

Enabling Affordable Community-Led Housing in North Yorkshire and East Riding

FINAL REPORT

Social Regeneration Consultants

January 2017



RuralActionYorkshire
Enabling Your Rural Community



NORTH STAR
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**The Nationwide
Foundation**

**UK Cohousing
NETWORK**

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Social Regeneration Consultants is based in Northumberland and specialises in the promotion, support and delivery of community-led initiatives, including housing, across the UK. www.socialregeneration.com

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Foreward

As a charitable funder committed to increasing the availability of decent affordable homes for people in need, we are very pleased to have supported this project. The benefits of introducing, expanding and strengthening community-led housing across rural north and east Yorkshire have been excellently evidenced.

Community-led organisations are well placed both to challenge the threats to existing local homes for people in need, as well as to increase the supply of homes that meet the needs of local people.

We know that although individual community-led housing schemes are often small, the energy and commitment of local people and organisations can create a big impact for the individuals and communities in which they work. This has been clearly demonstrated by the success in north and east Yorkshire, where this project has unleashed and nurtured the potential for 12 schemes to progress to the stage of creating affordable homes, cause for much celebration.

We want community-led housing to become a more significant contributor of decent, affordable housing for people in need and we envisage a future where community-led housing is thriving and where many more people are living in homes created through this approach.

We firmly believe that the ideas and approaches learned in Yorkshire should be shared and adapted across the UK, delivering change at scale, while respecting different local circumstances.

We are pleased to see the progress made in north and east Yorkshire and expect that this will continue to flourish, hopefully with ongoing finance from the Department of Communities and Local Government's Community Housing Fund.

It has been a pleasure to work with Rural Action Yorkshire and the [North Yorkshire & East Riding Rural Housing Enabler Network](#). We will follow the progress of the 12 individual projects with interest as hopefully they grow and overcome barriers, so that in the end they have the satisfaction and benefit of delivering new affordable homes for their communities.

Gary Hartin
Programme Manager
The Nationwide Foundation

1. Executive summary

We have a significant and growing housing crisis in the UK. Providing more homes is a major Government priority; and community-led housing is firmly on the national agenda as a small, but important contributor. In many rural areas, and increasingly in urban ones too, communities are taking the lead in providing genuinely affordable homes for local people, creating community assets and helping to support local economies.

Community-led housing, in all its forms, is supported by Government, many local authorities, some housing associations and several hundred local communities, all of whom are actively engaged in its delivery. Rural North Yorkshire and East Riding, however, is starting from a low base. Although there are many opportunities, just one community-led project is currently active, in Hudswell, Richmondshire.

This report is the culmination of six months' work to raise awareness of community-led housing across North Yorkshire and East Riding.

The report provides an overview of community-led housing, explains how the Government, local authorities, housing associations and other agencies have been promoting, supporting and funding it across the country and offers some interesting case studies from other rural parts of northern England. More importantly, it provides a report back on a series of meetings, presentations, workshops and conferences focused on inspiring and encouraging local communities across rural North Yorkshire and East Riding to get involved and start their own projects. The Appendices (in a separate document) provide a useful resource for supporting community-led housing projects as they start to develop.

The outcomes of this work are significant. Working with the local Rural Housing Enabler team and others, 12 pilot projects have come forward and many others have the potential to join them.

The following table provides summary information on the potential 12 pilots.

Lead Community Organisation/Group	Location	Local Authority	Land identified?
Hudswell Community Charity	Hudswell	Richmondshire	Yes
Alive 50+	Hirst Courtney	Selby	Yes
Helperby and Brafferton Parish Councils	Helperby	Hambleton	Yes
Newly-formed Leyburn Community Trust	Leyburn	Richmondshire	Yes
Danby Parish Council	Castleton	Scarborough	Yes
Burton in Lonsdale Parish Council	Burton in Lonsdale	Craven	Yes
Lealholm Parish Council	Lealholm	Scarborough	No
Newsham Parish Council	Newsham	Richmondshire	No
Hutton Rudby Parish Council	Hutton Rudby	Hambleton	No
Ingelby Arncliffe Neighbourhood Plan Group	Ingelby Arncliffe	Hambleton	No
Thornton Watlass Estate	Thornton Watlass	Hambleton	Yes
Local farmer/landowner	Aislaby	Scarborough	Yes

Virtually all of the pilots could take advantage of a new funding programme, announced by the Government in late December 2016 – the **Community Housing Fund (CHF)**. Only one, a potential cohousing scheme in Selby, is in an area without a CHF allocation.

Targeted at communities under pressure from second home ownership, the Fund provides £300 million over the next five years to support community-led housing and can be used by Local Authorities as both revenue and capital funding. Local authorities in North Yorkshire and East Riding have an allocation of £6.2 million for 2016/17. Lack of finance is not therefore something that should hinder the growth of this type of housing provision over the next few years, provided the District Councils collaborate to work with communities and build on the work documented here to deliver successful schemes.

The report concludes with suggested actions for taking the community-led housing programme forward. It includes proposals for maintaining momentum, securing local authority collaboration on the Community Housing Fund, bringing housing associations into community-led housing

partnerships, building the strength of the Rural Housing Enabler Network, setting up a North Yorkshire and East Riding Support Hub and evaluating delivery.

Evaluating delivery is particularly important. Community-led housing needs to prove itself in North Yorkshire and East Riding. It needs to deliver affordable homes on the ground. It will be a significant challenge and there will be many ups and downs on the journey. But, with a fair wind, patience and support, it can make a significant contribution to rural housing provision here. There is no better time to put community-led housing firmly on the North and East Yorkshire map.

2. What we were asked to do

The project was commissioned jointly by the North Yorkshire and East Riding Rural Housing Enabler Network, Rural Action Yorkshire (RAY), the UK Cohousing Network and North Star Housing Group. The funding was provided by the Nationwide Foundation, the UK Cohousing Network (from the Big Lottery Accelerating Ideas programme), North Star Housing and the Rural Housing Enabler Network, with Rural Action Yorkshire acting as the accountable body.

The commissioning partners wanted to see a significant increase in community-led housing activity in North Yorkshire and East Riding from what is currently a nearly non-existent base i.e. one scheme in the pipeline. They wanted to identify practical opportunities for new developments and raise awareness and understanding amongst a broad range of local stakeholders, particularly communities, local authorities and housing associations. The partners anticipated that the work would identify up to 5 pilot schemes that could be taken forward during 2017/18.

Following a tender process, Rural Action Yorkshire appointed Social Regeneration Consultants to work with its partners, particularly the Rural Housing Enabler Network, from June to December 2016.

The commissioners were particularly keen to see the outcomes of this work disseminated to other rural areas in England, through the network of Rural Community Councils. As such, this project has important linkages to national work being carried out by the Building and Social Housing Foundation on scaling up community-led housing, which is also being supported by the Nationwide Foundation.

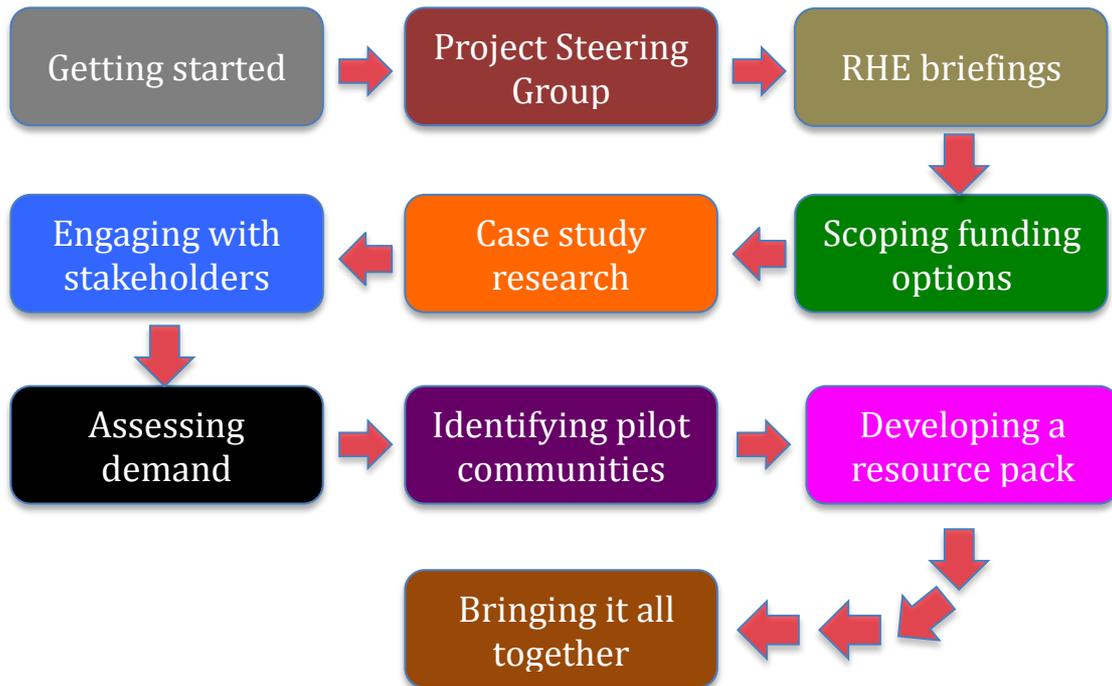
3. How we approached the project

Getting to know the North Yorkshire and East Riding area was a pre-requisite. It is a large and diverse geographical area with over 1000 parishes. It was also critically important to establish a good working relationship with the six Rural Housing Enablers, each based in one or more of the local

authorities and with a wealth of local knowledge and experience with most rural communities across the area.

Equally important was equipping those directly involved in the project with an overview of what community-led housing was, the different forms it can take and how it was being delivered across the country. A Status Report was therefore produced early on in the process; an updated version is included as part of Section 4.

The project process is shown on the following chart:



Consultation was a key feature of the project at every stage of this process.

The Project Steering Group met three times during the course of the work, bringing together Rural Housing Enablers, the two Rural Community Councils, local authorities, national park authorities, housing associations, the Homes and Communities Agency, Country Land and Business Association and others with a direct interest in community-led housing. A representative from Hudswell Community Charity – the sub region’s only community-led housing scheme - was also involved in this group and throughout the project. Separate briefings and discussions were held with the North Yorkshire and East Riding Rural Housing Enabler Network, the York, North Yorkshire and East Riding Housing Board and the York, North Yorkshire and East Riding Housing Forum.

The project was delivered at a particularly appropriate time. Community-led housing was beginning to attract the attention of a Government placing housing high up the policy agenda, new dedicated funding sources were either being announced or due to be announced and there was a general air

of optimism that, whatever the outcomes of the project were, there would be a real opportunity to turn them into practical delivery on the ground.

SRC produced a detailed Scoping Paper that set out the various ways in which community-led housing was being supported and funded around the country. An updated version is included as part of Section 5.

The brief also called for a limited amount of case study research, to complement work recently completed for the Building and Social Housing Foundation and provide additional northern examples of community-led housing in rural areas. These can be found in Appendix B and will form part of the resource pack planned to be developed in April 2017.

Engaging with stakeholders, particularly those from local communities, but also with local authorities and landowners, was always going to be the most important part of the process. SRC was invited to present at various conferences, forums, meetings; we ran three community-led housing workshops and also held a number of one-to-ones with key individuals at various stages. Rural Action Yorkshire also ran a survey of all Parish Councils in the area.

The main purpose of all these interactions was to raise the profile of community-led housing across North Yorkshire and East Riding, explain how it could work, create a positive and enthusiastic momentum and enable us to assess demand for this type of housing provision. Details of how this was done, those involved and the feedback received can be found in Sections 6 and 7.

It was anticipated that the main outcome from the work undertaken by SRC within the project would be a set of up to five pilot projects which identified lead communities, potential partner agencies (where applicable) and developable sites which could then be progressed. The SRC final report would then make specific suggestions on how these projects could be supported and brought to fruition. Details of the potential pilots can be found in Section 8. Suggested next steps are included in Section 10.

Finally, the Rural Housing Enabler team and Rural Action Yorkshire needed to develop a resource pack for communities interested in developing a community-led scheme. SRC's role was to advise on how this might best be done, input material from the North Yorkshire and East Riding process and feed in knowledge of national and regional toolkits either developed or being developed elsewhere. At the time of writing, this work is on hold until April as key project personnel work with the local authorities on plans for committing the allocated Community Housing Fund.

4. Community-led housing – a national overview

4.1 What is community-led housing?

An alliance of community-led housing organisations has endorsed the following three-part definition to ensure that schemes are genuinely community-led:

- a requirement that the community must be integrally involved throughout the process in key decisions (what, where, for who). They don't necessarily have to initiate and manage the development process, or build the homes themselves, though some may do
- a presumption in favour of community groups that are taking a long-term formal role in ownership, management or stewardship of the homes
- a requirement that the benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity

Most community-led housing in rural areas has the following features:

- It is usually **small scale** – most schemes are under 20/25 homes and some are much smaller
- Schemes are usually **set up and run by local people in their own communities**, often with external support from housing associations, local authorities or regional and national support organisations
- Most schemes provide **genuinely affordable homes for rent, shared ownership or sale** on sites that are often difficult for mainstream housing providers to develop
- Most schemes **meet long-term local housing needs**, by the community retaining a legal and/or financial interest in the homes provided and ensuring they are always available to local people who need them
- Most community-led housing is **not for profit, involving considerable voluntary effort**

Having said that, some community-led housing schemes are based around groups of people coming together to foster community living and these may not require subsidy, meet local housing needs or be not-for-profit. One aspect of the project was to try and establish how much demand there might be in the sub region for this type of provision.

Community-led housing comes in many different forms – there are no standard models, but they can include:

- **Community Land Trusts** 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

- **Housing Co-operatives** involve groups of people who provide and collectively manage affordable homes for themselves as tenants or shared owners
- **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
- **Tenant management organisations** provide social housing tenants with collective responsibility for managing and maintaining the homes through an agreement with their council or housing association landlord
- **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
- **Community self-build** schemes involve groups of local people in housing need building homes for themselves with external support and managing the process collectively. Individual self build is not regarded as community-led housing.

There are overlaps between these different models; for example, some cohousing schemes operate as co-operatives. 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 community-led housing schemes in their areas.

Each community-led housing ‘model’ has its own national umbrella body that promotes and supports the sector:

- National Community Land Trusts Network
www.communitylandtrusts.org.uk
- Confederation of Housing Co-operatives www.cch.coop
- The UK Cohousing Network www.cohousing.co.uk
- National Association of Tenant Management Organisations
www.natmo.com
- Self Help Housing www.self-help-housing.org
- The Community Self Build Agency
www.communityselfbuildagency.org.uk
- Locality (formerly the Development Trusts Association)
www.locality.org.uk

4.2 The national picture

Community-led housing represents just under 1% of the nation’s housing stock. In comparison, 10% of the housing stock in some other European countries is community-led.

In England, there are currently 225 Community Land Trusts (CLTs). Most are in rural communities, but there is now a growing urban CLT sector too. There

is an expectation that 3000 affordable homes will have been provided through CLTs by 2020.

There are more than 1000 housing co-operatives and other mutuals, managing around 200,000 homes in England. Many of these co-ops were set up in the 1970s and 1980s when they were particularly in vogue and significant government funding was available.

40 cohousing schemes are currently completed or under development in England and interest in them is growing amongst a broad range of people, in both urban and rural areas.

There are more than 130 Tenant Management Organisations, mainly in council-owned housing estates in urban areas and more than 120 self-help housing groups, also mainly urban, but often established in inner city areas of older private housing.

Finally, around 100-150 homes a year are currently being provided through community self-build, as part of the self-build/custom build sector.

There is currently a move to bring the different parts of the community-led housing sector together, to form a national alliance, taking advantage of a generally supportive policy environment and the potential for 'scaling up' provision across the country. This work is being led by the Building and Social Housing Foundation, with funding through the Nationwide Foundation.

There are differing views in the community-led housing sector on the most effective way of 'scaling-up' provision. These can be summarised as:

- Bottom up, grass roots, volunteer-led community groups responding to housing need, or people seeking to deliver their own homes
- An extension of activity by existing community-led or based organisations
- Developer led/top down initiatives by local authorities, housing associations, landowners and small builders wanting to provide housing that benefits their local area, with communities coming on board once sites and funding are in place

All three approaches have a place in scaling up community-led housing nationally, but particularly in areas like North Yorkshire and East Riding, where activity is currently at a very low level.

4.3 Recent legislative, policy and funding changes

There have been some significant national changes over the past year which have a direct impact on affordable housing provision. The proposed extension of a 'Voluntary Right to Buy' to most housing association tenants, the 1% annual rent reduction for most housing association and local authority tenancies and extensive welfare reforms have all had a major impact on housing association business plans. Local authorities are potentially also

affected by the requirement to sell off their higher value housing stock as it becomes vacant to fund the extension of the Right to Buy.

