

# Community-Led Housing: a Key Role for Local Authorities



# The Co-operative Councils' Innovation Network (CCIN)

Established in 2013, the CCIN ([www.councils.coop](http://www.councils.coop)) comprises 22 local authorities from across the UK who are driving global municipal co-operative policy development with a common belief in the Co-operative Values and Principles.

Membership of the Network is open to all UK councils regardless of political affiliation who can demonstrate innovation and a willingness to drive forward the Co-operative Council agenda by finding better ways of working for, and with, local people for the benefit of their local community.

## The Commission on Community-Led Housing

The Housing Commission ([www.ccinhousing.co.uk](http://www.ccinhousing.co.uk)) was set up in September 2016 by CCIN, led by Croydon Council, to encourage and enable local authorities in England, Scotland and Wales to foster and support co-operative and community-led solutions to the housing crisis. The Commissioners include representatives of local authorities, campaigning and support organisations, policy experts and leaders of community-led organisations:

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# Foreword

We are in the midst of a housing crisis, with housing markets failing to meet the needs of local communities. Across the UK there are different housing markets: urban and rural; areas of high housing demand, with increasing problems with affordability and homelessness, and areas of low demand, where problems centre on empty homes and declining neighbourhoods. Affordability is a rural issue too, with a lack of options for young people to live in the area where they were born.

According to the National Housing Federation, Britain needs to build 250,000 new homes a year to cope with an existing housing shortage and a growing population, but only 141,000 homes were built in 2016. Funding for affordable homes has fallen in recent years. At the same time local authorities are faced with unprecedented cuts in government funding, compounded by rising demand for statutory services, such as adult social care and housing for homeless people.

The Housing Commission was set up by the Co-operative Councils' Innovation Network (CCIN), led by Croydon Council, to show how co-operative, community-based solutions can help to tackle the housing crisis. Local authorities have told us that Community-Led Housing (CLH) can help to boost housing supply, deliver new affordable housing and return empty homes to use. Moreover, CLH is not just about bricks and mortar – it is about empowering

people, and creating and sustaining communities. In the light of the Grenfell Tower tragedy and the consequent review of social housing, it is timely to consider how to connect housing with communities.

CLH can provide a way for local people to achieve their aspirations for an area. It fosters accountability and ownership and, in turn, helps to mobilise support for development. People who come together to decide what housing goes where and acquire a role in the ownership, stewardship or management of the homes, develop a strong sense of community. This is associated with taking responsibility for their neighbourhood, high satisfaction levels and low anti-social behaviour. This benefits not only the people involved in developing and managing the homes, but the wider community too. CLH can develop skills in the community in the construction and management of new homes, and provide jobs and training for local people involved in renovating empty properties.

The Commission is advocating CLH precisely because we recognise the shortage of public sector resources for housing. All forms of delivery are going to be needed if we are to meet the challenge of increasing housing supply, and CLH can help. We encourage a strategic approach that adds CLH to the housing mix and considers how it can expand the supply of affordable housing.

Political and senior officer leadership in local authorities can provide the crucial first step to support CLH. They can do this by recognising that it can contribute to the supply of housing and adopting a coherent corporate approach to CLH.

A lot of good work is being done by local authorities across the UK. We have taken the lead to produce this report in order to bring together interesting examples of good practice. Above all, the focus is practical – to ensure that the Commission's products enable local authorities to encourage and support community-led housing schemes.



**Cllr Tony Newman**  
Leader of Croydon Council  
Chair of the CCIN Housing  
Commission.

November 2017



# Executive summary

This report sets out how and why local authorities should encourage and enable community-led housing. It is based on submissions to the Housing Commission by 47 local authorities and evidence given at events held in Rochdale and London. It gives practical examples of local authority support for community-led housing (CLH) and sources of further guidance and information.

## What is Community-Led Housing?

Community led housing (CLH) involves local people in playing a leading and lasting role in solving housing problems, creating genuinely affordable homes and strong communities. It can involve building new homes, returning empty homes to use and managing existing homes. Approaches include housing co-ops, community land trusts (CLTs), tenant management organisations (TMOs), cohousing, community self-build schemes and self-help housing groups that renew empty homes. There can be overlaps between these different approaches. Typically, the community is integrally involved in key decisions even if they did not initiate or build the scheme; the community has a long term formal role in ownership, management or stewardship of the homes; and benefits to the local area/specified community are defined and protected. A CLH scheme may involve a democratic member organisation with some level of control over the housing.

CLH groups become involved in three ways:

1. A grass roots group forms in response to local need or to deliver their own homes
2. Existing community organisations get involved in housing for the first time or add to their existing housing stock
3. A developer, such as a local authority or housing association, leads a partnership to provide housing that incorporates a CLH element.

## Why local authorities support CLH

Local authorities' responses to the Commission set out the main areas in which CLH can help authorities to deliver their strategic priorities.

### 1. Improving housing supply and providing permanently affordable housing

- Diversifying the local housebuilding market, unlocking small sites not attractive to mainstream developers.
- Providing permanently affordable housing for local people, helping to reduce opposition to development (CLTs and co-ops are not subject to the Right to Buy)
- Increasing choice by producing a range of housing options for people on the housing register and for people priced out of home ownership.

### 2. Supporting regeneration and returning empty homes to use

- Mobilising support for regeneration
- Increasing the commitment to and confidence in deprived neighbourhoods
- Providing skills, training and jobs for care leavers, homeless and unemployed people.

### 3. Empowering communities so they come self-sufficient, cohesive, resilient and sustainable

- Promoting community cohesion and helping to reduce anti-social behaviour
- Providing housing options that enable people to remain in the local area and ensure schools, services and amenities remain viable
- Assisting local employers to recruit and retain their workforce
- Skilling up CLH group members in building, property refurbishment and management.

## Executive summary

### 4. Involving residents in addressing housing need

- Helping councils to bring forward new market and affordable schemes
- Strengthening the neighbourhood planning process
- Enabling older and vulnerable people to maintain their independence through creating local housing options for them or their support networks, creating mutually supportive communities, and developing housing where they have an active role in decision making.

CLH can empower tenants to manage homes to high standard. Co-op and mutual landlords were recognised in 24 Housing's top 50 social landlords in 2017, with Community Gateway Association named the best UK housing association.

### CLH brings resources into the area

DCLG's Community Housing Fund is providing £60m a year of revenue and capital funding for CLH in England over the 2016/20 period. The Welsh Government has a cooperative housing programme. Community-led builders can access mainstream funding from affordable housing programmes in England, Scotland and Wales.

Community-led groups bring in significant resources not accessible to other housing providers through commercial and social lenders, charitable funds, crowdfunding, community bond issues and, in self-build schemes, their members' own labour.

CLH schemes can produce a social return through using local labour and supply chains. They create local jobs in building industry. They can increase confidence in a local area and attract investment.

### How local authorities enable or support Community-Led Housing

The support authorities give to CLH varies greatly, depending on their local circumstances and priorities. They can enable CLH through policy and support it with resources. Authorities named in brackets refer to case studies in this report.

#### Policy

##### 1. Leadership

Ideally this would include both a political champion with the ambition to support CLH and an officer champion to link up the ambition with the authority's strategy and processes across the organisation (East Cambridgeshire).

### 2. A policy environment supportive of CLH

Aligning planning, corporate asset management and housing policies can create opportunities for CLH schemes. Housing policies that enable CLH would include a housing strategy that includes CLH schemes as part of its approach to affordable housing delivery (Lewisham); an empty property strategy that includes CLH resources to tackle empty homes (Leeds); and an allocations policy that identifies potential CLH residents from households in housing need.

### 3. Land made available through planning policy

A review of sites can assess their suitability for CLH and the local plan can make provision for CLH schemes (Brighton and Bristol). Planning policy can allow development on rural exception sites with the presumption that it is to be community-led, and a supplementary planning document can set out clearly what is required of CLH projects in order to increase the chances of their obtaining planning permission (Cornwall, East Cambridgeshire).

## Executive summary

### Resources

#### 4. Council assets provided through sale or asset transfer

Authorities may identify small sites not appealing to larger developers. Granting a long lease at a peppercorn rent increases the CLH organisation's asset base, enabling it to borrow more resources for the project (Brighton, Leeds, Lewisham). Some authorities in low demand areas transfer empty properties at nil or discounted value to CLH groups in order to regenerate a neighbourhood (Hull, Liverpool).

Sales at less than best consideration are possible under certain conditions where the disposal is likely to contribute to economic, social or environmental wellbeing and the undervalue is less than £2m. Even if an authority cannot dispose of an asset at a discounted value, offering a deferred payment arrangement or an exclusive option to buy for one year could enable a group to raise the loan. (Leeds, Bristol). If a site is designated for affordable housing, the CLH group may be able to afford the market value.

#### 5. Funding by local authorities

Some authorities fund CLH by using sources such as Right to Buy receipts (Leeds, Hull), prudential borrowing, second homes Council Tax, commuted section 106 sums and the New Homes Bonus. The Community Housing Fund has enabled some English authorities to support CLH for the first time. The Welsh Government co-operative housing programme includes revenue funding to develop 19 pilot CLH schemes, delivered through Welsh Cooperative Centre (Carmarthenshire).

Revenue funding includes start up grants to meet the costs of constituting a group, and revolving loans funds for pre-development costs, as well as support for fundraising (East Cambridgeshire). Capital funding includes grants and revolving loans to support the costs of purchase, site remediation, construction and property refurbishment (Chichester, Cornwall, Hull, Leeds). A revolving loan provides up-front capital to buy sites and reduce the risk to groups. Loans are repaid as the new homes are sold or transferred.

#### 6. Enabling support

Depending on the expertise of its members or staff, CLH schemes will need support and advice through the five stages of a project: forming the group; securing a site; planning, designing and financing the scheme; building; and managing the completed homes. Enabling support can be provided by a local authority or through a national or regional CLH support organisation. Some authorities have helped to set up CLH enablers or umbrella CLTs and subsequently worked in partnership with them (East Cambridgeshire, Bristol, Cornwall).

Authorities support CLH through partnership work. They connect new community groups with more experienced ones or with a local housing association committed to developing CLH schemes. East Cambridgeshire has set up a development company to provide an experienced partner for CLH groups. Councils also facilitate the exchange of information on potential development sites or empty homes (Brighton, Hull). They provide guidance on the planning process and support funding bids. Some raise awareness of CLH in the community to foster the development of new CLH groups (Chichester).



## Executive summary

### Getting started

Authorities with limited resources and officer capacity could consider the scope for an existing council or housing association scheme to be supported to have a CLH element. They could develop supportive policy environment with the advice of a CLH expert and set up an arrangement with a CLH support organisation to give local groups access to enabling support (Chichester).

The Commission also supported the Housing Associations' Charitable Trust's project to develop a CLH Technical Toolkit for local government. This will cover community engagement, planning, funding and legal issues and will provide templates and process maps. It will be available at [www.clhtoolkit.org](http://www.clhtoolkit.org) in March 2018.

### Products of the Commission

In addition to this report, the Housing Commission has produced:

- 12 case studies, each setting out a local authority's approach to CLH, providing examples of CLH schemes supported in the area and giving a contact officer (see <http://www.ccinhousing.co.uk/case-studies/>)
- a CLH pledge for local authorities to encourage them to support CLH through developing a policy, defining a resource and working with partners to generate a CLH scheme (guidance and template are at <http://www.ccinhousing.co.uk/make-pledge/>)

# 1. Introduction

This report sets out practical ways for local authorities to encourage and enable communities to bring their energy, commitment and resources to create homes in their communities. Co-operative and community-led approaches can get homes built on sites that might not otherwise be brought forward and bring empty buildings back into use.

They can also be used to make local housing management more effective and more responsive to local tenant and community voices. More opportunities exist now to support community-led housing than ever before, with government funding programmes to support it developed in England, Scotland and Wales, and programmes to develop the infrastructure to enable community groups and community-based organisations to develop schemes. As well as central government, local authorities have a vital role to play.

## Why local authorities are supporting Community-Led Housing

The Housing Commission received 47 submissions from local authorities across the UK in response to a call for evidence. It also held two evidence sessions, in Rochdale and in London. Local authorities reported that community-led housing (CLH) supported their strategic priorities by:

- **Improving housing supply and the provision of permanently affordable accommodation** – the most frequently stated priority. CLH helped to diversify the market and increase choice, fulfilling a local need. CLH organisations often overcame barriers posed by small problematic sites that put off established housing providers. By increasing community involvement it reduced opposition to development in both rural and urban areas.
- **Empowering communities so that they became more self-sufficient, cohesive, resilient and sustainable.** In rural areas CLH encouraged mixed tenure schemes that enabled people to remain in the area, maintaining the viability of shops, schools and services, and helping local employers to recruit and retain their workforce. In urban areas CLH helped with the sustainability of mixed communities, empowering them to make decisions about their areas.
- **Involving residents in addressing housing need** – CLH helped authorities in bringing forward new market and affordable schemes to address local needs. At a time of growing demand for support services, authorities saw CLH schemes as enabling older and vulnerable people to be looked after in the community. CLH provided local housing options for them or their support networks and created mutually supportive communities. There was some interest in supporting cohousing schemes and other forms of CLH for older people or those with support needs.
- **Supporting regeneration and returning empty homes to use** – urban authorities with areas of low housing demand reported that CLH schemes contributed to returning empty homes to use, increasing the commitment to and confidence in the neighbourhood, attracting more investment and new residents. Sometimes CLH groups acted as a catalyst to get others involved.

## 1. Introduction

### Products of the Housing Commission

Written from the local authorities' point of view, this report argues that CLH should be 'added to the strategic mix' to increase the supply of homes that local people can afford. Different solutions are required for different markets, but CLH can make a contribution, whether through new build homes, returning empty properties to use or introducing CLH into the management of existing homes.



The Housing Commission has developed four products:

**Report:** an introduction to CLH: what it is, what it can do, how it comes into being, and how local authorities can enable or support it. It sets out the funding available for CLH and the resources that CLH can bring. It also gives sources of further guidance and help.

**Case studies:** hosted on the Housing Commission website set out local authorities' approaches to CLH in more detail. Authorities included are from across England, Wales and Scotland, are urban and rural, and cover areas of both high and low housing demand.

**Technical toolkit:** The Commission has worked with the Housing Associations' Charitable Trust (HACT), which is leading a project to develop a technical toolkit that from early 2018 will provide a resource for local government officers on technical issues concerning CLH.

**Pledge for local authorities on community-led housing:** The Commission urges local authorities to support CLH by developing a pledge, taking account of their local needs and circumstances, and the nature of the local housing market. This would declare that they would incorporate CLH into their local strategy and policy, that they would define the resources (financial or in kind) that they can devote to deliver CLH, and that they would work with CLH groups and partners to support or facilitate the delivery of at least one CLH site.



