

Exploring the options for a Community Land Trust at the Oxfordshire Cotswolds Garden Village

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Collaborative Housing (CoHoHub) is the sub-regional community-led housing hub for the Thames Valley, which covers Oxfordshire, Berkshire, and Buckinghamshire. CoHoHub received a start-up grant from MHCLG in July 2019 to support citizens, the housing sector, landowners, and councils to engage with community-led housing.

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1. Executive Summary

West Oxfordshire District Council (WODC) commissioned Collaborative Housing to undertake this scoping report using a grant allocation from Homes England¹. This report offers options for delivery and stewardship approaches for a Community Land Trust (CLT) at the Oxfordshire Cotswolds Garden Village (OCGV) and suggests wider implications for the delivery of CLTs on other strategic sites allocated within the adopted WODC Local Plan 2031.

A CLT is a democratic body owned by and for a broad community, affording it the flexibility to react quickly and appropriately to changes in local context. There is no set legal model or approach, but rather principles enshrined in law² which, unlike those of conventional management companies, prioritise the everyday practice of improving lives for a community. The OCGV provides an opportunity to update and build upon the legacy created by the first CLT in the UK which was established in Stonesfield, West Oxfordshire, in 1983³.

The introductory section of this report begins with exploring the relevant stakeholders and activities surrounding the site to date. A period of document analysis was undertaken to develop points of departure building on the recommendations of other reports to support the emerging Area Action Plan of the OCGV site.

Stakeholder interviews undertaken for this report found a strong desire within the local community for engagement and control through establishing a CLT for long-term stewardship and ownership of assets on the OCGV site, with a well-developed understanding of the benefits of similar land-owning anchor organisations.

The options for CLT delivery, ownership and management are illustrated through relevant case studies at various stages of progress. Recommendations for options on ownership, identity, legal and finance include:

1. **Development of a new stewardship body using the CLT legal definition found in the 2008 Housing and Regeneration Act (p14)**
The CLT legal definition should provide confidence to policy-makers and project promoters that a CLT is an organisation that will not run the risk of mission drift or be exploitable to extract the value of its assets.
2. **Incorporating ‘Village Trust’ or ‘Garden Village Trust’ into the name to establish a clear identity (p14)**
3. **Ensuring there is sufficient flexibility for wider community-involvement beyond the OCGV site residents (p15)**
4. **The use of large-scale forms of legacy ownership to adequately meet the ‘Garden City Principles’ and ‘Garden Communities Programme Key Qualities’ (p18)**
5. **Incubating the CLT within partner organisations to help develop skills and administrative processes in the initial years, transitioning to independent development and management (p19)**
6. **Prototyping new housing models and tenures with local cohousing groups (p22)**
7. **Undertake further exploratory work on diverse long-term income streams and the impact these would have on the site-wide business plan including the land value (p23)**

¹ [Community Housing Fund 2018](#) (Homes England, July 2018)

² The legal definition of a CLT is explored in Section 6 (p37)

³ See case study for Stonesfield Community Trust (p25)

The options summaries lead into three recommended approaches which can be combined across geographic scales:

Approach 1 is the allocation of a discrete parcel of land within the OCGV at a scale which would be manageable to a new trust and be developed as an independent phase of the wider scheme. This includes whether the self-build duties of the Council in their adopted Local Plan, the delivery of 5 per cent of the homes on sites over 100 homes, could be delivered as a Community Land Trust.

Approach 2 is the distribution of CLT project sites delivered within one or more phases of development, potentially bought as completed homes from the developer of each phase. In this approach, the trust would operate property assets throughout the Garden Village, potentially including both market and affordable homes, energy infrastructure, employment space, shops and restaurants, public open space, and communal facilities.

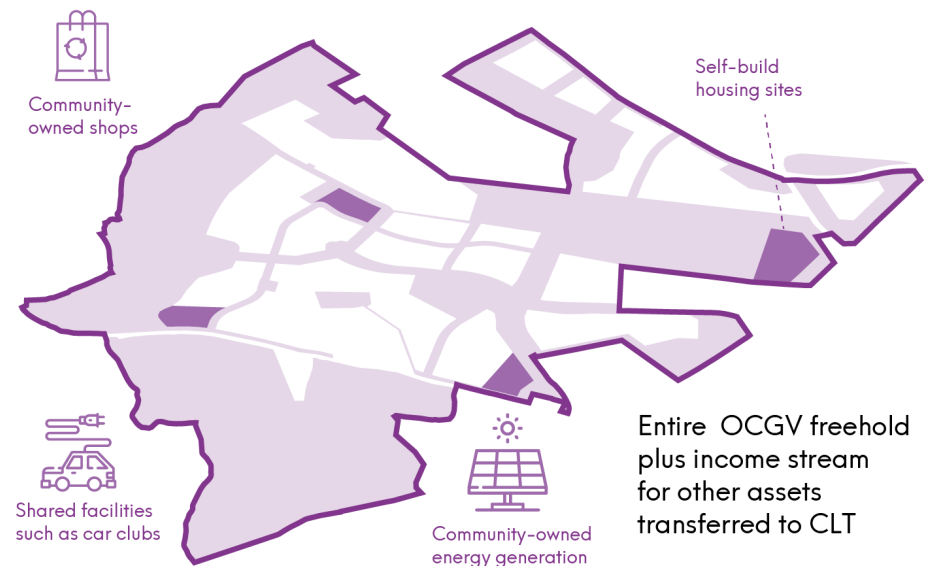
Approach 3 is the planned transfer of the entire OCGV site into a trust as phases are completed. This approach combines the two other approaches but is knitted together under a single freehold-owning organisation which can provide continuity and would grow in size and capabilities as the OCGV grows.

A key issue is the need for a sufficient and diverse long-term income stream to strike a balance between meaningful community involvement and professional estate management. This has been explored in terms of organisational finance at the stages of initiation, development and long-term stewardship⁴.

Engaging a CLT in ownership and management does not preclude a diverse range of delivery vehicles as included in the Local Plan 2031 aims and objectives and AAP for the OCGV site. Any CLT would be able to work with developers, housing associations, self-builders, and other collective housing delivery mechanisms such as cohousing groups.

The author views the larger scale of **Approach 3**, the phased transfer of the entire OCGV site, as offering greater opportunities for the diverse income streams required to create an independent, financially robust, legacy organisation. This approach would fully align with the Garden Village principles as set out in the AAP Preferred Options Paper.

This approach allows the landowners and developers to complete the scheme in phases, whilst supporting the evolution and capacity-building in the community ownership body over the first decade of its existence.



⁴ Long-term income is explored in the 'How is a CLT financed?' section (p22)

The approaches can be actioned in both practice and policy. In practice the interviews indicated a clear desire to establish a Community Land Trust from local residents, amenity societies and the Parish Council. To support this aim WODC could make use of:

- **Internal officer support**
WODC already have an officer funded by the Government's 2016 release of the Community Housing Fund 2016 who can offer a mediating role between developers on the OCGV and the CLT group itself.
- **Enabling hub support**
There is a sub-regional Community-led Housing hub for Oxfordshire, Collaborative Housing (CoHoHub), which has been funded by Homes England to support all forms of Community Led Housing including CLTs. An OCGV CLT would have access via the CoHoHub to funding, project management and technical advisors to establish the hub and bring any project site through the development stages to completed homes.

The primary policy opportunities suggested in this report are:

- **Criteria-based approach in the Area Action Plan**
Including within the Area Action Plan (AAP) the definition of a Community Land Trust as found in Section 79 of the Housing and Regeneration Act 2008. This does not prescribe a particular model but instead highlights the desired characteristic of any legacy organisation coming forward using a recognised legal definition.
- **Creation of a Supplementary Planning Document**
A Community-led Development SPD, as found in East Cambridgeshire DC, would add detail to 'Policy H5 Custom and Self Build Housing' to give more detail to collective forms of housing.

This report follows exploratory studies on CLTs at both the Harlow & Gilston Garden Town⁵ and the Kennett Garden Village⁶. The CLT was recommended as a mechanism on these large-scale schemes to secure site-wide benefits in perpetuity, tied together with formal 'people-first placemaking' approaches to master planning, planning obligations and the involvement of local CLH enabling hubs.

There is an opportunity to cultivate in the OCGV a world-leading example of citizen-leadership, which boosts English stewardship models to match well-documented examples from abroad such as Vauban in Freiburg (Germany) or Champlain Housing Trust in Burlington (USA), whilst paying attention to established routes exhibited in schemes such as Bournville Village Trust and Letchworth Garden City.

⁵ [Final Report to the Community Housing Fund Steering Group](#) (April 2018)

⁶ [Kennett Garden Village](#) (Palace Green Homes)

2. Introduction

What is a Community Land Trust?

A Community Land Trust (CLT) is a mechanism which puts land and property assets into a legacy organisation for the express benefit of a specific community. It is a powerful idea for Oxfordshire because of the potential to use long-term community ownership to stabilise house and rental prices, evidenced by research from multiple countries⁷.

The CLT principles which we recognise today were developed in the 1960s and 1970s USA through the work of Robert Swann, who had been inspired by the early 20th century Garden Cities movement in the UK as well as the Gramdan (village gift) and Bhoodan (land gift) movements in India during the 1950s. The first CLT of this kind to be established in England was Stonesfield Community Trust (West Oxfordshire) which was incorporated in 1983 and went on to develop three sites including 15 homes, the local post office and office space.

The sector developed slowly until a pilot project, hosted by the Government between 2006 and 2011, prototyped a number of urban and rural CLTs which led to the creation of the legal definition for CLTs in 2008 and the establishment of the CLT Network in 2010.

“Established for the express purpose of furthering the **social, economic and environmental interests of a local community** by acquiring and managing land and other assets in order (a) to provide a benefit to the local community, and (b) to ensure that the assets are not sold or developed except in a manner which the trust's members think benefits the local community.”⁸

⁷ Davis (2020) The Community Land Trust Reader (forthcoming updated edition)

⁸ Housing and Regeneration Act 2008, [s79\(4\)](#)

Organisations utilising the CLT identity in England, now numbering over 330 with 17,000 members, have been reliant on low land values or cross-subsidy to achieve their objectives and so delivery on individual sites has been low in terms of the number of homes.

There are many forms of delivery and stewardship mechanism which could be interpreted as a CLT despite not identifying as a CLT. These organisations fit within the broader Community-led Housing (CLH) sector which was defined by Homes England in 2018⁹.

Coin Street Community Builders in London is a good examples of this, an organisation which bought their 5.3-hectare (13-acre) site (Figure 1) on the South Bank at a reduced rate of £1 million in 1984 from the Greater London Council due to the land being derelict for over 30 years and holding restrictive covenants. Some of these examples are explored in the case studies in Section 0.



Figure 1 Coin Street and Oxo Tower ([Patrick Mackie CC-BY-](#)

⁹ [Community Housing Fund Prospectus](#) (Homes England, July 2018)

Site Context

The Oxfordshire Cotswolds Garden Village (OCGV) is a proposal for a 218-hectare (539 acre) scheme within an allocated site in West Oxfordshire which is planned to include 2,200 homes, 40 hectares (99 acres) of business-use land and a park and ride.

At the time of writing, the proposed site, being promoted by Grosvenor Developments since early 2017, is owned by a range of public, corporate and private landowners who are represented as a consortium (See map in Appendix A) and acting as the Eynsham Pool Trust since November 2018. Seventy-five percent of the landholdings are owned in five private ownership parcels, with roughly ten per cent owned respectively by Corpus Christi College, through their wholly owned company Pelican Land and Property Ltd, and Oxfordshire County Council.

Grosvenor Developments were appointed to promote the land in January 2017 on behalf of the consortium and secure outline planning permission. Detailed planning applications by individual housebuilders and developers are projected by Grosvenor to run in four parcelled phases expected between 2021 and 2037¹⁰. Grosvenor refer to the site as the 'Oxfordshire Garden Village' in their material.

The designation

The OCGV site was designated by Government as one of the first 14 Garden Villages in January 2017¹¹, and allocated in the West Oxfordshire Local Plan 2031, which was adopted in September 2018. The Local Plan cites as a key aim the creation of a 'garden village consistent with the Town and Country Planning Association's (TCPA) Garden City Principles'¹².