The Government's commitment to increase house-building to meet a national shortfall of around 200,000 homes a year for the foreseeable future is heavily (though not exclusively) focused on expanding home ownership. The Homes and Communities Agency's £4.7 billion Shared Ownership and Affordable Homes Programme 2016-2021 will see around 95% of the funding spent on a range of low cost home ownership schemes by housing providers, with funding for affordable rent largely limited to supported housing.

Whilst some larger housing associations have been intending to use reserves to continue delivering affordable rented homes in priority areas and some local authorities are making use of Section 106 funds to do the same, there is now little doubt that future provision of Affordable Rented properties will be significantly restricted, with those going ahead potentially affected by Right to Buy in future years.

These changes will certainly have an impact on rural affordable housing provision. Many communities are reluctant to accept new housing development, particularly if it is seen to be only of benefit to outsiders with no local connection. The growth of second homes is often a particular concern. Young people are priced out of the rental and home ownership market and forced to move away whilst older people wishing to downsize find there are few suitable properties available locally. Anyone on below average earnings needing rented accommodation is also in a very difficult position. Many rural businesses are consequently finding it increasingly difficult to attract and maintain a local workforce.

Community-led housing is not a complete solution to these problems but it does offer a very different and attractive option. This has now been recognised by Government. The March 2016 budget made a commitment to provide £60 million a year for five years to support community-led housing in rural and coastal communities and initial details of this programme, including individual allocations to 148 local authorities, were announced by the Government in late December 2016. One third of the funding is to be specifically targeted at South West England, where current community-led housing activity is particularly strong and on areas with particular pressure from second home-owners.

The Government has also agreed to effectively exempt Community Land Trusts and housing co-operatives from its extended Right to Buy provisions, accepting the argument that community-led schemes will not happen unless the homes they provide are available on an affordable basis to local people in perpetuity. Community Land Trusts operating as HCA Registered Providers have also secured an exemption from the 1% rent reduction for the next three years, which will significantly lessen the adverse impact on their business plans; those working with housing association partners, where ownership resides with the association are not, however, exempt.

Alongside funding from Government, a number of national lenders are now actively supporting community-led housing with development and mortgage finance. Charity Bank and Ecology Building Society are leading the way, but there are others too. Start up grants and loans, through Locality and the National Community Land Trust Network are also available, as is initial cost-free specialist advice and support in the early stages. Revenue funding for regional support agencies or hubs – both existing and new – are expected to be part of the new Community Housing Fund programme. Other funders are now also coming forward, including Power to Change and Big Society Capital.

Some local authorities are also providing revenue and capital funding for community-led schemes and, on larger sites, there is an increasing emphasis on cross subsidy between market sale and affordable rent/shared ownership, with developers and local communities working in partnership to get schemes off the ground.

4.4 The current position in North Yorkshire and East Riding

One of the key priorities in the York, North Yorkshire and East Riding Housing Strategy 2015-2021 is to triple the average annual supply of affordable homes across the area to around 1,600 a year, partly by enabling and supporting self build, custom build and community-led housing.

The area has delivered more than 600 rural affordable homes since 2011, with a focus on Section 106 and Rural Exception sites. The well-supported Rural Housing Enabler Network of has been successful in bringing most of these schemes to fruition. In 2015/16 there were 4,704 housing completions across North and East Yorkshire, 161 of which were rural and affordable.

Although there is a commitment to rural affordable housing and a growing interest from some communities in community-led housing across the sub region, only two schemes were 'active' at the start of this initiative – one in Hudswell, Richmondshire (three affordable homes for families developed by a community charity), and the other in Selby (a potential cohousing scheme for older people). Activity here is clearly starting from a low base.

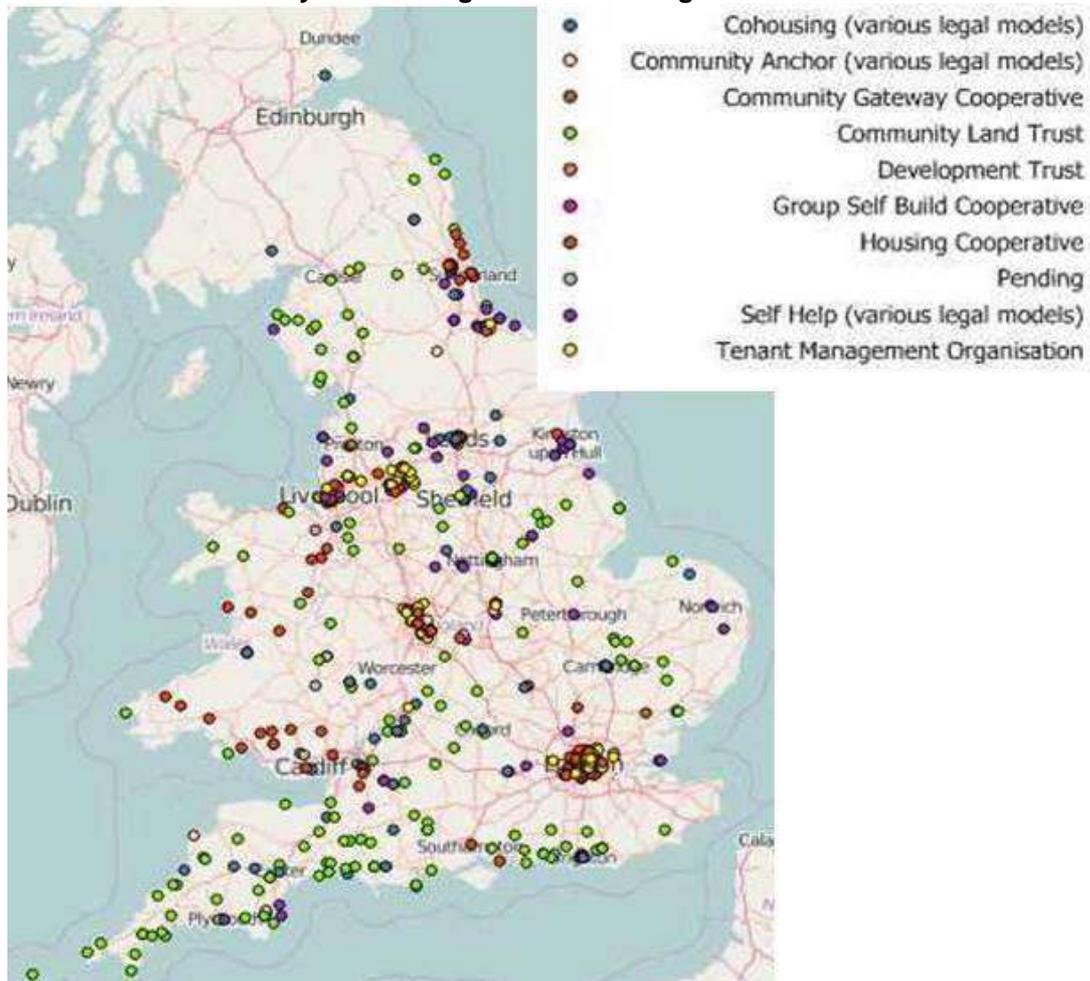
The map on the following page shows the current level of community-led housing activity across the country and highlights the absence across most of North Yorkshire and East Riding. The area is similar, in many respects, to other high value rural areas in England where community-led housing is now well-established. So why has activity in this area been so low? There are three basic reasons:

- No-one has been actively promoting it
- Most local communities have not been aware of it
- There is no organisation in the area currently able to support it

Despite these limitations, the sub region is now in a good position to develop a programme of community-led housing, for the following reasons:

- i) There is a strategic commitment to increase the supply of rural and affordable homes
- ii) There is growing interest amongst a number of local authorities and housing providers, keen to add an additional mechanism for delivering more affordable homes in rural communities
- iii) All of the area (except Selby District) received funding through the Government's £60 million a year Community Housing Fund
- iv) There is revenue funding within this £60 million programme for setting up an appropriate support mechanism that could promote and develop community-led schemes
- v) The well-supported Rural Housing Enabler Network with its on-the-ground knowledge is the key to generating potential schemes. A proactive Rural Community Council is also willing to promote and support community-led housing.
- vi) Neighbourhood planning activity is reasonably active across North Yorkshire and East Riding. There are around 27 Neighbourhood Plans at various stages of development here and they can act as a useful catalyst for community-led housing in some cases, particularly where housing is a key issue

Community-led housing initiatives in England and Wales 2016



5. How community-led housing is supported and funded

5.1 Government

The Government's interest in community-led housing has three main elements:

The Localism Act 2011

This significant piece of legislation introduced new rights for communities and set the Government's context for the recent growth in community-led housing. New rights included a 'community right to challenge', enabling a community to register an interest in taking on a local authority service; a 'community right to bid', enabling communities to delay the sale of public assets on the open market whilst they secured funding for their own bid, and a 'community right to build', enabling groups to bring forward small scale development proposals without the need for planning permission. Although the 'rights' have yet to be widely taken up by communities, the Localism Act also introduced neighbourhood planning, which has been quite popular in many rural communities, but less so in urban areas.

Additionally, the Self-build and Custom Housebuilding Act 2015 introduced a requirement for local authorities to keep a register of people and organisations interested in self build sites within their area and a new duty to make provision for them.

Homes and Communities Agency (HCA) Shared Ownership and Affordable Homes Programme 2016-2021

Government support for affordable housing has traditionally been channelled through the Homes and Communities Agency.

There was a significant ring-fenced capital funding programme for community-led housing in the HCA's 2011-15 Affordable Homes programme, mainly for affordable rent, but this is not being continued in the latest £4.7 billion programme, which is focused on housing for sale. The 2011-15 programme also included a Community Led Housing Support revenue package.

Additional capital funding of £1.4 billion for the HCA's Shared Ownership and Affordable Homes Programme was announced in the 2016 Autumn Statement. It introduced some welcome flexibility on tenure, with one third of this funding set to be made available to Registered Providers for Affordable Rent.

There are opportunities for funding community-led schemes that have low cost home ownership or shared ownership housing as part of the mix, with grant support of up to 30% for the latter through HCA investment partners. Community-led groups do not need to become Registered Providers to

access this funding, but many are likely to continue working in partnership with housing associations that are, in order to minimise risk.

Community Housing Fund

The Government's Community Housing Fund, referred to in section 4 of this report, potentially provides a highly significant injection of capital and revenue funding to support community-led housing in many rural communities, including in North Yorkshire and East Riding, over the next four years. Although the focus in 2016/17 was on community-led schemes in places with high levels of second homes, the limited guidance from DCLG gives local authorities a considerable degree of flexibility on how the funds issued in 2016/17 are spent.

Funding for 2016/17 has been allocated via local authorities in what remains of the year, with Yorkshire and East Riding local authorities receiving an allocation from a total of £6.4 million in Yorkshire and Humber (see table below).

East Riding of Yorkshire	£2,042,864
Craven	£605,964
Hambleton	£195,277
Harrogate	£585,832
Richmondshire	£493,730
Ryedale	£431,322
Scarborough	£1,860,672

Total **£6,215,661**

The national organisations involved in community-led housing, co-ordinated by the Building and Social Housing Foundation, submitted detailed proposals to Government on how this fund should be used and these proposals are reflected in the initial guidance provided by DCLG to all local authorities with an allocation (see Appendix E). The guidance places an emphasis on putting in place appropriate support arrangements for these types of schemes, particularly where none currently exist.

It is not yet clear whether responsibility for the Community Housing Fund will remain with local authorities be delivered entirely through local authorities from 2017/18, or be transferred to the Homes and Communities Agency, or be delivered in some other way. Future allocations are likely to depend on performance against the limited criteria that have been set.

5.2 Local authorities

Local authorities can and do support community-led housing in a number of different ways:

Commuted Sums

This enables contributions to be sought from developers towards the costs of providing affordable housing, the need for which has arisen as a result of a new development taking place. Some local authorities have accumulated significant sums through Section 106 agreements and a few are now using some of it to provide capital funding grants or loans for community-led affordable homes (see Appendix B case studies)

Others are providing capital funding from other budgets; examples include a £100,000 capital grant provided by Northumberland County Council to Prudhoe Community Partnership to gap fund the provision of two affordable rent flats above shops; and an interest free loan of £544,000 from Cornwall Council to St Minvers Community Land Trust towards the 12 unit self-build development. The self-builders' mortgages enabled them to purchase a serviced self-build plot from the CLT, repay the local authority loan and continue with the project.

Revenue grants

Direct grants are being provided by some local authorities to community-led housing schemes in the early stages of development, where other forms of funding support are unavailable. For example, in East Cambridgeshire, a £20,000 annual budget enables new community-led schemes to access grants of £5000 each to get things up and running whilst a pre-development loan (with an annual budget of £70,000) enables groups to secure up to £30,000 which is only repayable if the scheme eventually moves to completion. The funding is then recycled to subsequent schemes.

At West Dorset District Council, a Housing Initiatives Fund provides grants of up to £5,000 specifically for Community Land Trusts, from the Council's community development budget.

Community asset transfers and long-term leases

Where local authorities or other public bodies own land or buildings that are surplus to their requirements, they may be prepared to transfer them to a community-led organisation. Although all public bodies are normally required to secure best value from asset disposals, in some cases, such transfers can take place at below market value and even at nil-value. Some local authorities prefer to transfer on a long lease, retaining the freehold interest. Leases are normally of sufficient timescale to enable the community-led housing project to attract funding from institutional lenders.

SCATA, a Community Land Trust in Northumberland, acquired the freehold of a redundant public toilet block as a nil-value asset transfer from Northumberland County Council (via the Parish Council) and subsequently built an elderly persons bungalow on the site. Empty terraced homes in Middlesbrough have been transferred by the Borough Council to Middlesbrough Community Land Trust for £1 each, albeit with restrictive covenants and a buy-back clause to retain the homes as affordable housing.

Rural Revolving Land Banks

Some local authorities – including those in North Yorkshire and East Riding – have recognised the value of joint initiatives to stimulate land supply for new rural housing, de-risk the site acquisition process and speed up scheme delivery, all of which would be highly beneficial for community led schemes. Local authorities in North Yorkshire and East Riding, Exmoor and Dartmoor National Parks and rural Hampshire made a £2.8 million bid to the Homes and Communities Agency during 2016 to set up such an arrangement.

Specialist support staff

Where rural local authorities employ Rural Housing Enablers, as in North and East Yorkshire, some have broadened their role to encompass community-led housing development; others are using existing community development staff tasked with supporting social enterprises to work with community-led housing providers to strengthen their business plans. One or two others have gone further, employing specialist support staff specifically for community led schemes.

SCATA in Northumberland benefitted significantly from regular on-going support from Northumberland County Council's Social Enterprise team, particularly around governance and business planning. SCATA also received a £5000 start up grant from the Council. Until recently, East Cambridgeshire District Council bought in support for its Community Land Trusts from a Regional Development Agency, but when the idea took off it decided to employ its own staff directly.

Local Plans and Supplementary Planning Documents

Only a very small number of local planning authorities make specific supportive references to community-led housing schemes within their planning policies. East Cambridgeshire is leading the way amongst rural/semi-rural authorities in this respect, by supporting community-led development through its Local Plan, adopted in April 2015. A key element of the Plan deals with its policy towards community-led homes development outside designated village boundaries.

The following extract from a Supplementary Planning Document, approved by the Council in February 2016 sets out the position.

The District Council is generally supportive of community-led development...the affordable housing elements may be permitted outside development envelopes as an exception to normal policies of control where:

The District Council is satisfied that (i) the scheme was initiated by a legitimate local community group, such as a Parish Council or Community Land Trust and (ii) the scheme has general community support, with evidence of meaningful public engagement.

It can be demonstrated that the scheme will be well managed and financially viable over the long term and that any benefits provided by the scheme can be retained by the local community in perpetuity.

An element of open market housing on the site will only be acceptable where it is demonstrated that it is essential to enable delivery of the affordable housing or other community benefits on the site.

Community self-build and self and custom-build registers

The Self-Build and Custom House-Building Act 2015 requires each local authority to keep a register of individuals and groups who are seeking to acquire plots of land in the authority's area in order to build houses for those individuals to occupy as homes. Self-build and custom house-building registers provide valuable information on the demand for self-build and custom house-building in the area. Local authorities have a new duty to promote and link their registers to land opportunities, development permissions and demand, something that might have a positive impact on helping to scale up community-led housing in North and East Yorkshire.

A number of successful community-led housing schemes have incorporated a self-build element. For example, the first St Minvers Community Land Trust scheme in Rock, Cornwall produced 12 affordable self-build homes held in perpetuity for qualifying local people at less than a third of their open market value. A further saving for the original self-build householders reflected their "sweat equity" in the homes.

