

East Cambridgeshire District Council

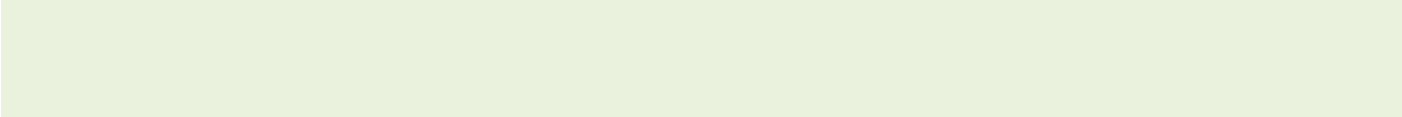


**Community Land Trusts (CLTs) & Other
Community-Led Development**

*What will you build in
your community?!*

A Guidebook for Communities

November 2015



Foreword: Your Community – Your Future – Your Development!

We are very pleased to welcome you to these exciting times in East Cambridgeshire.

We are at the national forefront of an initiative whereby development in your community can be led by you and your local community. Nationally and locally, we need to build more homes and other community facilities. However, this initiative is not just about you getting a say where development should go or what it should look like in your village or town. It is far more than that.

It is about your local community taking charge of the development and reaping the benefits directly. Benefits could be:

- Affordable homes, where you get a direct say in who moves in
- A new shop or other facility, run and managed by your community to meet your community needs
- New offices or workspaces, so you can start a business or work locally (and avoid the dreaded daily commute!)

Whilst this sounds exciting, we also appreciate that such a proposition might sound daunting. You might be concerned about:

- Where do you begin?
- How do you find the land?
- How do you decide what is wanted in your community?
- How much work is involved?
- How do you engage with your community?
- How are the finances and responsibilities to be handled?

This guide seeks to give you the confidence to at least consider the options for community-led development in your community, and give you confidence to ask questions, engage with friends, neighbours, community groups and parish councils.

Take a look. We hope it sparks ideas and enthusiasm. Be ambitious. And we are here to help every step of the way.

We will periodically update this guide, so if you have any improvements or other ideas which you think this document should cover, then please do let us know.

Remember, it is your community, your future: so why not take control of development in your area?



Cllr Charles Roberts
Deputy Leader
Service Champion: Planning



Cllr Coralie Green
Service Champion:
Strategic Planning

An overview of community-led development

What is community-led development?

East Cambridgeshire District Council has a vision to deliver growth, including affordable homes, where and how communities want it. It is a corporate priority to help make this happen, over the period 2015-2019. Growth brings prosperity and opportunities, and if done properly and with community involvement, can help sustain vitality in all communities, yet protect and enhance the things we treasure.

The Council is really excited about the prospect of community-led developments popping up all over the district, whether it be a small affordable housing scheme in a rural village, a mixed housing and commercial scheme in a medium size settlement, or a large scale housing and employment scheme in one of our market towns. In fact, we are really excited about helping you to deliver whatever it is you want to deliver in your community!

The community-led development sector in the UK is a broad one encompassing a range of models and approaches with varying aims and aspirations. Communities can collectively own, develop and/or manage their own land and developments through community-based groups and organisations such as local charities, co-operatives, mutuals, co-housing groups, self-build schemes, and Community Land Trusts (CLTs). Appendix 1 (Organisational context) provides more detail on the characteristics of these different types of groups and organisations.

Typically community-led developments might seek to address a pressing local need by providing housing (especially affordable housing), workspaces, community facilities and meeting places, green spaces for food growing, leisure and recreation and renewable energy schemes. These might be developed by the community organisation on a stand-alone basis or in partnership with local landowners, builders and specialist developers such as housing associations.

Benefits of community-led development

Community-led development makes the most immediate tangible difference at the village, neighbourhood or smaller town level. These are the scales at which 'daily life' happens, where people can see their individual contribution to a successful new development.

The Council recognises the benefits of community-led development, and is keen to support proposals and community groups in bringing forward schemes. Benefits could include: new affordable homes (set aside for local residents); new community facilities (such as a doctor's surgery or a new play area); a village shop or other business units; better footpaths or cycle ways; an increase in new residents (which will help sustain existing facilities); and much more.