The nine Garden City Principles form an 'indivisible and interlocking framework for the delivery of high-quality places'¹³, however there are four principles which are especially relevant to the foundations of a Community Land Trust:

- Land value capture for the benefit of the community
- Strong vision, leadership and community engagement
- Community ownership of land and long-term stewardship of assets
- Mixed-tenure homes and housing types that are genuinely affordable

The first tranche of Garden Villages schemes were rolled into the Government's Garden Communities Programme (GCP)¹⁴ in August 2018, in which schemes are expected to demonstrate the ways in which they will embed ten 'Key Qualities' into their proposals. The most relevant key qualities to this report are the inclusion of local community leadership and prioritising opportunities for legacy and stewardship in a way that allows for long-term delivery and management.

Having designated the site, WODC embarked on the development of an Area Action Plan (AAP) and consulted on the AAP Issues Paper. The consultation responses demonstrated support for the TCPA definition and principles for a Garden Village, however this was matched with concern that the principles around 'Legacy & Stewardship' and 'Land Value Capture' were at risk of being breached. To address this concern, the recommendation at this consultation

¹⁰ [Oxfordshire Garden Village Masterplan Framework](#) (Grosvenor Developments, 2019)

¹¹ [First ever garden villages named with government support](#) (MHCLG, January 2017)

¹² [West Oxfordshire Local Plan 2031](#), p.224 (WODC, September 2018)

¹³ [Garden City Principles](#) (TCPA)

¹⁴ [Garden Communities Prospectus](#) (MHCLG, August 2018)

stage was to have ‘more active community engagement’ particularly around land value capture.¹⁵

WODC, Grosvenor Development and Oxfordshire County Council have been working collaboratively and inclusively with interested community groups and conducted a series of consultation events, including a design charette, between 2018-2020. The outcomes from the design charrette are captured in the AAP Preferred Options document and Grosvenor Development’s Oxfordshire Garden Village Masterplan Framework document.¹⁶

The AAP Preferred Options was released in July 2019 which presents seven Core Themes which relate to 38 Core Objectives. Although this document does not prescribe the approach to stewardship, Community Land Trusts are suggested as a potential option. Planning applications coming forward for the OCGV will be expected to be supported by a Community Management and Maintenance Plan (CMMP) which addresses the long-term stewardship of:

1. Community facilities
2. Key infrastructure
3. Green infrastructure
4. Public open space
5. Public realm across the whole site

The Adopted WODC Local Plan 2031 requires 50 per cent affordable housing on the OCGV site (about 1,100 homes), of which the AAP recommends 30% (660 homes) to be delivered as social rented housing and 20% as low-cost home ownership (440 homes).

There is an additional requirement for 110 Custom and Self-build homes at the OCGV as set out in the Local Plan for 5 per cent on sites of 100 homes or more¹⁷.

¹⁵ Oxfordshire Cotswolds Garden Village Area Action Plan [Issues Paper Consultation Report](#) (WODC, November 2018)

¹⁶ Story so far, [Oxfordshire Garden Village Masterplan Framework](#) (Grosvenor 2019),

¹⁷ [Policy H5](#), Local Plan 2031, p.61 (WODC, 2018)

The Local Plan 2031 also includes a definition for collective custom or self-build housing in which many homes are built (5.116) as well as outlining the Council’s enabling fund, assembled through commuted sums from developers, which can be used to acquire land and facilitate the delivery of self-build schemes¹⁸.

An integrated Sustainability Appraisal (SA) and Strategic Environmental Assessment (SEA) was carried out for the site in July 2019 by LUC on behalf of West Oxfordshire District Council. The SA utilised 16 headline objectives developed through prior scoping reports with ‘long term sense of community’ having multiple sustainability impacts which are relevant to the exploration undertaken in this report on CLTs.

Eynsham has a Neighbourhood Plan which was made part of the Adopted Local Plan 2031 on 6th February 2020 where 95% voted in favour with a 30.5% turnout¹⁹. The Neighbourhood Plan does not refer to development, ownership, or management of assets by communities, however any community-led scheme would look to comply with these policies within the context of the wider Development Plan.

Supporting evidence for ownership and stewardship

Grosvenor’s Masterplan Framework (2019)²⁰, a document showing design progress as of November 2019, outlines opportunities for community ownership and management on the site. These included case studies for:

- A shared use agreement for a sports pavilion owned by a Local Authority with management by a local sports club.
- A management agreement with the Wildlife Trust funded through developer’s contributions

¹⁸ [5.56 Affordable Housing](#), Local Plan 2031, p.49 (WODC, 2018)

¹⁹ [Eynsham Neighbourhood Plan: Regulation 19 Decision Statement](#), WODC (February 2020)

²⁰ [Oxfordshire Garden Village Masterplan Framework](#) (Grosvenor 2019)

- A green space management agreement with a private property management company funded through a resident's service charge
- Allotments managed by a Local Authority

Technical studies have been published in support of the AAP of which the Housing Strategy Advice (July 2019) by Iceni Projects is the most relevant to this work. This document makes recommendations on potential maintenance and management bodies for the housing stock, of which Community Land Trusts are one, and concludes by outlining **key considerations** in deciding an appropriate management model including:

- Willingness of the community or prospective members to participate
- The extent of land and asset ownership
- The desired governance and legal structure
- Tax considerations
- The availability of funding in the short and long term

The Iceni Projects advice refers to delivery mechanisms for custom and self-build housing and recommends clusters of 10-15 plots phased throughout the delivery period dependent on demand. Community Land Trusts are referred to as a delivery partner, under the category 'Non-RP Community Group', alongside co-housing and co-operative groups (p113).

The National Custom and Self-build Association (NaCSBA) were commissioned to develop evidence for an AAP policy proposal for custom and self-build housing. This evidence-base outlines the need to explore CLTs and cohousing projects in the delivery of affordable housing. NaCSBA's advice includes that community-led

projects provide well-designed and sustainable affordable housing which may 'depending on their form and demand, generate a higher land value when compared to more conventional affordable housing models'²¹. If there are appropriate land value capture mechanisms this uplift in value can be retained by the community in the form of more affordable housing.

Work undertaken by Bioregional in January 2020 explored the potential for community ownership of renewable technologies through Project LEO (Local Energy Oxfordshire) with Oxfordshire County Council. This study gave an indication of the cost implications for delivering a zero-carbon scheme but did not interface with viability or long-term ownership. Further research into the cost and benefit of delivering a CLT could be undertaken and interact with this work by Bioregional in the pursuit of understanding diverse and stable income streams.

Stakeholder interviews

In preparing the evidence for existing demand for a CLT, 18 open-question phone interviews were carried out as part of this research project. Interviewees were found through a) a notice to the OCGV mailing list which is managed by WODC, b) an email to all people on the self-build register who were either within Eynsham or had declared an interest in collective forms of self-build housing and c) word-of-mouth recommendations from interviewees.

A list of key stakeholder types is included in 'Appendix B - Key stakeholders'.

Types of interviewee included:

- Eynsham Parish Council
- GreenTEA (Transition Eynsham Area)
- Residents of Eynsham

²¹ Element 4- Advice to inform the preparation of the draft Oxfordshire Cotswolds Garden (NaCSBA, June 2019), p.6

- Prospective self-builders

This initial scoping research for a CLT did not include engagement with Grosvenor Development or the Landowners Consortium, however this presents an opportunity for further work on the implementation of a trust. In interview, Eynsham residents expressed being fatigued after working through the consultation process thus far, particularly the extent to which contributed views were not felt to be incorporated in external documents or the masterplan.

Attitudes to community ownership

In their six priorities for the OCGV in May 2019, the EPIC (Eynsham Planning Improvement Campaign) group put forwards ideas for democratic ownership and governance. In this it was clear that control and ownership of assets were important, with 'community co-operative land trusts' and commonhold legal forms specifically mentioned. There was also a call for transparency 'of finance and resources, at all stages of the project - planning, construction and ongoing running of the Garden Village'.²²

"It's meant to be built to Garden Village Principles and the first principle is community ownership. Some of the assets which generate revenue should be owned by the community so it can sustain itself as it was in Garden Cities"

Interviewee, Local resident

There were two sets of interviewees who responded from the self-build register and were primarily interested in developing cohousing on the OCGV site but were keen to find out more about how a CLT could help facilitate their values-based approaches. The first aimed to commission the building of up to three properties for family-members but would be interested in participating in larger cohousing schemes for the potential cost-savings on shared materials, energy-generation, and finance. The second represented a cohousing group, identifying as Eynsham Cohousing, who had been meeting informally to discuss how they

could take on 10-15 properties in the early phases of the OCGV as part of the self-build requirements.

The campaign group EPIC have been critical of the details in Grosvenor's Draft Garden Village Masterplan and Design Code. EPIC produced a Help Sheet in November 2019 to address concerns with the design outlined by the independent Design Review Panel. In this help sheet they drew attention to the need for a long-term management strategy which controls assets for the benefit of the community. However, interviewees were committed to the principles of ownership:

"If there was serious possibility of there being a CLT which involved a different tenure, some sort of common freehold of the site, some co-operative element which might bring it closer to the garden city movement...then there would be interest"

Interviewee, EPIC member

The interviews identified individuals with board-level experience of housing association governance as well as other management skills. There was significant interest in CLTs from within the campaigning organisations such as the below from another local resident.

"I think a CLT is one way for people to empower themselves. It's better for local government because they don't have to do too much work because communities are doing it for themselves"

Interviewee, Local resident

²² [Responses to Oxfordshire Cotswolds Garden Village Charrette May 16-17 2019](#)

Attitudes to current development approach

Interviews with key individuals and organisations who have been involved in engagement processes indicated a feeling that the masterplan being presented by Grosvenor thus far lacked ambition around the response to the environmental aspects of the scheme in light of a climate emergency declared by West Oxfordshire District Council in June 2019²³.

Multiple interviewees did not view the public vision as fitting the garden village principles, in particular due to the lack of clear intent around land value capture and common ownership beyond that of a traditional housing scheme.

Interviewees outlined doubts as to the clarity of approach to satisfying the principles of land value capture on a longer-term basis outside of the traditional mechanisms to securing planning gain through planning obligations as set out in Section 106 agreements.

The concern arises for interviewees due to the tension between, on the one hand, the community's desire to maximise social and environmental benefits without a clear national mechanism to do so, and on the other, the contractual position of Grosvenor in representing landowners seeking to maximise the financial return on their landholding.

Case studies of current practice

The following three case studies set out examples of current practice which may, if a CLT approach were not taken, indicate future models that might be used at the OCGV on governance, management, maintenance, and the ownership of assets. The first two are recent schemes by Grosvenor and the third is an example of best practice by Bioregional and Peabody.

²³ [Minutes of Full Council](#), (WODC, 26th June 2019)

Barton Park

Area: **38 ha (94 acres)**²⁴

Homes: **885**

Timeline: **2014-**

Ownership model: **For-profit management company**

Legal: **Limited Company**

Barton Park is a scheme to the north east of Oxford in which the development company, Barton Oxford LLP (2011-), is an equal control Scottish partnership between Grosvenor Developments Ltd and Oxford City Council. As of March 2020, three Oxford City Council officers report to a 'Shareholder and Joint Venture Group' which began meeting in September 2019 and consists of Councillors and other relevant representatives.

The Barton Park scheme includes a hotel, a 50-bed care home, a 315-space primary school, a community hub and 'flexible space for community services' including at least 10% green space. At the time of writing two tranches have been delivered of a total delivery of 885 homes, the first of which is by developers Hill and the second by Redrow Homes. A school is being delivered by Oxfordshire County Council as a separate construction contract with Bowmer and Kirkland.

Barton Park Estate Management Company Ltd. (BPEMC) was established in late 2016 as a Company Limited by Guarantee with four Directors from Grosvenor and initially two directors (now one) from Oxford City Council. BPEMC will issue a form of service charge to all leaseholders and freeholders and, although the ownership will be maintained between Oxford City Council and Grosvenor, there are no protections against the right to collect the charge being sold-on to a third party private sector company at a later date.

²⁴ [Barton Park Oxford](#) (Grosvenor)

Trumpington Meadows

Area: 27 ha (66 acres)²⁵

Homes: 1,200

Timeline: 2007-

Ownership model: For-profit management company

Legal: Limited Company

On the southern fringe of Cambridge is a 1,200-home scheme being brought forwards by Trumpington Meadows Land Company (TMLC), a limited company held between Grosvenor Developments Ltd and the University Superannuation Scheme (USS). Grosvenor conducted the master planning phase, gaining an outline permission in December 2007²⁶ and October 2009²⁷.