To ensure the long-term affordability of the homes, the freeholds sold to the self-builders were subject to a covenant which limited the resale price to a maximum of 31.3% of their open market value. The mechanism allows the owners to profit from inflation in the value of the properties, but keeps the properties affordable for future generations. A pre-emption agreement gives St Minver CLT first refusal to re-acquire or nominate a purchaser when one of the homes is sold, keeping control of the property in the hands of the community.

5.3 Housing associations

Some housing associations have been as proactive as local authorities in supporting community-led housing schemes across the country.

Development partnerships

Partnerships between community-led housing organisations and housing associations have been a particular feature of community-led housing developments over the past few years. Many communities wishing to see affordable homes provided for local people have turned to housing associations to help them achieve it.

As Registered Providers with the Homes and Communities Agency, housing associations have been able to draw down significant sums of capital grant for individual projects and been able to raise private finance from mainstream lenders. So, whilst communities have usually identified and bought the land on which development has taken place, partnering with a housing association has de-risked the construction process, whilst ensuring that local people benefit and lease income is retained within the community.

Nowhere is this partnering more evident than in South West England, where 15 Community Land Trusts have successfully gone down this route, mainly to provide affordable homes for rent. This successful arrangement is now under pressure as grant funding for rental schemes has become more difficult to obtain and some communities are reluctant to pursue low-cost home ownership as an alternative.

The Voluntary Right to Buy, negotiated between the National Housing Federation and the Government to avoid legislation in the 2016 Housing and Planning Act, has created further uncertainty in communities about whether homes provided through development partnerships would be continue to be available to local people on an affordable basis and in perpetuity, as they have been in the past.

There is scope for exploring different ways of partnering between communities and housing associations, which enable the community to own the housing assets, but make use of association development, management and maintenance expertise to help provide them.

Specialist support staff

People with the right experience and expertise are often needed to help schemes get off the ground and support local communities in delivering them. Despite the significant role that some housing associations have played in community-led housing schemes, few of them have employed specialist support staff, preferring to work with national organisations and – where they are up and running – sub regional support hubs.

Aster Housing Group is a notable exception. It operates across central southern and south west England and employs a full-time Project Manager for community-led housing within its South West development team, focusing on community land trusts and cohousing schemes. It works closely with Wessex Community Assets and its CLT hub on most of its community-led

housing schemes. Despite recent funding changes, it is determined to continue supporting this type of housing provision in rural areas, making use of its reserves and cross subsidy to keep its programme of support going.

Direct grants

Revenue grants have, in some cases, been provided by housing associations to help community-led housing schemes in the early stages, with the funding usually coming from their community investment budgets. With all housing associations now facing significant financial challenges, there has been increased pressure on these budgets and direct funding is now increasingly difficult to find from this source.

Despite these various initiatives, housing associations are generally cutting back on their community investment activities, due to pressure on their business plans from Government changes related to the 1% rent reduction over the next four years, welfare benefit cuts and the voluntary right to buy. Difficulties around shared ownership mortgages and the heavy emphasis on home ownership initiatives in the £4.7 billion Homes and Communities Agency's Affordable Homes Programme have also had a significant impact.

The additional capital funding of £1.4 billion for the *Homes and Communities Agency's* Shared Ownership and Affordable Homes Programme, announced in the 2016 Autumn Statement, also introduced some flexibility on tenure, with one third of this funding expected to be made available to Registered Providers for affordable rent – a key issue for many rural communities in North Yorkshire and East Riding. Alongside the new Community Housing Fund, with its emphasis on areas under pressure from second homes, this opens up the potential for housing associations to play an important role in supporting community-led housing initiatives, something that the Homes and Communities Agency is keen to support.

5.4 Landowners and developers

Landowners and developers can also support community-led housing through a variety of mechanisms.

Below market value land sales

Rural landowners can be persuaded to sell it for housing development, but its value is essentially determined by the ability to secure planning permission. Rural Exception Sites, which are outside normal development boundaries, work because these sites would not obtain planning permission for market housing, but they can provide a significant uplift in value compared with agricultural values, for example.

Some landowners are prepared to sell on this basis; others have been prepared to sell small parcels of land for community-led schemes at significantly below market value in order to support the local community, knowing that other sites were unlikely to come forward. Some estates and landowners are also attracted to Community Land Trusts because they can

guarantee that any homes built will stay affordable and available to local people in perpetuity. In rural villages where developable land is at a premium, community-led proposals may be the only real option.

Community bond investment

Some landowners, particularly larger estates, have been prepared to support community-led housing schemes in their areas by investing in community shares or bonds. In some cases they have even been prepared to convert these shares or bonds into grants at the end of the loan period, helping to reduce the need for commercial lending and improving the affordability of the homes provided. At Glendale Gateway Trust in Wooler, two Northumberland estates contributed nearly half the community bond target figure (see paragraph 6.3).

Mixed tenure developments

Housing development in rural communities is always challenging due to high land values and lack of economies of scale. Increasingly, developers and landowners are looking for new and innovative ways to secure community support for their schemes and secure planning permission. Including community-led affordable homes as part of larger, mixed tenure schemes and making use of cross subsidy, is already being seen as a pragmatic way forward in some towns and villages.

5.5 Sources of revenue funding

Locality, formerly the Development Trusts Association, currently provides two related types of support for all types of community-led housing:

- Community Buildings Pre-Feasibility Grants of between £1,000 and £10,000 are available for establishing the feasibility of a community-led housing project before taking on its development through to a formal planning application or a Community Right to Build Order. Funding is provided by the Government through its Community Rights programme and is available for town and parish councils, neighbourhood forums and incorporated community groups
- Community Buildings Project Support Grants of between £10,000 and £40,000 are available for progressing a project from the pre-feasibility to full planning application stage, particularly covering the costs of technical advice and support. Applicants are expected to cover 10% of the project costs themselves

Both these Community Buildings funds are currently available until April 2018.

The organisation has recently been running a series of *See for Yourself* open days across the country, in conjunction with the Building and Social Housing Foundation, to raise the profile of community-led housing and highlight successful schemes mainly, but not exclusively in urban areas.

The National Community Land Trust Network (NCLTN) has two funds specifically for community land trusts:

- The CLT Start-up Fund offers technical assistance and grants to help with the early stages. There are three stages of funding. Stages 1 and 2 offer up to three days with an expert to scope out the project and assess its feasibility. If a community wants to go ahead and set up a CLT it can then apply for Stage 3, for up to £4,000 to assist with obtaining legal advice to incorporate a new CLT or secure land, prepare a business plan and cover some technical costs
- The CLT Social Investment Fund, managed by CAF Venturesome, provides loans of up to £50,000 to get schemes up to planning stage, including preparing plans, commissioning architects and surveyors and submitting the planning application. The finance is repayable only if the scheme is successful and generates an income for the CLT.

Local authorities and councils

In addition to the support provided through local authorities, set out in section 5.2, some town and parish councils are becoming more aware of community-led housing and can be willing to support it, particularly in the early stages. This may include small start-up grants and/or loans as well as reduced cost access to community facilities for meetings and events.

In Wooler, Northumberland, Glendale Gateway Community Trust negotiated a £30,000 loan from the local Parish Council to help bring empty homes back into use. These funds had come to the Parish Council as a legacy and the £300 per annum interest was being used to support local good causes. The Community Trust gave them a 4% annual return that offset some of the need for a commercial loan, quadrupling the annual funds available to the Parish Council for supporting local causes.

Even where they are unable to help financially, Town and Parish Councils often play an important role in sponsoring community-led housing initiatives and many local councillors have become directly involved with community land trusts and other community-led housing initiatives, as trustees or directors.

Big Lottery programmes – Power to Change

Big Lottery is a useful source of revenue funding for community-led housing in certain circumstances. The Power to Change programme is a £150 million initiative aimed at scaling up community business. It is launching an initial £2 million community-led housing initiative in March 2017, focused initially on two urban ‘vanguard’ areas. Consideration is being given to the inclusion of a rural vanguard area in later stages of the programme. The emphasis is on revenue funding the growth of a sustainable support infrastructure for community-led housing.

The Lottery's Awards for All programme of small grant support is not usually available for projects involving land and/or buildings. However, there may be scope to apply for up to £100,000 through their main Reaching Communities programme.

Charities and Trusts

Many other smaller trusts and charities have supported community-led housing schemes with contributions to revenue and occasionally capital funding. Tudor Trust and Esmee Fairbairn have a particular track record in this area, although their focus tends to be on urban and deprived communities rather than rural. The Quaker Housing Trust has also been involved.

Generally speaking, community-led schemes in North Yorkshire and East Riding are likely to benefit most from local trusts and charities that are keen to invest in rural communities. For example, *Two Ridings Community Foundation* provides grants to help strengthen communities across North Yorkshire and East Riding and, despite its current focus on supporting communities affected by flooding, may be a good source of revenue support for community-led housing groups in their early stages.

5.6. Sources of capital funding

Funding through the Homes and Communities Agency and local authorities has already been covered in previous sections. Other important sources of capital funding for community-led housing schemes include:

Banks and Building Societies

A wide variety of commercial and non-commercial lenders are involved in supporting the community-led housing sector. Schemes developed in partnership with housing associations, for example, have seen funding raised through a range of commercial banks and building societies, with their financial interests protected through long-term leases with community-led landowners, usually of between 60 and 125 years.

Most non-commercial lenders, particularly the smaller ones, often prefer to provide funding as part of a suite of lenders/funding – to spread the financial risk. The main such lenders currently providing capital finance for community-led housing schemes are:

- Handlesbanken, a Swedish high street bank has recently provided capital funding for two community-led housing schemes directly to Goodwin Trust and Giroscope in Hull.
- Charity Bank, which provides development finance of up to 70% of scheme value, with a maximum scheme cost of £2.5 million. It has already lent to a number of community-led housing projects. It does not provide long-term mortgage finance.
- Ecology Building Society, which provides development finance of up to 80% of the scheme value for small-scale community-led housing

projects – up to £1.5 million per scheme. It will also provide residential mortgages for shared ownership schemes, where shared owners have up to a 95% share. Ecology also provides small discounts for eco and energy efficient home schemes.

- Unity Trust Bank, which provides development loans to a range of social investment projects. Unity has been particularly supportive of community-based organisations tackling the problem of empty homes and has a particular focus on Yorkshire and Humberside for its social investment. A £256,000 loan has recently helped Canopy Housing in Leeds bring 12 empty homes back into use for homeless and vulnerable people.
- Triodos Bank, which has funded several community-led schemes, including the LILAC project in Leeds, is interested in expanding this market. It will provide development and long-term finance of up to 70% loan to value for projects, secured against the assets, lending between £100,000 and £10 million on a single scheme. The maximum loan period is 25 years, although this can be extended to 35 years for certain affordable rent schemes. Where there is an equity gap, it can bring in small social investors to help bridge the shortfall.

Social Investment Funds

- (CAF) Venturesome is the social investment arm of the Charities Aid Foundation. It is currently operating the Community Land Trust Social Investment Fund which, in addition to the pre-development loans referred to in paragraph 5.2, also offers Getting Your Homes Built loans of up to £350,000 for CLTs. The aim is to de-risk the development for mainstream lenders and the loans are repayable once these are in place.
- Resonance operates an Affordable Homes Rental Fund that is targeted at community-led schemes. It can provide between £100,000 and £1.2 million to part or fully fund schemes over an 8 year repayment period, at a fixed interest rate of between 5.5% and 7.5%. Resonance has been involved in funding a number of community land trust schemes, particularly in the South West.
- Big Society Capital announced a £15 million loan facility for larger, mainly urban, community-led housing schemes, in December 2016. At this stage it is not clear whether some of this funding could be used for smaller, more rural schemes.

Community Bonds and Shares

Crowd funding, through community bonds and shares, is becoming an increasingly popular way of part-funding the development costs of community-led housing schemes. They enable local people to support projects by investing a few hundred pounds, often without an expectation of any interest being paid but with a reasonable prospect of seeing their money returned once the development is complete.

Leeds Community Homes has recently launched a community shares scheme aimed at raising £360,000 to fund the purchase of 16 permanently affordable flats on an eco-development in the centre of Leeds and develop proposals for future projects to build more affordable homes.

In rural areas, Keswick Community Housing Trust launched a £150,000 community investment share issue in 2012 to part fund a £1.3 million, 11 home mixed tenure development in the town. In Wooler, Northumberland, Glendale Gateway Trust launched a similar Community Bond in 2013 to support a development of 9 affordable homes. It raised £128,500 in total, of which £14,000 comprised outright donations and £60,000 came from two large, local estates. The bonds, offering 0% interest, were due for repayment during 2016.

Cross Subsidy

A number of community-led housing projects are now going ahead through cross subsidy arrangements with developers. This tends to work mainly in high value urban areas and on larger developments, but there is scope for examining its applicability to some smaller sites in rural communities with high land values.

Cross subsidy from market sale to community-led affordable rent or shared ownership homes may be needed to make some schemes work financially, particularly where communities want to provide homes for which grant support is not available – increasingly Affordable Rent. Even on very small schemes, 2 or 3 market sale homes might make the difference between a viable and non-viable project, dependent on sales values and the availability and type of other capital funding for the community-led homes. Local authorities will normally want to ensure that any increase in land value associated with an acceptance of some market housing on what would otherwise only be a site for affordable housing is ploughed back into the community-led scheme.

East Cambridgeshire District Council included the following in its February 2016 Supplementary Planning Document on community-led housing

To fund the construction of the community assets, it is expected that the community organisation will be able to attract grants and loans from external funding sources. However, grant funding may not be readily available or obtainable – and in these circumstances, an element of market housing may be permitted in the scheme to provide cross subsidy. Where market housing is to be provided, this will need to be explained and justified in the Viability Assessment and the Statement of Community Benefit.

Where market housing is proposed, applicants will need to demonstrate through a financial appraisal that the proposed amount is essential to enable the delivery of the other elements of the community scheme. Applicants will also need to demonstrate that the community benefits in a scheme are significantly greater than would be delivered on an open market site. For example, that a significant proportion of affordable properties or other community uses are proposed – which offset and justify the provision of some market housing on the site. The quantification of these benefits and justification for the market housing should be highlighted in the Statement of Community Benefits.

The grant of planning permission for a scheme that includes open market housing outside a settlement boundary can significantly enhance site value from (usually) low agricultural values. Because of this, the Statement of Community Benefit should include an explicit statement of site value that will accrue to the landowner as a consequence of the planning permission. The Statement should also include a comparison against the current estimated local market value of a scheme. This information will also allow the District Council to ensure that additional value derived from introduction of market housing into the scheme is used to fund the community benefits and does not disproportionately benefit the landowner.

6. Raising the profile of community-led housing in North and East Yorkshire

Raising the profile and awareness of community-led housing was always the top priority for this project.

6.1 Who we talked to

Throughout the project a huge amount of consultation was carried out with a large number of organisations and individuals involved in rural housing issues across North Yorkshire and East Riding, but it was not possible to talk to them all. Key members and/or officers from all eight District Councils were consulted, either through their Rural Housing Enablers, direct by the consultancy team or at the meetings and events listed in the following paragraph. A member from North Yorkshire County Council also attended one of the community-led housing workshops (see section 7.2).

We also held discussions with the Homes and Communities Agency, the Country Land and Business Association, North York Moors National Park Authority, Yorkshire Dales National Park and Rural Action Yorkshire.

We held regular sessions with the six Rural Housing Enablers and attended many other meetings with them, both collectively and individually.

We made presentations on community-led housing to the following:

- North and East Yorkshire Rural Housing Enabler Network
- Rural Housing Enabler's 2016 Rural Housing Conference
- York, North Yorkshire and East Riding Housing Board
- York, North Yorkshire and East Riding Housing Forum
- North York Moors National Park Authority
- North York Moors Southern Parish Forum
- North York Moors Coastal Parish Forum
- South Holderness Association of Parish Enterprises
- Ryedale District Parish Forum
- Hambleton District Parish Forum
- Leyburn Town Council

Further presentations to the Upper Dales Parish Forum (part of the Yorkshire Dales National Park), Helperby and Brafferton Parish Councils and Newsham Parish Council are scheduled for January 2017.

We have also spent a considerable amount of time talking to people directly involved in potential pilot projects, including estate managers and owners, district councillors, parish council chairs, cohousing sponsors, farmers, landowners and neighbourhood/town plan groups. We produced briefing notes for these projects on the different forms of community-led housing and how they are funded.

A full list of organisations that contributed directly to project can be found in Appendix A.

6.2 Responses from strategic stakeholders

The response to the community-led housing project from strategic stakeholders has been positive.

