ◇ The subsidy per unit varies, but is comparable to housing associations
- ◇ There is a need to make cost savings in a number of areas

#### Funding

- ◇ Funding was the most frequently cited barrier to projects getting started
- ◇ CLTs in some areas preferred to avoid working with housing associations or using government grants altogether and preferred to rely on a mixture of bank loans, private donations and share issues. For these projects, low interest loan products from charitable lenders were a particularly high priority.
- ◇ The Homes and Communities Agency have trialled support for CLTs with the allocation of housing grant with Holy Island of Lindisfarne Development Trust. The next trials will be with Buckland Newton and Worth Community Property Trusts. Interviews revealed that there are potentially problems for CLTs with the way the funding is proposed:
  - ◇ HCA have difficulty engaging with small organisations
  - ◇ The grant for shared ownership stipulates a minimum 25% share must be sold. In many areas this is not affordable to a person on an average wage.
  - ◇ Technicalities involved in engaging with the grant process. These can be addressed by:
    - ◇ HCA providing support in dealing with the technical issues
    - ◇ Partnering with Housing Associations

#### 4.8 Conclusions

##### Strengths

- ◇ CLTs encourage sites to come forward
- ◇ Focus on meeting local needs
- ◇ Can attract local contractors who work at competitive rates
- ◇ CLTs mobilise skills and talents of community members – eg architects, surveyors, fundraisers, accountants, lawyers
- ◇ Those with democratic structures are open and transparent which can help build strong and lasting relationships
- ◇ Ensures effective stewardship of land in perpetuity
- ◇ Prevents publicly gifted land being sold for private gain
- ◇ ‘Can do’ culture of volunteers
- ◇ Working towards long-term sustainable solutions for whole community rather than short-term gain for individuals

**“Allendale is a particularly active community, winning Village of the year national competition in 2008. There is a recently opened pub serving excellent food and an associated brewery. Community arts are flourishing (a Community Interest Company has been formed) and there is a sports club. It seems very important to point out that a demanding CLT project needs this backdrop of community vibrancy in order to succeed.”**

Graham Girvan, Allendale Community Housing

<sup>4</sup>Although this was attributed to housing developed prior to the demonstration programme it shows the impact that affordable local needs housing developments can have on small communities

### Weaknesses

- ✦ Reliant on volunteers with limited time and resources
- ✦ Requires a lot of work to overcome hurdles – is this an efficient way of producing a handful of homes?
- ✦ Appropriate funding is a challenge to achieve

### Opportunities

- ✦ Affordable housing and community empowerment are policy priorities with cross-party political support
- ✦ There is a growing trend of community action and a DIY culture in many rural areas
- ✦ Credit crunch has potentially affected demand for homebuying, but there is evidence that this has increased demand for intermediate market rented properties.
- ✦ Opportunities for local authorities and other public bodies to transfer much more disused land, allotments and buildings into community ownership (assisted by Asset Transfer Unit)
- ✦ The Development Trust Association is now looking at how to support CLTs nationally. They have a track record in developing mentoring and peer to peer support that would be useful to develop for the CLT movement
- ✦ The new Homes and Communities Agency are consulting on a framework for allowing CLTs to access development funds and are open to the idea of transferring more public land to CLTs.
- ✦ Fills the gap in providing low cost home ownership for people not able to access current government initiatives, eg. Homebuy
- ✦ CLTs can remain distinctive and complementary to registered social landlords and housing associations. As in the US, the CLT movement can become self-regulating, developing its own standards and procedures.
- ✦ National CLT Fund will enable a lot more CLTs to get off the ground and will potentially attract more funders when there have been several successes

### Threats

- ✦ Volunteer input can be squandered when institutions do not respond helpfully
- ✦ Current activity is fragmented, diverse and operating on the 'fringes' (ie geographically, structurally and politically). Structures of representation are currently weak which means there is no 'single voice' on what a CLT is or what is needed to support CLTs. One or two key individuals have worked very hard to influence policy favourably, but as yet there is no firm channel of representation for CLTs.
- ✦ An online network has been developed, but many volunteers lack the time, internet connection or technical inclination to utilise it.
- ✦ There is a lack of awareness or misunderstandings at local authority level, government bodies and funders about what a CLT is and how it operates, especially regarding the key element, which is community control.
- ✦ Along with a lack of awareness, there are institutional barriers to really letting go of management and control to communities.
- ✦ There is a danger that public grant funding streams become over-demanding, effectively preventing small voluntary groups from applying. Or they may place overly high expectations on communities to eliminate risk, requiring registration with regulatory bodies.