The freehold of the development land was bought by Barratt Developments in 2013²⁸ through their company BDW Trading Ltd with the wider site held by TMLC and the nature parks jointly owned between Grosvenor Developments Ltd and USS. Although roads are adopted by Cambridgeshire County Council, the green infrastructure will be transferred to Cambridge City Council on completion and management of areas directly surrounding the properties by Trinity Estates. Barratt Homes gained reserved matters in July 2015 and the site was covered by the Trumpington Meadows Design Code which was approved in June 2010²⁹.

Cambridge Partnerships Ltd, led by Bedfordshire Pilgrims Housing Association, delivered the 480 affordable homes (40%) through a £10m grant from the Homes and Communities Agency which was staged to have larger payments at the outset in order to build more financial resilience into the wider development.³⁰

Barratt Homes set up two management companies for Trumpington Meadows, the first being 'Trumpington Meadows Residents Management Company Ltd' in 2012 and then 'Trumpington (Phase 8-11) Management Company Ltd' in 2015. All Barratt representatives have now left these management companies and from October 2019 the only Director of these companies has been Trinity Estates, a private residential property management company owned by a single shareholder.

There is a Trumpington Residents' Association which was founded in 1992, incorporated in 2008 and registered as a charity in 2010. This entity administers the Trumpington Pavilion community centre, which is 0.5km to the north east of the Trumpington Meadows site, but does not appear to have any involvement with Trumpington Meadows.



Figure 2 Trumpington Meadows (John Sutton CC BY-SA 2.0)

²⁵ [Trumpington Meadows](#) (Trumpington Meadows Land Company, 2011)

²⁶ [08/0048/OUT](#), Cambridge City Council

²⁷ [S/0054/08/O](#), South Cambridgeshire District Council

²⁸ [Trumpington Meadows goes from strength to strength](#), Grosvenor (October 2013)

²⁹ [Design Code](#), Trumpington Meadows

³⁰ [Trumpington Meadows, Cambridgeshire](#) (Tetlow King)

BedZED, South London

Area: **1.7ha** (3.5 acres)

Homes: **100**

Timeline: **1997-2002**

Ownership model: **Housing Association**

Legal: **CBS Exempt Charity (Peabody)**

BedZED (Beddington Zero Energy Development) is an 82-home mixed-tenure ecovillage in South London which is well known for being a pioneering low-carbon development brought forward in partnership between The Peabody Trust and Bioregional, an environmental charity. The Peabody Trust had received planning consent on the 1.3-hectare (3.2 acre) site in February 2000 which, alongside the homes, included workspace, a café, and other facilities.



Figure 3 BedZed ([Tom Chance CC BY-SA 2.0](#))

The scheme was completed in 2002, at which point Peabody Trust took over the freehold ownership from London Borough of Sutton and issued leases on the market homes (50%) and shared ownership (25%) homes whilst issuing tenancies on the social rented properties (25%).³¹

BedZED is an important case study due to being one of the first examples of a Local Authority using projected economic and environmental benefits as evidence to inform the acceptance of a below-market valuation during a competitive land disposal tender. The Bioregional zero-carbon scheme was higher-cost but claimed to have a greater magnitude of external benefits in comparison with Barratt Homes' competing scheme, leaving them unable to offer the same land price.

Bioregional's Impact Assessment, requested by a Sutton Council committee, showed £3.6m of quantified benefits to the borough as well as a range of unquantified benefits. The council then carried out their own independent cost benefit analysis on the BedZED design in comparison with the Barratt Homes design which provided evidence in making the decision to choose BedZED as the winning bidder. The requirement for a Community Forum was enforced through the Section 106 agreement, to be established within four months from planning approval.

Bioregional Homes are now setting up Community Land Trusts as part of their custom-build developments. The first of these is the Sustaining Chobham³² group in Surrey which was constituted as a Large Membership Community Interest Company (CIC) in December 2018. On completion of the 30-home scheme, the entire freehold of the site will pass to the CLT so that discounts on the discounted market sale affordable homes are retained in perpetuity and the eight full-price leasehold homes have an equal say with the other households.

³¹ [BedZED - the UK's first large-scale eco-village](#) (Bioregional)

³² [Sustaining Chobham](#) (Bioregional Homes)

Learning from current practice

It is likely that conventional stewardship mechanisms, in which a management company would pay for the running of assets on the OCGV, will be funded through the implementation of a service charge. Grosvenor have been involved in the establishment of estate management companies which collect service charges at both Barton Park in Oxford and Trumpington Meadows in Cambridge.

Service charges have come under scrutiny in the last few years due to growing evidence of exceptionally high charges which lack a transparent rationale. As a result, there have been government commitments to leasehold reform, with the direction of travel being that only new apartments will be able to utilise a leasehold form and ground rents reduced to a peppercorn rate of £0.³³

In their response to consultation on leasehold reform, the Government announced that forms of Community Led Housing, including Community Land Trusts, would be **exempt from bans on the use of leasehold** in new housing³⁴.

As it seems likely that the use of leasehold in new-build housing through conventional routes will be banned, there has been renewed interest in Estate Rent Charges (ERCs), in which new-build freehold properties are subject to obligations or financial payments without the enhanced statutory right to challenge which owners of leasehold properties have. Developers are known to sell these obligations onwards to organisations which do not have the interest in long-term legacy. Given that there is a shifting attitude to charges in general it might not be permissible for mainstream housing developers, as responsible estate landlords, to be including ERCs.

³³ [Leasehold and commonhold reform](#) (House of Commons Library, December 2019)

³⁴ [Implementing reforms to the leasehold system in England: Summary of consultation responses and Government](#) (MHCLG, June 2019)

3. Options for a Community Land Trust

The AAP Preferred Options document split the potential options for a trust into either 'utilising existing bodies' (e.g. West Carclaze Garden Village) or 'establishing a new Trust or Organisation' (e.g. Tresham Garden Village).

This section outlines more detailed options to be considered when deciding how to deliver a CLT on the site of the OCGV. Incorporating the relevant key considerations offered by the Housing Strategy Advice (July 2019) document by Icen Projects, it will be important to understand the three key areas in the box to the right.

There is an opportunity for a CLT to take on more than just the delivery of affordable housing but also community facilities, shops, restaurants, office space and utilities. A diversified portfolio of income streams will allow any CLT at the OCGV to become a financially resilient anchor organisation as time progresses.

The AAP Preferred Options Paper (July 2019) has indicated that a Community Management and Maintenance Plan (CMMP) be funded initially through developers planning obligations, with 'adequate funding in perpetuity' and 'flexibility to adapt to changing circumstances throughout the life of the development phase and beyond'.³⁵

Although it is difficult to predict how the OCGV site will be affected in the long term by financial and political changes, regard can be given to how schemes have been implemented across decades and longer. Schemes such as Letchworth Garden City, the Bournville Village Trust or the estates of Castle Vale or Witton Lodge, have showed resounding financial resilience through ownership of assets and diverse income streams.

Case studies are used at the end of this section to introduce similar schemes which will then be referenced in the recommended approaches section as examples of best practice.

Organisational form

- What is the most appropriate identity and legal model?
- Should there be a new trust or build upon existing organisations within Eynsham?
- Should the body be a charity?
- How will the existing community be involved in the development and ongoing management of the trust?
- What is the capacity and relevant skillset within the existing community?

Phasing, partnerships and land transfer

- How will the trust engage with the development parcels over the estimated 10-year delivery period?
- How will the trust be funded through development and ongoing management?

Barriers to adoption

- What would be the barriers to take-up of CLT homes by potential residents?

³⁵ [Garden Village APP Preferred Option Paper July 2019](#) p.42 (WODC, 2019)

Which organisational type is appropriate?

The TCPA's guide to long-term stewardship acknowledges that there are a range of stewardship body types³⁶, which are repeated in the OCGV AAP Preferred Options Paper. However, it is important to first decide the unique purpose of an organisation, defined by a broad organisational type or identity, prior to deciding the legal model employed. Organisational identities at the OCGV could include:

- Community Land Trust
- Community Management Organisation
- Community Association Model³⁷ (e.g. Witton Lodge, Stockfield)
- Housing Co-operative
- Housing Association

Locality refers to the above identities as Community Anchor Organisations, entities which are strong, independent and community-led, inherently rooted in a geographic area.³⁸ Models such as Development Trusts, Tenant Management Organisations and The Community Gateway Model³⁹ have not been included as they do not tend to be employed on new developments.

Under the 2008 legal definition, CLTs can be any of the identities mentioned above including partially utilising a housing association identity through becoming a Registered Provider. Similarly, a housing association can fulfil the requirements of a CLT as seen at New Wortley Housing Association, with citizen-led plans for new housing on an estate in Leeds. If the trust intends to take on non-housing assets then there should be provision for this in the organisation's rules and it would be wise, but not essential, for the organisation's name to not include housing to cover a broader spectrum.

Government has had increasingly positive attitudes to CLTs across the past two decades but particularly so since 2016 with the introduction of the Community Housing Fund. Local residents in interview were positive about the identity of a Community Land Trust but further work is required to test if this applies to other stakeholders.

It will be important to choose an identity which allows for broad buy-in from communities, politicians and developers whilst opening up future options for funding and finance. One option could be to structure the stewardship body at the OCGV to accord with the 2008 legal definition for CLTs but model the identity on Village Trusts, to informally connect the OCGV with schemes such as Bournville.



Figure 4 Bournville Village Trust Estate

³⁶ [Guide 9: Long-Term Stewardship](#) (TCPA, December 2017)

³⁷ [Approaches to community governance: Models for mixed tenure communities](#) (Knox & Alcock, 2002)

³⁸ [Choosing a legal structure: a toolkit for community organisations](#) (Locality, 2015)

³⁹ Empowering Communities – The Community Gateway Model (HACAS Chapman Hendy, 2003)

Could the existing Eynsham Parish Council be the stewardship body?

In 2018/19 Eynsham Parish Council had an income of £120,616 of which 80% was raised through the Precept. They have a full time Clerk and part-time Finance Officer and contract out the management of green space. The Parish Council own 'three play areas, a skate park and various parcels of land', and receive a small income from renting out meeting space at a Grade II Listed property at which they are about to embark on a £100,000 refurbishment.⁴⁰

In interview, Eynsham Parish Council were interested in taking on assets at the OCGV and have been in discussion with both WODC and Grosvenor. Many rural CLTs emerge from Parish Councils, wanting to build on land assets or react to affordability issues. However it is usual to set up a separate CLT entity for the purpose of ensuring members have active control over the operation of the trust as was the case at Stretham and Wilburton CLT covered as part of [Case Study 2](#).

Although the Parish Boundary and Neighbourhood Plan boundary currently include the OCGV site allocation, it is unknown whether the OCGV site will constitute a new ward on completion. A CLT could bridge across ward boundaries through their organisational aims, however any funding targeted at the OCGV would have to be restricted within their accounts to projects within the boundary of the site.

It could be appropriate for Eynsham Parish Council to be an early partner and host for any emergent CLT while a new entity is established and develops its own independent administrative systems. Funding for the Parish Clerk to support the new CLT could come through an increased parish precept, planning obligations, a future WODC CIL requirement, or other national and local grant pots available.

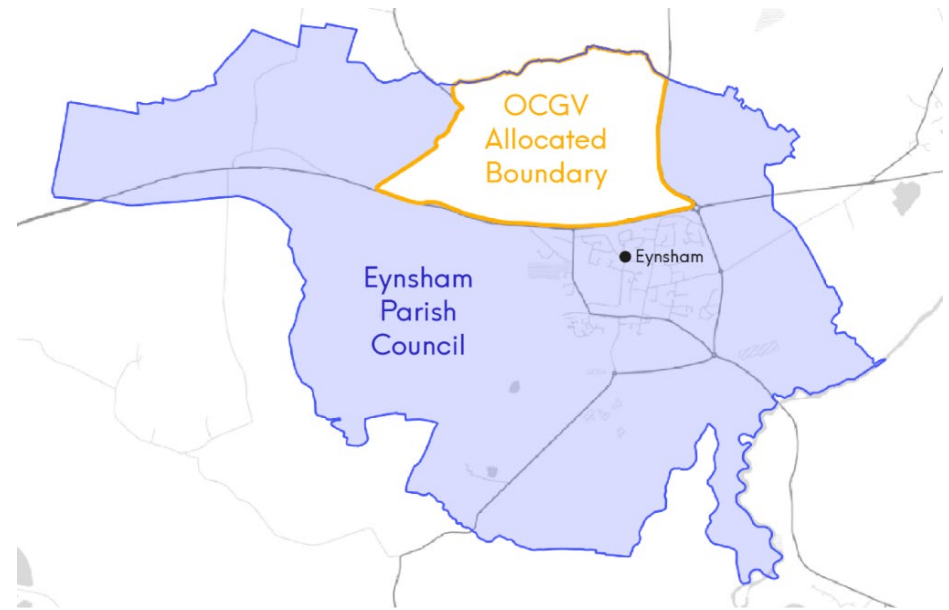


Figure 5 Eynsham Parish Council boundary

A nearby example of this incubation route working very well is the role of Thame Town Council, with a population of over 11,000, in incubating the Thame Community Land trust with staff resource and financial support from Town Clerks and Town Councillors. Thame have a dedicated planning professional and Asset Manager, the support of which have taken the pressure away from local volunteers through Council's reporting and grant funding structures, co-ordinating members, providing meeting space and free administrative services such as printing⁴¹.