Local residents taking an active part in designing a development in their community

Source: CLT East website

As part of this commitment, the Council has set aside specific funds to support the development of Community Land Trusts (CLTs) in the district (as one type of delivery mechanism for bringing forward community-led schemes). It is hoped that this will result in the creation of a number of new CLTs in East Cambridgeshire over the next few years.

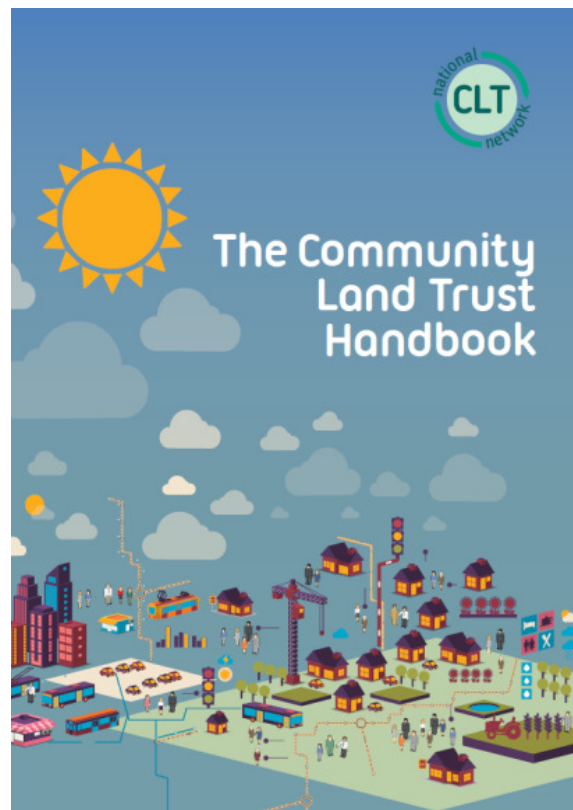
Community Land Trusts (CLT)

Whilst all forms of community-led development will be supported by the District Council, Community Land Trusts (CLTs) are its favoured model.

The CLT Handbook provides a helping hand throughout the process. It provides essential information on all the stages of setting up and running a CLT, from engaging with the community and the initial stages of formation right through to managing and stewarding the homes, workspaces, community hall or community pub.