The eight *local authorities* have all expressed support for the initiative, at officer and member level in most cases. Registered Providers, the Homes and Communities Agency, the York, North Yorkshire and East Riding Housing Board, the two National Park Authorities and Rural Action Yorkshire have all been very positive about the scaling up of community-led housing in the sub region.

The six Rural Housing Enablers, co-ordinated by the Strategic Housing Partnership for York, North Yorkshire & East Riding, have all been actively involved in helping to bring forward potential community-led schemes. This is an extension of their role to facilitate and increase the supply of affordable housing schemes, through Rural Exception Sites and Section 106 agreements, through:

- Undertaking parish wide surveys to assess local housing need
- Working with Parish/Town Councils and others, such as housing associations, to explore ways of meeting identified housing need
- Liaising with landowners and local authority housing and planning departments to identify possible sites
- Facilitating community consultations
- Helping to secure funding for affordable housing
- Act as an honest broker between parties as the project progresses, ensuring that the community is able to participate

Each local authority currently contributes £6,500 per annum, plus in-kind contributions, to support the work of the RHE Network and the staffing resource it provides. 15 housing associations active in the sub region also currently pay £3,000 per annum each plus a payment per completed rural housing unit to support this work.

Although not unique, Rural Housing Enablers have largely disappeared from most rural areas in England. Having been able to retain them here, the eight local authorities have a ready-made resource able to help tackle the upsurge in interest in community-led provision.

The districts in receipt of funding allocations through the Community Housing Fund have agreed to collaborate through the York, North Yorkshire and East Riding Housing Board and are expected to pool a proportion of their allocation to a sub regional pot. They have already agreed to collaborate on the potential Rural Revolving Land Bank bid referred to in Section 5.2. Local authorities also have the potential to provide funding for community-led housing initiatives using commuted sums from Section 106 agreements, for example.

Housing associations have been a key player in the provision of rural affordable housing in North Yorkshire and East Riding and are joint funders of the Rural Housing Enabler Network. One association – North Star Housing Group - part-funded this community-led housing project and have expressed an interest in being involved in helping to deliver the outcomes. Several housing associations have been represented at Rural Housing Enabler Network meetings (where community-led housing was one of many items on the agenda) and one (Broadacres HA) has been regularly involved in community-led housing steering group meetings.

Unlike some other parts of the country, housing associations with development programmes in North Yorkshire and East Riding have little experience of working on community-led housing projects, although they do have valuable experience of community engagement in their own rural housing schemes in this area.

The pilot programme to extend the Right to Buy to all housing association tenants with at least three years occupation – albeit on a voluntary basis - has made housing association development here potentially less attractive to many rural communities and landowners, particularly large estates. Conversely, the effective exemption from the Right to Buy for community land trusts and housing co-operatives has increased the attractiveness of the community-led route.

Despite these limitations, housing associations do have a potentially key role in delivering community-led housing in North Yorkshire and East Riding, acting as development partners where local communities require support or wish to de-risk the process by not going it alone.

The HCA is also understandably keen to ensure that interest in community-led schemes is translated quickly into housing starts and completions on the ground. It is able to provide loans and grants through its various funding streams to both Registered Providers and investment partners. Both routes are potentially open to community-led groups.

The two *National Park Authorities* (italics appear randomly throughout the report) both have significant proportions of second homes with high house prices. Affordable rented homes in particular are at a premium. The North York Moors National Park is particularly keen to encourage local communities to explore community-led solutions, for the following reasons:

- Second home owners are increasingly reducing the supply of affordable homes in many villages, at a time when demand for them is increasing
- 17% of all housing across the National Park is now in second home ownership.
- Many homes are now unaffordable by local people who may need to work in the community, downsize or rely on family support, but are forced to live elsewhere

- Any new development in the National Park is sensitive and needs to fit closely with community needs and aspirations; when communities take the lead, the outcomes are likely to be positive
- In villages where local services are under threat, a community-led housing scheme can kick start other initiatives to keep essential services going, some of them through community ownership

Although over 100 affordable homes have been provided here in recent years, housing need surveys show that the main on-going need is specifically for Affordable Rent.

North Yorkshire and East Riding has a significant number of large estates. *Estate owners and managers* were all contacted via the Country Land and Business Association. Four expressed initial interest and two of these are now actively considering community-led housing schemes on their land. Estates have a strong interest in maintaining a pool of affordable rented homes either on their own land or in adjacent villages, mainly to provide homes for their workforce. They are potentially interested in any housing schemes that can ensure these homes are kept available to local people on an affordable basis in perpetuity. They tend to be wary of proposals for new homes that involve more home ownership or rental schemes where properties may be subject to the Right to Buy.

Other stakeholders worth exploring community-led housing with/talking to further are the *Church of England*, especially around glebe land, *almshouse charities* and owners of *Poors Land*. We carried out some initial exploratory work on all of these areas, but further discussions would be useful in the future.

7. Assessing demand

The project made use of two key mechanisms to assess the likely demand for community-led housing from communities themselves – a parish survey and a series of workshops.

7.1 The parish survey

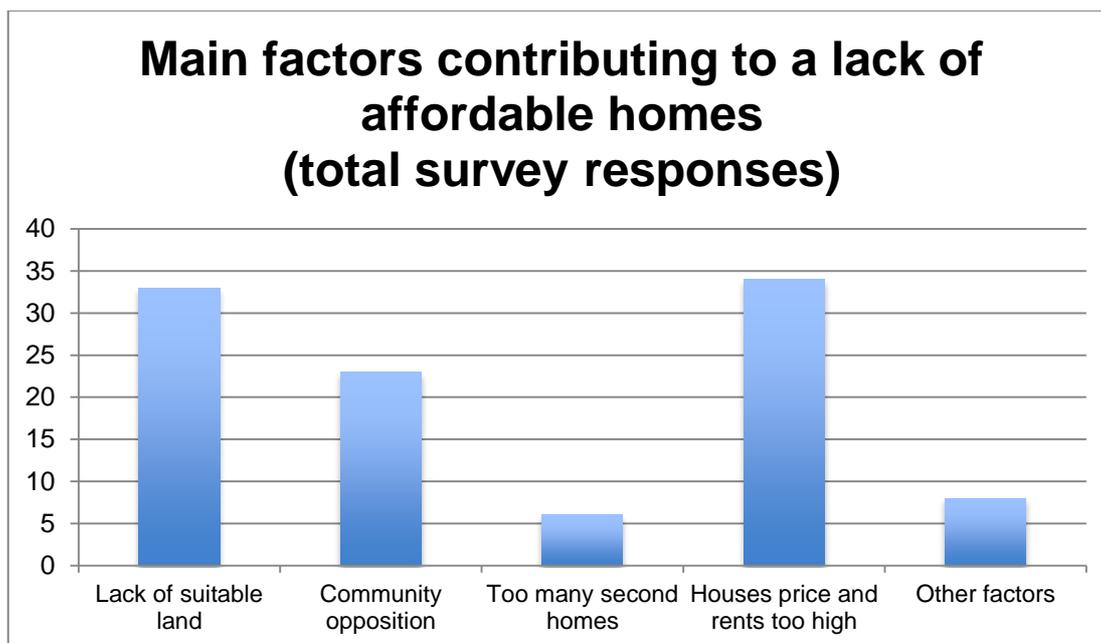
Parish and Town Councils can have a key role in initiating and supporting community-led housing schemes. The aim of the parish survey was to find out if community-led housing might make a difference in their villages or towns and whether, as Local Councils, they would like to find out more about it.

SRC devised the questionnaire in consultation with Rural Action Yorkshire, Humber and Wolds Community Council and the lead local authority officer for the Rural Housing Enablers. A copy of the survey can be found at Appendix C.

The survey was sent out electronically to all North Yorkshire and East Riding Parish and Town Councils on Rural Action Yorkshire's electronic mailing list in early September 2016, with each given until the end of October to respond. It was also distributed through Yorkshire Local Councils Association and through social media to reach as many Parish Councils as possible. By the end of October, 74 had replied.

The main responses can be summarised as follows:

- 42% of local councils that responded have a neighbourhood or parish/town plan in place or in preparation. Of these, half make some reference to a need for affordable housing for local people
- 47% of local councils that responded felt that a lack of affordable homes for local people was an issue that their community felt should be tackled
- The bar chart below shows the response to questions about the main factors contributing to a lack of affordable homes locally. Although it might have been expected that lack of suitable land and high prices would be important factors, the relative low responses citing community opposition and second homes was perhaps surprising
- 36% of local councils that responded felt that there was land or empty buildings locally that might be suitable for a community-led housing scheme. Just under half of these local councils knew the ownership of the land or buildings they felt might be suitable
- 53% of local councils that responded expressed interest in attending a meeting or workshop to discuss community-led housing in their areas



It should be noted that respondents identified their knowledge of community-led housing on a scale of 1-5 with 5 being the highest. The survey results showed that the average level of knowledge was 2.2.

7.2 Community-led housing workshops

Based on the outcomes from the parish survey and interest expressed by local communities preceding this, SRC ran three 2 hour workshops in parish/community halls at Arkendale (Harrogate District) Hutton Rudby (Hambleton District) and Market Weighton (East Riding). Although each workshop was open to anyone, the focus was on communities that had expressed a positive interest in developing a community-led housing scheme.

The large geographical area inevitably meant that some communities were unable to attend any of these workshops and where this was the case arrangements have been made for separate presentations, either by SRC and/or the relevant Rural Housing Enabler. Some of these presentations will take place in early 2017.

All three workshops followed a similar format, details of which can be found in Appendix E. They were a mix of presentations, handouts, a community-led housing video, case studies and interactive discussions in small groups.

30 individuals attended the three workshops, representing 19 local communities (mainly town and parish councils), three neighbourhood development plan groups and three local authorities. A list of those attending is included as part of Appendix A. Participant feedback was encouraging:

- 83% of participants felt the workshops had met their expectations and were pleased they had attended

- 84% of participants said the workshop had encouraged them to explore in detail the potential for a community-led housing scheme in their village or town
- 45% of participants said they had no knowledge about community-led housing at the start of the workshops. By the end, 88% of participants felt fairly confident that they now had enough knowledge to get involved in a potential community-led housing scheme

Those attending the workshops were asked to identify the main attractions for them of community-led housing. They highlighted the following:

- Creating genuinely local affordable housing
- Increasing local community control
- Keeping local people in the village/ local area
- Helping to keep local services like shops, pubs, schools open
- Ability to decide the structure of the community organisation
- Kick-starting the development of other community owned assets or services
- Recycling profits back into the local community – ‘sticky money’
- Designing the homes yourself
- Employing local tradespeople

The main interest from communities that came forward at these workshops was therefore from people who were potentially interested in promoting and supporting schemes to provide affordable homes for others in need within their communities rather than providing homes for themselves. The outcomes do not therefore give a high profile to cohousing, or indeed to housing co-ops, group self-build or self-help housing either - all equally valid parts of the CLH mix.

There is certainly some demand for cohousing in North Yorkshire – 2 of the 12 pilots are potential cohousing schemes and there are at least two others under consideration by sponsors, but this project suggests it is coming from a small number of individuals or consultants with a specific interest in promoting it rather than groups of like-minded people coming together and looking for land or buildings to meet their own needs. If the latter exist in rural North Yorkshire, they haven't come forward yet.

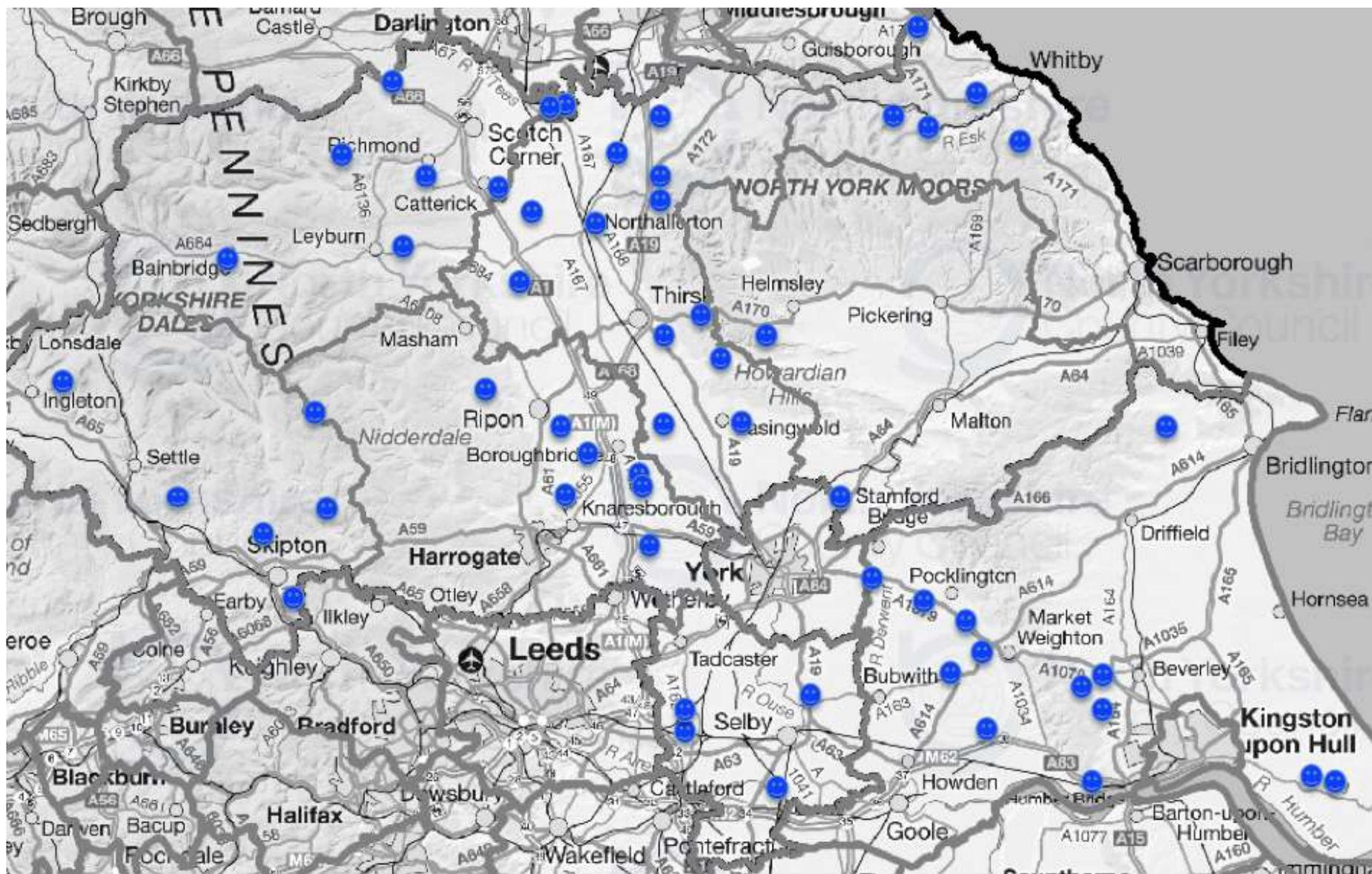
8. Identifying potential community-led housing schemes

Overall, 56 rural communities in North Yorkshire and East Riding have either expressed an interest in community-led housing or have been suggested by stakeholders as likely to be receptive to it. This is will almost certainly be a moving picture however as some communities will not pursue any initial interest and others will come to the table later.