# 1. Introduction

## Key findings of the Commission

- Local authorities across the country are working with communities to develop housing and return empty homes to use. They do so, because CLH helps them to achieve strategic priorities such as improving housing supply, providing permanently affordable housing, regenerating neighbourhoods, and empowering communities to become more sustainable and self-reliant.
- There is much good practice to be shared on how local authorities can encourage and enable CLH to develop in different housing markets.
- Government, local government, housing associations and the CLH sector share responsibility for enabling the CLH sector to expand.
- There is no overall national policy framework for CLH, though there is in Wales. Welsh government policy, funding and support has encouraged and enabled local authorities to pilot CLH projects.
- Some English authorities report that the lack of resources and of government grant in particular has prevented them from continuing to support CLH at scale. Receiving government support would justify their own decisions to devote officer time and resources to CLH.
- Many local authorities lacked information on the demand for CLH in their areas and therefore need to encourage people to come forward or take steps to generate demand.
- Some stock-holding local authorities in areas of high housing demand were focussed on building new homes at scale, but did not consider that CLH could contribute to this objective on a large scale.
- The DCLG's £240m four-year Community Housing Fund (CHF), set up in 2016, has enabled English local authorities to strengthen their resources to support CLH, or pool their efforts with neighbouring authorities. Some have been able to unlock schemes. The Government should provide a coherent and consistent policy context for CLH. In particular, there is an urgent need to bring certainty to the CHF programme, to build on the momentum achieved in the first year, and extend it beyond areas affected by high levels of second homes.
- The provision of clear guidance on social value for local authorities considering asset disposal at below market value could encourage more authorities to support the CLH sector and enable it to scale up. The technical toolkit will address this issue.

### To find out more about:

- what CLH is and who benefits, see **Chapter 2 'What is Community-Led Housing?'**
- how CLH can support local authority priorities, see **Chapter 3 'The Case for Supporting Community-Led Housing'**
- funding for CLH and resources that CLH groups can raise or contribute, see **'Financial resources and funding'** in Chapter 4
- how a council set about supporting CLH, see **'Getting Started'** in Chapter 5 'How local authorities can support Community-Led Housing'
- where to get further advice, including information on CLH support organisations, the technical toolkit and detailed case studies with local authority contacts, see **Chapter 6 'Where you can get help'**.

## 2. What is Community-Led Housing?

Community-led housing is not new. People have taken control over housing in many ways, across many countries, over many years. It is housing that is shaped, controlled and sometimes actually developed by local community organisations. Sometimes it involves developing new housing or bringing existing unused buildings back into use, and sometimes it is about devolving control of existing housing to in-situ residents. A local authority, housing association or existing community organisation may have a leading role bringing the scheme about.

Guidance issued in connection with DCLG's Community Housing Fund set out three principles for CLH:

1. The community is integrally involved throughout the process in key decisions like what is provided, where, and for whom. They don't necessarily have to initiate and manage the development process, or build homes themselves.
2. There is a presumption in favour of community groups taking a long term formal role in the ownership, stewardship or management of the homes.
3. The benefits of the scheme to the local area and/or specified community group are clearly defined and legally protected in perpetuity.

CLH may involve establishing a democratic community membership organisation that has some level of control of the housing scheme developed. Organisations developing or managing CLH may adopt a range of legal forms and use a variety of delivery approaches such as Housing Co-operatives; Tenant Management Organisations (TMOs); Community Land Trusts (CLTs); Community Anchor Organisations; Cohousing groups; Group self-builders; and Self-Help Organisations. Some schemes may adopt hybrid and innovative approaches. Throughout this report there are links to case studies of a number of these approaches. The form taken in each scheme will depend on the particular needs of the community and the outcomes that are sought. For more information on the approaches see **Definitions of Community-Led Housing**.

Overall, the CLH sector includes around 170,000 homes in England. CLH accounted for just 0.3% of new development in England in 2015 but there is considerable scope for scaling up its development potential.<sup>1</sup>



<sup>1</sup> 'local housing, community living: prospects for scaling up and scaling out community-led housing' (The Smith Institute 2016).



## 2. What is Community-Led Housing?

### Policy context

National governments in England, Wales and Scotland have each declared in-principle support for CLH and self/custom-build housing.

#### England

A number of legislative moves by the government have encouraged the recent growth of CLH in England. They include:

- The Housing and Regeneration Act 2008 defined a CLT in statute
- The Localism Act 2011 set out measures to shift power away from central government and towards local people. A number of the Act's provisions enable CLH including:
  - **Neighbourhood Planning** which enables communities to influence development in their locality through Neighbourhood Development Plans drawn up by parish or town councils or, where these do not exist, a neighbourhood forum
  - **Neighbourhood Development** Orders and Community Right to Build Orders allow local communities which have set themselves up as community organisations to grant planning consent for new homes, shops, businesses or facilities in a neighbourhood through a local ballot<sup>2</sup>
- **The Community Housing Fund** is the government's clearest demonstration of support for CLH in England. £240m was earmarked for this over four years in 2016. £60m was allocated in 2016/17 to

**148 authorities** with significant local affordability issues or high rates of second home ownership. The programme is being relaunched on a different basis. Details will be set out in a prospectus in January 2018.

- While DCLG's **Shared Ownership and Affordable Homes Programme and Home Building Fund** are not specifically designed for CLH, they have, since April 2016, reinstated funding for affordable rent, increasing opportunities for CLH. '**Financial resources and funding**' in Chapter 4 has more information on funding programmes that support CLH
- The **Self-Build and Custom Housebuilding Act 2015**, strengthened by the Housing and Planning Act 2016, introduced Self and Custom Build Registers requiring local authorities to keep a register of individuals and associations of individuals who wish to acquire serviced plots of land for self-build and custom-build projects. Councils must grant planning permission for enough serviced plots to meet the demand shown on their registers
- **Rural exception sites** – DCLG's National Planning Policy Framework allows local authorities to release land that would not normally be available for the development of affordable housing in perpetuity.

Other opportunities for CLH are provided through automatic planning permission in principle on brownfield sites and planning reforms to support small builders introduced by the Housing and Planning Act



2016. Programmes relating to estate regeneration and making use of public sector land also offer opportunities. However, the Government proposal to abolish leasehold for houses in new build schemes may have an impact on CLTs in England.

The Government is supporting the creation of a number of new garden towns and villages. The Housing White Paper announced measures to support the delivery of new settlements of this kind including legislation to allow locally accountable New Town Development Corporations. The Town and Country Planning Association has conducted **research** on locally-led new settlements. These settlements offer opportunities for CLH: the Building and Social Housing Foundation has proposed a **New Settlement Partnerships Model** as a way of enabling large scale locally-led development in new communities.

A green paper on social housing in England will be a top-to-bottom review looking at wider issues of place, community, and the local economy, of relevance to both central and local government, housing associations, TMOs and tenants.

<sup>2</sup> **The Neighbourhood Planning Act 2017** strengthened provisions concerning Neighbourhood Development Plans, giving weight to draft plans that have been approved by local referendum..



## 2. What is Community-Led Housing?

### Scotland

Community-led regeneration is at the heart of the Scottish Government's regeneration strategy. The approach is to support the most disadvantaged communities and create places which are sustainable and promote wellbeing, addressing the social, economic and physical needs of communities. Scottish planning policy recognises the contribution that housing can make to sustaining remote and fragile communities and includes provisions for small scale housing developments. As part of this approach, local authorities are asked to consider local demand for community-led self-build and custom-build in their housing strategies.

The Community Empowerment (Scotland) Act 2015 created new rights for community bodies, including strengthening the statutory base for community planning. Local authorities must involve community bodies in community planning partnerships which are responsible for developing and delivering a plan for its council area.

The Scottish Government has pledged to create 50,000 new homes by 2021, of which 35,000 will be affordable. Its Affordable Housing Supply Programme supports councils and registered social landlords, many of which are community controlled housing associations, to provide homes for social rent, mid-market rent, shared equity housing and low cost home ownership. The Rural Housing Fund and the Empty Homes Loan Fund provide opportunities for communities seeking to develop or refurbish their own affordable housing.



### Wales

The Welsh Government introduced a co-operative housing programme in 2012 to support the development of a number of pilot schemes. It provides revenue funding to develop co-operative and community-led schemes through the Wales Co-operative Centre, and capital funding through its mainstream housing programme to develop affordable housing and low cost home ownership.

In 2016 the Welsh Government pledged to build 20,000 affordable homes and made a Housing Pact with Community Housing Cymru and the Welsh Local Government Association to support housing development across all markets and geographies, including urban areas and through a continuation of funding for Rural Housing Enablers and support for co-operative housing.

The Welsh Co-operative Housing Programme is a means to build not only new homes, but also supportive and viable local communities. Between 2012 and March 2017, 138 new co-operative homes were built, with more in the pipeline. The homes provided are social, intermediate and market rented, shared ownership, leasehold co-operative ownership and management, meeting a wide range of housing need. As at March 2017, the project was working with housing associations, local authorities, rural housing enablers and communities on 19 schemes in 15 local authority areas.

Steps by the Welsh Government to integrate housing development with other public sector disciplines including health, environment, employment and well-being could offer opportunities for the Co-operative Housing Programme to develop community self-help approaches in many areas.

## 2. What is Community-Led Housing?

### Tenures

For many local authorities the fundamental strategic priority is housing affordability whilst for others it is to diversify the housing market. Whatever the need, CLH schemes offer a range of different tenures, depending on the local housing market and local needs. Tenures include:

- Renting including social rent and affordable rent let at between Local Housing Allowance (LHA) levels and 80% of market rent
- Intermediate housing, including shared ownership, shared equity, discounted and resale price covenant market sale
- Market housing, for example to increase options for older people downsizing.



**This wide range of tenures means that CLH benefits a range of people and communities including:**

- Households on local authority housing registers and in housing need
- Households that cannot afford open market homeownership
- Children of local residents who want to stay in their home town
- Older people wanting to move nearer to support networks, downsize or live in communities that provide mutual support
- Younger people and care leavers
- Unemployed people offered training opportunities as well as housing
- Vulnerable people needing support or who might find holding down a tenancy challenging
- People on low incomes
- People who have assets to contribute to development costs.



## 2. What is Community-Led Housing?

### Misconceptions about Community-Led Housing

There are a number of myths and misconceptions around CLH.

#### CLH is only about small-scale schemes, when what most local authorities need is large-scale

Most CLH projects to date have tended to be fairly small scale – indeed they can help to develop smaller, tricky sites that mainstream developers and housing associations find uneconomic. There is evidence that community groups can make sites work harder than if sold to a private developer, as communities are willing to accept a higher density when they are in control<sup>3</sup>. Some CLH organisations have ambitions for large-scale developments of over one hundred homes, but most proposals are at an early stage<sup>4</sup>.

#### A pre-existing community housing group is needed to develop CLH

Not always. Some schemes are initiated by a local authority, a housing association or community anchor organisation, which can help to set up a CLH group. In Walsall, Accord Housing Group assisted residents who had been identified from Walsall Council's waiting list to set up the **Innovation Way Tenant Management Organisation (TMO)**. Most new CLH schemes being developed in Wales have been initiated by local authorities or housing associations.

#### CLH takes longer to develop than other forms of housing

CLH development does not have to take longer than other kinds of housing development. For example, The **Goodwin Trust** in Hull registered with the HCA and was on site within four months of being offered £4m of Homes and Communities Agency funding to develop 40 modular homes. By developing land they already owned they were able to go ahead with the aid of a low cost loan from the local authority via their prudential borrowing. Bere CLT in Devon moved from identifying a site to moving in the first residents in two years.

#### CLH is more expensive than other forms of housing

The cost of housing development is determined by where it is developed, rather than whether it is community-led or not. Many rural CLH schemes do need a higher input of grant because they develop in places and on sites where traditional providers cannot build, such as National Parks. Most CLH schemes do require public monies, whilst others fund raise and do not need subsidy<sup>5</sup>.

#### Housing register applicants do not benefit from CLH

Numerous schemes mentioned in the case studies and in submissions made to the Commission have taken referrals from local authority housing registers.



<sup>3</sup> The **RUSS scheme in Church Grove, Lewisham** will deliver 33 affordable homes on a site which would have provided 9 homes if sold by the local authority to a private developer.

<sup>4</sup> **Leeds Community Homes** is exploring the feasibility of achieving 1,000 CLH homes in 10 years. The Somerleyton Road project, involving Lambeth Council and **Brixton Green** community benefit society, will produce 301 new homes. St Ann's Redevelopment Trust is discussing with the GLA how they could work together to develop the community's plan for 800 mostly affordable homes.

<sup>5</sup> **Bunker self-build co-op (Brighton and Hove)** will produce affordable rent homes. **Alternatives to Empty Office Buildings (AEOB)** (Bristol) self-build and self-finish scheme delivered affordable housing funded by group members' own resources, loans, a community share issue and donations.



# CASE STUDY: LEEDS CITY COUNCIL

**A local authority working with a community-led housing sector that plans to scale up**

Leeds Metropolitan District is an urban area enjoying relative economic growth. While there is a shortage of affordable housing to rent and buy, the number of affordable housing completions achieved in Leeds in 2016/17 was the highest in many years. Leeds City Council (LCC) has a track record of supporting CLH. Local CLH initiatives could enable the sector to grow significantly.

Keen to encourage the diversification of affordable housing supply routes, LCC works with CLH providers to identify opportunities to develop new homes. It adopts a flexible approach to affordable housing policy, while ensuring that housing register applicants can access the homes created. CLH is also embedded in its **Empty Homes Strategy 2016-19**.



## CASE STUDY: LEEDS CITY COUNCIL

### LCC supports CLH through:

- **Leadership:** LCC has a political champion of CLH and there is strong support for CLH at Chief Executive and director level; an officer champion is based in the Housing Growth Team.
- **Officer time:** to enable CLH groups to access external funding, identify sites for projects especially from public land disposals, and develop projects that comply with planning policy.
- **Funding:** Using Right to Buy (RTB) receipts to fund 30% of the capital costs of new build, off the shelf and purchase and repair projects by members of Leeds Affordable Housing Framework (including Leeds Community Homes, **Gipsil**, **Canopy** and **LATCH**), subject to conditions.
- **Disposal of land:** LCC has leased empty properties to CLH organisations for 99 years at a peppercorn rent, enabling them to raise finance to buy long term empty homes. Disposals at less than best value are unlikely due to budgetary constraints, but LCC can allow an exclusivity period on the sale of a council site to help a CLH project raise development funding.