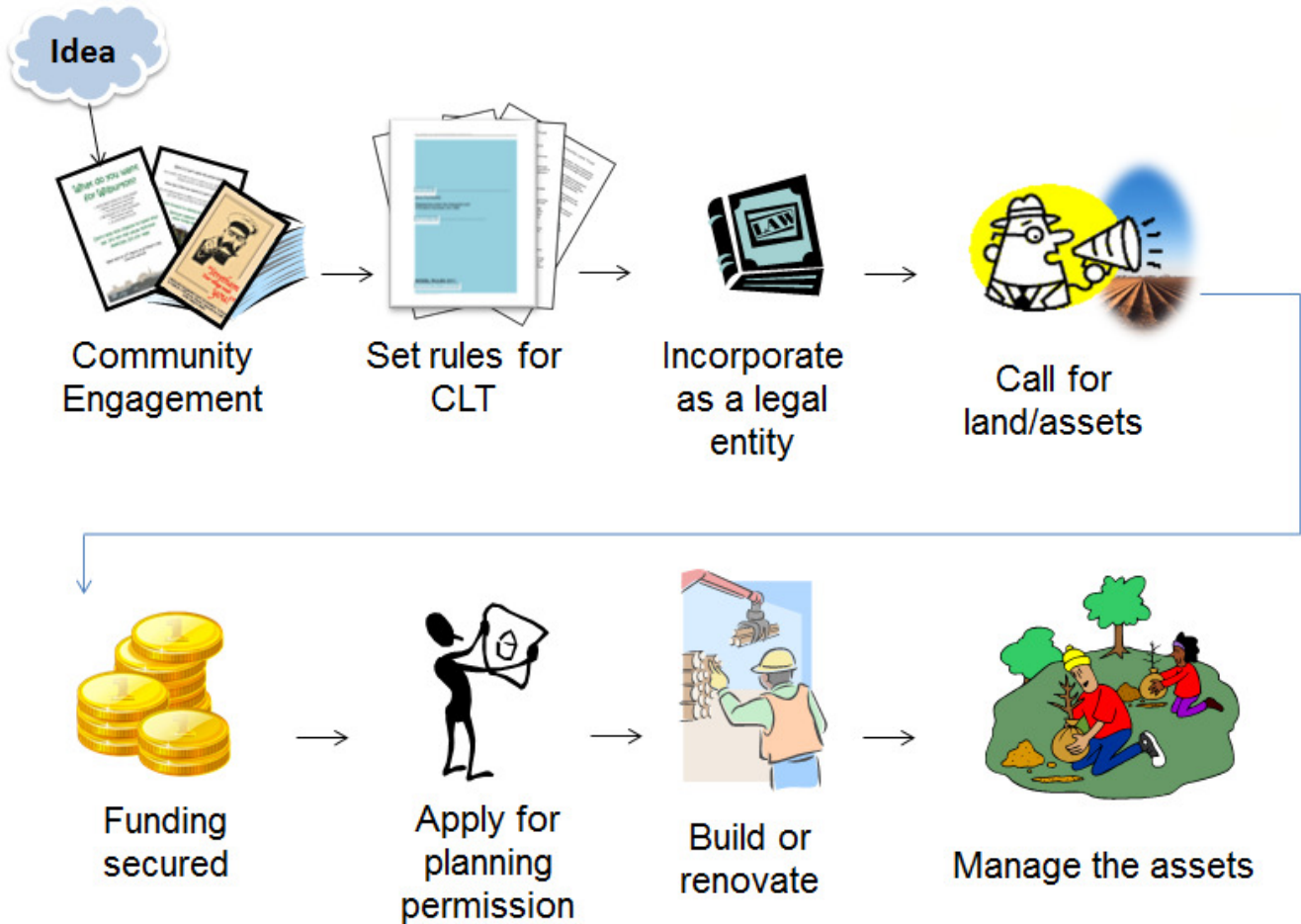
A handbook can be purchased from the National CLT Network or copies are available to borrow from the Council (30 day limit if demand exceeds supply). A sample is available from the website below.

<http://www.communitylandtrusts.org.uk/funding-and-resources/resources/clt-handbook>



Owned by You!

Led and run by local volunteers, a CLT can strive to meet the long-term needs of its community. The ownership of the land and assets within a CLT belong to the local community which directs how it is managed. A chart below shows how a typical CLT develops from an idea to owning and running the assets.



Source: CLT East

Grants and Loans

CLTs may be eligible for grants and loans from a wide variety of sources, including the Council, to help with their set-up (up to £5,000) and pre-development (up to £30,000) costs such as legal fees and expert advice. For further information please contact the Council.

National grants are available for community buildings and community housing projects. To access this grant the CLT will have to meet eligibility criteria. The Council can advise on this, or for more information, please see <http://mycommunity.org.uk>

The key roles

A CLT is a community initiative. You may think that there is a need for affordable housing or other assets or enterprises in the community, but what do others think? You'll need to talk to people about what they want to see in the community, or what the issues are.



Perhaps you're already part of such a group - this could be an informal group of local people, or a more formal group such as a Parish Council or Neighbourhood Forum - and you've decided that you want to tackle local issues such as affordable housing, improved leisure and open space facilities or a lack of a local shop or business units.

Your group will need to become a CLT steering committee, usually with a mix of different skills and reasons for wanting to be involved. As the project progresses, in time the steering group will become the founding Board of the CLT. A range of skills amongst the members including finance and project planning, communication, local knowledge and perhaps some specialist knowledge such as legal, planning, construction or building would all be useful, but technical support is also available from the Council.

Typically a group would consist of 6-9 people on a Board of Trustees including a Chair and Secretary.

Trustees of Swaffham Prior CLT reviewing progress *Source: CLT East*

What can be achieved?

East Cambridgeshire is recognised nationally as a leading area for the delivery of CLTs. The next two pages set out two local active examples of what can be done. For other examples, please use the weblinks as provided later in this guide.

How is it funded?

Schemes can be funded via a variety of mechanisms, and the Council can help with advice on this. The Council is also supportive of CLTs through the planning system. It is willing, for example, to permit some homes within a CLT scheme to be built and sold on the open market as an exception to normal planning rules, if this means a viable CLT scheme with wider community benefits can come forward.