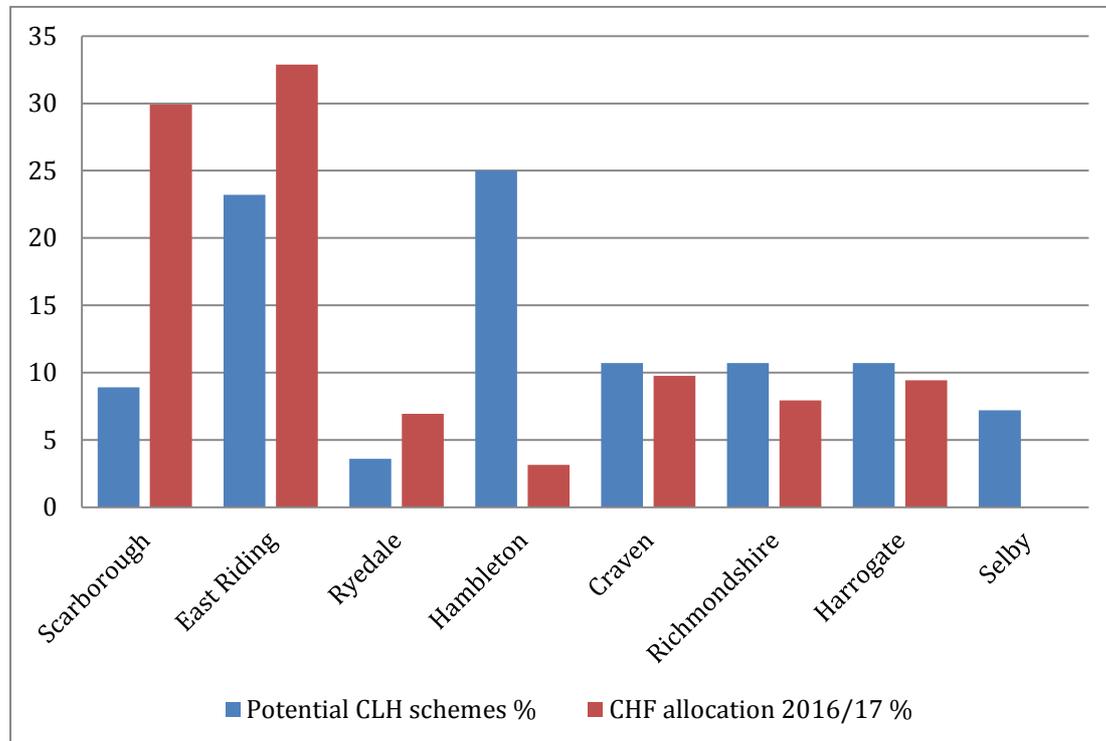
The distribution of community interest across North Yorkshire and East Riding at December 2016 is shown on the following table and map.

Local Authority Possible CLH schemes

Scarborough	5
East Riding	13
Ryedale	2
Hambleton	14
Craven	6
Richmondshire	6
Harrogate	6
Selby	4



The following bar chart shows the breakdown of the 56 potentially interested communities by local authority at December 2016, alongside the funding allocations that have been made through the Community Housing Fund for 2016/17 (see section 5.1).



There is clearly an imbalance between the distribution of the Fund and the number of potential community-led housing schemes coming forward – at least at this stage. This is particularly pronounced in Scarborough and Hambleton. Allocations through the Community Housing Fund were not known at the time the project was encouraging community-led schemes to come forward so there was no focus on any particular area. This suggests that outline proposals by the local authorities in North Yorkshire and East Riding to pool at least the revenue elements of their 2016/17 allocations would make a lot of sense.

It is worth noting that if all 56 communities went ahead with community-led housing schemes with an average of 6 dwellings over the next four years, this would produce 336 homes with a capital cost of £33-38 million and a subsidy requirement of, perhaps, £11-19 million, depending on the tenure mix. Although future funding allocations are not yet known, but assuming they are at a similar level to 2016/17, this could take up to 60% of Community Housing Fund investment in the sub region over the next five years, bearing in mind that Selby District does not have an allocation from this fund.

8.2 A schedule of potential pilots

Having successfully raised the profile of community-led housing it was clearly important to focus on a small number of schemes that could be brought to the table relatively quickly.

Ideally, the pilot schemes would be replicable, have a geographical spread across North Yorkshire and East Riding, offer different community-led housing models, provide a mix of tenure and funding arrangements. This would help to ensure that the pilot schemes were diverse enough to encourage a range of new activity in years to come, adapted to local circumstances.

Section 4.2 of this report outlined three ways in which community-led housing schemes might be delivered:

- *Group-led*: new community-led groups form in response to local housing need, or to deliver their own homes. They sometimes emerge from existing networks such as Neighbourhood Forums and Parish Councils. They access technical expertise to support the development and realisation of their ideas
- *An extension of community based activity*: existing community-based organisations with local roots decide to provide housing in addition to their current activities, accessing technical expertise to help them understand this new area of work
- *A developer-led partnership*: a local authority, landowner, housing association or local developer wants to provide housing that incorporates a community-led element. They access technical expertise to recruit 'founder members' from within the community and support them to take over ownership and/or management of the homes. In this scenario it is essential that all of the community-led criteria (Section 4.2) are met to ensure genuine community benefit and involvement

The pilot projects identified in North Yorkshire and East Riding cover all three of these routes.

At the start of the project it was by no means certain that five pilot projects would emerge, let alone a set that would fit the above criteria. But the response from many communities and some landowners has been very positive and, by December 2016, 12 potential pilots had been identified.

They include schemes in five of the eight local authorities, including three in the National Parks; 2 co-housing projects; 10 potential community land trusts; 2 schemes promoted by large estate landowners; one potential partnership with a housing association and one with a private developer; and one where a farmer is offering to gift land. 8 of the 12 projects have land identified. No specific proposals for incorporating individual or group self build have come forward at this stage, nor are there any specific proposals for housing co-operatives, although these may emerge later. Neither were specifically explored as part of this project.

This very positive picture may change, but should some of the potential pilots not come to fruition there is sufficient interest elsewhere to conclude that community-led housing is now very much on the map in North Yorkshire and East Riding.

The following table provides summary information on the potential 12 pilots.

Lead community organisation	Location	Local authority	Potential land identified?
Hudswell Community Charity	Hudswell	Richmondshire	Yes
Alive 50+	Hirst Courtney	Selby	Yes
Helperby and Brafferton Parish Councils	Helperby	Hambleton	Yes
Newly-formed Leyburn Community Trust	Leyburn	Richmondshire	Yes
Danby Parish Council	Castleton	Scarborough	Yes
Burton in Lonsdale Parish Council	Burton in Lonsdale	Craven	Yes
Lealholm Parish Council	Lealholm	Scarborough	No
Newsham Parish Council	Newsham	Richmondshire	No
Hutton Rudby Parish Council	Hutton Rudby	Hambleton	No
Ingelby Arncliffe Neighbourhood Plan Group	Ingelby Arncliffe	Hambleton	No
Thornton Watlass Estate	Thornton Watlass	Hambleton	Yes
Local farmer/landowner	Aislaby	Scarborough	Yes

9. Towards a toolkit for rural communities

The final part of this project involved supporting the Rural Housing Enabler team in developing a resource pack specifically for communities interested in community-led housing. This is still in progress at the time of writing and relevant material from this commission is being fed into it. The intention is that this will be made available across the country through Rural Community Councils.

9.1 *What is already out there?*

There are two types of toolkits or guidance notes – those aimed at communities thinking of developing a community-led housing scheme and those aimed at professionals and agencies that may be involved in supporting them.

The *National Community Land Trust Network* has a CLT Handbook for members that covers the following:

- Introduction
- Starting Out - Engaging the community and key partners
- Proving housing need and allocating CLT homes
- Forming a CLT - governance and legal structures
- Making it stack up - project feasibility, business planning, funding and finance for CLT projects
- Tenure options - tenure, section 106 agreements, enduring mortgages are available
- Land and planning
- Options for developing the scheme and taking it to completion
- Stewardship, management and community involvement
- Community rights
- Community energy generation
- Community food and farming

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

The National CLT Network also has guidance on CLT Model Rules and a detailed Financial Appraisal tool on its website, alongside several videos that provide case studies of initiatives around the country.

The Confederation for Co-operative Housing is currently preparing a detailed guide aimed at helping community groups, housing associations and co-ops, local authorities and others in the initial stages of considering how to develop new co-operative and community-led housing projects. The Guide, due to be available in early 2017, is intended to help people make initial decisions about what type of scheme can be developed and provide signposts to where further advice is available.

Locality has a range of guidance for community-led initiatives on both its own website and the My Community website, although most seem to be aimed at urban projects and particularly asset transfers and development. Specific guidance on community-led housing, in terms of a toolkit, appears to be no longer available on either website, although there is a guide to Choosing a Legal Structure. A Community Buildings Checker is also available and is designed to test the viability of different proposals.

UK Cohousing Network currently has an online Research Bookshelf with a range of technical advice sectioned by stages of development. This includes: a table breakdown on choosing a legal structure; links to the Prince's Trust business plan template; and webinars providing guidance on tendering and appointing professionals and overseeing the development process. The Network's website is due to be updated in April 2017.

The *National Custom and Self Build Association* has a very detailed Custom & Self Build Toolkit fully available online, which may be useful for self-build elements of community-led housing schemes. It provides an overview of four models/approaches to self-build projects which includes phases of building, actors involved, and respective briefing notes. The Briefing Notes cover a wide range of technical topics such as planning and land, finance, resourcing, taxation, health and safety, how to deliver service plots, and understanding the Community Infrastructure Levy.

The *Community-Led Housing Alliance* is planning to create a national resource platform to host and share a wide range of information about community-led housing.

9.2 Where are the gaps?

There is no specific toolkit for rural communities interested in looking at the options for a community-led housing project, although much of the information can be found in the various publications in Section 9.1.

The main gap is in advice and guidance for local authorities, housing associations and other professionals who are likely to be involved in supporting community-led housing initiatives.

This gap is due to be filled by a joint *HACT* and *Self Help Housing* initiative, which will provide a set of templates, frameworks and guidance mainly on legal, financial, planning and building issues. The toolkit is likely to include:

- Legal and statutory provisions that can assist community-led housing
- Legal charges and agreements
- Leases
- Asset transfers
- Business planning
- Using capital receipts to support community-led housing
- Disposing of assets at less than market value
- Relevant Charity Commission guidance

- Local lettings policies
- Advice on Section 106 Agreements
- Relevant DCLG guidance
- Sources of capital and revenue funding
- Advice on strategic housing market assessments

The HACT/Self Help Housing toolkit is due to be completed in late 2017. This project will be looking to produce a rural community-led housing toolkit specifically for Parish Councils and potentially one for large land-owners. This will be disseminated and used by the other 37 Rural Community Councils.

10. Next steps and action plan

Turning the outcomes from this project into actual community-led housing schemes on the ground in North Yorkshire and East Riding is the next challenge. It will not necessarily be easy or straightforward and nor will it happen as quickly as local communities and public agencies would like to see. Providing new homes anywhere involves a lengthy technical and legal process; providing them through a community-led initiative in places where traditional housing providers find it difficult to deliver adds an important extra dimension. That said, there is no better time to promote and support community-led housing in North and East Yorkshire.

Over the next year, seven things are needed to make progress as swiftly as possible.

1. *Keep the momentum going*

- Provide short-term on the ground support to the 12 pilots to ensure that they do not lose momentum whilst decisions about funding and support, particularly through the Community Housing Fund, are being made by local authorities.
- Organise 'Seeing is Believing' type trips for pilot communities and others to completed community-led housing schemes in Northumberland and the Lake District
- Arrange a second round of workshops, specifically for the pilot communities, making use of an external cohousing enabler for the 2 pilots identified
- Follow up interest that comes forward from communities not in the pilot programme and run the pilot project workshops again
- Produce a simple and accessible rural community-led housing guide or toolkit in Plain English and distribute it widely across North Yorkshire and East Riding
- Present these findings to the North Yorkshire Rural Housing Conference in Summer 2017

2. *Secure local authority support and collaboration*

- Co-ordinate all the District Councils to ensure they collaborate on the delivery of the Community Housing Fund and, where possible, pool allocations (particularly revenue) to support initiatives across North Yorkshire and East Riding during 2016/17 and beyond
- Appoint an appropriate local authority lead officer for community-led housing to coordinate local authority activity across North Yorkshire and East Riding, funded by pooling part of the Community Housing Fund
- Identify a prominent local authority member (preferably a member of the Housing Board) as North Yorkshire and East Riding's Community-Led Housing Champion.

- Secure funding for and start delivery of the Rural Revolving Land Bank proposal from April 2017
 - Make use of the Community-Led Housing Alliance/DCLG offer of specialist advisors to local authorities (see Appendix F)
- 3. *Bring housing associations into community-led housing partnerships***
- Convene an early meeting of housing associations with development programmes in North Yorkshire and East Riding to discuss their potential involvement in the community-led housing initiative and how they might partner with specific communities in the pilot programme
 - Actively promote and support at least one community/housing association partnership through the pilot programme to act as an exemplar for future schemes
- 4. *Build the strength of the Rural Housing Enabler Network***
- Train up the Rural Housing Enabler team and Rural Action Yorkshire staff to equip them with the additional knowledge and skills they need to act as local community-led housing advisors
- 5. *Set up a North Yorkshire and East Riding Support Hub***
- Establish a new support hub that combines the skills and experience of the Rural Housing Enabler team with the community development expertise residing in Rural Action Yorkshire with revenue funding through the pooled Community Housing Fund
 - The Support Hub should be based in Rural Action Yorkshire with a collaboration agreement between RAY and the RHE Network
 - Recruit a small panel of external technical advisors, able to be called upon to provide housing development, legal and business planning expertise, funded through the pooled element of the Community Housing Fund and co-ordinated by the Hub
 - The new Hub should also look at creative ways to engage communities in housing projects, for example through Church Diocese and by identifying local Pools Land
 - The new Hub should take account of recently completed research for the national Power to Change programme, which examined how gaps in the current network of community-led housing support arrangements could best be filled
- 6. *Connect with the regional and national networks***
- Actively participate in the North East Community-Led Development Network, in the short term
 - In the medium term, contribute to the development of a new sub-regional Network covering North Yorkshire and East Riding, and

potentially a wider area, with funding through the Community Housing Fund

- Regularly liaise with the national community-led housing agencies and the Homes and Communities Agency, receiving reports and updates on their activities, ensuring these are passed on to communities involved in their own housing projects and making full use of their advice and training offer to build local capacity

7. Review progress on delivery

- Commission an external evaluation of the first two years of the Pilot Programme and the performance of the Support Hub, to inform future funding through the Community Housing Fund and other finance mechanisms

Appendices

- A. List of organisations consulted
- B. Case studies of community-led housing
- C. Parish Council survey questionnaire
- D. Typical Presentation to Parish and Town Council Forums
- E. Format for Community-Led Housing Workshops
- F. DCLG guidance to local authorities on the Community Housing Fund
- G. 25 steps to a successful community-led housing scheme

A. List of organisations consulted

Alive 50+
Brafferton Parish Council
Broadacres Housing Association
Charity Bank
Country Land and Business Association
Craven District Council
East Riding of Yorkshire Council
Hambleton District Council
Hambleton District Parish Forum
Harrogate Borough Council
Helperby Estate
Helperby Parish Council
Homes and Communities Agency
Hudswell Community Charity
Humber and Wolds Community Council
Hutton Rudby Parish Council
Ingelby Arncliffe Neighbourhood Plan Group
Leyburn Town Council
Nationwide Foundation
Newsham Parish Council
North Star Housing Group
North York Moors Coastal Parish Forum
North York Moors National Park Authority
North York Moors Southern Parish Forum
North Yorkshire and East Riding Rural Housing Enablers
Richmondshire District Council
Rural Action Yorkshire (RAY)
Ryedale District Council
Ryedale District Parish Forum
Scarborough Borough Council
Selby District Council
South Holderness Association of Parish Enterprises
Studio Urban Area
Thornton Watlass Estate
UK Cohousing Network
York, North Yorkshire and East Riding Housing Board
York, North Yorkshire and East Riding Housing Forum
Yorkshire Dales National Park Authority

+ 70 other Parish Councils that completed the Parish Council survey and/or sent representatives to the three community-led housing workshops

B. Case studies of community-led housing



DIVERSIFYING COMMUNITY-OWNED ASSETS IN A RURAL NORTH YORKSHIRE VILLAGE



5 of the 7 Hudswell Community Charity trustees – all local residents – meeting in the village's community-owned George and Dragon pub to discuss their affordable housing scheme

The basics

Location:	Hudswell, Richmondshire, North Yorkshire
Lead body:	Hudswell Community Charity
Homes:	2 houses and 1 bungalow new build
Tenure mix:	Affordable rent
Capital funding:	£400,000
Revenue funding:	£10,000
Timescale:	To be completed late 2017
Key partners:	Richmondshire Rural Housing Enabler Yorkshire Dales National Park Hudswell Parish Council

Key message:

Even small villages can go it alone with a community-led housing scheme if they have the right people, access to land and a bit of money behind them.

Getting started

Hudswell is a small village of some 250 people, straddling the boundary between the Yorkshire Dales National Park and Richmondshire District Council. The Community Charity is a small almshouse charity that owns three affordable rented cottages in the village as well as 30 acres of farmland and has recently taken on the local community pub. The idea of using a small part of their land to provide more affordable rented homes first surfaced at least 30 years ago, but the opportunity to realise that ambition did not materialise until the tenant farmer passed away.



The housing development site

The trustees made good use of local expertise, recruiting a resident with a professional housing background as Secretary and securing some initial, cost-free design work from an architect who also lived in the village. With the support of the Yorkshire Dales National Park and Richmondshire's Rural Housing Enabler, they carried out a village housing needs survey and put together some initial plans for five new terraced dwellings.

