



Affordable Homes Delivery Partnering with an RP or becoming an RP

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Wessex Community Land Trust Project

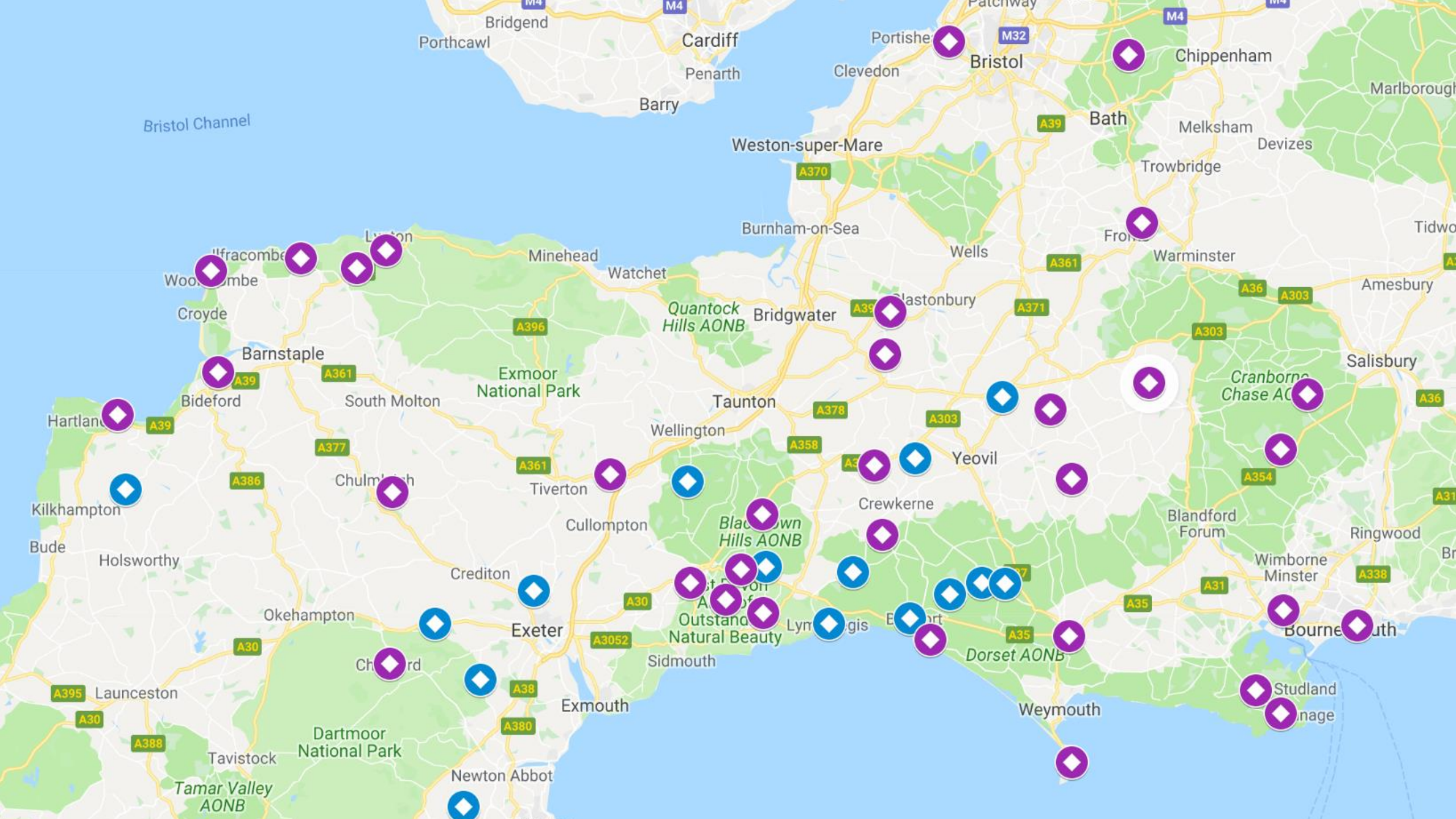
- Who we are
- What we do
- Why do we do it



- The Wessex Community Land Trust Project provides technical advice to communities with their affordable housing projects
- Set up in 2010 to be a model sub-regional support service.
- Managed by Wessex Community Assets - a social enterprise.
- Over 50 projects now completed or in progress
- Most are CLT/HA partnerships
- 2 Affordable Housing Advisers, 1 Community Led Housing Adviser, 1 p/t Research & Development Adviser
- Over 95% success rate

How do we support CLTs?