Case Study: Manor Farm, Stretham

Like so many villages, Stretham and Wilburton are facing challenges. How do you deal with a lack of affordable housing and local amenities, which are vital to a vibrant and sustainable community?

Stretham and Wilburton CLT has an answer, in the shape of a proposal for **50 new homes, new user-designed facilities for a GP, new workspaces for small local businesses and around 6 acres of new public open space, bridleways and footpaths.**

Working with CLT East, the CLT has prepared a community-led design, made possible by high levels of community involvement at all stages.



They have worked together extensively to establish a deep understanding of what residents feel about their villages and the level of local support for action, and collaborated with other practitioners and funders to make it work. No set of plans has escaped the scrutiny of little memo pins from local residents.

This has resulted in Cambridgeshire's first CLT, which is going ahead without reliance on

Stretham and Wilburton CLT, Manor Farm - Fact File

Where? Part of Manor Farm, off Plantation Gate and Newmarket Road, Stretham.

Landowner? Peterhouse College

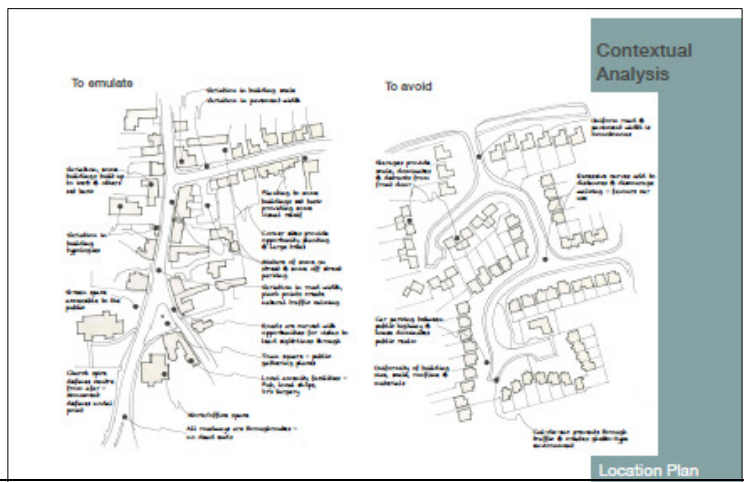
Proposal? Local people wanted affordable homes for local people, plus employment spaces and new community facilities

When? CLT set up November 2012. Planning permission granted Autumn 2014. Start on site Autumn 2015.

Funding? CLT shared the uplift in land value with the landowner. This helped finance the project.

Community involvement? All sections of the community in Stretham were involved by the CLT from the beginning, and this directly influenced the development (eg introduction of a doctor's surgery). Over 100 people have become Members of the CLT.

Outcome? 50 new homes (15 affordable) about to be constructed on a 14 acre site. A new village green and woodland walk. Business workspaces, doctor's surgery and other open space.



public subsidy. Working with East Cambridgeshire District Council and the landowner, the CLT and CLT East have developed a funding model which incentivises landowners and creates new land opportunities at the same time.

Case Study: Rogers Road, Swaffham Prior

The Swaffham Prior Community Land Trust (SPCLT) was set up by members of the village to deliver housing for people linked to Swaffham Prior and the surrounding villages who struggle to rent at normal market rents or who need to rent a different type of home. It will deliver eight affordable homes comprising 2x two bed bungalows, 3x two bed semi-detached houses,



one three bed semi-detached house and 2x three bed detached houses.

Swaffham Prior Logo Source: Swaffham Prior Parish Council website

The homes will be located in what is locally known as Dencora Field along Rogers Road. The homes will be managed on a daily basis by Hundred Houses Society but the SPCLT Board will be responsible for the selection of new tenants using



Swaffham Prior CLT - Fact File

Where? Land at Rogers Road, Swaffham Prior

Landowner? N & A Dickens, Sir Michael Marshall

Proposal? Local people wanted to address the issue of very few houses changing hands in Swaffham Prior, the sharply rising value of all properties in the village and almost no opportunities for those local people who needed affordable housing to be able to stay in the settlement

When? CLT set up March 2014. Planning permission granted November 2014. Start on site February 2015. Homes occupied (estimate) December 2015.