The next step was to hold a public meeting in the village which attracted 40 residents and quite of a bit of opposition. Alongside some people who felt the field should be left as it was, there was also concern that too many homes were being proposed for a

relatively small site. Nevertheless, the meeting concluded that providing more affordable homes here was worth considering.

The Trustees decided that a less intensive development of just three houses was the best way forward and spent some time talking to objectors in the village to try to bring them on board. At a second public meeting, held one year after the first and attended by a similar number of residents, this revised, smaller scheme attracted a lot more support.



An architect's impression of the three dwelling scheme, now with planning approval

Making it happen

To turn a good idea into a live development project takes time and money. Hudswell's trustees secured a £10,000 grant from Locality, which paid for planning and architects fees and other scheme-related costs up to the planning permission stage. They also had some early advice from Locality on how best to take things forward.

With the need to design homes in keeping with others in the village and to comply with National Park requirements, the three stone built dwellings were not going to be provided cheaply. With development costs estimated at just under £400,000, raising the funding required was the next big challenge. The trustees were fortunate to have over £100,000 of reserves, built up over the years from the rents from their three almshouses. They were prepared to use this money to attract £250,000 of borrowing from Charity Bank, alongside £40,000 from Richmondshire Council's Section 106 budget. It meant that there was no need for other forms of subsidy or a need to partner with a housing association, enabling the Hudswell trustees to go it alone. Which is what they have done.

"We felt that this new housing scheme was the best use we could make of the charity's assets. We weren't impressed by another so called affordable housing

scheme in the village which was anything but affordable and has seen two of the homes sold to outsiders – one for a holiday let.” We were determined not to go down that road and instead provide homes which would always be genuinely affordable and would be available for local people for generations to come”.

Martin Booth Secretary Hudswell Community Charity

With advice from Muckle Solicitors, based in Newcastle, the Trustees have had to modify their charity deeds and set up an incorporated body alongside the unincorporated charity to undertake the development and provide limited liability for the trustees in the event that anything goes wrong. Tendering is now underway and a start on site is expected early in 2017, with completion of the three dwellings expected towards the end of that year.

The homes will all be let at affordable rent levels of £400 to £450 a month exclusively to local people, who will have no right to buy. With young people struggling to find a home in Hudswell and private rented homes running at £600 plus a month, the trustees are confident that they will have no problems finding local people happy to take them on.

Lessons for others

Hudswell Community Charity has benefitted not only from having financial reserves that it could use to attract other funding, but also having people with both a housing and financial background on its board of trustees. Having access to local residents who have this sort of experience is very valuable, although not essential – many similar projects buy in the expertise they need if it is not available locally.

The Hudswell trustees offer the following advice to other communities thinking of doing something similar:

1. Do it yourself if you can, without having to partner with an external agency
2. Get the planners onside as early as possible
3. Use 3d models and graphics to show other residents what you plan to do – they are so much better than ordinary plans
4. Make sure your housing scheme is in keeping with your village and is pleasing to the eye
5. Be prepared to do lots and lots of community engagement. You may still get objections, but it will be worth it in the end

Hudswell is now beginning to think about what comes next. There is potential for another small housing scheme in the village and there is certainly still a need. But without their own funding available to put into the pot, financing the next project will pose new challenges.

Creating new community-led homes in the Lake District National Park



The grand opening of the original Hopes community-led housing scheme December 2013 (photo courtesy of the Keswick Reminder)

The basics

Location:	Keswick, Cumbria
Lead body:	Keswick Community Housing Trust
Homes:	11 three bedroom homes
Tenure mix:	1 open market sale, 5 affordable rent, 5 shared ownership
Capital funding:	£1,345,000
Revenue funding:	£18,000
Timescale:	Completed December 2013
Key partners:	Keswick Churches together Cumbria Rural Housing Trust Impact Housing Association

Key message

With the community behind you and the right support here is the proof that community led housing can be delivered and managed locally. The Hopes scheme was the catalyst for something much bigger.

Getting started

In 2009, members of Keswick Churches Together consulted their community and

identified the shortage of local affordable homes as the top concern. They decided to take practical action. A small town with a population of 4,821, Keswick has a low wage, tourism and retail based economy and a long-standing shortage of affordable homes. Most of the council housing was sold off through the 'right to buy' with many of these becoming second homes. With the support of the local CLT enabler, Cumbria Rural Housing Trust and Impact Housing Association, a group of local people started with no money, land or experience, but went on to build their first scheme of eleven affordable homes at The Hopes. They have since gone on to convert four flats for single people at Banks Court, and are currently constructing twenty two more homes at Calvert Way.

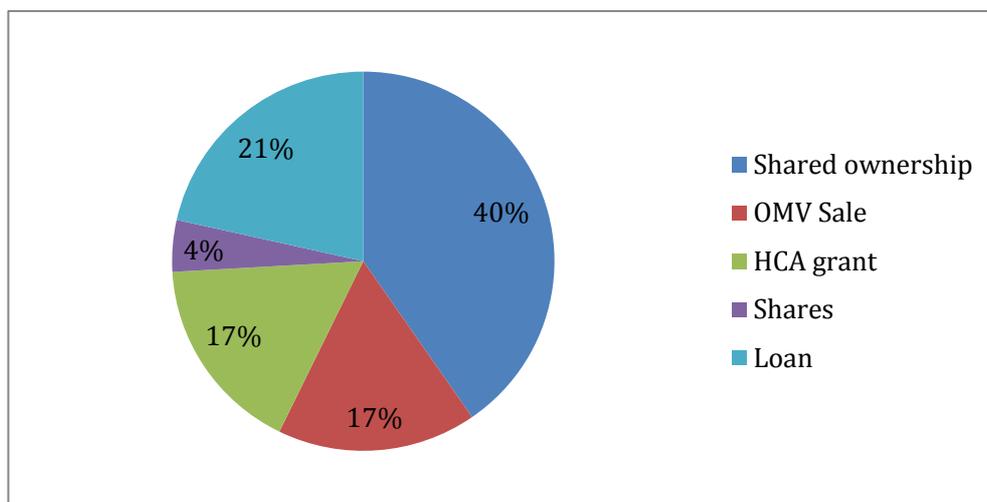
An essential early step was to set up a dedicated organisation to deliver and become accountable for the new homes. £18,000 of revenue support was secured from local and national organisations and most of this was used to cover the legal and administrative costs of setting up Keswick Community Housing Trust (KCHT). The Trust became a registered society with exempt charitable status to enable it to raise investment through community shares and at the same time to raise funds from charitable sources.

Key drivers for the newly formed Keswick Community Housing Trust were:

- Providing homes in Keswick which could remain affordable in perpetuity
- Maximising affordability
- To act as champions for affordable housing within the community

Making it happen

Securing land for development is always key to any development and in the case of the Trust's original scheme the land was bought from St Johns Church. The diocese was approached and it agreed to sell part of their graveyard that was unsuitable for burial and at a price which would help to ensure affordability. 11 plots were sold at £10,000 each, the capital receipt providing the church with an endowment for the upkeep of the rest of the graveyard.



Income profile of the Hopes scheme

As a Community Land Trust KCHT were able to bid for funding through the Homes and Communities Agency and they secured a £230,000 grant towards the development. The financial package relied on the sale of one of the eleven homes on the open market and the sale of 50% of another five, on a shared ownership basis, to release enough capital. This arrangement required bridging finance which was provided by a local building society on the basis of the CLT's business plan which included the introduction of a community share scheme which would raise at least £50,000. In the end the community share scheme managed to raise £60,000 in total.

The residual mortgage (maximum £293,000) is repayable over 25 years and the rental income from the properties covers mortgage repayments, day to day expenses, insurance, audit fees, repairs and contributions to a 'sinking fund'. Rental charges currently stand at £500 per calendar month for the six fully rented properties; no rent is charged on the shared ownership properties.

"This has been a real team effort with every trustee playing an important part. We know the lack of affordable homes is an issue for many communities. This affects families, employers and employees, and results in crazy situations where even people on reasonable middle incomes spend large chunks of their time and money travelling long distances to places of work – as happens with teachers at Keswick School. It's common sense to see that new secure affordable homes will have a stabilising effect on the whole community. So we are very keen to help others achieve what we have!"
Bill Bewley, Chair of Keswick Community Housing Trust



Photo: Andy Lloyd (Cumbria Rural Housing Trust) with residents Gary and Lucy Wilson and children, and chairman Bill Bewley.

"We have a beautiful home with plenty of space especially for the children. A private garden has been the icing on the cake. We would thoroughly recommend buying from a CLT as it is the only way we could have any form of ownership in Keswick." Gary and Lucy Wilson

Key Aspects of the Hopes scheme:

The partnership with the churches and in particular St Johns Church was crucial in terms of securing both local support and land at an affordable price.

The community shares offer for the original scheme not only raised £60,000 in total but also helped galvanize local support.

The properties sold at 50% of open market value are free from any rental charges – affordability in perpetuity is achieved by a restrictive covenant – properties can only be sold on at 50% of their open market value.

This project was the catalyst for the development of another two successful schemes in Keswick – Banks Court and Calvert Way resulting in a total of 37 homes.

Many thanks to Andy Lloyd for his support in compiling this case study



**FROM INDUSTRIAL ESTATE TO AWARD WINNING
COMMUNITY LED HOUSING DEVELOPMENT
LYVENNET COMMUNITY TRUST**



Photo - Derek Horn: October 2012 scheme opening, from the left chairman David Graham MBE, trustees Cameron and Kitty Smith, Roger Bird, Jill Winder, Cllr Joan Rayne, centre Allan Foster of the Homes and Communities Agency, trustee Sue Ferguson, Cumbria Rural Housing Trust CLT Officer Andy Lloyd, Lynne McKenzie of Eden Housing Association, Simon Thorrington of Charity Bank, trustees Annie Kindleysides and Doug Henderson, Mike Story of Donelys QS and Rory Stuart MP.

The basics

Location:	Crosby Ravensworth, Eden District, Cumbria
Lead body:	Lyvennet Community Trust
Homes:	10 rented homes (2 and 3 bed)
Tenure mix:	Affordable rent
Total scheme costs:	£2,192,000
Timescale:	Completed July 2012
Key partners:	Eden District Council Eden Housing Association Impact Housing Association

Key message

This project was not just about satisfying the affordable housing need in Crosby Ravensworth it was also about addressing broader issues of derelict sites which impact on small communities.

Getting started

The Crosby Ravensworth affordable housing project started life with a community plan in March 2007. The Plan was an extensive piece of work culminating in a detailed report with 41 action points; the provision of affordable housing was ranked as the second most important.

The Lyvennet Community Plan Group (made up of communities from Crosby Ravensworth, Kings Meaburn, Maulds Meaburn and Reagill) then set up the Lyvennet Community Trust with the aim of delivering affordable housing in the area.

Eden District Council was a key partner in this project, providing a loan to the group as well as donating significant officer time. In addition, the local authority part-funded specialist support from the Cumbria Rural Housing Trust. As part of a rolling programme of housing needs surveys, the area was assessed by the local authority and the results highlighted the need for affordable housing provision of up to 23 dwellings.

After a community meeting in January 2009 a dedicated community land trust was set up as a company limited by guarantee and a registered charity. The CLT subsequently secured Registered Provider status with the Homes and Communities Agency. The next step was to work with the local authority to establish possible sites for development. A large derelict industrial site was chosen and on the strength of a business plan a loan of £300,000 was secured by the CLT from Charity Bank to buy the site.

Before



After



Making it happen

One of the greatest strengths of the Trust was its commitment to community consultation. The site had been chosen above others not because of any financial value, but because it was a run-down eyesore which was having a significant impact on the community. The consultation extended from the community plan to encompass a housing needs survey and from that the design and style of the houses were chosen.

The site itself proved complex and costly to develop due to the demolition and remediation required. 5 metre deep slurry pits, asbestos in the industrial units, challenging access road drainage and flood alleviation measures were all factors that might have put less determined community organisations off.

Funding was secured through the Homes and Communities Agency and Charity Bank stepped forward with a loan offer on the strength of the business plan. The financial profiling relied on eight identified self-build plots selling quickly to release capital, but in reality these were slow to sell, mostly due to the housing market recession kicking in just as the scheme started on site. The local occupancy covenants applying throughout the site were also a contributory factor at that time.

Nonetheless the scheme was completed in July 2012 only three years after the community land trust was formed.

Scheme finances

The key elements of the finance for the project were:

- a) Land purchase £255,000
- b) Build costs of £1,481,000
- c) Preliminary costs including planning, legal and interest charges and remediation of £456,000
- d) £817,000 capital receipt from the sale of plots and houses
- e) £650k mortgage from Charity Bank
- f) £660,000 grant from the Homes and Communities Agency
- g) Local and national fundraising £65,000

During development of the scheme Charity Bank provided £1.45m of cashflow funding with borrowing limited to 65% of the scheme value at any point in time.

Despite being a Registered Provider, the Trustees wished to distance themselves from the day-to-day management as well as involvement with the personal details of the tenants. The Trust therefore negotiated a service level agreement with Eden Housing Association which now manages all aspects of the properties using the Trust's policies and procedures.

The rental properties were all let on the day of handover and there has been just 4 weeks of voids in the 4 years since completion.

Key aspects of the Lyvennet scheme

The development comprised 19 homes in total – 7 self-build plots, 2 homes for shared ownership and 10 homes for affordable rent.

The Trust had to tailor the housing mix to meet the changing needs and financial constraints. With the sales of self-build plots taking nearly four years, the initial interest in shared ownership evaporating and significant bridging finance required, the final mix became 10 affordable rent, 2 outright market sale and 7 self-build.

Lyvennet Community Trust were insistent that local occupancy restrictions were covenanted into the title of the homes and plots sold on the open market and the affordable rent properties were allocated using a policy developed and agreed with the District Council. This ensures the homes are allocated to those in local need in perpetuity.

The housing development acted as a catalyst for a number of other community led projects in the Eden Valley, including the acquisition of the local pub, nursery provision and an anaerobic digester project which in the round were recognised as an exemplary demonstration of the Big Society. With the project starting before 'Big Society' came along the LCT took the view that Government support simply enabled quicker delivery.



DEVELOPING COMMUNITY LED HOUSING IN A REMOTE RURAL LOCATION IN THE HIGHLANDS OF SCOTLAND



The opening of the new affordable homes built in Helmsdale Sutherland Scotland by Helmsdale Community Development Trust

The basics

Location:	Helmsdale, Sutherland, Scotland
Lead body:	Helmsdale & District Development Trust
Homes:	2 houses and 2 bungalows (new build)
Tenure mix:	Affordable rent
Capital funding:	£634,000
Timescale:	Completed December 2014
Key partners:	The Highland Council Highland Housing Alliance Albyn Housing Society Ltd.

Key message

This could not have been achieved without strong support from the local authority and others including help with the land transfer and access to a revolving loan fund.

This project has been seen as an exemplar in rural Scotland, the project was driven and developed by a community based organisation in a remote and isolated community where no affordable homes had been built for 35 years.

Getting started

Helmsdale is a small town on the east coast of Sutherland in Scotland with a population of around 840 people. Helmsdale & District Development Trust (HDDT) was established in 2012 and only a year later set up this community led housing project after extensive community consultation. The local community had identified affordable housing as their second highest priority – no affordable homes had been built in Helmsdale for 35 years.

From the outset HDDT engaged with the Highland Small Communities Housing Trust (HSCHT) which provided the housing needs analysis and supported the successful application to the Scottish Government's Innovation & Investment Fund. HDDT then partnered with Albyn Housing Society who were able to bring together a small design team to support the project.

The Trust were driven by a number of factors, including the continuing loss from the community of young families over the previous 25 to 30 years and the very obvious demographic imbalance in the community that this had led to. Over 50% of the population are now over 55 and the Trust wanted to either support new young people moving into Helmsdale or provide additional family housing through the release of under-occupied properties.

Making it happen

Despite having no track record of developing community housing, HDDT worked closely with the local authority which agreed to the transfer a piece of land at a cost of £1 (the land was valued at £68,000, which was used as an in-kind contribution during fund-raising).

The Trust then set about extensive consultations within their community to determine the most appropriate form of housing to meet the identified need. A number of local residents worked tirelessly to put together a complex funding package seeking support from a variety of UK based charitable trusts as well as their local landowner estates.

The cost of providing the new houses was disproportionately high, partly due to the remoteness of Helmsdale (each house cost £21,000 more than the equivalent build in less remote locations) and fees for Architects and Engineers that represented around 10% of the overall budget.

In December 2014 four new homes were successfully completed – 2, four person, two bedroom two storey, semi-detached houses and 2, three person, two bedroom single storey bungalows. Three additional plots on the site are currently being offered for sale to self-builders at £30,000 per plot (August 2016).

The 4 completed homes are let at an affordable rent - £364 per calendar month per house and £342 per calendar month per bungalow.