LCC is currently working with a number of CLH groups to deliver a range of schemes:

- **Chapeltown Cohousing** (ChaCo) is being supported to progress plans for a development that will produce a cohousing scheme with a common house, four self-build plots and 30 affordable rented flats for over 55s, in partnership with Unity Housing Association. Rents will be no higher than LHA rates.
- **Shangrileeds**, a 15-25 unit cohousing scheme, is being supported with a site search.
- **New Wortley Community Association**, having secured feasibility funding from the Power to Change trust, has approached LCC regarding the use of a council site for a development.
- **Leeds Community Homes** (LCH) is a community benefit organisation, formed in 2016 by CLH partner organisations in order to work at scale. LCH aspires to deliver 1000 new affordable homes in 10 years. It will host a citywide CLH enabler, to be developed with funding from Power to Change. LCH has raised £360,000 through a community share offer to fund the purchase of its first 16 permanently affordable homes. The homes are being provided as part of onsite s106 Affordable Housing obligations for a development in the City's 'Climate Innovation District'. The Council is a public and proactive supporter of LCH. It is exploring how it could support LCH to achieve its aspiration.

LCC's future policy on CLH, to be set out in a forthcoming report to its Executive Board, will include practical responses to help, support and encourage CLH.



# CASE STUDY: BRIGHTON & HOVE CITY COUNCIL

**A longstanding strategic partnership  
between the local authority and the  
community-led housing sector**

Brighton & Hove City Council (BHCC) has a long history of supporting community-led housing (CLH), with relationships built over many years. It has integrated CLH into its strategic approach to increase housing supply. A pilot scheme will show that CLH can create additional affordable rent homes at no cost to the Housing Revenue Account (HRA) by building on a small challenging council site. BHCC is planning further measures to increase support for CLH.



## CASE STUDY: BRIGHTON & HOVE CITY COUNCIL

BHCC is an urban authority with a growing population and high housing demand. Affordability is a challenge and there are limited opportunities for new development. The CLH sector is a partner for improving housing supply and is represented on its strategic housing partnership. The **City Plan Part 1** states that opportunities for CLTs, community-led development, right to build and housing co-operatives will be identified as the council assesses potential housing sites.

BHCC works through a network of housing co-ops to meet shared goals. Measures to encourage CLH include enabling access to land and helping co-ops identify private sector empty properties. Council officers provide advice and support on issues such as business modelling, pre-planning application advice and developing external funding bids.

Bunker Co-op is starting a self-build housing scheme to develop two homes for affordable rent. The council has leased a small, challenging former garage site for £500 a year, which is best consideration. Project costs will be met by the co-op's loan and loanstock from other co-ops. These homes will be available for council nominees in perpetuity at no cost to the HRA.

BHCC's main barriers to encouraging CLH are a lack of resources to explore/expand development; limited availability of land, and affordability. It plans to use its Community Housing Fund allocation to set up a new enabling hub to address them, expanding the CLH sector and providing more homes.

[LINK TO FULL CASE STUDY](#)



# 3. The Case for Supporting Community-Led Housing

## Supporting strategic priorities

Community-led housing can help local authorities to achieve several of their strategic priorities and their constituents' aims and aspirations. For authorities that responded to the call for evidence and were actively supporting CLH, there were four main priorities.

### 1. Improving housing supply and the provision of affordable homes

The provision of affordable homes was the priority most frequently cited by authorities. Many saw CLH as a way of delivering **permanently affordable rented homes**, defined as anything from rents capped at LHA rates to 80% of market rents. CLH can also produce **intermediate rented homes** and **low cost home ownership**.

Both urban and rural authorities saw **diversifying the market and increasing choice** as a reason to support CLH, in order to create homes not routinely delivered by the market, therefore increasing housing supply across all tenures. Through their local knowledge and commitment to meeting a local need, CLH groups and organisations were often able to overcome barriers posed by small problematic sites that put off established housing providers. Homes created in this instance fulfilled a local need, such as supplying smaller homes in both the social and market sectors for older people wanting to downsize, thus freeing up larger homes for families, or building affordable homes on rural exception sites.

By increasing community involvement in decisions on the kind of housing built, its location and its design, CLH was reported as **reducing opposition to development** in both urban and rural areas. This applied to infill sites on council estates just as much as landscape-sensitive rural areas. The fact that the homes produced will be created for local people and be affordable to them in perpetuity (CLTs and co-ops are not subject to the Right to Buy) can be decisive in winning local support and creating a 'good news' agenda for new housing development.

### 2. Supporting regeneration and returning empty homes to use

Urban areas with low or combination high and low demand, like Glasgow and Leeds, cite regeneration as a priority supported by CLH. For low demand areas, such as Liverpool and Hull, investment through returning empty homes to use had a major impact on communities in improving confidence and reducing anti-social behaviour, attracting further investment and new residents, and transforming neighbourhoods. Bringing empty properties, both residential and commercial, into domestic use helped to reduce the shortfall between new homes built and new homes required.



### 3. The Case for Supporting Community-Led Housing

#### 3. Empowering communities so that they became more self-sufficient

CLH was seen by both urban and rural authorities as supporting the empowerment of communities so that they became more self-sufficient, cohesive, resilient and sustainable.

In rural areas, CLH was seen as helping to encourage mixed tenure schemes not only to enable local people to remain in their area but also to maintain the viability of the community. It helped to ensure local shops, amenities, schools and services remained viable and assisted local employers with the recruitment and retention of their workforce. CLH enabled support networks to be created and maintained, as people with a local connection were not priced out of their community.

In urban areas, CLH was seen as supporting the creation and sustainability of mixed communities, improving the quality of housing and neighbourhoods, and empowering communities to make decisions about their areas. A CLH organisation could act as a community anchor, in some instances even developing and managing social enterprises such as recycling centres, GP facilities and child care, and managing community facilities like shops, cafes and work spaces.



#### 4. Involving residents in addressing housing need

Both urban and rural authorities wished to see communities involved in meeting their housing needs and assisting councils to bring forward new market and affordable schemes. CLH was seen as strengthening the neighbourhood planning process (see next page).

At a time of unprecedented pressure on public spending and a growing population of older and vulnerable people, local authorities are seeking ways of managing demand for support services. Some authorities in both rural and urban areas saw CLH schemes as **enabling older people and vulnerable people to be supported**, or even to look after themselves, more effectively in the community. This was because CLH schemes provide homes for them and members of their support network, and because they create mutually supportive communities.

Collaborative resident-led and community-based housing for older people has been reported as promoting residents' enhanced well-being and reduced dependence as they have a key role in decision-making and the chance to be part of active and self-sufficient communities that engender mutual care and support<sup>6</sup>. Community-led organisations have **developed** or **procured** schemes for social or affordable rent to meet a local need. The potential of such accommodation has not been fully realised, but some authorities reported interest in exploring CLH as a way of reimagining sheltered accommodation, and enabling **cohousing schemes** for older people or to support people with learning disabilities.

<sup>6</sup> For case studies see: Growing Older Together: An Overview of Collaborative Forms of Housing for Older People, Jon Stevens Housing Learning & Improvement Network March 2016 [https://www.housinglin.org.uk/\\_assets/Resources/Housing/Support\\_materials/Reports/HLIN\\_Growing\\_Older\\_Together\\_Report.pdf](https://www.housinglin.org.uk/_assets/Resources/Housing/Support_materials/Reports/HLIN_Growing_Older_Together_Report.pdf) and Growing Older Together: the Case for Housing that is Shaped and Controlled by Older People (2013) by Jon Stevens Housing Learning & Improvement Network, pp. 6-7 <http://www.housingcare.org/downloads/kbase/3308.pdf>

### 3. The Case for Supporting Community-Led Housing

Other benefits of CLH include:

#### Supporting Neighbourhood Planning

Some authorities reported that co-operative and community-led approaches could support neighbourhood planning. Overall, 270 plans have been adopted, mostly in rural areas. DCLG is encouraging more plans in deprived urban areas. Some rural authorities see CLH as a way of strengthening the neighbourhood planning process and enabling communities to achieve their aspirations enshrined in their neighbourhood plans. They promote CLH as part of neighbourhood planning or, in one case allocate funding to support parishes to develop CLH proposals, in one case, linking it closely to a 'neighbourhood plan light' approach. Stevenage has developed a co-operative neighbourhood planning model to increase community engagement in regeneration proposals.

#### Empowering tenants to control management of homes to high standard

Member control can result in high standards in housing management and tenant satisfaction. Co-operative and mutual housing models were recognised in 24 Housing's top 50 social landlords list in August 2017, with the Community Gateway Association in Preston named the **best UK housing association**, with tenant arrears at 0.80%, tenant satisfaction at 92.5% and repairs satisfaction at 95.6%.

**Research** by the Confederation of Co-operative Housing with seven mutual housing associations, all created through local authority stock transfers, showed that the membership framework delivers value and ensures accountability, ensuring the residents' voice is heard and enabling service users, staff and board members to work in partnership to achieve objectives they have defined. This includes acting as a community anchor, through providing employment support, skills development and community facilities, as well as developing new homes.

#### Leveraging resources

CLH can help to increase investment in the local economy, acting as a delivery vehicle for growth and stimulating the opportunity for a social return through sustainable local supply chains. The use of local labour means that investment in building homes creates local jobs in the building industry and stimulates the local economy.

In areas of market failure, local investment and community commitment to address local needs can increase confidence in the neighbourhood and attract further investment.

Existing community organisations may have substantial assets which they can use to access commercial loans. They may also access finance not available to other developers from social lenders and charitable funds. Some raise money through crowdfunding or community bond issues. For more detail, see 'Financial resources and funding' in Chapter 4.







# CASE STUDY: BRISTOL CITY COUNCIL

## **Community-led housing as a delivery route that contributes to ambitious housing targets**

Bristol City Council (BCC) believes that decent affordable homes are the foundation of a successful city and the most effective way of addressing inequalities. It supports community-led housing (CLH) because it gives residents the opportunity to get involved in addressing local housing needs and assisting the council to bring forward new market and affordable housing schemes. The Mayor of Bristol's aspiration is for CLH to start developing 300-500 community-led homes over the next five years.



## CASE STUDY: BRISTOL CITY COUNCIL

Bristol's Local Plan has allocated 226 hectares of land for mixed use housing development. Its **Business Plan 2017-18** commits to building 2,000 new homes – 800 affordable – a year by 2020. One measure to achieve this is to support CLTs, community development trusts, local builders and self-builders on identified council and private sites, to build more homes appropriate to the neighbourhood, creating more mixed and balanced communities.

In 2011 BCC helped to establish **Bristol Community Land Trust (BCLT)**, providing capacity funding for a development worker and seed corn finance. It made a surplus council site available at a discounted value to assist the CLT to develop 12 homes for shared ownership and affordable rent. The next project is for 50 homes. As a registered provider, BCLT receives HCA funding and plans to join the Homes West Partnership to access enabling funds from BCC to build new affordable homes to rent. BCLT acts as an umbrella group for other CLTs and a conduit for Homes and Communities Agency (HCA) and council grants.

The Council works with a range of partners to support the development of CLH, including BCLT, a development trust, community groups and self-build collectives.

It supports new CLH groups by providing capacity funding and offers groups 12 month exclusive options to purchase council sites at market value. This permits them to secure additional finances to develop new homes.

A new single, multi-disciplinary housing delivery team in BCC will provide a single point of contact for all delivery partners. It is engaging with CLH groups and small and medium-size enterprises to see what policy changes and guidance will help them deliver more effectively. An affordable housing policy is being prepared as part of the Local Plan to make land available for community-led development at scale. It may include a provision to allow a developer to offer to CLH a percentage of plots for shared equity affordable housing, in lieu of making on-site provision for intermediate affordable housing. These plots may be offered en-bloc to CLH groups.

The development of CLH in Bristol will also be supported by a Community HUB funded by **Power to Change**. This will act as a resource centre for CLH and a single channel in negotiations with the council on areas such as policy development.

[LINK TO FULL CASE STUDY](#)







# CASE STUDY: HULL CITY COUNCIL

## Working with community-led housing organisations to deliver urban regeneration

Hull is an area of low housing demand, with high levels of empty homes in concentrated areas of the city, as well as low wages and high unemployment. The council's strategic vision and investment, combined with the local knowledge and social value of the community-led housing (CLH) groups, returned 576 empty homes to use in 2012-15 and transformed neighbourhoods.

## CASE STUDY: HULL CITY COUNCIL

Hull City Council (HCC) set up a community partners group of small registered providers (RPs) and community-led development organisations such as **Giroscope** and **Goodwin Development Trust** that refurbish empty properties.

The aim was to support groups in funding bids, to help provide focus and targeted areas to address and to share experiences and best practice. Through investing in the streetscene and frontage renovation, and involving communities in empty homes regeneration, confidence in neighbourhoods increased, attracting further investment and new residents.

In the past HCC has made council properties available to CLH organisations for refurbishment. Less surplus stock is available now, but it has been able to assist with identifying empty properties and mediating between the owners and CLH groups

to bring them back into use. It is considering identifying land available to encourage community and self-delivered schemes.

The biggest barriers for HCC are the lack of staff time for partnership work, and funding. Since DCLG community development funding ended in 2015, there is a lack of grant funding to make schemes work in high priority areas due to the low property values.

HCC established a Right to Buy Replacement Programme Grant using surplus receipts to invest in affordable housing through RPs and community-led development. It recently used its prudential borrowing facility to provide a community organisation with a development finance loan of c£3m for a new build project. However, these resources are insufficient to deliver at the scale needed.

[LINK TO FULL CASE STUDY](#)







# CASE STUDY: ROCHDALE BOROUGH COUNCIL

## **A co-operative project to refurbish a community amenity and provide homes**

Denehurst House is a former mill owner's residence, located in the middle of a municipal park and now in the Council's ownership. A community group, Friends of Denehurst Park, have been dedicated to restoring original features of the park and developing it as a community resource for all. The house will be refurbished by Groundwork, a registered charity, to return the property to use, creating five residential flats, a space for community groups and a café. Groundwork is providing training opportunities for long-term unemployed people and care leavers who are currently being recruited to work on the project. Some of the trainees will be allocated flats in the building; others may benefit from employment opportunities in the café. Work will start in 2018.

The project is being funded by Homes and Communities Agency empty property grant and a capital loan from the Council, to be repaid from rental income. The Council is granting a 20 year lease of the property at a peppercorn rent. Once the refurbishment is completed, it is envisaged that the building will be managed by a Management Board made up of project residents, Friends of the Park, Groundwork, the café operator and Council representatives. The intention is to constitute the project as a Community Interest Company to be run as a co-operative for the benefit of the residents and the wider community who use the park.





# CASE STUDY: STEVENAGE BOROUGH COUNCIL

## Co-operative neighbourhood planning to support regeneration and new homes

Stevenage Borough Council (SBC) is a New Town with a growing population and a housing register of over 2500 families. Its pioneer residents had the expectation that their parents would be able to join them in Stevenage on retirement and their children would be able to remain in the area by being rehoused in council homes. SBC's ability to meet this demand is challenged by the three-quarters reduction of its council housing stock due to RTB, from over 30,000 homes in the 1960s to just over 8000 now. It has a lack of developable land. Like many New Towns, it was built with very tight urban boundaries to ensure the town did not spread into the surrounding countryside. Within its boundaries it lacks brownfield sites, other than a few small sites such as disused pubs.