- ✦ Credit crunch has led to non-availability of mortgages for those without a substantial deposit, affecting potential residents of CLT homes.
- ✦ Banks and other lenders are becoming much more risk-averse, reducing funding sources for community projects.
- ✦ Funding for rural activity has been mainstreamed, resulting in a reduction in funding from Regional Development Agencies and similar government agencies specifically for rural housing activity. Funding for Rural Housing Enablers has also been withdrawn.

### Recommendations for future support

- ✦ There is still a need to mainstream certain aspects of CFS support – in particular to create a nationally recognised body to represent CLTs, influence policy and lobby on their behalf.
- ✦ Resources need to be continued for the maintenance and development of online resources, and development of the online networking forum in order to maximise opportunities for peer to peer networking
- ✦ There is a need to publicise the support already available, such as the website, forum and CLT fund in order to reach a much wider audience.
- ✦ Seminars and other networking opportunities are very popular, agendas could be circulated to attendees for suggestions beforehand
- ✦ In order to mainstream the learning and networking experienced at seminars, future support should formalise a training programme for CLTs – for instance:
  - ✦ Training events targeted at new CLTs, or perhaps CLTs which have had one day of consultancy through the CLT Fund
  - ✦ Training events or other awareness-raising initiatives aimed at different audiences – housing associations, local authorities, rural housing enablers etc.
  - ✦ Training for intermediary CLT support bodies including housing associations and development trusts
- ✦ Existing documents and written materials could be simplified and targeted at a more general audience.
- ✦ Although there is a legal definition, there is still a need for a widely agreed, concise and useful definition on the core principles shared by CLTs, along with a small number of proven models in which these principles can be applied.
- ✦ CLTs together with HCA need to develop and agree a process to access public grant from the HCA that reflects the need of CLTs
- ✦ There is a need to develop specific funding streams for CLTs to access development finance and long term loans for rental housing
- ✦ Industry standardised mortgages for part equity purchasers need to be developed in partnership with lenders.

### Suggested areas for further study

- ✦ Survey of housing associations, intermediary support bodies and CLTs to assess their training needs
- ✦ A full evaluation of unsuccessful schemes
- ✦ Evaluation of online resources, for instance what is the usefulness of the online directory of documents, compared to the online discussion forum, what alternatives can be provided for those who can't access them, and is training required to facilitate greater use of the discussion forum?

### Case studies

The following case studies are being developed and will be available on [www.communitylandtrust.org.uk](http://www.communitylandtrust.org.uk)

High Bickington Community Property Trust  
Cornwall CLT  
Waterhouse Housing for East Portlemouth  
Holy Island of Lindisfarne Development Trust

### Websites for more information

High Bickington CPT	<a href="http://www.highbickington.org">www.highbickington.org</a>
Waterhouse Housing for East Portlemouth	<a href="http://www.waterhousehousing.org">www.waterhousehousing.org</a>
Buckland Newton CPT	<a href="http://www.bucklandnewton.com">www.bucklandnewton.com</a>
Worth Matravers CPT	<a href="http://www.worthcpt.org">www.worthcpt.org</a>
Cornwall CLT	<a href="http://www.crha.org.uk/cornwall_community_land_trust.htm">www.crha.org.uk/cornwall_community_land_trust.htm</a>
Gloucestershire Land for People	<a href="http://www.gloucestershirelandforpeople.coop/">www.gloucestershirelandforpeople.coop/</a>
Oxfordshire CLT	<a href="http://www.oclt.org.uk">www.oclt.org.uk</a>
Land for People (Wales/Shropshire)	<a href="http://www.landforpeople.co.uk">www.landforpeople.co.uk</a>
Cumbria CLT project	<a href="http://www.crht.org.uk">www.crht.org.uk</a>

# Appendices

## 1. Responses to survey – closed questions

## 2. Responses to survey - open questions

### Seminars

#### If you didn't attend the seminars, why?

- ☞ Availability of time

#### What was the best aspect of the seminars?

- ☞ The opportunity to meet other practitioners and learn of their experience was interesting and motivating
- ☞ Difficult to remember - couple of years ago, now.
- ☞ Addressing developmental issues / barriers that individual trusts could not overcome on their own.
- ☞ Ability to network and share good practice, knowledge and experience.
- ☞ Networking with other projects and technical updates
- ☞ Chance to meet and discuss with others working on similar projects
- ☞ Well informed speakers
- ☞ Expertise effectively adapted to divergent groups