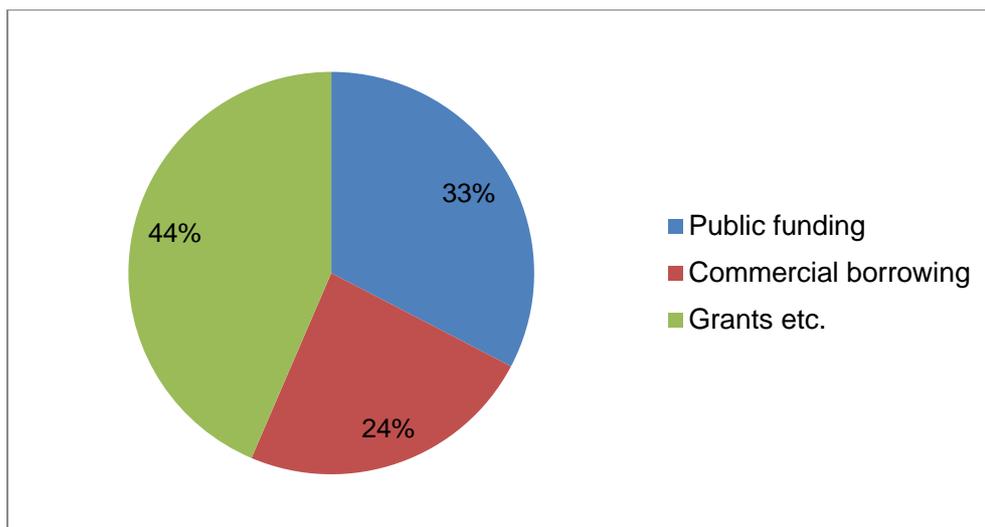
The overall costs of the scheme to completion were £634,000 of which 33% came from public sources (not including the land transfer value), 43% came from non-government grants (charitable sources etc) and 24% of the overall scheme from loan finance.

Two revolving loan funds were secured from :

- 1) Highlands Council landbank loan (£130,000)
- 2) Highlands Housing Alliance loan (£90,000)

The Highlands Council loan was repaid in 2014 and once the three plots are sold the capital receipt will be used to repay the Highlands Housing Alliance loan.

NB. Build costs were estimated to have been £21,000 per unit higher than normal because of the remote location of Helmsdale.



The four homes took two years to build (from the initial plans to completion) and whilst no direct training or employment scheme was involved, the contractors responsible for building were engaged with trainees and employment programmes.

'We have had tremendous support from a range of organisations and ultimately the credibility of Helmsdale and District Development Trust has been proven by the way we have addressed the needs of the community as identified by the community. This project is replicable and there is no reason why this should not be a model for rural areas across the country'

Paul Harrington LDO HDDT

Lessons for others

Helmsdale Community Development Trust started from a position of having no assets nor knowledge of how to develop housing, yet in only two years it managed to consult with their community, agree a scheme and build the first new affordable homes in their village for 35 years. Four points are worth making that may be helpful to other communities:

- Consultation and community support are essential
- The revolving loan funds were extremely valuable in terms of the overall funding package
- Energy efficiency was an important aspect of the design resulting in lower living costs for tenants as well as addressing fuel poverty
- Remote locations do have higher build costs

BUILDING A SUCCESSFUL COMMUNITY-LED HOUSING ASSOCIATION PARTNERSHIP



SCATA Directors Ineke Gjisber and Pete Duncan with Keith Loraine, Chief Executive, Isos Housing

The basics

Location:	Stocksfield, Northumberland
Lead body:	Stocksfield Community Association Trading Arm (SCATA)
Homes:	4 flats and 3 bungalows new build
Tenure mix:	Affordable rent
Capital funding:	£930,000
Revenue funding:	£5,300
Timescale:	Completed July 2015
Key partners:	Isos Housing Homes and Communities Agency Northumberland County Council Broomley and Stocksfield Parish Council

Target audience: Housing associations and supportive local authorities

Key message: Positive partnerships with community organisations can deliver broad support amongst stakeholders for community-led development

Development partnerships between community groups and housing associations are a rarity in the north of England. An award-winning community-led initiative in a commuter village just 15 miles from Newcastle upon Tyne, where no affordable homes have been built for nearly 30 years, shows how a 'partnership of equals' can produce multiple benefits.

Getting started

The roots of Stocksfield Community Association's Trading Arm (SCATA) go back to 2009 when the local Parish Plan made the case for creating a not-for-profit body that could do things for the village that could not be done by the Parish Council, and to do them in a way that recycled any surplus for direct community benefit. A Steering Group of local residents was established, holding its first meeting in 2011.

After much discussion, it was agreed that the local Community Association, which owns and runs the community centre in the village, should form a trading company. SCATA was registered in 2012 as a not-for-profit wholly owned subsidiary, operating as a Community Land Trust. With six Directors – all local residents – and a mix of skills and experience, SCATA then began looking for funding and opportunities for a first project.

Supported by a start-up grant from Northumberland County Council and on-going business mentoring from the Council's Social Enterprise unit, it was quickly agreed that the initial focus should be on affordable housing – a key Parish Plan priority. Two potential development sites emerged to give impetus to the project, both with unused buildings on overgrown land; one publicly owned and the other in the hands of a

dormant charitable trust. Part of the deal with the latter was that all of the £100,000 land purchase money would be re-invested in sports facilities in the village.

Making it happen

Lacking the experience to go it alone on their first project, SCATA turned to Isos, one of the North East's largest associations and proposed a community-led partnership. Isos had a good track record on community investment and, crucially, already managed around 45 affordable homes in the village – stemming from a council housing stock transfer in 1999. But they had not yet worked in partnership on a community-led housing scheme.

SCATA was supported by the County Council and the Homes and Communities Agency with ring fenced funding for community-led housing developments within its Affordable Homes programme.

With initial development proposals worked up and agreed, SCATA and Isos then embarked on a lengthy community engagement programme in the village. Whilst there was some resistance, many in the community showed strong support before the County Council's Planning Committee gave the scheme its unanimous backing.

The development was completed in July 2015. Nearly one hundred people applied for the seven tenancies through the County Council's Homefinder service. The SCATA development won the 2015 National Housing Award for Best Partnership.



Representatives of SCATA and Isos at the 2015 National Housing Awards presentation

Key partners

SCATA has benefited from strong and sustained support from three key partners – Isos Housing, Northumberland County Council and the Homes and Communities Agency. Each has played a crucial role in helping to bring this project to fruition. They all recognise the huge added value that community-led initiatives like SCATA can bring to housing development in places like Stocksfield. Indeed, without community leadership and a genuine partnership, this scheme would never have happened.

“This has been a really rewarding project to be involved with. There are so many villages across the North East that could benefit from this model of developing

affordable homes and Stocksfield is lucky to have such committed people as the SCATA Directors to make this project happen”.

Vince Walsh Development and Regeneration Manager Isos Housing

“The completion of these homes is great news for local residents and I am really pleased that through our investment, Isos have managed to help the Community Land Trust achieve its ambitions. Seven new homes will make a real difference to the residents of a community like Stocksfield and will ensure that local people can afford to stay in their communities”.

Karen Anderson Area Manager Homes and Communities Agency

This is a highly replicable project; indeed it took its inspiration from similar successful partnerships in South West England. SCATA now has plans for a second affordable housing scheme in the village.

More information from:

Norman Hooks SCATA and Stocksfield Community Association njchooks@talktalk.net

www.scatastocksfield.co.uk

AN INNOVATIVE COCKTAIL OF FUNDING TO TACKLE RURAL EMPTY PROPERTIES



New Glendale Development Trust tenants of Roddam Dene House, Wooler

The basics

Location:	Wooler, Northumberland
Lead body:	Glendale Gateway Development Trust
Homes:	9 flats
Tenure mix:	Affordable rent
Capital funding:	£799,000
Timescale:	Completed February 2015
Key partners:	Homes and Communities Agency Unity Trust Bank Wooler Parish Council Quaker Housing Trust Vinson Trust Clothworkers Foundation Northumberland County Council

Target audience: Local authorities and councils, financial lenders, private landowners and investors

Key message: Community-led housing developments are often able to lever in funding and support from a wider range of local organisations and individuals than mainstream schemes.

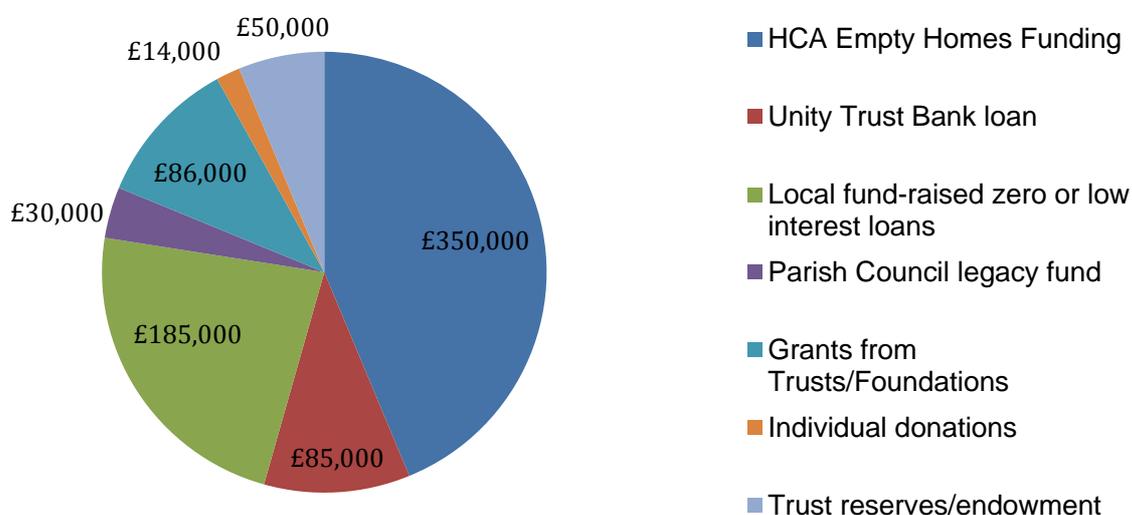
Glendale Gateway Development Trust began operating in 1996, focussed initially on the development and management of a community resource centre. It was supported initially by an asset transfer from Berwick Borough Council and European LEADER funding. Its direct interest in housing began in 2003.

Facing a significant problem of empty properties in Wooler town centre and inspired by the success of the community-led housing scheme on Holy Island, the locally-based Trust saw an opportunity to combine its interest in building up its capital asset base with tackling a major issue for the local community.

Keen to make as much use as possible of locally-generated finance, Glendale has since pioneered a cocktail of funding for its five community-led housing projects which has been both innovative and entrepreneurial. The Trust's latest project, an £800,000 conversion of two large buildings in Wooler town centre into nine affordable rented flats, includes:

- Empty Homes Programme funding from the Homes and Communities Agency
- A loan from Unity Trust Bank
- A contribution from a Parish Council legacy fund
- A community bond issue
- Grants from four trusts and foundations
- Local donations from individuals
- Glendale Trust's own reserves and an endowment fund

The funding cocktail for Glendale's latest community-led housing scheme



Launching a Community Bond

Glendale had seen an opportunity for raising capital finance locally before embarking on this development and had launched an innovative Community Bond issue. It wanted to show local people that future housing development depended on the Trust's ability to obtain interest-free loans. It was a significant success; offering £1000 bonds for three years with no interest payable and hoping to raise £100,000, the Trust actually pulled in £128,500 in six months.

Two local estate landowners bought up half the bonds, with the remainder taken up by the Trust's main target – individual local residents.

“It's hard to put into words the admiration we have for what the Glendale Gateway Trust has achieved. The flats look to be of a very high standard and we are very pleased to have been able to support this affordable housing initiative through the Ford & Etal Estates' subscription to the Community Bond issue”.

James Joicey Ford and Etal Estates

Overcoming barriers

Glendale's trustees had a cautious attitude to risk and were not keen to borrow money in the early days of their housing work. But they were willing to make use of their reserves, much of it generated by a capital receipt from the sale of a piece of land. In 2003 the Trust had bought a block of empty properties on the high street that included a large piece of developable land at the rear. This was largely achieved through a grant from the Northumberland Strategic Partnership but also made use of an interest free loan from one of the local landowner estates.

The initial reluctance to borrow began to change as the Trust's first housing schemes proved a success and confidence amongst Trustees grew. The Trust now has assets of nearly £2.5 million in Wooler and outstanding loans of just £285,000.

“Our involvement in housing has really been a story of ups and down. Because of our deliberate focus on tackling privately owned empty properties, things haven't always gone according to plan, but we have now provided 18 much needed affordable homes in the town with what must be a unique mix of funding. We have had tremendous support throughout from the Homes and Communities Agency and Northumberland County Council.”

Tom Johnston, Glendale' Trust's Director and Founder Member

Positive support from the County Council has helped to underpin the Trust's work.

“The County Council positively supports Community Land Trust's such as Glendale Gateway Trust. They provide much needed affordable housing tailored to meet the specific needs of the communities in which they are based. Wooler is a key market town and service centre within the County Council's Core Strategy.

We provided support and advice to the Trust to help them develop nine new homes in redundant buildings in the town. Lead officers in Planning and Housing and Housing Enablers bought into the vision and were able to work with the Trust from an early stage, contributing to the passage through planning, providing housing and financial advice and support and effectively providing a reference for the Trust in their bid to acquire a public house and hotel”.

Ian Stanners Affordable Housing Officer Northumberland County Council

More information from:

Tom Johnston Director Glendale Gateway Trust mti@wooler.org.uk

www.wooler.org.uk/glendale-gateway-trust

C. Parish Council survey questionnaire



COMMUNITY LED HOUSING IN THE RURAL COMMUNITIES OF NORTH AND EAST YORKSHIRE

A SURVEY FOR PARISH COUNCILS

Rural Action Yorkshire has begun a project to look at the potential for community-led housing in North and East Yorkshire. Part of the work involves establishing the level of interest there may be across the area. Parish and Town Councils potentially have a key role in supporting or providing community led housing schemes.

The aim of this survey is to find out if community-led housing might make a difference in your village or town and whether, as a Parish Council, you would like to find out more about it.

What is community-led housing?

Community-led housing schemes have six main features:

- They put **local communities in the driving seat**. You decide where homes are built, what they look like and who occupies them; you create community assets which can generate income for your town or village which can be used to support other local priorities
- **They are usually small scale** – most developments are less than 10 homes and some are much smaller. No two developments are the same.
- Although most schemes are usually **set up and run by local people in their own communities**, many are also supported by housing associations, local authorities or regional and national organisations
- They provide **genuinely affordable homes for rent, shared ownership, sale or self-build** on sites that are often difficult or even impossible for mainstream housing providers to develop
- **Schemes meet long-term local housing needs**, by the community exercising full control over how and where the homes are provided and retaining a legal and/or financial interest in them, ensuring they will

always be available to local people who need them and at a price they can afford

- Community-led housing is **not for profit, involving considerable voluntary effort** from those who decide to become involved. It's an effort that several hundred communities across the country have already made, with many successful developments initiated by Parish Councils.

Community-led housing schemes are now becoming very popular across the UK, but there is currently only one rural scheme in North and East Yorkshire. This project aims to change that, by encouraging more communities here to take up the challenge. Let's put community-led housing on the map!

1. Does the Parish or Town Council have a Parish Plan, Community Led Plan or Neighbourhood Plan, either completed or being worked on now?

YES – WE HAVE A PLAN IN PLACE (Go to Question 2)

YES – A PLAN IS BEING WORKED ON (Go to Question 2)

NO – THERE IS NO PLAN OR ONE IN THE PIPELINE AT PRESENT (Go to Question 4)

Please state what type of plan:

2. If YES, does the Plan include any references to future housing provision specifically for local people?

YES

NO

3. If YES, please tell us briefly what the Plan says about this issue

4. If you answered NO to Question 1, is a lack of affordable homes for local people an issue in the Parish or Town Council's area? Is it something local people would like to see tackled?

YES

NO

NOT SURE

5. What factors are contributing to lack of affordable homes locally? (Please tick all that apply)

Lack of suitable land for development.....

Too many second homes.....

House prices are high.....

Community opposition to housing development.....

Other factors (please specify)

.....
.....
.....

6. Are there any pieces of land or unused buildings in or around your village that you feel might be suitable for a small community-led housing development?

YES

NO(Go to Question 8)

7. If you answered YES to Question 6, do you know who owns it?

YES

NO

8. How confident are you that you would have the information and knowledge to get involved in community-led housing? Where 1 is no confidence and 5 is very confident.