- Technical advice from start to finish support
- Helping to establish a CLT
- Site identification
- Advising on housing association partner/or becoming an RP
- Negotiating planning issues and problem solving
- Raising grants and funding
- Helping to ensure the wider community is involved
- Project management
- Governance training
- Navigating national and local policy changes



What is a Registered Provider (RP)

- RPs are mainly housing associations - social businesses
- RPs are eligible for government grants to develop affordable housing –for rent and shared ownership
- Grants are needed if affordable rents and sale prices are to be charged
- RPs are highly regulated
- RPs are registered with the Regulator of Social Housing
- RPs own and are responsible for their homes
- CLTs can become RPs or partner with RPs

Do we have a choice?

- Any CLT can apply to become an RP (subject to its Rules)
- Communities supported by the Wessex CLT Project have the option of partnering with an RP
- The choice is yours!
- Can you change your mind?
 - De-registration is possible but at the discretion of the Regulator
 - Having partnered, you can become an RP for future projects and/or take over existing projects from RP-partners
 - Or you can embark on a RP-selection process and, if you can't find a suitable partner, become an RP yourself
- Nearly all CLTs supported by the Wessex CLT Project elect to partner

Four Principles

- Not-for-private-profit organisation set up to benefit a specific community.
- CLTs can own land and other assets which are important to a community – starting with affordable housing.
- CLTs hold those assets so that they are available and affordable for future generations.
- A CLT is open to membership by anyone in the community supporting its aims.



Motivations

- Desire for leadership of an important local project.
- Desire to achieve broad community support.
- Lack of trust in outside organisations to lead on key questions
(such as site selection, design, numbers and occupancy by local people).

CLT/HA Partnerships

- CLT leads project
 - Identifies site, numbers of homes, informs design and occupancy criteria
 - Selects Housing Association partner(HA) and is party to S106 Agreement
- CLT owns the freehold
 - HA holds 125-year lease from the CLT
 - Receives a ground rent: £4/home/week
 - Has option to buy out HA at intervals
- HA supports the CLT
 - Funds, develops and operates the homes, and pays the land price
 - Takes the risk and uses expertise to deliver project with CLT aims and occupancy focus
 - Prevents sales under voluntary RTB via clause in the lease

Set up and shaping	Public meeting Incorporation of CLT Definition of community area Decides number, type and tenure of homes Develops allocation criteria Site search Negotiation of heads of terms with landowner Site selection Advocates the project to the community Selects RP partner Commissions project team	CLT
Planning	Feasibility Work Prepare planning application Submits planning application Freehold ownership	CLT/RP
Delivering	Leasehold ownership Raises long term finance Tenders and lets build contract Allocates homes Manages and maintains homes	RP

Funding Strategy

- Land values - between £0 and £7,000/dwelling(exception site values)
- Rent levels - social rent often preferred but requires c.£1,000 capital for every £1
- Revenue/capital grants – Homes England and Local Authorities to CLT
- CLT costs – ground rent and Wessex's support, paid by HA partner
- HA brings its own resources - asset sales/funds/RCGF/cross-subsidy
- Build cost – c. £2,000+/m²-depending on ground conditions and materials