- ☞ Keeping up to date with developments and sharing problems/solutions
- ☞ Networking and access to financial resources
- ☞ Personal answers to questions arising from the presentations

#### What could be improved?

- ☞ Frequency
- ☞ Little scope
- ☞ More participant-friendly venue
- ☞ Perhaps debate and action plans/workshops for problems faced by CLTs? For example: prior to drawing up agenda send round a list of subjects that might be in demand/or ask for nomination of subjects for some sessions?
- ☞ food
- ☞ No improvement needed

### Consultancy support

#### If you didn't use the consultancy support, why?

- ☞ We are fortunate in having Bob Paterson as a Trustee
- ☞ We are fortunate enough to have Bob Paterson as a Trustee
- ☞ Didn't ask for any
- ☞ No need yet, have local support. also not sure of range of consultancy support
- ☞ Didn't know it was available
- ☞ Had no formal need for it. Seminar contacts have helped when asked

#### What was the best aspect of the consultancy support?

- ☞ Systematic approach
- ☞ Practical advice & assistance
- ☞ Introduction to contacts/specialists.
- ☞ Quality of advice has been very good
- ☞ Availability
- ☞ As previously described
- ☞ Depth of knowledge of the consultants. Preparedness to roll up their sleeves!

#### What could be improved?

- ☞ More detailed local knowledge
- ☞ Conflict between focussing on getting more resources for CFS versus needs of resources for trusts/national infrastructure
- ☞ Build a big fund for drawing down loans for intermediate rent properties!

### Written material

#### If you didn't use the written material, why?

- ☞ not sure what's available
- ☞ Not sure which materials were used

#### What was the best aspect of the written material?

- ☞ I understand very good but was not personally involved at set up and early stages
- ☞ Full of useful information
- ☞ Clear and concise
- ☞ Practical advice, clearly presented
- ☞ Comprehensive
- ☞ As a reference

#### What could be improved?

- ☞ Needs to be simplified and written up as a good practice manual
- ☞ Save paper. Use narrower margins! Please!!
- ☞ Not always an easy read. (see for example the CLT Toolkit - technically very correct but a lot to take in if a non expert.
- ☞ More accessible lists of contacts/email addresses etc. All written reports should have lists of participants (if Data Protection doesn't prevent it!)

### Online Resources

#### If you didn't use the online resources, why?

- ☞ I hate the internet. It's like going to Ikea.
- ☞ no need so far
- ☞ I hate working on line - can't ever find my way around. My brain wasn't designed by Bill Gates.

#### What was the best aspect of the online resources?

- ☞ Examples and definitions
- ☞ Examples
- ☞ Very comprehensive
- ☞ Availability
- ☞ accessibility and openness of information sharing

#### What could be improved?

- ☞ Perhaps more info on general operational governance and trusteeship as people forming new CLTs may not be familiar with organisational/charity management
- ☞ A few more examples of governance documents, trusteeship, ongoing requirements for corporate bodies since people setting up new CLTs may not have business/charity management experience
- ☞ More sample documents/templates.
- ☞ Navigation needs to be simplified

### How well was the assistance from CFS tailored to your needs and your level of understanding?

#### Please give details (optional)

- ☞ From knowing nothing we have learned a lot and continue to learn
- ☞ Prompt response to questions and enquiries

### What was the best aspect of the support from the National Demonstration programme and why?

- ☞ Again, Bob Paterson has been able to point us in the right direction for relevant information
- ☞ Practical hands-on advice and assistance.
- ☞ Addressing government/legislative barriers
- ☞ Guidance on funding and legal issues
- ☞ Supported at all times. Good quality advice available whenever needed and personnel available to travel to our location to talk, advise assist etc.
- ☞ Time taken to understand each project and ability to offer expert advice and proposals
- ☞ Experience of others; collective enthusiasm