Scale 1-5 to be added here

9. **Would representatives from the Parish Council be prepared to come to a local event to hear more about community-led housing and how it might benefit your village? Please note that if you would like more information you will need to complete your full contact details below at question 10.** (we will be in touch later about dates and a venue)

YES

NO

10. **Contact Details. As a minimum it would be helpful to know which village or town you are responding from. If you would like follow-up information on the project or to attend project events then please ensure we have your full details.**

Name:

Role in the community:.....

Village or Town:.....

Email address:.....

Phone number:.....

The survey will remain open for responses until the **31st October 2016**. However, to encourage early responses, all surveys received back by **23rd September 2016** will be entered into a prize draw to win £50 towards the work of either your Parish Council or Village Hall.

Thank you for your time.

If you are completing this survey in hard copy please return it to the address below.

If you would like to find out more about community-led housing, or have any questions, please get in touch with your Rural Housing Enabler:

D. Typical presentation to Parish and Town Council Forums

Community-led housing in North and East Yorkshire



What is community-led housing?

Community-led housing schemes have six main features:

1

2

They put local communities in the driving seat. They decide where homes are built, what they look like and who occupies them; they create community assets which can generate income for a town or village which can be used to support other local priorities

3

4

They are usually small scale – most developments are less than 10 homes and some are much smaller. No two developments are the same.

5

6

Although most schemes are set up and run by local people in their own communities, they can also be initiated and supported by housing associations, local authorities, landlords and developers

7

What is community-led housing?

??

They provide **genuinely affordable homes for rent, shared ownership, sale or self-build** on sites that are often difficult or even impossible for mainstream housing providers to develop

??

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Schemes meet long-term local housing needs, by the community retaining legal and/or financial interest in them in perpetuity, ensuring they will always be available to local people who need them and at a price they can afford

??

?

Community-led housing is **not for profit, involving considerable voluntary effort** from those who decide to become involved. It's an effort that several hundred communities across the country have already made, with many successful developments initiated by Parish Councils

The national picture

Community-led housing represents less than 1% of the nation's housing stock

?

?

170 community land trusts, aiming for 3000 homes across England by 2020

?

?

1000 housing co-operatives with 200,000 homes in management

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54 housing schemes

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?

130 tenant management organisations

?

?

100-150 homes a year provided through community self-build

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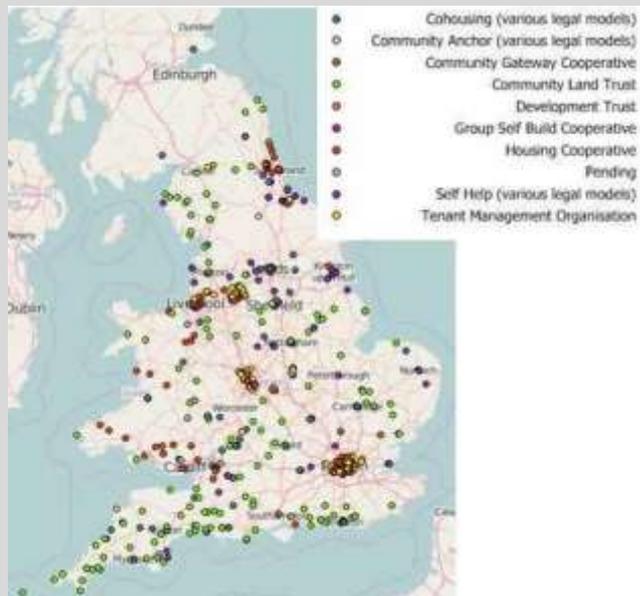
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Community-led housing in action



Why community-led housing in North Yorkshire and East Riding?



Why community-led housing in North Yorkshire and East Riding?

- Many homes are now unaffordable by local people who may need to work in the community, downsize or rely on family support, but are forced to live elsewhere
- Second home owners are increasingly reducing the supply of affordable homes in some villages, at a time when demand for them is increasing
- Any new development in most North Yorkshire villages is sensitive and needs to fit closely with community needs and aspirations; when communities take the lead, the outcomes are almost always positive
- In villages where local services are under threat, a community-led housing scheme can kick start other initiatives to keep essential services going, some of them through community ownership

Sources of support

Money

- Getting started:
 - Locality and Community Land Trust Network grants
- Subsidy/grants:
 - Rural and Coastal Communities Fund; Homes and Communities Agency; Local Authorities
- Loans:
 - Banks, Building Societies, Social Investment Funds and Community Bonds

External support

- Local Authority:
 - Planning policies
- Rural Housing Enablers:
 - Helping identify sites; housing need surveys; coordination
- Housing Associations:
 - Partnering with communities; acting as a developer; securing funding
- Independent networks:
 - On the ground support; training; 'seeing is believing'

The Community Housing Fund

- £300 million Government programme over 5 years, starting in 2016/17
- Announced in Chancellor's March 2016 budget, with income generated from increased stamp duty on buy-to-let landlords
- Details expected to be announced in December 2016, following Government changes in July
- A key role for local housing authorities, with significant funding allocations in 2016/17
- Initial focus on local authorities with a high % of second home ownership
- Expected emphasis on low cost home ownership, but will be some affordable rent in the mix
- Possible raised subsidy levels in some high value locations to reflect higher development costs
- Some revenue funding for pump-priming schemes and providing external support

Parish Council Survey

Project supported by
National Enterprise Foundation, NORTH STAR, Yorkshire Partnership Foundation, UK Cohousing Network

Community-led Housing in rural North and East Yorkshire: Parish Council Survey

Basic factors including housing a project to look at the viability for community-led housing in rural villages/towns. Part of the project involves consulting the local business sector, Parish and Town Councils can have a key role in supporting or providing community led housing schemes.

The aim of this survey is to find out if community-led housing might make a difference in your village or town and whether, as a Parish Council, you would like to find out more about it.

What is community-led housing?

Community-led housing schemes tend to have features:

1. They are locally owned and managed - You decide where homes are built, who they are for and who will manage them (the people you selected for the homes provided). You make community assets which can generate income for your fund or village to support other local activities.
2. They are usually built under mixed tenancy so you can have 10% homes and some will be made available for bed development and the same 5% managed through schemes and jointly set up and run by local people to their own communities. They are also a partnership housing arrangement, local authorities or registered housing organisations.
3. They provide affordable homes for rent, shared ownership, lease or with a right to buy that are either offered or when possible for common housing providers to develop.
4. Schemes tend to be set up in partnership, by the community ensuring that common use facilities are provided and managed in a way that is not too costly, ensuring a sustainable business plan from the start and ensuring that the scheme is not too costly. Community-led housing is not too costly, ensuring a sustainable business plan from the start and ensuring that the scheme is not too costly. Community-led housing is not too costly, ensuring a sustainable business plan from the start and ensuring that the scheme is not too costly.

Community-led housing schemes are becoming very popular across the UK, but there is currently only one scheme in rural North and East Yorkshire. The project aims to change that by encouraging more communities to take up the challenge. Let's look at community-led housing for the first time.

The survey will remain open for responses until the 21st October 2016. However, to encourage early responses, all surveys submitted back by 31st September 2016 will be entered into a prize draw to win £20 towards the work of either your Parish Council or Village Hall.

Thank you for your time.

4. What factors are contributing to the lack of affordable homes locally?
(Please tick all that apply)

- Excessive development
- High prices are too high
- Limited opportunity for housing development
- Lack of suitable land for development
- Other

Other please specify: _____

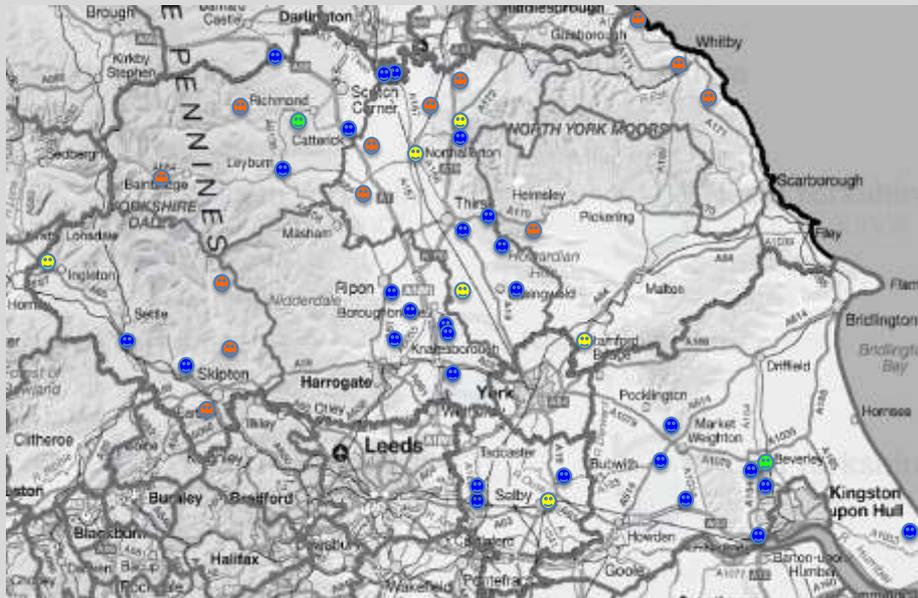
5. Are there any pieces of land or unused buildings in or around your village that you feel might be suitable for a small community-led housing development?

Yes
 No
 Don't know

Free Next

Sraughtonkay
01430 820110 • info@sraughtonkay.co.uk

Potential community-led housing schemes?



Discussion points?

- Which Parishes have a possible interest in looking at community-led housing in more detail?
- What role might Parish Councils play in promoting and supporting community-led schemes in their own villages?
- What support could the District Council provide for villages/parishes that may be interested?
- Will landowners be more willing to offer sites for housing development if they are led by the local community?
- Who will provide the technical and on-the-ground support for local communities interested in developing their own housing schemes?

E. Format for Community-Led Housing Workshops

COMMUNITY LED AFFORDABLE HOUSING DEVELOPMENT IN NORTH YORKSHIRE

Session Plan for Workshops

WORKSHOP TIMES AND VENUES

1. Mon 28th Nov 4pm to 6pm - Arkendale Village Hall, Moor Lane, HG5 0RF
2. Tues 29th Nov 4pm to 6pm – Hutton Rudby Village Hall, Belborough Lane, TS15 0HP
3. Thurs 8th Dec 3.30pm to 5.30pm - Market Weighton Community Hall, Station Road, YO43 3AX

Target audiences Priority in bold	<ul style="list-style-type: none"> • Members of Parish Councils • Rural Housing Enablers • People from local authorities, park authorities and other public bodies • Representatives of landowners, communities, churches etc
Session objectives	<ul style="list-style-type: none"> • Participants are better informed about community led housing • Participants can better identify the potential for CLH in their areas • Participants can network and make connections • Participants have more confidence to develop potential CLH projects
Recording	<ul style="list-style-type: none"> • Notes of key findings from the session will be gathered and collated by SRC.
Evaluation	<ul style="list-style-type: none"> • A simple session evaluation card or sheet will be circulated to participants and the results analysed and shared by SRC. The evaluation will be based on the session objectives noted above.

CLH WORKSHOP – SESSION PLAN - FOR A TWO HOUR SESSION

Start time (duration in mins.)	Content	Method	Resources
4.00 5 mins	PART A - Introductions – General introduction / domestics Session objectives	Session host Session objectives – see above	Title slide Attendee sign in sheets Laptop PPT projector Screen / wall Flip chart and stands x 2 Pens Flipchart paper
4.05 10 mins	Introductions by all participants - and their interest in the subject	An introductory participative exercise - type will depend on the number of participants – egs - a) Question cards handed out – What key question/s do you want answered by this session? b) And/or – how knowledgeable do you feel about CLH – on scale of 1 to 10?	Question cards Flip chart
4.15 20 min	Introduction – Brief update on the North Yorkshire CLH project How you do it and where money comes from (+ Information about the Coast and Rural Fund – if available) 10 min presentation max – leave time	Slide presentation + CLT video https://www.youtube.com/watch?v=ujaSjnFSHTY	Information handouts

Start time (duration in mins.)	Content	Method	Resources
	for general Q and A		
4.35 25 min	<p>PART B - Team Task 1 – BUILDING A PROJECT</p> <p>TASK - “Bake a CLH cake! What do you think are the ingredients needed for a successful one – (ie project)? How many of them are in place in your areas?</p> <p>15 min discussion then 10 mins for feedback/ sharing</p>	<p>Note – to be light hearted and engaging!</p> <p>Divide group into teams of approx. 4 to 6 people Each involving an RHE if possible (Could group by communities if it works like that)</p> <p>Flip chart ideas and suggestions</p> <p>Depending on numbers, could be done as 1 or 2 groups doing same task or one doing each task</p>	<p>Task instructions</p> <p>Prompt sheet</p>
5.10 25 min	<p>PART C - Case study – short presentation then discussion led by either Hudswell or Stocksfield</p> <p>Followed by discussion/ Q and A session</p>	<p>In one group – Issues raised earlier can act as prompts Accent on PRACTICAL answers to real challenges...</p>	<p>Slides + other presentational material if they bring them</p>
5.35 15 min	<p>PART D - Team Task 2 – ACTION PLANNING</p>	<p>Either in whole or sub groups – depends on numbers..</p> <p>This 15 min section to be dropped if running over time – switch to final session below -</p>	

Start time (duration in mins.)	Content	Method	Resources
	OPTION / OR GROUP 1 - Question - What actions could you take to promote or support CLH?	List the actions – Give people cards to write them down on..	Cards Prompt sheet
	OPTION /OR GROUP 2 - Draft a checklist of actions that a CLH project team will need to cover in its first 3 months	Flip chart ideas and suggestions RHEs to help	Flip charts Prompt sheet
5.50 10 min	PART E - Round up	Back in whole group – if time – cover – <ul style="list-style-type: none"> • Any questions • Final key learning points • Who is up for this? - eg names put on a list of people for continued contact/ information/ support? • Next actions • Session evaluation <p>Check how many of their question card issues have been answered Collect the cards for evaluation</p>	Question cards
6.00	Session ends	What you got out of this – what you take back – what you do next	

F. DCLG guidance to local authorities on the Community Housing Fund

Dear Chief Executive

Community Housing Fund

You may recall that, at Budget 2016, a £60 million fund was announced to support community-led housing developments in areas where the impact of second homes is particularly acute. As part of this commitment, I am pleased to inform you that your local authority has been allocated funding for 2016/17 financial year, as shown in the Annex below.

The fund will enable local community groups deliver affordable housing units of mixed tenure on sites which are likely to be of little interest to mainstream housebuilders and will thereby contribute to the overall national effort to boost housing supply. The fund will also help build collaboration, skills and supply chains at a local level to promote the sustainability of this approach to housebuilding. The fund will enable capital investment, technical support and revenue to be provided to make more schemes viable and significantly increase community groups' current delivery pipelines. The funding is allocated between local authorities proportionate to the number of holiday homes in the local area and taking account of the affordability of housing to local people.

In bringing this fund forward, the Department has worked closely with the National Community Land Trust Network and other members of the community-led housing sector. These organisations are well placed to offer advice on how the funds may be most effectively deployed (including, potentially, through registered providers of affordable housing) and are likely to get in touch with you to discuss the opportunities. The sector stakeholder groups have produced guidance to local authorities explaining what community-led housing is and how the grant funding may be used. This guidance is attached separately.

Payments of funding will be made in two tranches; the first being paid now. The second tranche will follow in early 2017 subject to your authority providing satisfactory evidence that the money is being spent in accordance with the objectives outlined in the Budget announcement. Similarly, from 2017/18 onwards, allocations will depend in part on how the 2016/17 allocation has been spent.

The Chancellor has asked that we review the outcomes achieved from the fund and the community-led housing delivery model at a later date. We would be grateful for your co-operation in helping us with that review.

Should you have any questions about this funding, please contact Nigel Kersey at: Nigel.Kersey@communities.gsi.gov.uk.

Isobel Stephen and Emma Lindsay
Director, Housing Supply Directorate

G. 25 steps to a successful community-led housing scheme

25 steps to a successful Community Led Housing scheme

Bring a small Steering Group of interested people together

Decide what you want to do

Find a suitable piece of land or an existing building

Talk to the local authority

Work with your Parish Council

Prepare a Project Plan

Raise initial funding to
cover your costs

Gain and maintain
community support

Visit other communities to
see how they've done it

Decide on the right
community-led housing model

Become a legal entity

Establish local housing need

Decide on the right housing mix

Bring in external professional help

Decide on a development partner
(or go it alone)

Negotiate a Partnership
Agreement

Design your housing scheme

Secure planning permission

Raise the finance you need
for the development

Purchase the land or building

Tender the building work

Oversee the construction

Set up a Local Lettings Plan

Celebrate completion!

Manage and maintain the homes