## CASE STUDY: STEVENAGE BOROUGH COUNCIL

SBC decided to develop a co-operative neighbourhood planning model, more suited to its community engagement model. The model is based on using existing community groups and supporting them with capacity building to reach out to the wider community, so that the planning exercise engaged as many people as possible, especially those who would not normally get involved. It was piloted for a neighbourhood regeneration scheme in Pin Green ward. Pin Green Residents Association and Friends of

Hampson Park supported a number of events where those attending were able to contribute to the planning exercise. A Teddy Bear's Picnic with a number of attractions for families attracted over 700 people, many of whom talked to the team of residents who were seeking their views on the development of their neighbourhood. There was also extensive discussion with the businesses at the old neighbourhood centre and the staff and groups using the old community centre.



This has resulted in the redevelopment of the neighbourhood centre with two new shops and the redevelopment of the community centre at a new site in the park as requested by the residents. This relocation freed up more land for the new council homes. The extra 12 flats increased the size of the scheme to 30 homes and made it financially viable through realising an additional £2.2m capitalised rental income.

The new community centre sits alongside a children's park designed and developed by local children and a public skate park designed by local young people who now feel a strong sense of ownership of the skate park.



# CASE STUDY: CORNWALL COUNCIL

## Community-led housing as a major delivery vehicle for housing and economic growth

Cornwall Council (CC) sees CLH as a major delivery vehicle for housing and economic growth. Through supporting the setting up of an umbrella Community Land Trust (CLT), **Cornwall CLT**, and providing revolving loan finance, affordable homes have been created for local people priced out of the housing market.



## CASE STUDY: CORNWALL COUNCIL

CC is a rural authority with some large settlements. It is an area of very high housing demand, where many homes are sold to second home, investment and retirement housing purchasers. There are high house prices but low wages, and no significant private rented sector.

CC is very clear that it needs to use all possible delivery vehicles to encourage housing growth. CLH helps CC to deliver its **Local Plan** and provide desperately needed affordable housing, as well as housing that is generally more affordable to local people. CLH also supports economic growth, not only in the construction phase but through providing affordable housing that aids labour market flexibility. CC contributed funding to set up Cornwall CLT, which has developed nearly 200 affordable homes, either on its own or through supporting new CLTs as an umbrella organisation.



CC works closely with local CLTs (the umbrella organisation and local groups) and a range of housing associations active in CLH. It supports CLH through:

- **A supportive policy environment:** the **Affordable Housing Supplementary Planning Document** affirms that the Council supports the development of CLTs to meet local housing needs
- **Enabling support:** a team enables and supports community groups to provide their own homes – and a new delivery team will unlock custom/self-build opportunities and help communities deliver their neighbourhood plans.
- **Identification of sites:** CC is working up a pipeline of sites for CLH groups to take forward.
- **Funding:** CC provides a revolving loan facility. Its £5.1m Community Housing Fund allocation will boost CLH output through building capacity in Cornwall Rural Housing Association and Cornwall CLT and unlock five stalled sites with early stage feasibility funding to groups. A community site remediation fund will unlock further brownfield sites for CLH, and capital funding will enable the construction of two CLT sites. A loan facility will help custom-builders and self-builders provide new homes.

[LINK TO FULL CASE STUDY](#)

# 4. How Community-Led Housing comes into being

## Inception

### Group-led

New community-led groups are formed by local people in response to local housing need, or to deliver their own homes. They often emerge from existing networks such as neighbourhood forums and parish councils or local housing campaigns.

Often comprised of local volunteers, the group will usually require technical assistance and support to set up and develop their project. Help and advice is available from **national CLH support organisations** and, where available, a local CLH enabler, who support the group throughout the process, broker partnerships and provide assistance on matters including financial, legal and planning issues, project and risk management, and partnerships.

Almost all CLTs and cohousing groups have been established as group-led schemes. Other innovative CLH schemes developed in this way are **LILAC** in Leeds and **Ashley Vale** in Bristol.



LILAC IN LEEDS



ASHLEY VALE



LILAC IN LEEDS



## 4. How Community-Led Housing comes into being

### Existing community organisations

Existing community-based housing organisations with local roots can decide to develop more homes adding to their stock, or non-housing organisations can branch into housing for the first time.

Community-based organisations with an existing asset base, whether housing or other physical assets, can use this to leverage funding to provide homes. This also applies to existing self-help housing organisations working to return empty homes to residential use. Tenant Management Organisations (TMOs) may be managing homes for local authorities and housing associations which are associated with sites with development potential. Unless an organisation already employs staff with the necessary skills, it may need to work with a CLH support organisation to develop the homes.

Community businesses and community anchor organisations across the country are often keen to get into housing but they may need encouragement to do so, including support from a local authority. However, they may already have an asset base and revenue stream, management experience, and a fit-for-purpose legal framework, so they could get moving more quickly than a group forming from scratch. They are also likely to continue developing more homes, using the learning from their first housing project.

### Developer-led partnership

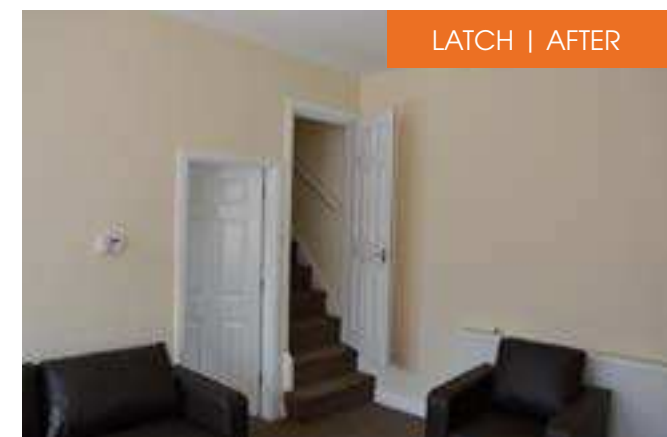
A local authority or housing association may decide that a development or part of a development, is to be CLH. It recruits founder members from the community (sometimes identified through the local authority housing register) and supports them to

take over ownership or management of the homes when they are completed. Some members would otherwise never have considered getting involved. Some housing associations and local authorities will recruit and train founder members while others will work with a national CLH support organisation to do this. This approach is sometimes referred to as a 'top-down meets bottom-up' approach. It can be a relatively quick way to develop CLH. Other developers may also consider this route.



**Bushbury Arms**, Wolverhampton: 38 affordable rented homes were developed on the council estate by TMO Bushbury Hill Estate Management Board with RP The Wrekin Housing Trust.

**Leathermarket JMB**, a TMO, developed 27 new affordable rented homes on their estate in partnership with Salford Council. By involving its tenants at all stages it secured their support.



**LATCH** (Leeds Action to Create Homes): empty homes refurbished by its direct labour force, trainees, and unemployed volunteers, who gained skills and work experience. It secured grants from various sources and loan finance from Ecology Building Society raised on the back of its growing asset base to purchase additional properties, while funding a supported housing service from rental income and a contract with Leeds CC.



# CASE STUDY: REDDITCH BOROUGH COUNCIL

## Adopting a 'top down meets bottom up' approach to develop co-operative housing in England

Redditch is a former New Town in the West Midlands. Within commuting distance of Birmingham, it combines areas of affluence with pockets of deprivation and unemployment.

With a long tradition of successfully managed council housing, Redditch Borough Council's (RBC's) preferred option had always been to provide social housing through its own housing stock. As that option ceased to be viable, about 800 homes were built in the borough by housing associations in the 1990s. However, with none of those associations providing local service delivery, the Council ran a competition in 1998 to recruit a housing association partner that would offer higher levels of local democratic accountability through locally provided services and a local office base.



## CASE STUDY: REDDITCH BOROUGH COUNCIL

The Council chose Accord Housing, a Black Country based housing association with a subsidiary partner - Birmingham Co-operative Housing Services (BCHS) – which provides services to West Midlands housing co-operatives. Accord brought their development expertise and their financing capacity alongside the skills and knowledge to develop co-operative housing groups from BCHS.

Five local neighbourhood housing co-operatives have since been developed in Redditch, managing nearly 500 homes between them. Initially benefitting from competitively priced local authority land, developing the co-ops demonstrated that it was possible to develop community-led housing where there was no pre-existing interest or knowledge of co-operative housing in the local population. With all member residents nominated to their homes by the Council, initially half were pre-allocated to enable development of the co-operative housing groups during the scheme development period, supported by Accord through BCHS. This approach was replicated when further new schemes were initiated. This meant that the fledgling co-ops were able to input into scheme design and to customise individual homes. Once the co-ops have been initially established, the Council uses a more conventional approach to its nominations to the co-op.



The co-ops have recurring seven year leases with Accord, enabling them to issue tenancies to their member tenants. They have management arrangements with Accord to provide services to them through a local office in the borough. Initially all of the co-ops' homes were socially rented, but the flexibility of the model has subsequently enabled the development of shared ownership homes in some co-ops.

With more than half of the members involved in each of the co-ops, the Redditch approach has generated considerable benefits. Service provision statistics compare favourably against local benchmarks, and satisfaction statistics are high (an average of 93.5%). More importantly, the Redditch co-ops have been about developing supportive local communities, particularly in Breedon Co-op's schemes for the over-60s. For the younger residents, the Redditch co-ops have enabled them to build their skills and confidence, with several finding work as a result of their co-op membership.

[LINK TO FULL CASE STUDY](#)





# CASE STUDY: CARMARTHENSHIRE COUNTY COUNCIL

## Adopting a 'top-down meets bottom up' approach to develop co-operative housing in Wales

Carmarthenshire County Council (CCC) decided to take part in the Welsh Government initiative to test how a co-operative housing scheme could provide homes for local people. The **Old Oak Housing Co-operative** was initiated by CCC as a pilot scheme. The Council received advice from the Welsh Co-operative Centre and capital subsidy from the Welsh Government.





CCC chose Gwalia Housing Association (now part of Pobl Group) to build the homes. The land was sold to Gwalia on favourable terms, which allowed the scheme to go ahead. The Council promoted the concept of co-op housing locally, and sent a mailshot to families on its Housing Choice Register to identify potential co-operators. Gwalia worked with the Confederation of Co-operative Housing

through the Wales Co-operative Centre support programme to develop the co-op and train members to take on the management of 27 intermediate rent homes.

CCC sees co-op housing schemes as making an important contribution towards its strategic aim of providing a range of affordable housing options. Its five year **delivery plan for affordable homes** gives the Council the opportunity to

adopt a co-op approach where appropriate. To make co-op housing mainstream, CCC considers that authorities will need to learn from the pilot schemes and focus on two or three alternatives which work. This will make future schemes easier to fund. The Welsh Government funding was essential to make the scheme viable.

[LINK TO FULL CASE STUDY](#)



# CASE STUDY: LEWISHAM COUNCIL

## Supporting community-led housing as part of a mixed-market approach

Lewisham Council (LC) is an urban authority with high housing demand and rising homelessness. There is a lack of affordable housing, with house prices and private sector rents both rising. LC sees community-led models as part of a wider-mixed market approach. The Council committed in its **housing strategy 2015-20** to support community-led development and is now working with two CLTs to deliver 50 affordable homes for local people priced out of the market and in housing need.



## CASE STUDY: LEWISHAM COUNCIL

LC considers that CLH projects have the capacity to overcome some of the challenges typically encountered in developing new homes. They help to develop smaller, complex sites that larger organisations find uneconomic. They engage local communities very effectively and offer a way of managing local concerns over residential development. They maximise shared community spaces to enable denser developments providing more homes, and are one of the few ways of providing homes that are guaranteed to remain affordable.

For its Church Grove community self-build scheme, LC selected CLT **RUSS** as the enabling developer to support the self-builders and leased a council site to it at a peppercorn rent. The site has access, flood risk and contamination problems and would have provided nine homes if sold, but the scheme will provide 33 affordable homes (five social rent nominated by the Council,

28 shared equity selected by ballot). The £6.2m cost of the scheme is being met through a combination of grants and loan finance and £1m of self-build labour. The CLT will retain a minimum stake of 20% in all the homes to ensure that they remain affordable in perpetuity.

The **Brasted Close community-led development** will provide 10-15 homes on a council garage site previously marked for council-led infill development. London CLT and Lewisham Citizens engaged with local residents to develop the plans. LC will transfer the site to the CLT, which will commission the development. The sale price of the homes will be linked to median incomes in perpetuity; residents will sign a contract with the CLT to ensure that when homes are sold on, the value will be at a similarly affordable level.

[LINK TO FULL CASE STUDY](#)



## 4. How Community-Led Housing comes into being

### Delivery

#### New build

There are various ways of delivering new CLH homes. Generally, the higher the level of control and ownership a CLH group adopts, the higher the responsibility and risk.

**Group-led schemes:** can either be delivered by local communities themselves, if they have access to the necessary expertise, or they can be delivered in partnership with a developer, often a housing association. There are many examples of local communities (usually through CLTs) delivering their own housing themselves without any form of partnership. They may have a range of 'in-house' professional skills at their disposal and/or access to technical advice. There is no 'one size fits all' approach. Each group-led scheme is different and each involves an assessment of financial risk, procurement options and the level of involvement the group requires at each stage of the delivery process. Partnerships between housing associations and communities on group-led schemes are fairly common. In these circumstances the group may initiate the project, find and purchase the land but partner with a housing association or other developer to deliver the scheme and receive a ground rent. This reduces the financial risk for the group.

**Developer-led schemes:** Local authorities, housing associations or other developers raise the development finance and obtain planning permission, and organise the design and construction of the homes. The CLH scheme may be part of a larger development and there may be an element of cross-subsidy to ensure the CLH is affordable.



Once the scheme is completed, there are a number of arrangements to be made. In some cases responsibility regarding allocations, management and maintenance of the homes may be agreed between the developer and the CLH group, making clear the skills that the group need to develop to be successful. Alternatively the CLH group may lease the scheme from the developer.

**A design and build commission:** The CLH group employs a builder to design and build the homes. The builder is responsible for compliance with regulations and project management with the group responsible for contract management, ensuring the work is completed safely, to standard, within budget and to time. The CLH group is also responsible for allocation, management and maintenance of the homes, unless it arranges for a provider to deliver some or all of these services.

**Community self-build:** The CLH group builds part or all of the housing scheme, giving them a large degree of influence over the design and construction of their homes, developing both skills and a strong and cohesive community. The labour that members put into building the homes gives them a 'sweat equity' which is reflected in the percentage of the property they own. They pay rent for the remainder. Many community self-build schemes involve an enabling developer to co-ordinate the development finance and carry much of the development risk.



