

Wessex Community Land Trust Project

Briefing - September 2020

Funding Announcement

The Government's new Affordable Homes Programme (AHP) has been announced, providing c. £12bn of capital grant for new affordable homes over the 5 years from 2021/22.

The CLTs we support represent communities where property prices are well beyond the reach of people on low-to-average incomes; often places with high levels of second homes and tourist accommodation. The trusts are aiming to provide what their communities desperately need: homes that are energy efficient, prioritised for local people, owned by the community in perpetuity, and available at Social Rents.

There are dozens of these projects in our pipeline - see below - most of which are situated in beautiful yet challenging rural or urban landscapes: Areas of Outstanding Natural Beauty, Heritage Coasts, National Parks and Conservation Areas.



Blue – complete. Purple – pipeline.

This week's announcement by the Government will be welcomed by these trusts; partly because it confirms that capital grant remains available for Social Rented homes¹ and partly because, where the landlord or freeholder is a Community Land Trust, rented homes will be exempt from the new *Right to Shared Ownership (RtSO)*². In other words, rented homes funded through capital grant from the AHP will be exempt from the *RtSO* where the CLT is a Registered Provider or, as freeholder, works in partnership with a Registered Provider. The full list of exemptions from the *RtSO* is as follows:

- local authority homes
- homes in designated protected areas and rural exception sites
- specialist homes for older, disabled and vulnerable people
- alms houses
- homes where the landlord is a co-operative housing association
- homes where the landlord or freeholder is a Community Land Trust

To summarise: for those CLTs in our pipeline looking to provide genuinely affordable rented homes over the next 5 years and to own them in perpetuity, the new AHP can help to fund their projects. For any CLTs wishing to include homes for low-cost sale in their projects, the AHP can help to fund them too. We say 'help to fund' because the very nature of CLT-led projects (small, tightly constrained sites with relatively high build costs) means that AHP grant is often topped-up by subsidy from local authorities and (for partnership projects) the CLTs' RP-partners.

We hope that this announcement about the AHP will be followed by another, later in the autumn, about the renewal of the Community Housing Fund; a hugely important resource for the sector and one that has enabled many of the trusts we support to bring their projects forward.

Planning Reform

The Government's recently proposed Planning Reforms are controversial and will have profound implications for the construction of new homes (including affordable homes) by volume housebuilders. However, very broadly speaking, we don't believe that these reforms will adversely impact the plans of the community-led projects in our pipeline. The link to the consultation paper is below. CLTs, RPs and Local Authorities planning to develop/support projects on rural exception site will no doubt wish to answer 'Yes' to Q16:https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/907215/200805_Changes_to_the_current_planning_system_FINAL_version.pdf

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If you wish to subscribe to or unsubscribe from these updates about the Wessex CLT Project, please let us know:

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¹ Including more flexibility about where homes for Social Rents can be funded.

² <https://www.gov.uk/government/publications/right-to-shared-ownership-initial-guidance-for-registered-providers/right-to-shared-ownership-initial-guidance-for-registered-providers>