⁴⁰ Fact Sheet (Eynsham Parish Council, March 2020)

⁴¹ Email communication with Thame Town Council

Legal models

CLTs tend to be established as new organisations in order to take on the delivery, ownership and management of assets with the most common form being a Community Benefit Society (CBS) registered with the FCA⁴². The National CLT Network have a comprehensive Incorporation Service which helps groups to set up a CBS⁴³.

Although a new organisation will not have a track record for finance and delivery it should be recognised that the OCGV has a very long development period and as such there could be an approach to partnership with existing organisations in the first years but with a plan to transfer to a direct delivery model as credibility is built.

Setting up as a charity is irreversible, a perpetual asset lock, so it is better to establish a non-charitable organisation with the flexibility to become one if it is deemed necessary. There are two charitable forms: an 'exempt charity' with HMRC and a Charity registered with the Charity Commission. A big drawback of a charity is the inability to engage in trading activity, which a trust may find unduly restrictive in the pursuit of diverse and stable income streams over the long term. In this situation the CLT could set up a separate trading subsidiary, potentially as a Community Interest Company, alongside the charitable entity.

There are three principle legal model options, all bodies with Limited Liability, which could be considered for the incorporation of a CLT at the OCGV:

Community Benefit Society (CBS)

Examples: Oxfordshire CLT (charitable CBS), London CLT, Peabody Trust

The key draw for the OCGV to use a CBS is the familiarity that financiers and legal firms have with the model, having seen this used at Bournville, Peabody and the majority of CLTs across the country.

A CBS has the ability to publicly-advertise equity shares in the company which allows ethical investors to support the trust up to a level of £100,000 per investor. Each member in the trust would have a vote regardless of the amount they have invested. This would allow local Eynsham residents and social investors further afield to assist in providing equity finance to any community-led development. A community of benefit is stated in the company articles which would accord with the 2008 legal definition of a CLT⁴⁴.

A CBS may be constituted with a charitable asset lock which is beneficial for tax purposes, such as in claiming back Stamp Duty Land Tax (SDLT), however the delivery of housing is not a charitable act in and of itself, and thus a broader definition of charitable purpose must be found. A Charitable CBS is not able to register with the Charity Commission but can become an Exempt Charity with HMRC.

Community Interest Company (CLG CIC)

Examples: Still Green Cohousing, Sustaining Chobham

A Company Limited by Guarantee is a form of company with limited liability in which shares are unable to be distributed to directors. The exposure of directors is limited to their guarantee, often £1.

CICs are becoming a common form of legal model due primarily to it being quicker and less expensive to set up. These models cannot raise public

⁴² Formerly known as an Industrial and Provident Society (IPS) which are now referred to as a (pre-commencement) CBS under the 2014 act ([link](#))

⁴³ [Incorporation Service](#) (National CLT Network)

⁴⁴ [s79 \(2\)-\(5\) Housing and Regeneration Act 2008](#), England and Wales

shares and cannot become charities but there is no reason why they cannot be a CLT in compliance with the 2008 definition. An asset lock can be created in the rules which ensures that profits are recycled back towards the trust's purpose. A CIC is not eligible to be any form of charity.

Charitable Incorporated Organisation (CIO)

Examples: Ore Community Land Trust (Hastings)

A CIO is a new form of legal model which offers enhanced protections to the trustees without having to register as a limited company with Companies House or with the Charity Commission. The key benefit is that this organisational form provides enhanced limited liability for trustees within contracts.

If the CLT were to become members of the National CLT Network, there is support for choosing legal models and an Incorporation Service to initiate a Community Benefit Society if this is found to be the most appropriate model.

Summary

Given that there is no clear organisation which could take on the running of a broad array of assets, with a housing focus, there are three core organisational options for a CLT at the OCGV:

- Ownership of assets through the existing Parish Council
- Incorporation of a new CBS or CIC just for the OCGV site
- Incorporation of a new CBS or CIC for whole Eynsham area which could begin at the OCGV site and expand out

The recommendation for organisational form would be to:

1. Develop a **new stewardship body** which can make use of site-restricted grant finance such as the Garden Communities Programme
2. Use the **2008 CLT legal definition** for this new body
3. Create a body which incorporates '**Village Trust**' or '**Garden Village Trust**' into the name to establish an identity
4. Ensure there is **sufficient flexibility for wider community-involvement** beyond residents of the OCGV site and that the aims are sufficiently broad that the community of benefit extends to the whole of the Neighbourhood Plan boundary
5. Consider **incubating** the CLT within Eynsham Parish Council to help develop administrative processes in the initial years of the OCGV build-out.

Scale of delivery and management

This report outlines three broad approaches to dealing with the scale of the trust for the purposes of management and maintenance of housing. These approaches are not mutually exclusive but would be sequentially layered as the scale increases.

This section provides options for the scale of delivery of a stewardship organisation and options for how the parcels could be delivered as the site is phased. The recommended approaches in Section 4 use these scales as a basis.

Scale option 1 – Single parcel

Development of a community-led housing scheme on a single discrete parcel of land within the OCGV.

Benefits

- Proven approach across the country which is dealt with through Planning Obligations
- Simple to understand for other development partners.
- Potential for including entirety of the 110 custom and self-build homes requirement

Drawbacks

- Development risk to the Community Land Trust will be higher if not making use of scales of economy in partnering with on-site developers.
- Greater complexity in parcelling a site out into an additional phase and so enhanced risk to developer in potential extended build-out durations compared to other site-phases.

Scale option 2 – Dispersed sites

This option is the management of community-led assets across multiple sites to accord with development phases.

Benefits

- Distributes risk amongst phases and developers.
- Familiar to developers who are used to working with Local Authorities and Housing Associations in this way.
- Clustering housing schemes distributes the requirement for raising large-scale finance and spreads the risk for developers taking on parcels within the OCGV site.

Drawbacks

- Greater complexity for a new CLT or enabling developer to manage multiple development sites.

Scale Option 3 – Full transfer

Transfer of the entire site freehold on completion of each parcel into a community land trust.

Benefits

- More resilient long-term financial model for the CLT due to availability of more diverse income streams and enhanced scales of efficiency due to larger housing stock
- High-level of aspiration and potential for global attention through being a leader in large-scale delivery of a new community.

Drawbacks

- Unfamiliar model for any developer
- Relies more heavily on quality of staff over voluntary support due to quantum of assets under management.

Direct delivery or development partners?

Development routes have been explored extensively in the Iceni Projects and NaCSBA work, of which the latter resolved thirteen affordable housing development models at six stages of development.

The ideal situation with respect to benefiting from scales of economy is for the delivery to be undertaken by site-wide custom-build developers under a stringent design code which allows for the involvement of community and potential residents.

A CLT can work in parallel to any of the models suggested by NaCSBA given CLTs can be an RP, an unregistered body or work with an array of partners. The most appropriate delivery routes from NaCSBA's list are:

- Individual self-build parcels released by each subsequent housebuilder
- Direct delivery collective self-build as part of s106
- Collective custom-build on discrete parcels

Many CLTs would want to manage the development of homes themselves, with support from Local Authorities, CLH Hubs and nationally accredited technical advisors. Especially at the smaller scale delivery options in this report, a trust at the OCGV may want to be involved in the direct delivery of small parcels of land.

A possibility at all three scales is some element of direct delivery by the CLT using conventional finance backed with capital subsidy (discussed later in this section). Partnerships with other providers could be utilised at the outset but then transitioning to direct delivery as the CLT gains a track-record and asset base.

Transitioning from a partner organisation can give more control in the longer-term whilst shouldering risks together in the early stage.

Who could the trust partner with in delivery and ownership?

This section will discuss three partnership options for the OCGV. CLTs commonly partner in delivery with an established supplier of housing, often a Registered Provider. The best-known example of a partnership model with housing associations is Wessex Community Assets which has developed 100 homes and has 250 in the pipeline⁴⁵.

The highest level of risk during the development phase is during construction and attention should be given to ensure the community land trust does not cause issues through inflexible transfer requirements. The homes should be finished to an agreed specification before being adopted by the trust so as not to pass increased liability to the community-based organisation.

Partnership Option 1 – Housing Association

Example: Toller Porcorum CLT with Aster Group

A common form of CLT housing delivery in the UK is partnering with a Housing Association (HA). These pairings have allowed CLTs to create homes despite being start-up organisations without a track-record or small rural single-site CLTs.

Given that housing on the OCGV should remain affordable in perpetuity, it should be kept in mind that partnership with a non-charitable HA could put the housing stock at risk of being sold under future shifts in the Right to Buy legislation. If a freehold-owning CLT is offering a lease to a HA then a clause can be used to prevent the HA from selling homes under the Voluntary Right to Buy.

⁴⁵ [Wessex CLT Project](#) (Wessex Community Assets)

Cottsway Housing Association, which took the transfer of 4,500 homes from WODC, own 135 leasehold properties and are part-owners in 180 shared ownership homes⁴⁶. For this reason, Cottsway could be a strong partner in delivering elements of a CLH scheme.

Benefits

- Established practice across the country
- Housing Association could be contracted to make affordable housing nominations on their behalf

Drawbacks

- Increasing hesitation for Housing Associations to work with community-led housing group

In the Wessex Community Assets model, the HA signs a long lease with the landowner prior to the construction phase and the freehold interest is transferred to the CLT on completion for £1. This approach lowers risks for all parties and ensures that development skills are shared.



Figure 6 Toller Porcorum CLT (Aster)

Partnership Option 2 – Custom build developer

Example: Marmalade Lane, Cambridge

Enabled cohousing - a cohousing group is formed and contributes the design and finance of the scheme through an enabling developer. Households buy the homes turnkey.

Benefit

- Reduced risk to individual household as the custom-build developer takes on the development risk.

Negative

- Increased cost through enabling developer profit.
- Less customisable between households.

Partnership Option 3 – Existing Community Land Trust

The potential for a collaboration with a broad umbrella CLT such as Oxfordshire Community Land Trust (OCLT), which was constituted in 2006, has a strong board and suite of governing policies, and is currently in the process of becoming a Registered Provider (RP) to directly-deliver a scheme in the West of Oxford.

Financial collaboration could come through assistance from older trusts such as Stonesfield Community Trust, the oldest CLT in the country established in 1983, or Oxfordshire CLT, an umbrella trust established in 2006.

Benefits

- Developing good working relationship with the community
- Pioneering a new model of good governance which builds community resources through the development

⁴⁶ [About Us](#), (Cottsway)

- Developers are used to working in Joint Ventures with landowning partners including with Oxford City Council at Barton Park in Oxford

Drawbacks

- Requires upfront resources for community to employ project managers to participate in the governance of the organisation

Partnership Option 4 – Joint Venture

To ensure long-term aims of the development are instilled at the outset it would be beneficial to find a vehicle for the community to be formally involved in the handover to a trust.

In this model, experienced development professionals employed directly by the trust would enter into a joint vehicle with a site-wide development company prior to submitting detailed planning permission. These professionals would report to the board of Directors of the trust, who are elected by the membership which would initially be made up of people within Eynsham but could have quotas for transferring more representation to residents of the OCGV as people move in.

This is a common model as described at Barton Park and Trumpington Meadows. This option would ensure community involvement is meaningful and representative of the wider community throughout. On completion of phases or the entire OCGV development, the developer would remove themselves from the JV leaving it entirely run by resident-representatives.

Strong commonly agreed objectives are required to ensure the community representatives have the opportunity to influence the design code but do not slow down delivery. For this reason it is recommended that the delivery and asset-ownership bodies are separated which would be a recognisable model for developers – as seen in the Climate Innovation District (p21).