## 4. How Community-Led Housing comes into being

### Renovation/conversion of existing buildings

Returning empty homes and buildings to residential use through self-help housing is a good 'entry level' route into CLH and is generally less reliant on local authority support than new build CLH. There can be major benefits for local authorities and important ways in which authorities can support this work. The process comprises:

- **Working with a group:** A community anchor organisation may already exist and be well-placed to get involved. Otherwise, a group may need to be formed with a legal identity. A number of existing community organisations started up in this way but now are very experienced in returning properties to use and have developed significant financial and managerial resources.
- **Securing a property:** Newly formed organisations may be able to lease properties that are redundant or in limbo at a low or peppercorn rent. Liverpool City Council transferred assets for £1 (see below). Existing organisations may have the resources or be able to raise loans to purchase, as well as lease, empty homes. Sources include empty council or housing association-owned stock, voids owned by other public bodies, such as an NHS Trust or the Ministry of Defence and privately owned empty homes. Local authorities assist with the exchange of information on empty homes.
- **Funding:** It may be possible to raise loans for refurbishment against future rental income. Existing organisations may have an income stream from rents and assets against which to raise loans to fund the refurbishment.



- **Planning permission:** Very often it is not required. If it is required, it is usually where the property is being extended beyond certain limits or the use of the building is being changed, e.g. from commercial to residential.
- **Refurbishment:** It is possible to take a flexible approach, either by employing a local builder to carry out the refurbishment and leaving the group with responsibility for project management, or by adopting a self-help approach by using trainees and volunteer labour (sometimes homeless or unemployed people) to develop their skills, along with input from specialist contractors.





# CASE STUDY: LIVERPOOL CITY COUNCIL

## **Working with community-led housing to engage communities in neighbourhood regeneration**

Liverpool City Council (LCC) is an urban authority where low demand has contributed to housing market failure. Recent population growth is beginning to stabilise the market. LCC considers that CLH supports its strategic priorities by increasing choice, creating more sustainable neighbourhoods and reducing vacancy rates. It also improves the environment and enhances equality and diversity.



## CASE STUDY: LIVERPOOL CITY COUNCIL

Most homes created by CLH schemes are produced through the refurbishment of existing homes, although co-operatives have delivered new build schemes in the past. The Council provides land for CLH and transfers properties it previously acquired to CLH organisations for £1. It also provides advice and support. It is a condition of the disposal of land and properties that the homes created are affordable. LCC is keen to ensure a mix of affordable rent and low cost home ownership options.



### Granby Four Streets Refurbishment

The Council is working with CLH organisations and others on the regeneration of Granby, a neighbourhood blighted for decades by empty and derelict dwellings. Following a series of stalled regeneration initiatives, LCC chose a different way of delivering housing renewal. In partnership with a range of stakeholders, it launched a £14m project in 2014 to return 110 empty properties to use.

**Granby Four Streets CLT** was established in 2011 as a vehicle for involving local people in the regeneration of Granby. It has acted as a catalyst, encouraging other organisations to commit to the area and attracting funding. Working with architecture collective Assemble and developer Steinbeck Studios, the CLT refurbished 11 empty properties that LCC transferred to it. It has produced homes for affordable rent and shared ownership and is due to refurbish six more properties. The CLT have made some of the refurbished properties available for sale using a resale covenant based on median wage levels. This is only the second such scheme in the UK and is an innovative mechanism for keeping these homes affordable in perpetuity.

The CLT has also established a community street market. It has secured Arts Council funding to convert two properties into a winter garden and space for artists and crafts persons. **Terrace 21 Housing Co-op** was formed to undertake a self-help housing project to refurbish five derelict houses.

Two Registered Providers (RPs) are also involved – Plus Dane Group and Liverpool Mutual Homes, a not-for-profit tenant led housing association. They have refurbished 62 homes, transferred to them by LCC. The RPs match-funded government Clusters of Empty Homes grant. LCC is also running a £650,000 frontage improvement programme for 34 private home owners in the area. The Council makes the upfront capital commitment and places a charge on the property, which is repayable if it is sold within ten years.

The Granby Four Streets programme has attracted worldwide recognition and Assemble won the 2015 Turner Art Prize for its work in Granby CLT.

[LINK TO FULL CASE STUDY](#)



## 4. How Community-Led Housing comes into being

### Financial resources and funding

A diverse range of funding sources and finance are available to support the revenue and capital costs of developing CLH. Access to grants and finance across all stages of the CLH development process is uneven, particularly grant funding for the early stages of housing projects.

Some authorities with dedicated officers assist CLH groups with their funding bids. The Technical Toolkit will set out the sources in detail. Several CLH support organisations and emerging regional support hubs can advise CLH groups. See **Chapter 6 'Where you can get help'**.

#### 1. Revenue funding for start-up and pre-development costs

This funding covers support for developing the CLH group, developing a proposal that can attract investment, through to site surveys and getting planning permission. Some revenue costs for CLH development can be capitalised once it is clear that the scheme will proceed.

- a) Public funding includes, in England, the DCLG Community Housing Fund (see box on next page) and DCLG Community-led Buildings Pre-Feasibility and Project Support Grants (through [Locality](#)). The Wales Co-operative Centre provides revenue funding for project development.
- b) National charitable funding is available for schemes of community benefit to support group start-up and pre-development costs from programmes such as the [National CLT Network](#) and [Power to Change](#). Each has its own eligibility criteria.
- c) Loan finance for revenue expenditure is limited in availability, [with a few exceptions](#). CLH groups that have yet to secure a site experience particular difficulty in accessing loans.
- d) Local grants and charities may support CLH groups in the early stages of their projects.



## 4. How Community-Led Housing comes into being

### 2. Capital funding for development costs

This funding covers the cost of buying the land or acquiring the buildings and developing the homes, though each funder and lender sets out what activities they will support.

- a) **Public capital grant and loan finance:** Most public capital funding for affordable housing is not specifically for the CLH sector and is usually accessed through local authorities and registered providers (RPs) in England/registered social landlords (RSLs) in Scotland and Wales, where they are working in partnership with CLH groups. Some CLH groups have accessed funding by becoming an RP or RSL themselves. The main programmes are set out below by country.

#### England

- DCLG's Community Housing Fund may be used by local authorities as capital funding (see box)
- Homes and Communities Agency (HCA)'s Shared Ownership and Affordable Homes Programme 2016-21 for local authorities, RPs and Investment Partners (grants), and £3bn **Home Building Fund** (loans)
- **The Mayor of London's Homes for Londoners Affordable Homes Programme 2016-21** includes a specific fund for delivering affordable housing in an innovative way.

#### Wales

- The Housing and Regeneration Funding Framework, is allocated through local authorities and may be accessed by RSLs
- The Welsh Government is providing capital funding for co-operative housing schemes.

#### Scotland

- The Scottish Government administers both the **Affordable Housing Supply Programme**, except in Glasgow and Edinburgh, and the **Housing Infrastructure Fund** to support local authorities and RSLs to deliver affordable housing. Its **Empty Homes funding** helps to return disused commercial properties and empty homes to use as affordable housing.
- Council Tax second homes discount funding supports affordable housing development.
- City region deals between the UK Government, Scottish Government and local authorities enable long term investment in areas including housing and infrastructure.
- The 2016-19 **£25m rural and £5m island housing funds** can support community organisations and development trusts to provide affordable housing.

- b) **National charitable funding: Power to Change's Community Business Fund** (from 2018).

- c) **Social lenders:** A range of social lenders, including Ecology BS, Charity Bank, Triodos Bank and Unity Trust Bank are willing to lend to CLH schemes with viable business plans. There are other social lending programmes that support the capital costs of developing affordable homes with loans of up to 100%.

- d) **Other financial institutions** do not normally lend to CLH organisations without a track record of management. However, those CLH schemes being developed with housing association partners can lever in finance through the housing association.

### DCLG Community Housing Fund (England)

The Fund was first launched in December 2016 and, for the 2016/17 financial year only, £60m in grants was awarded to 148 local authorities in England which were particularly affected by local affordability issues or high rates of second home ownership.

The programme is being relaunched in January 2018 on a different basis: any appropriate organisation – including local community groups, registered providers and local authorities – will be invited to apply for capital and revenue grants to support community-led housing. Revenue funding will be available for a wide range of uses including pre-development costs, technical support and capacity building for community groups. Capital funding will be available for site acquisition, and construction or refurbishment costs. £60m a year will be available up to and including 2019/20.

The capital and revenue grant funding programme will be delivered by Homes England (formerly the HCA). Details will be set out in a prospectus in January 2018. DCLG may also directly support the development of a network of local advisory organisations to support community groups in bringing projects forward.



## 4. How Community-Led Housing comes into being

### 3. Other types of funding raised by CLH groups

CLH groups and organisations can raise funding and finance in a variety of ways:

a) Loan Finance	<ul style="list-style-type: none"><li>• Using existing homes as collateral some CLH organisations are able to raise mortgage finance from lenders mentioned above</li><li>• Some CLH organisations have built up a significant asset base</li></ul>
b) Community Share Issues and Loanstock	<ul style="list-style-type: none"><li>• Some CLH schemes raise funding through community shares or loanstock. <b>Leeds Community Homes</b> raised £360,000 to buy 16 affordable homes. Shares can also benefit from <b>match funding</b>. Co-operative network Radical Routes runs an <b>investment scheme</b>.</li></ul>
c) Fundraising	<ul style="list-style-type: none"><li>• Crowd funding can support pre-development costs</li></ul>
d) Member personal equity	<ul style="list-style-type: none"><li>• Some members of CLH groups sell their current home or assets to join a CLH scheme</li></ul>
e) Labour	<ul style="list-style-type: none"><li>• In self-build CLH schemes members can reduce costs by contributing their labour, sometimes known as 'sweat equity'</li></ul>
f) Cross-subsidy	<ul style="list-style-type: none"><li>• Many CLH schemes sell a proportion of homes developed at full market value, to ensure some homes are affordable</li></ul>

### 4. Funding for infrastructure

There are currently two programmes dedicated to strengthening the local enabling infrastructure for CLH available at the county or sub-regional level. It is recognised that support currently available for CLH across the country is uneven.

#### Power to Change (England)

Power to Change's Community-led Housing Programme will invest in the development of local enabling support in five focus areas in England and, in these areas, will also award funds to support pre-development costs for community business-led housing schemes. Alongside this it will work with other funders to rationalise funding across the whole process of delivering CLH in all its forms. An initial £1m programme of work is underway in 2017 in Bristol and Leeds, with a further programme anticipated starting in 2018.

#### Nationwide Foundation

The Nationwide Foundation's Backing Community-Led Housing programme offers funding to strengthen the infrastructure of the CLH sector to enable the sector to build more homes and bring empty properties into use as homes. It will fund organisations that provide the information, support, advice and technical expertise that is needed for a project to progress.

There are important ways in which local authorities provide **financial assistance** and other resources for CLH. These are set out in Chapter 5 'How Local Authorities can support CLH'



## 5. How local authorities can support Community-Led Housing

In their evidence to the Housing Commission, local authorities reported different levels of knowledge, understanding and expertise on CLH. The time and resources that they could devote to it varied considerably.

How authorities encourage or enable CLH, and the contribution that CLH can make to local strategic priorities, will depend on authorities' circumstances, which vary hugely across the country:

- whether they are an area of high or low housing demand
- whether they are urban or rural authorities
- whether they own housing stock and land.

This chapter sets out the main areas where local authorities can support the development of CLH. Detailed guidance on how to resolve technical issues is contained in the Technical Toolkit (mentioned in Chapter 6 'Where you can get help') along with other sources of further guidance.

The case studies throughout this report show how CLH can positively support the development of new housing in very different housing markets, for example urban Brighton & Hove, Bristol, Lewisham and Redditch and rural Cornwall and East Cambridgeshire. They also show how CLH can support empty homes regeneration in areas that have experienced housing market failure, such as Hull and Liverpool.



## 5. How local authorities can support Community-Led Housing

### Barriers for local authorities

Research identified barriers to local authorities enabling CLH. The most frequently cited were:

- Land availability
- A lack of discounted council land, and budgetary pressures leading authorities to seek the maximum capital receipt on the sale of assets
- The scarcity and high cost of developable land in the area - even if active CLH groups existed
- A lack of capacity, in terms of officer time or expertise, to work with CLH groups on proposals
- A lack of financial resources for grants to enable CLH groups to develop and contribute to capital costs of development
- A lack of awareness and thus demand from CLH groups or a lack of information on potential demand.

Some authorities reported that they had little capacity to develop CLH given budgetary pressures and other priorities. Their priority was to focus resources on building at scale to meet high housing demand and reducing spending on temporary accommodation for statutory homeless households.

Homeless families were regarded as disinclined to be part of a co-op. CLH schemes were regarded as requiring a lot of input over a long period of time and yet contributing marginal numbers. In this sense CLH was seen as a luxury. Stock-holding authorities that were developing more social housing did not consider that CLH could contribute to this objective on a large scale. Any projects they supported were small scale.



CLH organisations attending Housing Commission evidence sessions reported the following barriers in respect of their dealings with local authorities:

- Difficulty in contacting a designated officer with expertise at the council to deal with and support groups and act as a champion for CLH across the council, and the lack of resources in many councils to employ such a person
- Getting people from different council departments to work together. Problems arose from the division of responsibilities within councils and the lack of a person with an overall vision

- Lack of accessible information about CLH policy and contacts on local authority websites
- Council processes for disposing of assets could favour larger developers in terms of timescales, the complexity of the sales process, and the value sought.

This chapter concludes with a summary of those barriers and approaches that local authorities could take to overcome them.



## 5. How local authorities can support Community-Led Housing

### Getting started

**Authorities with little expertise or capacity to support CLH may wish to:**

- Convene a meeting with relevant councillors, officers, housing delivery partners, third sector organisations interested in tackling the lack of housing, and community representatives to discuss the potential to develop CLH schemes
- Work with one of the national or regional community-led support organisations to suggest options at the meeting
- Explore whether existing or proposed schemes to be developed by the council or other housing providers could be facilitated in some way to have a community-led element.

Some authorities with little knowledge or experience of CLH reported using their Community Housing Fund allocation to appoint a resource to map demand for CLH, or give expert advice on developing strategies to enable CLH and assessing potentially suitable council owned sites.

**Where no apparent demand exists, a local authority may encourage CLH demand by:**

1. Identifying thriving/well-established community based organisations within their target areas and talking to them about housing as part of the enabling role of the council. Networks such as **NCVO** or **NAVCA** could help authorities to identify these organisations.
2. Connecting interested groups with others who have developed or refurbished housing through the CLH network, connecting them to expertise if they want to do it (for example by allocating some money to buy time from a housing association or a CLH support organisation, or setting up a strategic arrangement with one or more of these organisations).
3. Setting up arrangements with local housing associations.