Funding? A mixed market/affordable homes development enabled a viable scheme to proceed.

Community involvement? A Housing Needs Survey revealed 13 local households in Swaffham Prior in need of affordable homes. Two public meetings to discuss the CLT were held in the village and the Parish Council included its proposal in a series of their meetings. The village magazine included articles on the subject, and an exhibition was organised together with a presentation at the annual village meeting.

Outcome? 20 new homes in Roger's Road with 8 affordable houses, designed with local contributions to fit in with the attractive nature of the village. The allocations policy devised by the CLT, Hundred Houses and the Council ensures that local people will be considered first for the homes. First residents due to move in by the end of 2015.

a specially devised House Allocations Policy.

The SPCLT Board currently comprises representatives from the village Parish Council,

Hundred Houses Society and other members from the village.

Left: Layout Plan, Rogers Road, Swaffham Prior
Source: Swaffham Prior Parish Council website

A step by step guide

There are lots of sources of information on the internet regarding CLTs and other forms of community-led development, including step by step guides.

However, as a brief guide, the following outlines some key steps:



Create an Idea / Build a vision

Deciding on what you want to achieve and how you are going to go about it is the first step. Although there are many CLTs throughout the country they are all different as their aims and plans of action vary. Having a clear idea of your vision so that you can communicate it to everyone is an important starting point.

Having a plan of action

You will need to think how to gain support and membership for your CLT, plan regular meetings, raise funds, open a bank account and decide on the appropriate legal entity you want to set up. Organising a scoping day with an adviser is a good start to your Action Plan.

Building membership and support

CLTs must be directly accountable to the community: anyone living or working in the community should have the opportunity to join the CLT as a member, and these members control the CLT. The most effective CLTs have a broad membership across the community. This way the CLT genuinely represents local people. Organising public meetings, getting coverage in local press and speaking to local groups and associations are all good ways to communicate your vision and to get people involved.

Governance and Legal Structures

A CLT is a non-profit community-based organisation run by volunteers for community benefit, but it is also a business like any other and faces the same risks and uncertainties operating within the wider environment. It is therefore essential that as a business your CLT remains **properly governed, maintains financial viability and is well managed**. Taking specialist advice on the best governance structure to adopt and using a set of Model CLT Rules ensures legal compliance and transparency of process. The Council can help with advice on this stage.

Finding land

One of the first things a CLT will need to think about is where suitable land might be found for a development of affordable houses or community facilities and how it might be able to acquire that land. Usually community members themselves have the best knowledge of what land might be available and who it. Sites may come forward through a search, and a fair evaluation will need to take place of the suitability of each site.

Business Planning and proving Need

You will need a business plan and CLTs often begin with a preliminary feasibility study, which is carried out once a group has been formed, a vision set, housing need established and a site identified. If you are thinking of affordable housing you will need to be able to prove there is a requirement. Often people within a community are anecdotally aware of local housing need, but sometimes housing need is hidden and less well understood. Perhaps adult sons and daughters - maybe with families of their own even - are still at home as they are unable to afford to move out, or people have been forced to move away because of high house prices. The CLT may need to organise a Housing Needs Survey if there is not one already available.

Finance

You will need funding for your CLT - beginning with start-up funding to cover specialist advice, legal costs and getting you through to the planning process. Local and national grants may be available at this stage. To build your project you'll need development finance. You'll need capital funding to buy the land or assets and build the homes and you'll need revenue funding to manage and maintain rented properties. There are several sources of funding available to community groups both from government and private lenders. You may also consider other types of funding such as crowd sourcing, community share or bond issues.

Building partnerships and connections

Whether you are looking for local guidance or specific technical expertise there are many sources of help available. As a CLT, you will need to work with a range of partners to deliver your project. Your local authority will be a key partner and it will be important to engage with them at an early stage. That way you save making time-consuming mistakes and can gain credibility and get your project moving forward quickly. Housing Associations, local private developers, architects and planning consultants together with associations such as the National CLT Network can provide useful support and links to other CLTs and expertise.

Long term stewardship

And finally when the assets are acquired you will need to arrange for practical, legal and financial management of those assets either by delegating to an external party or through a legal agreement.