Benefits

- Developing good working relationship with the community
- Pioneering a new model of good governance which builds community resources through the development
- Developers are used to working in Joint Ventures with landowning partners including with Oxford City Council at Barton Park in Oxford

Drawbacks

- Requires upfront resources for the community to employ project managers to participate in the governance of the organisation

Summary of potential stewardship combinations

There are three combinations emerging from the options on scale and partnerships of delivery, ownership and long-term management included in the previous pages. These are:

1. All community assets and social rented housing transferred into a CLT
2. The ownership of community assets could be separated from the housing assets. For example, the Parish Council could take on all community assets and public open space while a third-party RP or CLT would take responsibility for the affordable housing.
3. The ownership of community assets are further separated from each other into specific organisations as similar to traditional current practice (p9). Each asset type could have a different owner, for example grassland and meadows could be owned by the wildlife trust, community centres owned by the Parish Council, social rented housing owned by an RP or CLT.

Are there any special tenures that CLTs can employ?

More recently it has been common for a new CLT to deliver affordable rented homes, due to the lower availability of housing grant for social rent. Many CLTs in the South of England are attempting to address a lack of housing affordability and as such use ways of retaining assets within the CLT while reducing the monthly cost felt by tenants and leaseholders. Alongside standard forms of tenure, CLTs make use of two forms which are more bespoke and do not require the CLT to register as an RP to be eligible for capital subsidy:

Tenure Option 1 – Discounted Market Sale

Example: Cornwall CLT schemes

A form of low cost homeownership in which the CLT sells full ownership of a property at a lower than market rate but locks in that discount using a set formula linked to either a percentage of market value or, less commonly, discounted to changes in local incomes or a price index. The covenant is set within the freehold or leasehold title and often includes a pre-emption clause.

For further detail see '[Community led housing and retail mortgage lending: building the partnership](#)'⁴⁷.

Tenure Option 2 – Mutual Home Ownership (MHO)

Example: [LILAC](#) in Leeds, [YorSpace](#) in York

A form of co-operative shared ownership in which homeowners are issued leases through a freehold-owning CLT. The mutuality comes from a member of each household also being a director of the CLT.

Uplift in the value of properties is through an agreed formula such as one based on an index of local wages. This results in MHO being like a form of rent, but residents receive a financial return on leaving which make it possible to apply to the Community Housing Fund for MHO without becoming an RP.

How is a CLT financed?

There is currently a large selection of funding opportunities for Community Land Trusts in light of government support which has been increasing since 2010, the point at which the National CLT Network was established.

There has been considerable recent support for community-led organisations through the Community Housing Fund (CHF) which was transferred directly to a number of Local Authorities in December 2016 and relaunched to include applications from community-led organisations between July 2018 and December 2019. This provided revenue support to buy in expertise and capital grant. To date the CHF has not been renewed. Instead new groups will need to draw on financial support from local authorities and through Homes England Shared Ownership and Affordable Homes Programme. Expert support is available from the sub-regional Community Led Housing Hubs, one of which Collaborative Housing.

The CHF recognised that the biggest barrier to groups trying to deliver affordable housing is the gaining of planning consent and thus the CHF Phase 1 Revenue supported CLH projects through four milestones from initial vision and site-finding through to pre-development and building regulations submission.

Development finance

Lenders often struggle to engage with CLH projects until the scheme has detailed planning permission. Given Grosvenor are representing the landowners to gain outline permission on this project it is likely that single site development finance will be possible up to £20 million for a single organisation, which is the exposure cap that Triodos Bank employs. This brings forward the possibility of large scale enabled cohousing of the range of 100 homes if the planning permission has been gained.

⁴⁷ Baddeley-Chappell, Heywood & Williams (2018)

Depending on the chosen approach the organisation may require grant or borrowing to be able to finance the early stages of consultant in the acquisition of land and gaining of planning.

If the trust is going to be a Community Benefit Society, then it can make use of raising equity shares in the company up to a value not exceeding £100,000 per individual shareholding⁴⁸. Equity finance is a big opportunity if the trust is to build support from local people including potential residents. A Community Share raise could be publicised every two to three years based on phases and offer strong rates of return due to being able to demonstrate a growing cash flow based on phase completion.

Long-term income

There are three central approaches to ensuring that the scheme is able to maintain a resilient cashflow position to weather future shocks.

1. **Rented housing**

Through becoming a Registered Provider of social housing and collecting rent on intermediate and private rented housing.

2. **Leasehold Service Charge and Estate Rent Charge**

The use of an Estate Rent Charge (ERC), which is common practice on large-scale schemes. Given CLTs are exempt from ongoing Leasehold reform, they will be still be able to charge a Leasehold Service Charge which gives rights to challenge for residents.

3. **Ground rents**

The most common way that CLTs collect an annual payment is for their role as a freeholder. Most CLTs go on to distribute their ground rent elsewhere in the community, to education, sporting activities or the development of new assets (as in Stonesfield p25).

4. **Bonds**

The third option is the use of a bond issued by the trust to each household. Seen as a form of deposit in the community, this would allow the company to be created and, if a homeowner decides to sell, the bond coupon value can be passed onto the next owner. Case Study 4 documents how the developer Citu, who use this technique for their schemes, believe this approach increases the value of the property⁴⁹.

A key factor to be understood is whether potential residents will be put off by an up-front bond or an ongoing charge. If the scheme is small then people will likely have a strong connection to each other which might negate this as a key issue, however if the CLT collects across a large estate it will have to work hard to communicate the connection between the service charge and community benefit.

5. **Proactive income**

In the pursuit of exploring more diverse forms of long-term funding than rent and service charges on households, attention could be put to:

1. Community-owned utilities

As in the Climate Innovation District in Leeds where broadband and energy generation infrastructure is planned to be owned by the community (p28)

2. Shops, restaurants, and workspace

Income from the renting out of non-housing property assets including flexible-use community centres and commercial space. Also assist in keeping local services attuned to needs of residents.

⁴⁸ The TCPA Stewardship Guide incorrectly uses the pre-2014 limit of £20,000 which was changed in [Chapter 14 Part 2](#) of the Community Benefit Societies Act 2014

⁴⁹ <https://citu.co.uk/citu-live/climate-innovation-district-faq>

Engaging with the current land ownership patterns

As is visualised in the map in Appendix A⁵⁰, land ownership within the Eynsham Land Pool Trust varies between public, private, and charitable ownership. Ownership parcels against the A40 are largely held by organisations which, it is assumed, have legal restrictions on the way in which they can dispose of assets. Private ownership is found to the North of the site and it is unclear what, if any, restrictions these assets are held under.

Organisations with restrictions on land sale can have important implications on built outcomes where there is not a strong policy basis to lock in Social, Economic and Environmental (SEE) benefit. Within a Land Pool Trust, a focus of some organisations towards the maximisation of financial value can bring all other land-owning stakeholders to the same rationale on land price expectations.

Both public and charitable assets are held by requirements to gain best consideration reasonably obtained, which can often be interpreted as the maximisation of financial return within the legal flexibility of the word 'reasonably'. Restrictions and guidance are intended to ensure that these bodies gain the best outcome against their own objectives but there are mechanisms for decision-makers to think more broadly about value.

Planning policy embeds SEE benefit through the Planning & Compulsory Purchase Act of 2004, which is further reinforced through the NPPF in the presumption in favour of sustainable development⁵¹. However, local Planning Authorities have been struggling to retain a broad approach to SEE benefit on development sites within the context of legislation on viability assessments⁵².

Public bodies are increasingly exploring mechanisms to engage with SEE benefits in the way they operate their disposal programmes, for example Bristol City Council is pioneering the use of alternative valuation methodologies⁵³. As explored in this section, SEE benefit is part of the definition of a CLT. To achieve the desired outcomes for the OCGV, alternative valuation frameworks agreed by all landowners could be employed to ensure value is approached with a broad definition on SEE wellbeing.

⁵⁰ Appendix A is a visual representation of emerging boundaries and registered land from publicly available documents at the time of checking in March 2020.

⁵¹ [Considerations and valuations for community-led housing](#) (Future London, 2019)

Summary

The recommendations for delivery and finance are to:

1. Consider the use of **large-scale forms of legacy ownership** to adequately meet the Garden City Principles and Garden Communities Programme Key Qualities
2. Learning from Housing Action Trusts and the Community Association Model, develop understanding on how **partner organisations can assist in building skill and capacity** in a new start-up trust over a number of years before transitioning to an independent organisation which can develop and manage the estate directly.
3. Consider **partnership with an experienced organisation** for delivery and management services such as a housing association or an umbrella CLT like Oxfordshire Community Land Trust.
4. **Prototype new housing models and tenures** with local cohousing groups such as Mutual Home Ownership and models which hold housing affordability in perpetuity.
5. Undertake **further exploratory work on diverse long-term income streams**, including the use of bonds, and the impact these income streams would have on the site-wide business plan and land value.

⁵² [Slipping through the loophole](#) (Shelter, 2017)

⁵³ [Community Led Housing Land Disposal Policy 2020](#) (Bristol City Council)

Case Study 1: Stonesfield CLT, West Oxfordshire



Figure 7 Friends Close, Stonesfield (Google Street View)

Key stats

Area: 0.34ha (0.8 acres)

Homes: 15

Timeline: 1983 - ongoing

Model: Landowner-led

Finance: Conventional; community share offer, community donations

Other features

Office space

Nursery school

Summary

Stonesfield Community Trust (SCT) was established in response to pressures caused by increasing house prices in the village across the 1980s. SCT are established ‘for the relief of poverty, the advancement of education and the provision of charitable recreational facilities with the object of improving the conditions of life of the inhabitants of Stonesfield Oxfordshire.’.

Founded with the donation of a pub car park, and with a local business owner paying £3,000 towards the cost of registering the trust as a Company Limited by Guarantee, SCT have since developed three discrete sites in the village. Stonesfield now have a sustainable annual income and have gone on to invest time and money in the establishment of Oxfordshire CLT, a county-wide umbrella-CLT, in 2006.

Surpluses from the trust have been used to fund a local youth service for the education and physical welfare of disadvantaged children and support of sporting facilities. Two properties have since been bequeathed to the trust and current trustees are exploring opportunities for a fourth new-build development.

Learning

- The CLT model already exists within the district and is found to replicate across the decades not only in creating new projects but in supporting new CLTs to establish through investment and advice.
- Land donated by a local landowner shows there is a willingness to push for new models of ownership which address housing affordability and can attract lower land values from legacy motivated owners
- Institutional investment from West Oxfordshire District Council.

Case Study 2: Kennett Garden Village, Cambridgeshire



Figure 8 Kennett Garden Village (Palace Green Homes)

Learning

- Land owned by Local Council Company puts communities in a strong position
- The Local Authority developed resources as a community-led housing enabling developer which works in partnerships with CLTs
- CLT facilitated community engagement with the masterplan
- On-site affordable housing taken on by established community land trust.

Key stats

Area: 40ha (99 acre)

Homes: 500 (est.)

Timeline: 2016 - ongoing

Model: Council-led

Finance: Conventional; public works loan board

Summary

This scheme, part of the Garden Communities programme, is unique for the UK by being located within a Local Authority committed to CLTs as a primary delivery model for affordable housing across the district. These lessons were initially learned through the Stretham and Wilburton CLT project which emerged in a partnership between village residents and Parish Councillors.

Kennett CLT was already in operation and looking for sites when the 500-home Kennett Garden Village site was announced in 2017, brought forward by East Cambridgeshire District Council's trading arm, Palace Green Homes. The CLT facilitated public involvement in the master planning, led by JTP, and as a result changed the nature of public involvement, deepening it and giving more thought to the long-term stewardship of the site and community.

The CLT was offered 150 homes in 2019, the entirety of the 30% s106 allocation, but they thought this was too much for their first project and settled on taking 60 affordable homes as part of the CLT. There is also a requirement for 5% self-build on this site similar to the OCGV.

Case Study 3: Marmalade Lane, Cambridge



Figure 9 Marmalade Lane (Photos: David Butler for [Mole Architects](#))

Key stats

Area: 0.9ha (2.3 acre)

Homes: 42

Timeline: 2016 - 2019

Model: Developer-enabled cohousing

Stewardship: CLG

Finance: Conventional

Other features

Common facilities with shared kitchen

Learning

- Despite not identifying as a CLT, Marmalade Lane is included as an example of a community-owned scheme which could be replicated at the OCGV.
- Utilised an 'Enabled cohousing approach', which was decided through commissioning a scoping report on potential routes.
- Developer partnered with an off-site manufacturer, to win a discrete site on behalf of a cohousing group. Similar partnerships could be obtained with Oxfordshire-based manufacturers and cohousing groups.