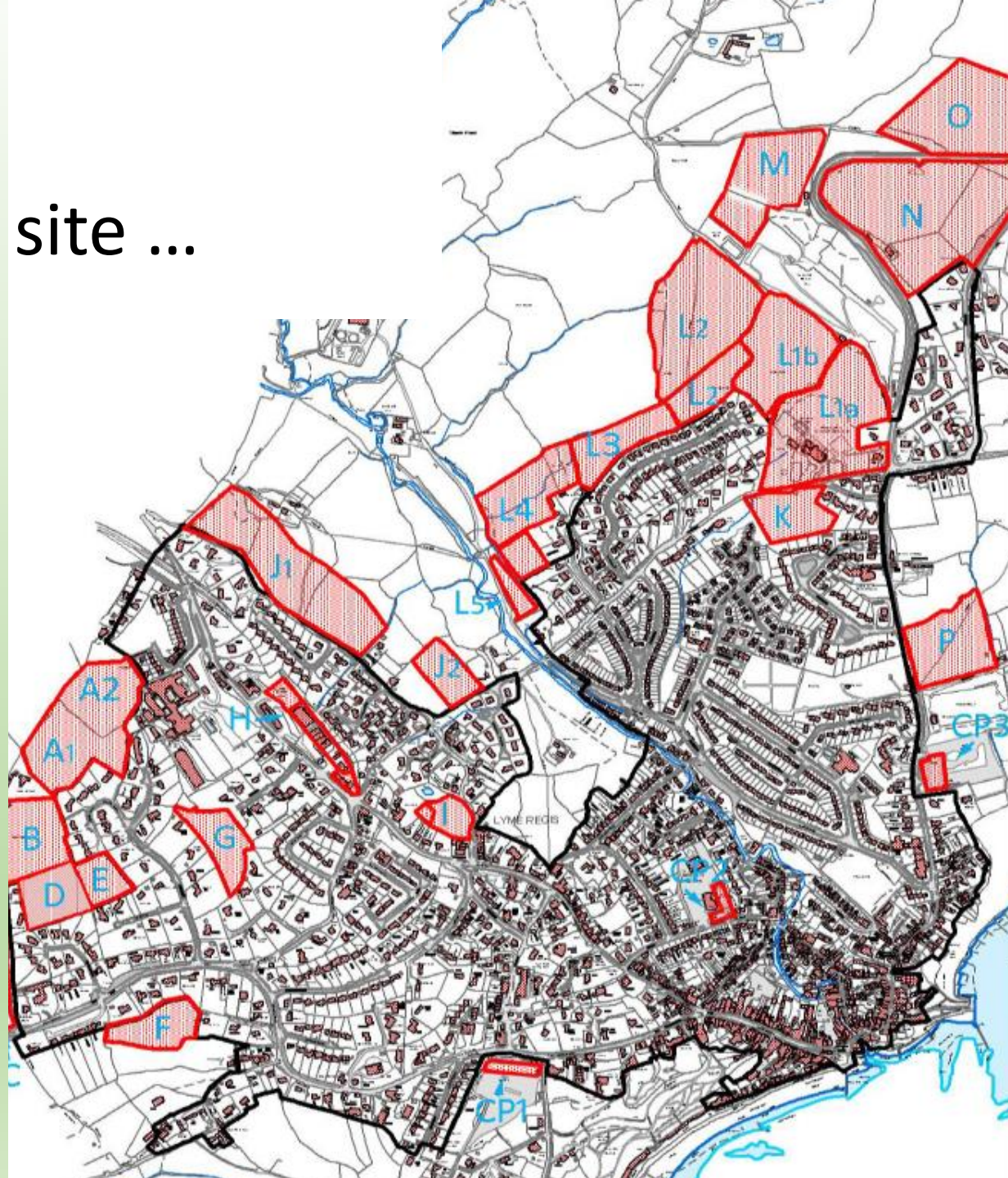
Selection of an HA partner

- CLT drafts the Heads of Terms-includes its requirements and expectations
- CLT invites HAs to interview if they:
 - express an interest in the project, and
 - confirm compliance with both Heads of Terms(Landowner and between HA and CLT)
- Wessex provide suggested questions to CLT. (Can be edited)
- HA receives questions before the interview
- HA presents answers to CLT and talks about approach
- CLT selects on the basis of 'best fit'
- Successful HA invited to join CLT project team meetings



How CLTs lead their partnership projects...

CLT chooses site ...



CLT gains endorsement of site by
the wider community ...



CLT selects an RP partner ...



RP Partners	Stockholding
Places for People	35,400
Aster	16,800
Stonewater	10,800
Yarlington	9,300
Alliance	6,500
Hastoe	3,700
Teign	3,552
United Communities	1,708
White Horse	360

CLT leads design
inc number,
tenure and type
of homes ...

And submits planning
application ...





CLT leads on signs-off
the criteria for
allocation of the
homes...

RP funds and builds the development ...



A project of 10 homes might cost £1.75m of which over 50% would be borrowed, the rest grant-funded



RP lets the homes in line with the CLT's criteria then manages and maintains the completed homes ...



Examples of CLT projects that could not have been completed without a CLT/RP partnership ...

Lyme Regis CLT
and Yarlington
Housing Group –
withdrawal of
development
grant





Appledore CLT and Aster
Group – groundworks



Powerstock & District CLT
and Hastoe Housing –
Conservation Area/AoNB



Toller Porcorum CLT and Aster Group – groundworks/AoNB



Christow CLT and Teign Housing –
groundworks/passivhaus/National Park



Christow CLT and Yarlington Group –
groundworks/AoNB

How Toller Prorum CLT uses its
ground rent...

Any questions?