Authorities, such as Brighton & Hove, Hull and Leeds, that have invested time into developing partnerships have reaped significant benefits in achieving their strategic priorities.







# CASE STUDY: CHICHESTER DISTRICT COUNCIL

## Gearing up support for community- led housing in a high value rural area

Chichester DC (CDC) has been developing its support for CLH over the past year. It sees CLH as a way of delivering homes for specific local needs which very few registered providers now deliver. Affordable homes developed will be affordable in perpetuity and secured through a s.106 agreement. As CDC develops a new housing strategy and reviews its Local Plan it will include policies and measures supportive of CLH.



## CASE STUDY: CHICHESTER DISTRICT COUNCIL

CDC employs a dedicated rural enabler and has been promoting the benefits of CLH extensively to parish councils and communities. A mapping exercise led to 26 initial expressions of interest, with eight committed groups now moving forward. CDC also offers grant funding for land acquisition and has allocated capital funding for a revolving loans pot for CLTs and RPs. A survey of parishes and community groups will identify the barriers to CLH and identify how best to support groups.

CDC is using its allocation from DCLG's Community Housing Fund to develop additional housing enabling and planning support, providing early stage support to new groups, feasibility and technical support up to planning permission stage and grants toward land purchase.

CDC is setting up a triage and support service, referring interested groups to Locality, a national network of community-led organisations. Locality will provide the group with a bespoke support package to move the project to the detailed feasibility stage. CDC will provide further technical support to gain planning permission and help deliver the housing.

The Council will set up a CLH Chichester District Forum to share information, facilitate peer to peer support and run workshops.

[LINK TO FULL CASE STUDY](#)







# CASE STUDY: CROYDON COUNCIL

## Getting going on the borough's first community land trust

Croydon's population has grown and is set to increase further, resulting in rising demand for housing, particularly affordable housing, as many residents cannot afford to rent or buy. Croydon Council has launched an ambitious house-building programme to boost the supply of new and affordable homes in the borough. In addition to delivering housing directly through its own development company (Brick by Brick) the Council has committed to working with Croydon Citizens and London Community Land Trust to explore opportunities for affordable housing delivery through a community land trust (CLT).

First, Croydon councillors and officers with members of local community organisations went on a fact-finding visit to the site of East London CLT. Next, the Council explored sites on its Shrublands Estate and consulted residents on which could be developed and what kind of housing they would like to see. Feasibility work for a scheme of around 20 units is set to commence shortly. If it is viable, a scheme can then be progressed through design, development and planning. This will include a formal land agreement between the Council and London CLT/Croydon Citizen's UK which is likely to involve the long term lease of land. As part of any scheme that comes forward the CLT would be responsible for building permanently affordable housing to meet local needs both now and in the future.





**Creating a supportive environment:  
leadership and policies that support CLH**

## **CASE STUDY: EAST CAMBRIDGESHIRE DISTRICT COUNCIL**

### **End to end support for community-led housing**

Making CLH a local authority corporate priority can transform the scale of activity by adopting an end to end approach to promote community-led development – from policy through developing in-house expertise, sharing good practice across groups to establishing a development company.

East Cambridgeshire DC (ECDC) is a rural authority with high housing demand. Proximity to the City of Cambridge contributes to high land values and the lack of affordable homes.



## CASE STUDY: EAST CAMBRIDGESHIRE DISTRICT COUNCIL

CLH is a priority because it enables ECDC to deliver schemes where and how communities want them, helping to create sustainable, vibrant places for people to work, live and play. People who may otherwise be priced out of the local area, benefit from the provision of affordable housing. Communities benefit by acquiring community assets and by ensuring their community remains sustainable.

The main barriers faced by local CLH groups are costs relating to start-up and pre-development, the lack of specialist knowledge, planning barriers and the lack of a suitable development partner. The main elements of ECDC's support for CLH address these barriers and are:

- **Leadership:** ECDC has a political champion for CLH and the CEO has a target of two new CLTs per year.
- **Funding:** ECDC provides a start-up grant fund offering £5,000 to new CLH groups and a revolving loan fund of £40,000 for pre-development costs.
- **Enabling support:** ECDC's local authority trading company hosts CLT East, a CLH enabler that provides two specialist CLT advisers who support CLH groups through their development journey.
- **Supportive policy environment:** A '**Community Led Development**' SPD seeks to enable CLH by explaining how planning applications for community-led development proposals should be prepared. The Local Plan encourages community-led development, with a presumption in favour of genuinely community-led projects which meet certain criteria.
- **Development support:** **Palace Green Homes** is the development arm of ECDC's local authority trading company. It provides CLH groups with a development partner with the skill and motivation to support joint community developments. Profits are reinvested back into the Council and public services.

[LINK TO FULL CASE STUDY](#)



## 5. How local authorities can support Community-Led Housing

### Leadership

Political and chief officer commitment to CLH is a fundamental first step, as seen in the Bristol, East Cambridgeshire, Leeds and Redditch case studies:

- a named political champion with power to implement a clear political ambition across departments
- an officer champion to link up the ambition, strategic direction and policy with the organisational processes that will make it happen. This will include the removal of internal barriers within the organisation.

### Policies supportive of CLH

Strategies provide an opportunity to define policy responses to CLH, identifying opportunities for CLH and enabling the sector to contribute to the achievement of the local authority's strategic priorities. Developing a supportive policy environment could include the development of enabling policies, and aligning planning, corporate asset management and housing policies to create opportunities for CLH schemes. These would be reflected in the standing orders and schemes of delegation, with training for staff to implement them. These could include:

- A housing strategy or delivery plan that ensures that CLH and not-for profit schemes are included as part of affordable housing delivery in the area. The Bristol, East Cambridgeshire, GLA, and Lewisham case studies provide examples.
- An empty property strategy, as in Leeds, that brings in extra resources to buy and refurbish empty homes through partnership work with CLH organisations.

- A housing allocations policy that raises awareness of CLH as a housing option, identifies people in housing need who are interested in forming part of a CLH group, and provides for local lettings policies for nominating applicants to CLH schemes.
- A self-build and custom housebuilding register that identifies potential founder members of CLH groups.
- Procurement policy, panels and frameworks that give CLH providers the opportunity to bid to develop a site, for example by allowing them exclusive 12 month options to purchase land enabling them to raise the finance, as outlined in the Bristol and Leeds case studies.
- A corporate asset management strategy that is aligned with the authority's strategic policy objectives and local spatial plan to enable it to determine the market value for a desired use of a site in its ownership.
- Planning policy that is supportive of CLH and guidance that clearly explains what CLH groups need to do to give their planning applications a good prospect of success.

### Land: making land available through planning policy

A local authority could take a strategic view of the potential of small and larger sites in their area for CLH and shape their planning policy accordingly. This could involve the proactive assessment of sites suitable for CLH and allocation of them in their local plans, as in the case of Brighton and Hove.



Even with no or limited land availability, an authority may assemble data on available land and existing empty buildings owned by the council and other public sector bodies. It could then work with CLH practitioners or local community organisations to see if CLH could be developed on these sites.

Some authorities have encouraged CLH developments through their local plans and associated affordable housing supplementary planning documents (SPDs). Bristol is preparing a policy to make land available en bloc for CLH through new affordable housing policy in its Local Plan. Some rural authorities are prepared to consider the development of affordable housing on rural exception sites. **East Cambridgeshire DC's SPD** has a presumption in favour of affordable CLH projects when considering proposals outside development envelopes.



## 5. How local authorities can support Community-Led Housing

### Land: providing local authority sites/ buildings through sale or asset transfer

A review of council land can uncover sites that are not of interest to larger developers, because they are too small, have complex conditions or do not fit mainstream approaches to development. These sites may present opportunities for a CLH scheme. Authorities with low housing demand, such as Liverpool or Middlesbrough, may transfer empty properties to CLH groups at nil or discounted value for refurbishment in order to provide affordable rent and home ownership.

Leasing local authority land or properties to CLH groups on a long lease at a peppercorn rent increases the organisation's asset base and improves their long-term sustainability and borrowing capacity. This enables them to bring extra resources into the area to develop new homes or buy and refurbish existing empty homes. The Brighton and Hove, Leeds and Lewisham case studies give examples.

Many local authorities said that they needed to maximise capital receipts on the sale of assets, citing budgetary pressures. This applied to some authorities who had transferred under-utilised sites to a CLT at nil, or discounted value previously, but now considered it less likely that they would do so in future. Nevertheless some sought to be supportive by allowing an exclusivity period on the sale of the council site, like Bristol and Leeds, or setting up a deferred payment scheme, as a way of enabling the CLH group to raise finance.



Another barrier cited was the lack of clear guidance on the methodology for valuing council land for sale to CLH groups where there were demonstrable benefits to the community. English authorities may dispose of land for less than best consideration where the disposal is likely to contribute to economic, social or environmental wellbeing and the undervalue (the difference between the sum obtained and the best consideration that can reasonably be obtained) does not exceed £2m<sup>7</sup>. A local authority that has aligned its planning, housing and asset management strategies to defined corporate priorities could designate a site for affordable housing use only. A CLH project may then be able

to acquire the site at the market value determined by its affordable housing use. The issue of discounted sale would not arise.

In other cases it would be advisable for the authority to decide, at the earliest stage of a CLH project, whether to sell a specific site to achieve a policy outcome or to maximise the capital receipt. The housing white paper sets out possible changes to local authority powers to sell at 'less than best consideration' and the £2m undervalue threshold. The Technical Toolkit will address this issue in more detail.

<sup>7</sup> Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003

## 5. How local authorities can support Community-Led Housing

### Local authority funding of CLH

#### Revenue funding

Some authorities, like East Cambridgeshire, provide CLH partners and potential partners with grants to set up as a group and offer loans from a revolving loan fund to meet the cost of the pre-development phase, complementing funding available from national sources. Others, like Brighton and Hove and Cornwall, plan to use their allocations from the Community Housing Fund to do this and to set up a hub to support CLH or build capacity within CLT enablers, rural housing associations and parish councils, and bring forward pipeline CLH schemes. Uses include:

- A start-up grant fund to support community engagement and enable CLH groups to form and become an incorporated body.
- A revolving loan fund to support CLH groups with pre-development costs, such as technical and early stage feasibility work in order to unlock sites for development. This could include initial viability studies, site investigation fees, design, and planning permission. Such support can be important as groups may have no asset or track record at this stage to support loan applications.
- Support for CLH groups with training and awareness-raising, the seeking of funding and land.



#### Capital funding to support construction or renovation costs

Local authorities can use commuted s.106 sums, second homes Council Tax or New Homes Bonus receipts to support CLH groups to develop new homes or refurbish empty homes. Some authorities like Leeds and Hull also use retained RTB receipts to support CLH. Authorities can use their borrowing powers to provide loan facilities at a small margin. These can be recycled back into the sector on repayment.

In Wales capital funding from the Welsh government for affordable housing and low cost home ownership

is distributed through local authorities. In the Cardiff and Carmarthenshire case studies the authorities fund RSLs to develop CLH through the developer-led delivery model. In Scotland, local authorities manage development funding on behalf of the Scottish Government in Edinburgh and Glasgow only. Glasgow CC provides around £70m per annum in development funding to community controlled housing associations and co-operatives for new build housing and uses funding from its second homes council tax fund to support development.



## 5. How local authorities can support Community-Led Housing

In England, authorities such as Chichester, Cornwall, Hull, Leeds and Shropshire make grants or loans towards the purchase or remediation costs of land and construction costs.

### Grants

- Cornwall Council is using its CH Fund allocation to set up a community site remediation fund for ground remediation of brownfield sites to unlock them for CLH development and fund housing association partners to develop affordable homes
- Hull CC and Leeds CC use RTB receipts for grants to CLH organisations to contribute 30% of the cost of developing new homes or refurbishing existing ones to create new affordable homes
- Shropshire Council uses revenue from the new homes bonus and s.106 affordable housing contributions to fund grants for the development of affordable housing including CLH.

### Loans

Loans reduce the risk for other lenders, enabling CLH providers to access further finance. In addition, some councils have or plan to set up a revolving loan fund to remove risks from small sites:

- Hull made a loan to Goodwin Development Trust using its prudential borrowing facility at 0.75% interest above the base (3.5% currently) over 30 years.
- The York, North Yorkshire and East Riding Strategic Housing Partnership (comprising local authorities in the sub-region) plans to establish a joint revolving community land bank, providing up-front capital to allow communities to buy sites and reduce risks. As the development comes forward and new

homes are sold or transferred, some of this initial outlay will be recouped and reinvested in new schemes.

- Cornwall Council reported using its CH Fund allocation to offer a revolving loan facility to help custom and self-builders access low cost finance to provide new homes and a community-led brownfield regeneration fund to unlock stalled sites for affordable housing.

### Enabling support for CLH

Local authority capacity to enable CLH is a critical area for developing and supporting a pipeline of CLH projects. Enabling support can be provided in-house by local authorities, by housing associations, by a CLH support organisation or local CLH enabler.

The support required from an enabler will range across the five stages of CLH projects: forming and constituting the group; finding and securing a site; planning, designing and financing the scheme; building the scheme and long-term management and maintenance once the homes are completed. Strong development and project management skills are critical as well as highly technical support, such as on legal and financial matters.

Some local authorities reported a range of actions that contributed to the enabling of CLH:

- Raising awareness of CLH among communities
- Supporting a network of CLH organisations to share advice, knowledge and information (e.g. on the location of empty properties), and support them on business modelling and funding bids
- A delivery team to unlock custom/self-build opportunities and help communities deliver their Neighbourhood Plans



- Sharing knowledge and advice, and supporting CLH groups through the planning process
- Brokering partnerships between CLH groups and experienced RPs/RSLs to develop new homes; or creating a partnership with CLH groups to tackle empty homes, as in Hull
- Employing rural housing enablers to work with parish councils and communities to raise awareness of CLH, undertake housing needs surveys, support the development of neighbourhood plans, identify sites, and guide groups through the development process.

## 5. How local authorities can support Community-Led Housing

In some cases authorities initially helped to set up CLH enablers or umbrella CLTs and have since worked in partnership with them to enable further CLH to be developed. The case studies on East Cambridgeshire District Council, Bristol City Council and Cornwall Council give examples.

Several rural authorities are pooling their Community Housing Fund allocations to establish county-wide enablers or to extend the work of existing hubs to cover their districts. Others are using allocations to develop their own hub or increase their enabling and planning resources to support CLH. Research conducted for Power to Change<sup>8</sup> sets out the critical success factors for a local CLH enabler. Local authority members of the York, North Yorkshire and East Riding Strategic Housing Partnership have pooled their Community Housing Fund allocation for a project to raise awareness of CLH and identify pilot communities. Their rural housing enablers network worked in partnership with Rural Action Yorkshire to identify pilot areas for CLH. The network has regular meetings with partner housing associations to generate interest in small scale projects.