Summary

The Orchard Park development on the northern edge of Cambridge was stalled during the credit crunch of 2008. Site K1 was owned by Cambridge City Council and after failing to sell to a developer in 2009, the council looked for alternative ways to deliver the scheme eventually settling on the 'enabled cohousing' route. Members of K1 Cohousing had been trying to buy land for a number of years when the for K1 site was marketed under a competitive tender. The tender was won by Townhus, a partnership between developer TOWN and the off-site manufacturer Trivselhus, who were operating on behalf of the cohousing group. Town assembled a design team and delivered the scheme through to completion, continually engaging with the eventual residents on the design of their homes. On completion, each household purchased their home from the developer and, once all homes had been sold, the common elements were transferred to Cambridge Cohousing, constituted as a Company Limited by Guarantee. The apartments were sold as leasehold and the houses as freehold.

Affordable housing obligations had largely been satisfied elsewhere at Orchard Park, which was reflected in the low on-site affordable housing requirement at Site K1 and thus the price paid for the land. The involvement of residents reduced the sales risk to the developer and was reflected in a reduction in the cost of the homes.

Case Study 4: Climate Innovation District, Leeds



Figure 10 Climate Innovation District (Citu)

Key stats

Area: 8.5ha (21 acres)

Homes: 1,000 (Phases 1-4)

Timeline: 2018 - ongoing

Model: Developer-led

Stewardship: CLG CIC

Finance: Conventional; share offer

Other features

School, nursery, care home, shops, restaurants and cafes

Learning

- When a developer has a mission to avert climate breakdown, they will utilise novel ownership and stewardship vehicles to ensure that future residents have the capabilities to react to changing environmental, social and economic landscapes.
- Intention to transfer the entire freehold and utilities on completion to a Community Interest Company, potentially viewed as a neighbourhood-level CLT.
- Affordable housing financed by a community share offer and owned by a city-wide CLT, Leeds Community Homes.

Summary

The Climate Innovation District (CID) is a large-scale strategic site in central Leeds brought forwards by Citu. As a result of Citu's mission to avert climate change, the CID will be developed as a low-carbon neighbourhood with elements of long-term resident-ownership and control in recognition that, for the developer to achieve their own objectives around low-carbon development, they need to leave a resilient community which can react to change.

To ensure that residents are able to 'control the future of their place and keep it at the cutting edge of sustainability', Citu intends to transfer the 'land (freeholds), infrastructure and renewable technologies' on completion into a Community Interest Company (CIC), which was established in the early stages of development ([link to Citu's website](#)). Citu plans to sell bonds in the CIC to incoming residents (see process diagram in Appendix C) and will stay on the board to ensure a smooth handover of governance operations.

A city-wide CLT, Leeds Community Homes (LCH), will take on the ownership and management of the affordable homes which increases LCH's capacity and track-record to deliver more schemes in the city. This layering of citizen-led organisations could be a learning point to take on for the OCGV site in seeing the potential of the OCGV as a catalyst for enabling more CLT homes in Eynsham or wider strategic sites across the district.

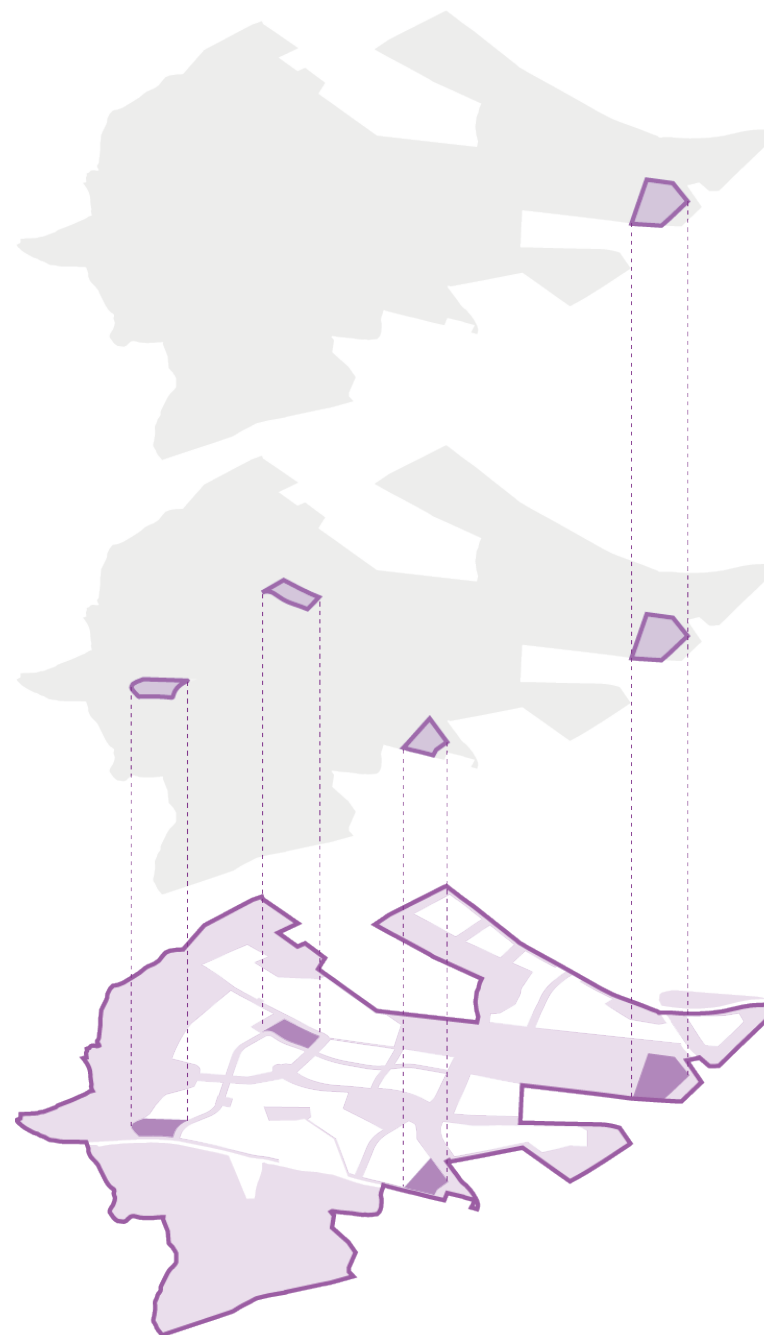
4. Potential approaches

Having set out a range of options for various elements of a CLT covering organisational form, scale, delivery partnerships and finance at the Oxfordshire Cotswolds Garden Village (OCGV) this section suggests three recommended approaches which are guided by the scale of delivery and management. Any boundaries or figures used by the author in diagrams or maps are for visualisation purposes and do not endorse any approach found in the AAP or other referenced emerging literature.

Approach 1 is the allocation of a discrete parcel of land within the OCGV at a scale which would be manageable to a new trust and be developed as an independent phase of the wider scheme. This includes whether the self-build duties of the Council in their adopted Local Plan, the delivery of 5 per cent of the homes on sites over 100 homes, could be delivered as a CLT.

Approach 2 is the distribution of CLT project sites delivered within one or more phases of development, potentially as a turnkey product through the developer of each phase. The trust would operate property assets throughout the Garden Village, potentially including both market and affordable homes, energy infrastructure, employment space, shops and restaurants, green spaces and communal facilities.

Approach 3 is the transfer of the entire OCGV site into a trust as phases are completed. This approach combines the two other approaches but is knitted together under a single freehold-owning organisation which can provide continuity to the OCGV.

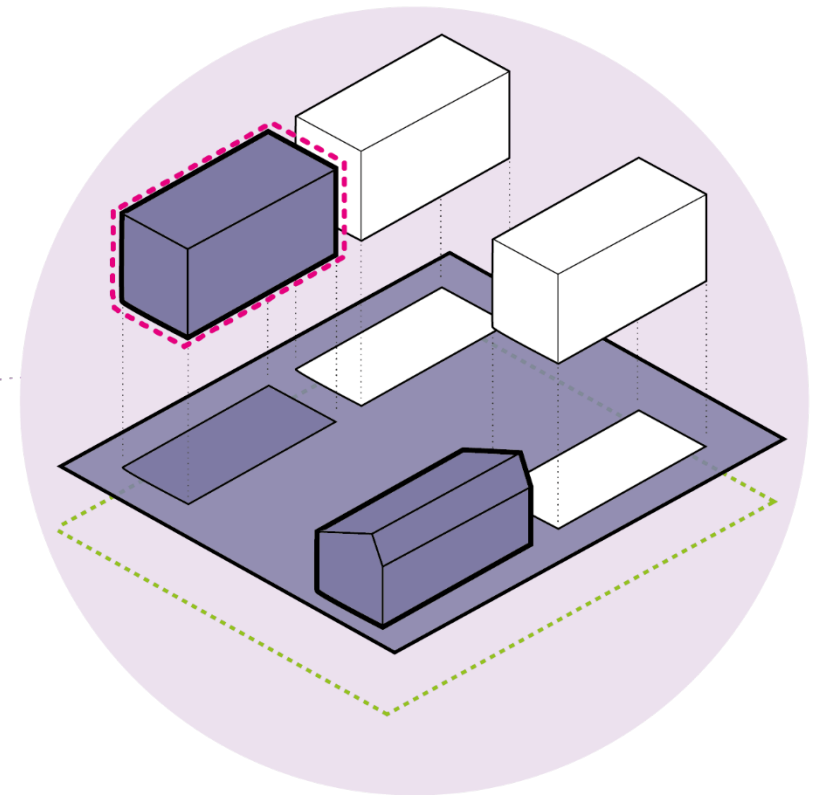
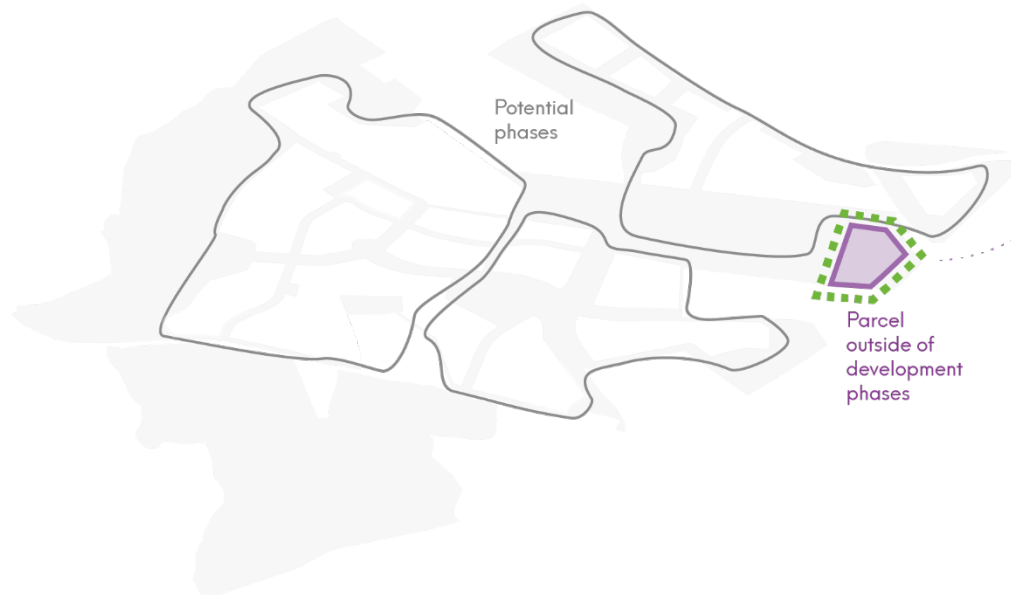
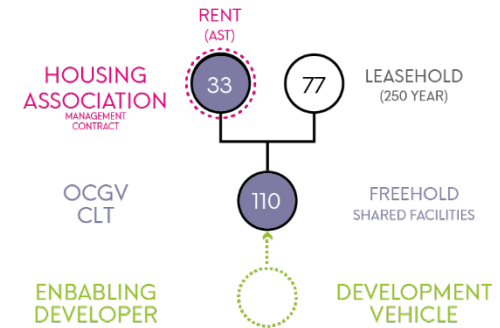


Approach 1 – Single site enabled cohousing

The first approach is the creation of a single site within the OCGV which is reserved for the development of a mixed-tenure self-build scheme involving both market and affordable housing.