The planning process

The Council wants to make the planning process as clear and easy as possible, but the Council does appreciate that this step can take time and resources. The Council is preparing a Supplementary Planning Document to help with this process, with a draft issued for consultation in November 2015, and a final version due in early 2016.

Community groups who are putting together a community-led scheme are advised to speak to the Council's Planning team as soon as possible for advice on the planning application process. Planning Officers will be able to provide informal advice and guidance on the format, design and layout of schemes.

Further advice from the District Council and other organisations

Organisations bringing forward community-led development in East Cambridgeshire are advised to contact the District Council for further advice and guidance. We have a CLT adviser, as well as planning officers and a housing enabling officer, all of whom can give general advice on establishing community-led organisations and bringing forward community-led development.

For wider regional and national advice, Appendix 2 has a full list of contacts.

Appendix 1: Different Types of Community Led Organisations

Community Land Trusts (CLTs). These are corporate bodies that can be established as Companies Limited by Guarantee, BenCom's or Community Interest Companies Limited by Guarantee (see below for details on these bodies). Under statute¹, a CLT is established for the express purpose of furthering the social, economic and environmental interests of a designated local community by managing land and other assets. The assets are protected for the long-term by a legal asset lock, any profits made must be only used to further the objectives of the CLT, and there must be opportunities for local people to become members and for the members to control the CLT. For these reasons, the Council consider that a CLT is well placed to bring forward a community-led development proposal, particularly so if the community themselves will take ownership of valuable community assets as a result.

Charities, including Charitable Incorporated Organisations (CIO's) and Almshouse Charities. These are required to meet public benefit criteria, which may not be the same as community benefit. While many charities are structured to have open, inclusive and representative membership, it is not a requirement of charity law. As such, a group which is already a registered charity cannot *de facto* be assumed to have satisfied the Council's criteria for Community-led recognition. A charity will have to define the community it serves and the public benefit expected.

Community Benefit Societies (BenCom) or Mutuals. These used to be known as Industrial and Provident Societies (I&PS) and conduct business for the benefit of their community, and use an asset lock to prevent specified assets being used for unintended purposes. The registration will set out the community that the society will benefit, how any surplus profits will be applied, and how the society's activities benefit the community.

Community Interest Companies (CICs). These are designed specifically for those wishing to operate for the benefit of the community rather than for the benefit of the owners of the company. An asset lock is always in place.

Co-operative Societies are part of the BenCom family. The key difference is that BenComs are set up to benefit the community while Cooperative societies are set up to benefit their members. Some CLTs include a co-operative element. It is possible to do so by setting up a two-tier structure where the CLT owns the land and leases it to the co-operative society on a long (99 year) lease.

Parish and Town Councils. These are elected bodies that are responsible for areas known as civil parishes. Their powers can benefit their community through the provision of certain facilities (typically management of open space, community halls, car parks, cemeteries, etc). Parish Councillors are elected to represent their community.

Community groups and organisations often rely on local volunteers. However, the process of bringing forward a community-led development scheme can be complex and time-consuming. Community groups may therefore sometimes wish to seek input and support, involving partnership with professional development partners – such as landowners and agents, developers, and housing associations.

¹ Housing and Regeneration Act 2008 s.79 see <http://www.legislation.gov.uk/ukpga/2008/17/section/79>

Appendix 2: Further sources of advice

Community development and social enterprise sources

CLT East www.clteast.org

CLT East, part of the Foundation East family, is the local support organisation for Community Land Trusts in the East of England. It is independent of government and works on a not for profit basis on behalf of local communities. CLT East provide start-up support and expert, professional, unbiased advice and access to finance to communities seeking to progress community-led developments in their neighbourhood.

Locality www.locality.org.uk

Locality is a nationwide network of social enterprises, development trusts and social action centres. They help people to set up locally owned and led organisations. They support existing organisations to work effectively through peer-to-peer exchange of knowledge and best practice on community asset ownership, community enterprise, collaboration, social action, community rights and regeneration. They provide a set of resources and support on all things asset-ownership and community enterprise.

The Plunkett Foundation www.plunkett.co.uk

The Plunkett Foundation helps rural communities take control through enterprise and asset ownership. They offer advice and resources on a wide range of topics, including community pubs, shops and all sorts of rural community enterprises and services.