Some London boroughs are pooling part or all of their Community Housing Fund allocations to support the new London Community-Led Housing Hub, supported by the Mayor of London. Additionally, Power to Change will establish CLH enabler pilots in up to eight city regions in England from 2017/18 onwards, starting with Bristol and Leeds.

Local authorities without capacity to enable CLH may work with a housing association development partner that has in-house specialist development officers and access to specialist support. Otherwise they will need to establish strong relationships with a regional CLH enabler or a national CLH organisation. Further details are in Chapter 6 'Where you can get help'.

# GREATER LONDON AUTHORITY

## Enabling the community-led housing sector to grow in London

To facilitate the growth of the community-led housing sector in London, the Mayor of London's **draft London Housing Strategy** (September 2017) includes the following proposals:

'Working with councils and others, the Mayor will support Londoners to be involved in planning and delivering new homes. This will include:

- i. supporting the expansion of community-led housing schemes through a new Community-Led Housing Hub for London; and
- ii. investing in community-led housing schemes and lobbying Government for a share of the national Community Housing Fund.'

### Launched in 2017, the Community-Led Housing Hub will provide:

- **information:** a first point of contact via an online and physical presence for anyone interested in getting involved with community-led housing in London, including signposting and information sharing
- **capacity building for communities and connected sectors:** information sharing, peer-to-peer learning, site visits, knowledge building and sharing, technical skills training, facilitating CLH group formation and growth, and developing community housing leaders
- **technical support** for projects, e.g. short bursts of free support from professionals and existing groups for community-led housing groups, surgeries, workshops, set number of days' access to technical experts
- **partnership brokering** with funders, land owners, technical service providers, mortgage lenders, and others, providing further capacity building.

<sup>8</sup> Delivering a Community Led Housing Enabling Hub service: experience and lessons from existing practice; Jo Lavis, Rural Housing Solutions, and Pete Duncan, Social Regeneration Consultants March 2017.



## 5. How local authorities can support Community-Led Housing

### Establishing and working with a development partner

Often effective support for CLH is built on years of partnership between the local authority and the voluntary and community sector. Several authorities across the UK reported working with housing associations, encouraging them to devote all or part of a large development project as a CLH scheme; case studies on Cardiff, Carmarthenshire, Cornwall, Glasgow, Liverpool and Redditch are examples. Here the role of the local authority may be to provide land at below market value and promote the concept of CLH in order to identify prospective tenants for the scheme from applicants on its housing register.

Increasingly local authorities are setting up development companies as their housing delivery vehicles. As in the case of East Cambridgeshire, these could potentially develop CLH schemes or give the support that a CLH group needs in order to build homes. However, most stock-holding authorities that were developing additional social housing did not express an intention to use their own delivery vehicle to develop CLH. Instead, they favoured leasing or transferring a site to a CLH group.





# CASE STUDY: GLASGOW CITY COUNCIL

## **Sustained support for community- led housing initiatives for new build homes and regeneration in Scotland**

Glasgow City Council (GCC) is a successful example of how a large city, with the political and senior officer commitment to do so, can support and sustain CLH initiatives. This is supported by a funding system for social housing providers in Scotland that is more generous than in England, with higher grant levels. GCC manages the Scottish Government's Affordable Housing Supply Programme for the city.



## CASE STUDY: GLASGOW CITY COUNCIL

In Scotland community based housing associations and co-operatives (CCHAs) have been responsible not just for the provision of affordable housing but for the wider the physical, social and economic regeneration of their communities. They act as community anchors, empowering communities to make decisions about their own areas. They were first set up in Glasgow in the early 1970s, to tackle slum conditions in run-down inner city neighbourhoods. Now most of the 68 RSLs in the city are CCHAs or co-ops. The Council transferred its social rented housing to RSLs in 2003, including CCHAs.

**GCC funds CCHAs as they contribute to the six priorities in Glasgow's Housing Strategy, in particular:**

1. Promote area regeneration and enable investment in new build housing
2. Manage, maintain and improve the existing housing stock
3. Raise standards in the private rented housing sector.

CCHAs do this by building new homes, and supporting regeneration and place making. They also support community empowerment, including skills and capacity building; training and employment opportunities; help communities to set up social enterprises; and develop and manage local community facilities including shops, cafés and commercial work spaces.

The City Council's support for CCHAs in Glasgow includes:

- Leading on regeneration schemes, including eight transformational regeneration areas (TRAs) in the city, three new neighbourhoods and a city deal project with seven other local authorities in the City region area where associations have a new build role. **Lauriston Living** is a major regeneration project on a mainly derelict and vacant site designated as Lauriston TRA. Partners include GCC, the Scottish Government, and New Gorbals Housing Association (NGHA), a CCHA controlled by an elected volunteer management committee of Gorbals residents.

So far, it has delivered 201 social rent and 39 mid-market rent homes for NGHA as well as 69 homes for sale.

- Providing development funding for new build housing (c£70m a year, plus funding from the second homes council tax fund), including technical evaluation of tenders, land acquisition and planning costs.
- Funding a strategic acquisition programme through RSLs to drive up standards in the private rented sector and resolve repair, maintenance and management issues in mixed tenure blocks. GCC is investing £14m alongside the Scottish Government's £20m for the acquisition of 350 mostly private rented homes by **Govanhill Housing Association**, a community-controlled and owned organisation.
- Enabling access to land including access to vacant and derelict land and contributing to infrastructure work and site remediation measures, and assisting with land consolidation to allow developments to proceed.

[LINK TO FULL CASE STUDY](#)



## 5. How local authorities can support Community-Led Housing

### Barriers to CLH and how local authorities can help to overcome them

CLH groups may experience barriers to delivery. There are a range of ways in which local authorities are responding to support delivery.

Lack of resources for CLH development	Local authority response
Lack of start-up costs	<ul style="list-style-type: none"> <li>• £5,000 start-up grant funding</li> </ul>
Lack of pre-development costs	<ul style="list-style-type: none"> <li>• £40,000 revolving loan fund, repayable with success fee on completion</li> <li>• RP partner can undertake work at risk, recovering them from the development</li> <li>• Help with funding bids</li> </ul>
Lack of capital funding to ensure affordability	<ul style="list-style-type: none"> <li>• Grant or revolving loan fund</li> <li>• Sources of funding: RTB receipts, commuted S.106 sums, New Homes Bonus, Second Homes Council Tax, Community Housing Fund</li> <li>• Support CLH organisation to become RP with HCA</li> <li>• Develop Partnership with RPs/RSLs (that access government capital funding for affordable homes) or with CLH orgs that can attract significant investment</li> </ul>
Lack of specialist knowledge/capacity in the authority	<ul style="list-style-type: none"> <li>• Partnership to benefit from knowledge, advice, support from               <ul style="list-style-type: none"> <li>- experienced RPs</li> <li>- national CLH support organisation or regional support hub</li> </ul> </li> <li>• Directly employ enabler; set up CLH support hub with neighbouring authority</li> <li>• Specialist local CLH support organisation like umbrella CLT set up to support groups</li> </ul>
Planning barriers	<ul style="list-style-type: none"> <li>• Community-led development SPD gives clear guidance on preparing planning applications and assessment criteria</li> <li>• Community-led Development Policy written into Local Plan</li> <li>• Supportive planning team to give guidance</li> <li>• Provide land with outline planning permission, develop design code for self-build sites to reduce uncertainty</li> </ul>
Lack of suitable development partner/development pitfalls	<ul style="list-style-type: none"> <li>• Set up potential development partner with understanding, skill, motivation to take part in joint community developments</li> <li>• Meetings with partner RPs to generate interest in smaller projects.</li> </ul>



## 5. How local authorities can support Community-Led Housing

Barriers for Community-led housing	Local authority response (reference to case studies)
<b>Finding/securing land at affordable price</b>	<ul style="list-style-type: none"> <li>• Share knowledge of empty homes</li> <li>• Assess suitable council sites and offer at discount/deferred payment/lease at peppercorn rent</li> <li>• Share knowledge on available sites</li> <li>• Allocation of sites to CLH in Local Plan</li> <li>• Access to rural exception sites</li> <li>• Revolving Community Site Remediation Fund to unlock stalled, brownfield sites</li> <li>• Revolving site acquisition fund or land bank</li> <li>• Try new methods of construction, e.g. modular construction</li> <li>• Advice and awareness raising for landowners in exception sites</li> <li>• Service a site for CLH self-build</li> <li>• Identify small sites of low/nil value</li> <li>• Align planning, corporate asset management and housing policies to create opportunities for CLH schemes</li> <li>• Consider wider social value of CLH when considering the sale of a council site</li> </ul>
<b>Conflicting messages about policy and priorities</b>	<ul style="list-style-type: none"> <li>• Political champion and single point of entry to the organisation (one officer or a multi-disciplinary team)</li> </ul>
<b>Lack of understanding about CLH among public and housing providers</b>	<ul style="list-style-type: none"> <li>• Mailshot to housing applicants</li> <li>• Presentations to councillors, community forums, parish councils, CLH groups; meetings with stakeholders; publicity</li> <li>• Training for communities</li> <li>• Funding for parish councils</li> <li>• Awareness raising</li> <li>• Develop top-down meets bottom-up schemes in order to ensure live examples of CLH schemes</li> </ul>



## 6. Where you can get help

### Definitions of Community-Led Housing

These links provide definitions of delivery approaches for CLH you may come across. It is important to note that there are overlaps between these different approaches; for example, some cohousing schemes operate as co-operatives; some community land trusts include self-build in their schemes. A number of Community Development Trusts, set up to acquire and/or build community assets, but without a specific housing focus, are also now beginning to initiate CLH schemes in their areas.

**Housing Co-operatives** involve groups of people who provide and collectively manage affordable homes for themselves as tenants or shared owners. Find more information on: <http://www.cch.coop/what-is-co-operative-and-mutual-housing/>

**Tenant management organisations** (TMOs) provide social housing tenants with collective responsibility for managing and maintaining the homes through an agreement with their council or housing association landlord. More information is on: <http://www.nftmo.com/content/content.numo?ida=3&idas=19>

**Community Land Trusts (CLTs)** provide affordable homes for local people in need – for rent or shared ownership – by acquiring land and holding it as a community asset in perpetuity. More information is on: <http://www.communitylandtrusts.org.uk/what-is-a-clt>

**Cohousing** schemes involve groups of like-minded people who come together to provide self-contained, private homes for themselves, but manage their scheme together and share activities, often in a communal space. More information is on: <https://cohousing.org.uk/about/about-cohousing/>

**Community self-build** schemes involve groups of local people in housing need building homes for themselves with external support and managing the process collectively, also known as group self-build. Individual self-build is not regarded as community-led housing. More information is on: <http://righttobuildtoolkit.org.uk/models/#>

**Self-help housing** projects involve small, community-based organisations bringing empty properties back into use, often without mainstream funding and with a strong emphasis on construction skills training and support. More information is on: <http://righttobuildtoolkit.org.uk/models/#>

**Community anchor organisations** are independent community led organisations, such as development trusts, which provide a focal point for local communities and community organisations, and for community services. They often own and manage community assets, and support small community organisations to reach out across the community. More information is on: <http://www.localpeopleleading.co.uk/on-the-ground/anchor-orgs/>



## 6. Where you can get help

### Housing Commission Case studies

These case studies tell the story of each local authority's approach to community-led housing, addressing the following questions:

1. What was the problem that needed addressing?
2. Why is the local authority supporting CLH?
3. Who is benefitting or will benefit from CLH schemes in the local authority area?
4. How has the local authority enabled CLH schemes to develop?
5. Partnerships in the local authority area to support CLH.
6. Examples of homes that have been or will be produced by CLH schemes in the local authority area – with links to case studies on specific schemes.
7. Lessons learnt and what the local authority will do next.

You can access all case studies on <http://www.ccinhousing.co.uk/case-studies/> or click on the authority name in the table on the next page to download the case study.



## 6. Where you can get help

Local authority	Country/ Region	Urban/ rural	Housing demand	New build/ refurb	Contact
<b>Brighton &amp; Hove City Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/BRIGHTON-HOVE-CASE-STUDY.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/BRIGHTON-HOVE-CASE-STUDY.pdf</a>	South East	Urban	High	New build & refurb	Emma Kumar, Housing Strategy & Enabling Team 📧 <a href="mailto:Emma.Kumar@brighton-hove.gov.uk">Emma.Kumar@brighton-hove.gov.uk</a> ☎ 01273 293297
<b>Bristol City Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/BRISTOL-CASE-STUDY-v2.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/BRISTOL-CASE-STUDY-v2.pdf</a>	South West	Urban	High	New build & refurb	Tim Southall, Housing Development Manager 📧 <a href="mailto:tim.southall@bristol.gov.uk">tim.southall@bristol.gov.uk</a> ☎ 0117 3525138
<b>Carmarthenshire County Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/CARMARTHENSHIRE-CASE-STUDY.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/CARMARTHENSHIRE-CASE-STUDY.pdf</a>	Wales	Urban/ rural	High	New build & refurb	Matt Miller, Housing Needs Lead 📧 <a href="mailto:mmiller@sirgar.gov.uk">mmiller@sirgar.gov.uk</a>
<b>Chichester District Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/CHICHESTER-CASE-STUDY.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/CHICHESTER-CASE-STUDY.pdf</a>	South East	Rural	High	New build	Holly Nicol, Rural Housing Enabler, Housing Delivery 📧 <a href="mailto:hnicol@chichester.gov.uk">hnicol@chichester.gov.uk</a> ☎ 01243 534699
<b>Cornwall Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/CORNWALL-CASE-STUDY.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/CORNWALL-CASE-STUDY.pdf</a>	South West	Rural	High	New build	Sam Irving, Housing Delivery Manager 📧 <a href="mailto:sam.irving@cornwall.gov.uk">sam.irving@cornwall.gov.uk</a> ☎ 01872 224420
<b>East Cambridgeshire District Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/EAST-CAMBRIDGESHIRE-CASE-STUDY.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/EAST-CAMBRIDGESHIRE-CASE-STUDY.pdf</a>	East	Rural	High	New build	Emily Mulvaney, Community Land Trust Adviser 📧 <a href="mailto:emily@clteast.org">emily@clteast.org</a> ☎ 01353 668985
<b>Glasgow City Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/GLASGOW-CASE-STUDY.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/GLASGOW-CASE-STUDY.pdf</a>	Scotland	Urban	High & low	New build & refurb	Michelle Mundie and Jennifer Sheddan, Principal Officers (Strategy) 📧 <a href="mailto:Michelle.Mundie@drs.glasgow.gov.uk">Michelle.Mundie@drs.glasgow.gov.uk</a> 📧 <a href="mailto:jennifer.sheddan@drs.glasgow.gov.uk">jennifer.sheddan@drs.glasgow.gov.uk</a> ☎ 0141 287 8601
<b>Hull City Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/HULL-CASE-STUDY.pdf">www.ccinhousing.co.uk/wp-content/uploads/2017/11/HULL-CASE-STUDY.pdf</a>	Yorkshire and the Humber	Urban	Low	Refurb	Nicholas Harne, Assistant City Manager, Housing Strategy and Renewal 📧 <a href="mailto:Nicholas.harne@hullcc.gov.uk">Nicholas.harne@hullcc.gov.uk</a>