To make this option economical the site would have to be in the order of 30 homes or above and will involve a large degree of self-management from the perspective of the future residents. As this approach could take the entirety of the self-build requirement of 110 homes in a single site, potentially seen as an 'innovation area' of the OCGV scheme, these homes would ideally be in three clusters of 30-40 homes to achieve good cohousing design principles. Eynsham Cohousing, identified in the interview stage, have shown interest in being the first of these groups to be cultivated through this approach.

For clarity of delivery it is recommended that this scheme would be brought forwards through a custom-build developer which reduces the financial-risk and time-burden on potential residents, equivalent to the model adopted by Cambridge Cohousing at Marmalade Lane, described in Case Study 3.



KEY



The CLT would incorporate prior to a detailed planning application and be part of the formal decision-making process agreed through a contract between the CLT and the developer. The custom build developer would purchase the land on behalf of the trust and affordable homes would be secured through planning contributions, held and managed by the CLT who would be an RP if the social rent requirement was needed to be met on this site rather than elsewhere on the OCGV.

The custom build developer would be accountable for developing the scheme and the incoming residents would be responsible for purchasing the homes on completion as was the case at Marmalade Lane. This model reduces risk to purchasers but relies on the sales of their existing homes to buy the homes and so blockages may appear but no more so than within the existing housing market. Lower sales risk to the developer can be reflected in reduced costs.

Legal and governance

Potential residents would need to be supported in establishing their group and given guidance on how and when to make decisions including the tendering for a development partner. The support role could be jointly enacted by CoHoHub and WODC as part of the Custom and Self-Build Housing Delivery Manager role outlined by NaCSBA in their advisory letter.

Throughout the development stages it is not important under which legal entity the CLT is constituted as, however it is recommended that a charitable entity is not used at the outset to provide flexibility for later decisions. When the homes are sold the developer will transfer the freehold to the CLT.

Funding

This model does not rely on pre-development grant but instead the ability for a developer to raise capital to fund the planning stages. If government grant is available, a CLT group would be able to take the scheme from vision to a detailed planning permission which can further reduce risk and costs. After that point commercial lenders would be able to finance the remainder of the scheme.

Case study: Marmalade Lane

In 2009, Cambridge City Council commissioned a [scoping report](#) on citizen-led approaches for site K1 (shown in Figure 10), which explored interested community groups and an appraisal of market viability for the recommended routes. The enabling developer, Townhus, won the two-stage tender in 2015 with the resident group incorporating as Cambridge Cohousing one year prior to the developer achieving full planning permission in 2016.

Residents of Marmalade Lane moved from all over the country to live at the scheme, placing deposits in their future homes which reduced the sales uncertainty for the developer.

“Some degree of affordability was achieved but only because we as developer took the view that purchasers committing early reduced our sales risk.”

Jonny Anstead, TOWN



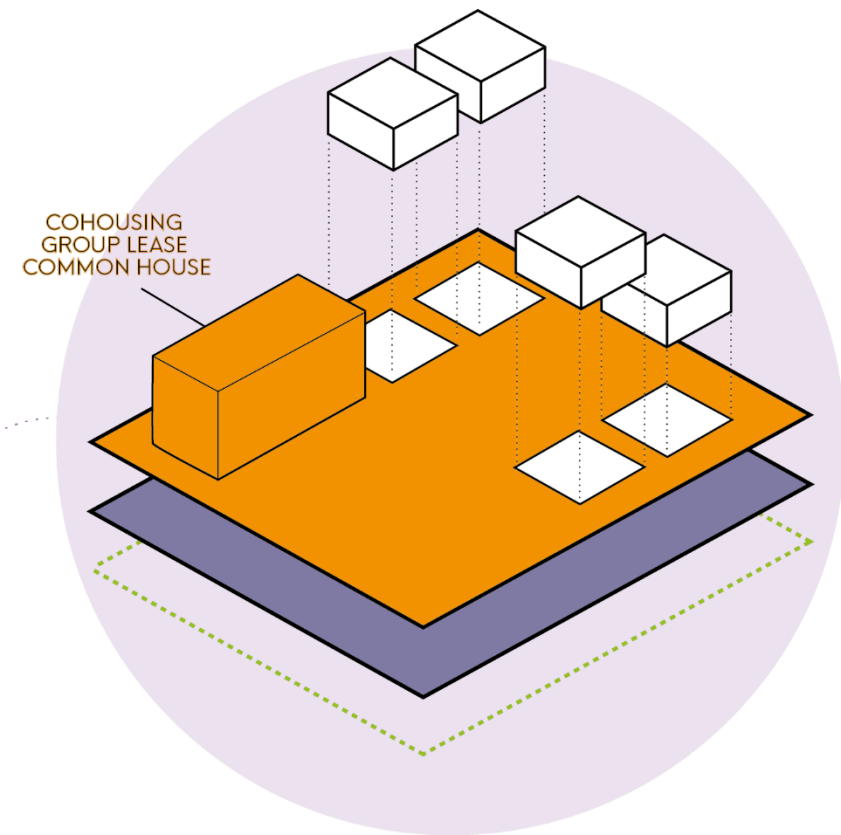
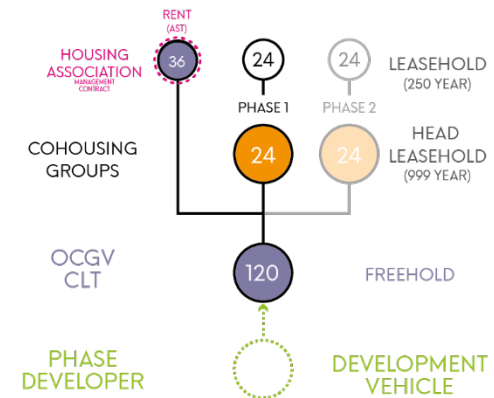
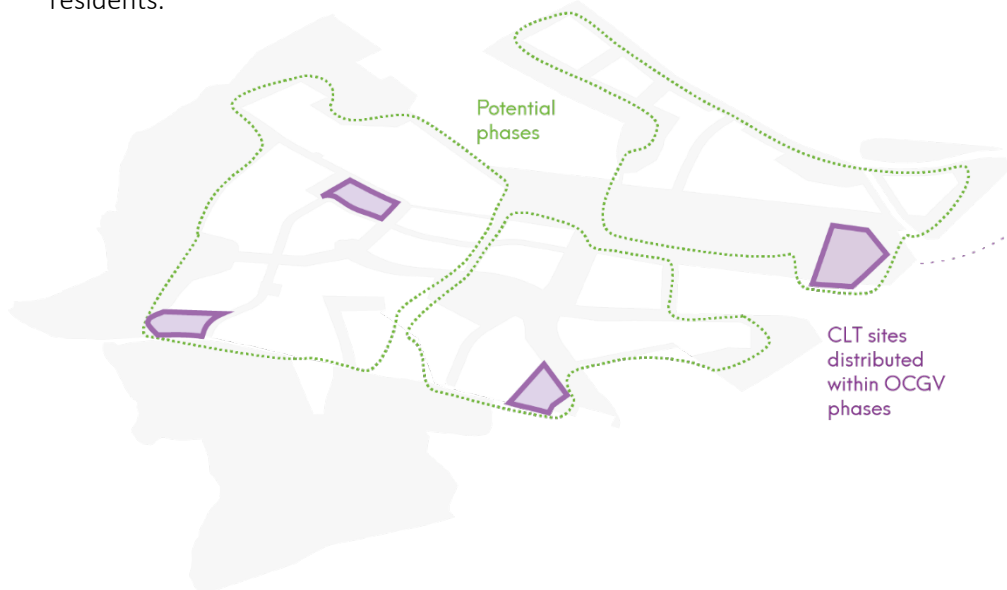
Figure 11 Orchard Park with site K1 outlined in red (Google Earth)

Approach 2 – Distributed sites

The second route is identical to Approach 1 in terms of the layering of clustered groups however the big difference is that this approach involves the CLT in the wider parcel phasing of the OCGV site, rather than being a separate parcel developed in isolation. As a result this option is likely to be desirable to developers bringing forward phases as it is a familiar scenario, seen in the [Barton Park case study](#) (p12), as well as reducing the complexity outside of traditional roles enacted by a developer.

In this route the CLT developments are pepper-potted across the OCGV site, as per parcel phasing, either as small groupings of 10-15 homes or larger 30-40 home cohousing neighbourhood clusters with common facilities. The land would be purchased by the CLT on completion of each phase. A Community Led Housing bridging finance facility could be provided by WODC or Homes England to reduce the risk of a slow housing market preventing incoming residents from moving to the site due to not being able to sell their previous homes fast enough.

As the sites are part of the phasing it is expected that these areas would be commissioned for delivery by the developer as a turnkey custom-build product which allows for a greater amount of choice of sizes and form by potential residents.



KEY



Legal and governance

The CLT forms to shape and direct the development processes but is not responsible for delivering the homes directly. It would be appropriate for the CLT to be constituted as a Community Benefit Society given it is operating across multiple parcels, representing a wider geography and may require the potential for raising shares.

To avoid the loss of properties from the trust as in Bournville Tenants Ltd (see case study box below) it will be important to have an effective asset lock both at the level of the site-wide CLT and at smaller co-operatives and cohousing groups which restricts the potential for the Right to Buy and protects long-term income streams. The CLT and co-operative mechanisms currently hold exemptions from the Right to Buy but it is essential that this is written into the leases and tenancies to protect against future policy changes as much as possible. Tensions could arise from a lack of consistency (e.g. if homes managed by the CLT have better management standards than elsewhere on site and vice versa).

Case study: Bournville Village Trust (BVT)

Although the early stages of the trust had housing sites arranged near to the Cadburys factory, referred to as Bournville Village, they have since become distributed across a wider area and BVT has expanding out to a new scheme in Telford.

The Bournville Tenants Phase 1 and Phase 2 are examples where BVT owns the freehold and leases to a co-operative, called Bournville Tenants Limited (1906), based around an entire neighbourhood under a 'co-partnership building society model'. However around a third of homes have now been acquired individually by tenants due to the Right to Buy which was adjusted in a change to the tenancies in 2003. Very few current residents know the co-operative origins of Bournville Tenants and see themselves as having a relationship to BVT as their housing association.

Funding

Each cluster of leasehold homes would be self-financing, being responsible for their own borrowing and paying the wider freehold-owning trust an annual payment for maintenance and management of non-adopted roads and green spaces. There is the potential for large-scale funding through a development partner such as a Housing Association in the early stages. After the first development phase is complete the CLT should be in a position to raise their own finance and engage with new development directly.

Given the greater number of homes there is potential for a significant amount raised through a ground rent, service charge or a bond in the CLT properties which can be cycled back towards community-benefit however this relies on not just accessing affordable housing incomes but income from other assets such as market homes and community facilities. If this model is solely affordable housing and community centres then the model may be heavily reliant on welfare regimes, local volunteers, and District Council support.

If a diverse set of incomes were found there is greater potential for social and economic resilience due to there being a larger pool of members to assist in the year-to-year management of the trust and a larger turnover to hire staff.