Cambridgeshire Acre www.cambsacre.org.uk

Cambridgeshire ACRE is part of a network of 37 Rural Community Councils across England. It is also a member of ACRE, the national umbrella body for RCCs. Cambridgeshire ACRE supports local communities in Cambridgeshire and Peterborough through a range of tailored services based on its understanding of rural needs. This includes facilitation of the Cambridgeshire Affordable Rural Housing Partnership, which advises on community owned assets and helps in the delivery of community-led plans.

Co-operatives UK www.uk.coop

Co-operatives UK is the national trade body that campaigns for co-operation and works to promote develop and unite co-operative enterprises. Their website offers a great discussion forum, resources for co-operative enterprises and a handy quiz, to establish if a co-op is right for you.

The Federation of City Farms & Community Gardens www.farmgarden.org.uk

The Federation of City Farms & Community Gardens exists to support, represent and promote community-managed farms and gardens across the United Kingdom. They work with community groups to help empower local people of all ages, backgrounds and abilities to build better communities, often in deprived areas, and to make a positive impact on their surrounding environment.

Community led housing sources

National CLT Network www.communitylandtrusts.org.uk

The National CLT Network is the national body for CLTs. It supports and promotes the work of CLTs for its members. This includes providing the right conditions for a growing CLT sector, high quality advice, support, resources and training for CLTs, strong sector-led networks and a high profile for CLTs.

Confederation of Cooperative Housing www.cch.coop

CCH is the UK organisation for housing co-operatives, tenant-controlled housing organisations and regional federations of housing co-ops. A housing co-operative is a housing organisation that is controlled, managed and owned by its members. CCH offer resources and support to help budding housing co-ops and is a key lobbying body.

UK Cohousing Network

www.cohousing.org.uk

Co-housing communities are intentional communities. They are created and run by their residents. Each household has a self-contained, personal and private home but residents come together to manage their community, share activities, eat together. The UK Cohousing Network is the UK's umbrella organisation for established and forming groups.

CDS Cooperatives

www.cds.coop

CDS Co-operatives is the largest co-operative housing service agency in England dedicated to promoting, developing, and servicing housing co-operatives controlled by the people who live in them. Their services include housing management and co-operative governance support.

The Almshouse Association

www.almshouses.org/

The Almshouse Association is a support charity that provides advice and assistance to individual almshouse charities throughout the UK.

Homes and Communities Agency (HCA)

www.homesandcommunities.co.uk

The HCA is committed to supporting communities to deliver their own local housing and regeneration solutions. The HCA can support these bodies and schemes through our enabling role, and in some circumstances through their funding and land programmes.

Community led design sources

Community Spirit Partnership

www.communityspiritpartnershipcic.org

The Community Spirit Partnership is a Community Interest Company whose purpose is to assist local people in achieving development that they want to see, through ways including Neighbourhood Development Plans, Community Land Trusts and other mechanisms. We provide a partnership of outside professional skills with inside local knowledge and expertise to deliver plans and development that will benefit the local community by being inclusive, economically beneficial and environmentally responsible.

The Glass House Community-led Design

www.theglasshouse.org.uk

The Glass-House is a national charity that supports and promotes public participation and leadership in the design of the built environment. They provide independent advice, training and hands-on support to community groups and organisations, local authorities, developers, design practices and other stakeholders, to help them work more effectively together to create better quality places and spaces.

Design Council CABE

www.designcouncil.org.uk

Design Council CABE uses design to ensure that communities and places are sustainable, adaptable and resilient. They work with community groups, town and parish councils and local authorities improve the design of local places and put good design at the centre of neighbourhood planning.

Other organisations

My Community Rights

www.mycommunityrights.org.uk

My Community Rights is the national support service for all communities using the Community Rights to Build, Bid and Challenge, or producing neighbourhood plans. It is run by Locality with support from the Department of Communities and Local Government.

The Asset Transfer Unitwww.locality.org.uk

The Asset Transfer Unit (ATU) promotes and supports community asset transfer – the transfer of land and buildings from public bodies to community and voluntary organisations. They provide advice and resources for communities and local authorities.