### Have you any suggestions for how the National Demonstration programme could support CLTs in the future?

- ☞ Perhaps one day courses on setting up legal entities and ongoing governance for administrators/company secretaries/trustees for communities starting to form CLTs - could be centrally run and open to all CLTs following on from individual consultancy
- ☞ Access to government grant. HCA is an impossible organisation for individual CLTs to deal with
- ☞ Best practice manuals and regional seminars
- ☞ More on raising finance
- ☞ Make contact with officialdom. Promote CLTs to organs of local government (planners etc) rather than just to the converted. More regional (i.e. local) events which will enable local agencies (Borough Planners, County planners, Housing agencies etc) to attend - Trafford Hall great but difficult to attract those who have yet to hear the message
- ☞ Perhaps a more defined role for RHE's and how they can be supported in their enabling roles for CLT's
- ☞ Nat Assn of CLTs
- ☞ Support and encourage people to get on the Homesite site when it goes up

### Questions about your CLT

#### What have been the main barriers or challenges for your CLT so far?

- ☞ Funding Local authority
- ☞ Funding, district council cooperation and support
- ☞ Learning process
- ☞ Section 106
- ☞ Availability of development funding and availability of mortgage finance for purchasers
- ☞ Building to proscribed cost Incredible time-wasting bureaucracy of local government
- ☞ money time take to recruit a team identification of suitable land
- ☞ Ambitious scale of project in credit crunch climate Landowners ability to embrace the CLT concept

- ☞ FINANCING a rental scheme; local authority & HA negativity; time of volunteers
- ☞ working with architects, lack of contact with RSL, lack of money
- ☞ Lake District National Park Authority
- ☞ People's passivity and fear of taking risks/initiatives

### What is the next stage of development for your CLT project now?

- ☞ Wait and see what happens with local authority
- ☞ Building new houses, rentals
- ☞ Business plan
- ☞ HCA funding and development finance
- ☞ To be able to secure development funding for all the projects in the pipeline and try to obtain funding for intermediate rental schemes.
- ☞ Building
- ☞ Involve community, raise finance, stair-building
- ☞ incorporation Stage 2 Facilitation Funding to be applied in Site Surveys and Incorporation
- ☞ Business planning Establishing board / structure
- ☞ To persuade the LA that we are sufficiently well-financed to warrant their support
- ☞ Get planning consent, raise funds
- ☞ Actually completing the section 106
- ☞ Completing purchase of Arlington Mill (still negotiating bank finance)

### If funding is achieved to continue national support for CLTs, what support do you need from CFS or a similar body in the future?

- ☞ Vital to have central point to provide information and expertise and forum to exchange views and resources
- ☞ Grants, loans
- ☞ Support in making government funding and development/long term finance easily accessible.
- ☞ National lobbying and support on funding and disposal models
- ☞ Possibly similar help for further building
- ☞ Grants!
- ☞ Guaranteed funding at Stage 3 to get to Planning Stage
- ☞ More of the same
- ☞ A long-term loan source at interest rates not more than 4%
- ☞ networking, spreading of good practice, better publicity of what resources are available
- ☞ Why should funding for national support go to CFS, rather than direct to CLT's?
- ☞ Getting the Government to understand that affordable housing CAN'T be centrally-planned.

**Please use this space to add any further comments regarding what support is needed for CLTs:**

- Greater media coverage to raise awareness and support for the movement from the general public and, following on from that, the key decision makers
- The creation of the CLT fund is an immense breakthrough; the fund also requires input with government funds.
- Templates containing covenants for use in sale document. Suggested filters for selecting applicants.
- Money & better planning authorities - aware and supportive.
- Can't think of any at present
- Ongoing access to start up funds and access to capital grants as is the case in Scotland
- As a Rural Housing Enabler I maintain a keen interest in CLTs and keep an eye on development progress. Unfortunately I have not been in a position to initiate a project locally but hope that should an opportunity arise I will have access to all the required information and guidance.
- Updates on work of HCA and where we fit into their plans
- The need is not so much for support, but for the removal of absurdist, bureaucratic obstacles. However, development GRANTS and working capital would be very useful.
- More access to low-interest finance

**3. Social appraisal of CLTs – Interview Guide**

**Democratic participation**

1. Do you have open membership? If so, how many members do you have (if a CLT)? Have you held any elections or community briefing events? How many have attended or voted?

**Economic involvement**

2. Do members pay a sub? Do homebuyers/renters pay a fee to the CLT?
3. Has the CLT helped retain any local facilities or other community assets? Has it created any offshoot organisations?