## 6. Where you can get help

Local authority	Country/ Region	Urban/ rural	Housing demand	New build/ refurb	Contact
<b>Leeds City Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/LEEDS-CASE-STUDY-v2.pdf">http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/LEEDS-CASE-STUDY-v2.pdf</a>	Yorkshire and the Humber	Urban	High	New build & refurb	Sarah May, Principal Regeneration Officer (Affordable & Specialist Housing) Housing Growth Team 📧 <a href="mailto:sarah.may@leeds.gov.uk">sarah.may@leeds.gov.uk</a> ☎ (0113) 3787710
<b>Lewisham Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/LEWISHAM-CASE-STUDY.pdf">http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/LEWISHAM-CASE-STUDY.pdf</a>	London	Urban	High	New build	Jeff Endean, Housing Strategy and Partnerships Manager 📧 <a href="mailto:jeff.endean@lewisham.gov.uk">jeff.endean@lewisham.gov.uk</a> ☎ 020 8314 6213
<b>Liverpool City Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/LIVERPOOL-CASE-STUDY.pdf">http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/LIVERPOOL-CASE-STUDY.pdf</a>	North West	Urban	Low	Refurb mainly	Tony Mousdale, Empty Homes Manager 📧 <a href="mailto:Anthony.mousdale@liverpool.gov.uk">Anthony.mousdale@liverpool.gov.uk</a> ☎ 0151 233 0224
<b>Redditch Borough Council</b> <a href="http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/REDDITCH-CASE-STUDY.pdf">http://www.ccinhousing.co.uk/wp-content/uploads/2017/11/REDDITCH-CASE-STUDY.pdf</a>	West Midlands	Urban	High	New build	Matthew Bough, Housing Strategy & Enabling Team Leader Bromsgrove District & Redditch Borough Councils 📧 <a href="mailto:matthew.bough@bromsgroveandredditch.gov.uk">matthew.bough@bromsgroveandredditch.gov.uk</a> ☎ (01527) 64252 Ext:3120

## 6. Where you can get help

### Community-Led Housing: a Technical Toolkit for Local Authorities

This Toolkit of materials is being developed to provide local authorities and other stakeholders with the technical information and guidance they need to promote, support and develop CLH. The project is led by HACT and funded by Nationwide Foundation, with support from LandAid and Ecology Building Society.

The Toolkit will bring together for the first time in one place a comprehensive suite of specialist documentation and advice required to develop and deliver a CLH scheme. The purpose is to give more confidence to professionals and agencies to engage successfully with CLH projects in practical ways and deliver more of this type of housing on the ground. The Toolkit will provide examples of fundable and deliverable documentation, along with tips, pointers and signposting, to make the development and delivery of CLH more efficient, speedier and easier. It will also include material that puts CLH in its current context, making the business and social cases, and providing an indicative process map for support.

The audience is professionals, particularly those in local authorities. Typically, they are working in legal, finance and planning departments and play a critical role in enabling individual schemes and, in aggregate, scaling up the supply of community-led homes to contribute to solving the nation's housing problems. Housing associations will also be an important secondary audience, given their significant role in promoting and enabling CLH. While not the primary audience, community groups will find the Toolkit useful in understanding and anticipating the technical requirements and processes they will face in promoting a scheme.



#### The Toolkit will cover the following broad themes:

- The background to community-led housing
- How CLH can contribute to meeting a variety of housing needs
- How to work effectively with local communities to deliver CLH schemes
- The legal and governance requirements for successful CLH initiatives
- The planning and development constraints and how to work with them
- Sources of funding

The Toolkit will be available in paper and digital format at <http://www.clhtoolkit.org> by March 2018. There will be a series of regional workshops to launch it. In due course it will be integrated into a new online platform for the community-led housing sector, which is currently under development.



## 6. Where you can get help

### CLH support organisations

#### National CLH support organisations

Confederation of Cooperative Housing  
[www.cch.coop](http://www.cch.coop)  
Housing Co-operatives

Locality  
[www.locality.org.uk](http://www.locality.org.uk)  
National network of community-led organisations

National CLT Network  
[www.communitylandtrusts.org.uk](http://www.communitylandtrusts.org.uk)  
Community Land Trusts

National Federation of Tenant Management Organisations  
[www.nftmo.com](http://www.nftmo.com)  
Tenant management organisations

Self-Help Housing Network  
[www.self-help-housing.org](http://www.self-help-housing.org)  
Self-help housing – bringing empty properties back into use

UK Cohousing Network  
[www.cohousing.org.uk](http://www.cohousing.org.uk)  
Cohousing

Wales Co-operative Centre  
<https://wales.coop/helping-people-set-up-housing-coops/>  
Wales' national body for co-operatives, mutual, social enterprises and employee-owned businesses. It assists communities, local authorities and housing associations to develop co-operative housing schemes in Wales

#### Regional support for community-led housing

Enabling Hubs are regional or sub-regional organisations that provide support to CLH groups. For an up to date list of local enabling organisations or hubs, please see under 'Funding and Resources' on [www.communitylandtrusts.org.uk](http://www.communitylandtrusts.org.uk) or use this link:  
<http://www.communitylandtrusts.org.uk/funding-and-resources/other-organisations-who-can-help/enabling-hubs-for-technical-support>

The following organisations act as service providers to co-operative and CLH organisations:

**BCHS/Accord 106 Alcester Road, Moseley, Birmingham B13 8EF**  
☎ 0300 111 7000 📧 [chiefexecutive@accordha.org.uk](mailto:chiefexecutive@accordha.org.uk)

**CDS Co-operatives 7-14 Great Dover St, London SE1 4YR**  
☎ 020 3096 7730 📧 [TalkToUs@cds.coop](mailto:TalkToUs@cds.coop)

**Co-op Homes 8 Waldegrave Road, Teddington TW11 8GT**  
☎ 020 3166 2608 📧 [homes@coophomes.coop](mailto:homes@coophomes.coop)

**North West Housing Services 19 Devonshire Rd, Liverpool L8 3TX**  
☎ 0151 726 2200 📧 [info@nwhousing.org.uk](mailto:info@nwhousing.org.uk)

Some other support hubs are proposed or emerging. The contacts are:

**Brighton & Hove**  
Contact: Helen Russell. 📧 [helen@chibah.org](mailto:helen@chibah.org)

**Bristol**  
Contact: Keith Cowling. 📧 [keith@eyehouse.info](mailto:keith@eyehouse.info)

#### Hampshire

Contact: Catherine Kirkham.  
📧 [Catherine.Kirkham@actionhampshire.org](mailto:Catherine.Kirkham@actionhampshire.org)

#### Herefordshire

Contact: Nick Sherwood. 📧 [enova@onetel.com](mailto:enova@onetel.com)

#### Kent

Contact: Tessa O'Sullivan 📧 [tessa.osullivan@ruralkent.org.uk](mailto:tessa.osullivan@ruralkent.org.uk)

#### London Community-Led Housing Hub

See page 61 for more information. For updates contact:  
📧 [communityledhousing@london.gov.uk](mailto:communityledhousing@london.gov.uk) or Linda Wallace at CDS Co-operatives 📧 [linda.wallace@cds.coop](mailto:linda.wallace@cds.coop)

#### North Yorkshire and East Riding

Contact: Sarah Hall. 📧 [Sarah.Hall@hambleton.gov.uk](mailto:Sarah.Hall@hambleton.gov.uk)

#### Northumberland

Contact: Andy Dean Communities CAN.  
📧 [andydean@ca-north.org.uk](mailto:andydean@ca-north.org.uk)

#### Oxfordshire

Contact: Charlie Fisher. 📧 [charlie@oclt.org.uk](mailto:charlie@oclt.org.uk)

#### Power to Change

Enabling Hubs funded by **Power to Change** will be developed in five areas. The first two will be located in Bristol and Leeds. For updates contact:  
📧 [Rose.Seagrief@powertochange.org.uk](mailto:Rose.Seagrief@powertochange.org.uk)

# 7. The Local Authority Pledge on Community-Led Housing

The Housing Commission wants to encourage and enable as many local authorities as possible to develop or support CLH. To contribute to this end, we have developed a pledge for local authorities to commit to the development of CLH.

Would you be willing to develop a pledge to suit your local circumstances, along the lines suggested below, and join us to build a campaign and encourage others to follow your lead? Visit <http://www.ccinhousing.co.uk/make-pledge/>

## Template for the Local Authority Pledge

We X authority commit to undertake the following:

### 1. Write and implement a Community Led Housing (CLH) policy ensuring CLH becomes a part of our strategic housing responsibility.

#### Guidance examples

Ways in which you could do this might include:

- Defining policy responses appropriate to your area, for example assessment of sites suitable for CLH, development of enabling policies and alignment of existing policies, identification of opportunities for CLH.
- Better align policies towards CLH schemes, ensuring that CLH and not-for-profit schemes are included as part of the Affordable Housing delivery within their area.
- Identification of champions in your authority:
  - i. a named political champion with power to implement across departments
  - ii. officer champions in relevant departments.
- As appropriate, sharing your knowledge and expertise with less experienced local authorities who are interested in supporting / developing CLH in their area OR learning from more experienced local authorities that are supporting CLH.

### 2. Define the resource that we can invest in civil society organisations to deliver CLH.

#### Guidance examples

- According to your local circumstances, this could range from dedicated officer time or enabling CLH groups to access external funding or help in kind, to the asset transfer of land or buildings or direct funding.
- You might wish to work with one or more local authorities in your region to support CLH.

### 3. Work with CLH groups and partners as appropriate to support/facilitate the delivery of at least one CLH site

#### Guidance examples

- If you can, you are encouraged to give a timescale for the delivery and state the number of homes you aim to deliver. The model of CLH, approach to delivery and number of homes will depend on circumstances in your local authority area, like the local housing market, and local community-led groups interested in developing homes/returning empty homes to use.
- This could include work with new/existing CLH groups directly, with a housing association to help develop a CLH scheme, or with CLH organisations (including local CLH enablers), that can help CLH groups to form and succeed.



# Glossary

## Affordable housing

Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision

## Affordable home ownership

A general term used to describe the various types of funding home ownership with subsidy, such as Shared Ownership and Right to Acquire.

## Affordable rented housing

A form of social housing let by local authorities or private registered providers of social housing at a rent level of up to 80% of the local market rent (inclusive of service charges)

## Brownfield

A piece of land which has been previously developed for a use other than agriculture or forestry and which has one or more permanent structures on it. These sites can be in urban and rural areas and examples include industrial sites, defence buildings and land used for mineral extraction and waste disposal.

## CLH Enabler

A local or regional organisation that provides CLH groups with face-to-face support throughout the development process. The support covers a wide range of issues including financial, legal and planning issues, project and risk management, and partnership development. The enabler may be an independent organisation or be hosted within a larger organisation, such as a local authority trading company, housing association or community benefit organisation.

## Homes and Communities Agency (HCA)

The national housing and regeneration agency for England. It is the main provider of subsidy (capital grant funding) for affordable housing and regulates Registered Providers by setting standards for social housing provision. Now known as Homes England.

## Housing Enabler

Person who facilitates developments of affordable housing, for example by conducting housing needs surveys and liaising between communities and housing associations. They are usually employed by local planning authorities or community councils.

## Housing Revenue Account (HRA)

The system of local authority housing finance

## Intermediate housing

Homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

## Large scale voluntary transfer (LSVT)

Whole or partial transfer of the housing stock from a local authority to a Registered Provider.

## Leasehold co-operative ownership

A Leasehold Ownership Co-operative has a lease granted to it by a housing association or another partner organisation which owns the freehold of the properties.

## Local Housing Allowance (LHA)

This is the level at which Housing Benefit is payable for tenants of non-Registered Provider landlords.

## Local Plan

The plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. Current core strategies or other planning policies, which under the regulations would be considered to be development plan documents, form part of the Local Plan.

## Low cost home ownership

Also known as Affordable Home Ownership

## Registered provider (England)

Any organisation, not for and for profit, registered with the Social Housing Regulator as a registered provider of social housing. This can include housing associations, local authorities, charities and private companies.

# Glossary

## Registered social landlord (Wales and Scotland)

Independent housing organisations registered with the Scottish Housing Regulator to provide social housing, and social landlords in Wales registered with the Welsh Ministers. Includes housing associations and co-operatives.

## Resale price covenant

Sometimes known as limited equity market sale. This is a method by which a buyer buys the property outright at a percentage of its open market value, but enters into a covenant (binding agreement) with the CLT not to sell the property except at the same percentage of market value. An alternative is to fix the property's price to local median incomes. So, for example, the CLT might sell a one bed flat at a price that is deemed affordable for an average one-person household, and then stipulate with the covenant that when resold its price must be calculated according to the then-average income for a one-person household.

## Rural exception sites

An exception site is one that would not usually secure planning permission for housing, for example agricultural land next to but not within a local settlement area. It is deemed suitable for a small scheme predominantly of affordable housing to meet identified local needs, secured 'in perpetuity' via a legal undertaking or planning condition, where permission would not normally be granted for general market housing.

## Section 106 agreement

A contract entered into by a local planning authority and a property developer under section 106 of the Town and Country Planning Act 1990 under which the developer agrees to provide defined facilities, such as affordable housing, as part of the proposed development. Such planning obligations are often used as a legally binding agreement between a local authority and developer to deliver additional affordable social housing within a development.

## Shared ownership

Housing sold on a part rent/part sale basis. The shared owner buys a percentage of the property, funded by a mortgage and/or savings. The remaining percentage is still owned by the developing organisation who charges rent on it.

## Social Lender

Social investors set up to support community and voluntary sector enterprises

## Social housing

Low cost rental and low cost home ownership accommodation as defined by sections 68 to 70 and 77 of the Housing and Regeneration Act 2008. Aimed at people whose housing needs are not met by the commercial market.

## Social rented housing

Housing owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime.

## Supplementary planning document (SPD)

Documents which add further detail to policies in a Local Plan. They can provide further guidance for development on specific sites, or on particular issues, such as design.

## Umbrella CLT

A sub-regional support body that provides technical advice and support to a community land trust (CLT).



# Community-Led Housing: a Key Role for Local Authorities



Commission led by Croydon Council on behalf of the Co-operative Councils' Innovation Network (CCIN).  
For more information about the Commission visit: [ccinhousing.co.uk](https://ccinhousing.co.uk)

To find out more about joining the CCIN contact [hello@councils.coop](mailto:hello@councils.coop) or visit [councils.coop](https://councils.coop)

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