**Support**

4. Has any support or training been provided to homebuyers, members or volunteers?
5. Have you had any feedback from CLT homebuyers/renters?
6. Have you provided support to other CLTs or social enterprises?

**Ethical considerations**

7. In your management, development and financial decisions, what ethical issues have you considered? (eg local procurement, environmental sustainability, ethical investment, recycling, equal opportunities)

**Community spirit**

8. What impact has the CLT had on the wider community so far (eg increased social interaction, school links, inclusion of marginal groups, better facilities, more influence with local authorities)
9. Has this been measured (Eg increased numbers using local post office)
10. In what ways has the CLT directly benefitted homeowners (eg, security of tenure, obtaining employment, reduced travel costs)? Has this been measured?

**4. SQW Consultants' social indicators**

An evaluation study by SQW consultants of the Scottish Land Fund (which awarded grants to communities to buy land and other assets) looked at the following factors related to improved wellbeing:

- feelings of power among members of the community and directors of Trust
- development of skills such as negotiating, reaching consensus, managing meetings, delegating and leading, practical skills such as designing communication materials, using spreadsheets, book-keeping, public speaking and project monitoring
- school links
- improvements to quality of life – ie improvements in number and quality of community facilities including natural recreational opportunities, improved security of tenure
- economic benefits of secure tenures, encouraging communities to invest in local facilities
- volunteer activity and increased social interaction/participation in community life
- benefits specifically for marginal or under-represented groups, eg the elderly

**5. Governance structures of CLTs**

CLT	Legal structure	Open membership?	No of board members/trustees	No of members	Elected Board?	Cost of share
St Minver CLT	Company Limited by Guarantee and charitable status	yes	6	?	yes	n/a
St Just CLT	Company Limited by Guarantee and charitable status	yes	7	?	yes	n/a
St Ewe CLT	Company Limited by Guarantee	yes	7	?	will be	n/a
Holsworthy CPT	Company Limited by Guarantee and charitable status	No	5	7	yes	n/a
High Bickington CPT	Industrial and Provident Society	yes	9	200	Yes	£1
Waterhouse Housing for East Portlemouth	Company Limited by Guarantee and charitable status	no	4	0	no	n/a
Buckland Newton CPT	Company Limited by Guarantee	yes	6	unknown	no	£1
Worth Matravers CPT	Industrial and Provident Society	yes	12	57	yes	
Wickham CLT	Company Limited by Guarantee	No	9	n/a	Yes	
Chedworth CLT	Company Limited by Guarantee	yes	10			£10
Bishops Castle CLT	Industrial and Provident Society	Yes	10	94	yes	£5
Chipping CLT (planned)	Company Limited by Guarantee	Yes	10	None yet	Yes	n/a
Witherslack CLT	Company Limited by Guarantee	Yes	6			
Allendale CLT	Company Limited by Guarantee		6	n/a		
Holy Island CLT	Company Limited by Guarantee and charitable status	Yes	11	n/a – new company	Yes	£0
Cornwall CLT	Industrial and Provident Society and charitable status	Yes	5	11	yes	£1
Gloucestershire Land for People	Industrial and Provident Society	Yes	11	62	Yes	£10
Oxfordshire CLT	Industrial and Provident Society	Yes	8	0	From 2009	n/a
Land for People (Wales/Shrops hire)	Land for People Ltd - Company Ltd by Guarantee	Yes	3	0	yes	£10
	Land for People Central Community Land Trust - Industrial and Provident Society	Yes	8	60	yes	£15

## 6. Respondents

### **Many thanks to all those who gave interviews:**

James Bremridge, Waterhouse Housing for East Portlemouth

David Brettell, Hands on Help for Communities

David Brown, High Bickington Community Property Trust

Jonathan Brown, Land for People

Tony Crofts, Stonesfield Community Trust

Alan Fox, Cornwall Community Land Trust

Jim Gaffney, Bishops Castle Community Land Trust

Graham Girvan, Allendale Community Housing

Jo Gooding, Development Trusts Association

Bob Kenyon, Worth Community Property Trust

Andy Lloyd, Cumbria Community Land Trust project

Duncan Roberts, Holy Island of Lindisfarne Development Trust

Fran Ryan, Oxfordshire Community Land Trust

Rose Seagrief, Gloucestershire Land for People

Heather Stephenson, Holsworthy Community Property Trust