Case study: Kennett Garden Village

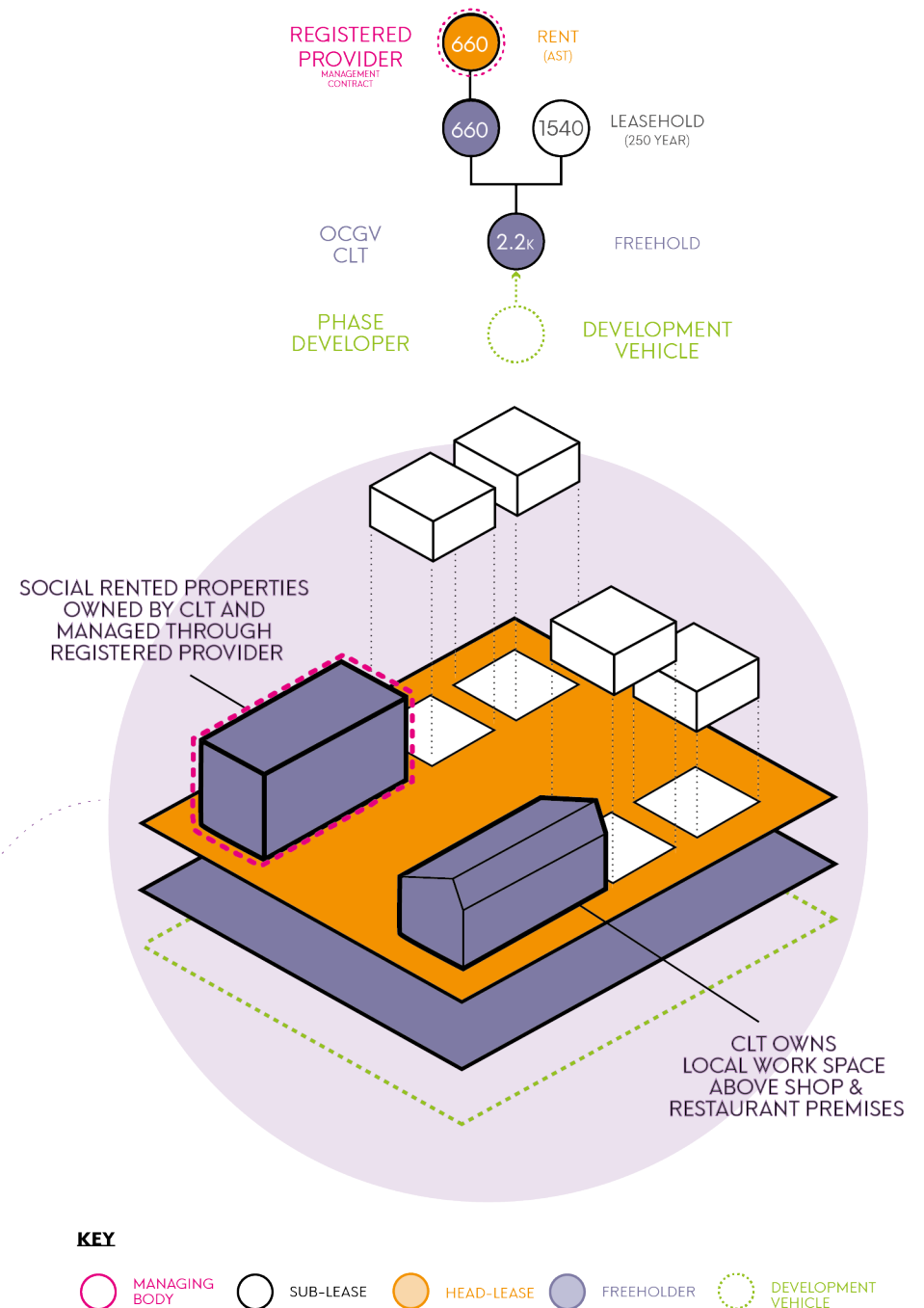
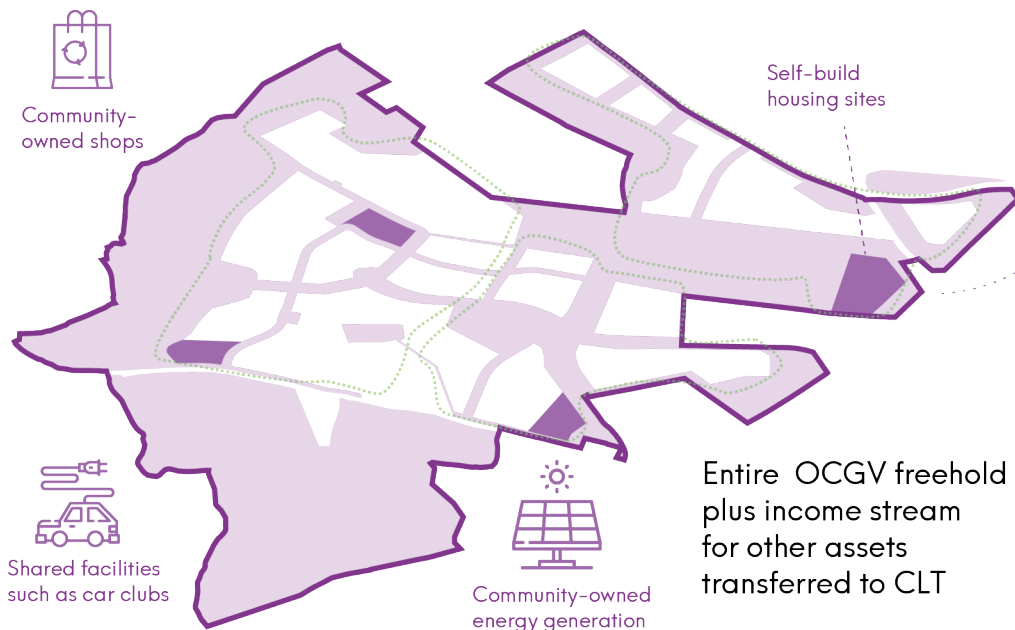
Plans for Kennett are still in the early-stages of development, however it is anticipated that the council-owned Palace Green Homes would develop the 500-home site directly and transfer the affordable homes into the CLT on completion, as is the model for community-led development in East Cambridgeshire.

As the forming plans for Kennett CLT only allow for management and ownership of affordable housing assets the income raised on an annual basis is potentially low and lacks diversification.

Approach 3 – Full transfer

The final approach, in which the entire freehold of the site is transferred at the completion of phases, would be the truest conception of a Garden Village in terms of the TCPA Garden City Principles and the Garden Communities Programme Key Qualities. There is the potential here for ownership of not only the affordable housing and community centres, but to be the joining force between all assets on site and ensure a holistic approach is taken to running office space, shops, restaurants, green spaces and renewables. By seeing the site as a single surplus-making business plan constituted for the benefit of residents, this trust will have the resilience to adapt to change over time.

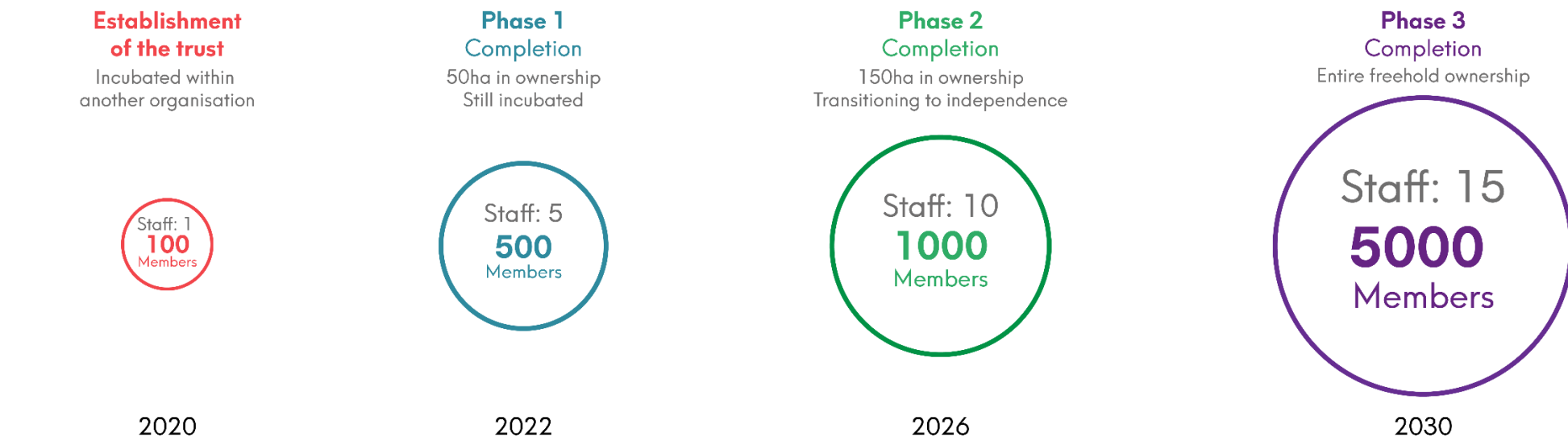
In this model the trust would be set up as separate to the delivery vehicle, as in Approach 2, and engage with WODC and the developer to fulfil requirements of a Community Management and Maintenance Plan (CMMP) and feed in to the emerging Design Code. The developer would lead the completion of homes in phases appropriate to the AAP and on completion of each phase the trust, constituted as a charitable entity, would purchase assets.



Legal and governance models

There is the potential in this model to form a Joint Venture with any site-wide developer which ensures that there is a smooth transition from delivery to long-term management. As the scheme is being developed out the partners of this JV would assist with training and capacity-building of the trust and ensure that the membership becomes truly-representative of the community with the developers stepping back and removing themselves when the transition objectives have been secured. Although good governance is required at all three approaches, in this model there is much greater responsibility due to the management of a large asset base. The below diagram visualises how a trust could slowly develop asset-holdings and capacity as the phasing of the site completes.⁵⁴

Indicative Evolution of a CLT at the Oxfordshire Cotswolds Garden Village



The CLT would have to be a Registered Provider to take on the estimated 660 social rented homes⁵⁵, although the trust could work in partnership with a Housing Association to manage allocations and conduct maintenance and management contracts. Over time the trust could gain greater independence through developing a corporate entity to employ local people to manage and maintain on-site assets.

Energy generation on site could be formed through the creation of an Energy Service Company (ESCO) to deliver large-scale community-owned solar arrays. This could be in partnership with the Low Carbon Hub⁵⁶ who have significant expertise in raising finance for these types of assets.

⁵⁴ Indicative numbers used in this diagram are based on [Walterton and Elgin Community Homes](#) a CLT who, at the time of writing, have a housing stock of 640 social rented properties and 15 staff. WECH were also incubated by a local housing association in the early days.

⁵⁵ This is based on an estimate of current percentage based on requirements outlined in the emerging AAP

⁵⁶ [The Low Carbon Hub](#)

Case study: Climate Innovation District

Approach 3 is identical to the intended route at the Climate Innovation District (CID) in Leeds, although the OCGV is larger scale and more rural. The CID's stewardship mechanisms are to ensure local resilience in the face of significant anticipated changes due to a climate emergency. A formal twinning with the CID could be established to learn lessons from each other on how it can be scaled up provide resilience at a whole-neighbourhood scale.

The developer, Citu, will remain on the board of the Community Interest Company (CIC) until they are certain that the organisation is financially strong and that governance processes are working. Once the last home has been sold the developer will transfer all site assets into the CIC including revenue generating infrastructure such as photovoltaic arrays. The transfer on sale of the last home ensures that the risk, and control, is held by the developer.



Figure 12 Climate Innovation District (Citu 2020)

Funding

This approach is no longer familiar in the UK and so more research is required to understand how the land transfer stage would work. Developers would fund the gaining of detailed planning permission across the site, taking the early stage risk.

The affordable housing could be funded in a similar way to the other approaches in this report, through applications to the Shared Ownership and Affordable Homes Programme and through cross-subsidy gained through other homes. The big opportunity at this scale is a partnership with a pension fund, who would take on the rental income across the scheme for a significant period (e.g. 40 years) and transfer to the CLT on completion without the CLT having to raise significant finance. This approach would likely require a public sector guarantee and the rents being linked to an index such as the Consumer Price Index. Taking this route would make the case for diverse incomes from elsewhere so that the trust has annual revenue for paying staff where it would not be able to rely on rental payments.

What should remain clear is that the community would be represented in this trust by experienced professionals employed by the CLT in a similar way to how Barton Park has experienced officers from Oxford City Council who are accountable to Councillors and the wider public. These employees could be paid for initially through a mixture of grant funding applications but would eventually be covered by income from assets. There could also be contributions from the Developer and from West Oxfordshire District Council in seeing that this role could develop an improved information-flow for local community members through the planning and construction process. By having communities meaningfully represented there is potential for better outcomes and less friction along the way.

5. Support required

This section outlines the routes to engaging local people in establishing and operating a trust on the Oxfordshire Cotswolds Garden Village (OCGV) site and the ways in which West Oxfordshire DC and Collaborative Housing (CoHoHub) could provide support in doing so.

The direction of travel by government is on greater community involvement in the shaping and managing of housing. In light of this a hub for the Thames Valley, called Collaborative Housing (CoHoHub), has been launched with seed corn grant from government. Much collaborative work has been undertaken between community representatives and Grosvenor to craft a cohesive vision for the site and the first steps of a CLT will be to consolidate this vision into a clear and joined-up strategy.

Workshops

The workshops should be run through the visioning and group stages at the outset to ensure that the trust has agreed objectives in parallel to the outcomes of the AAP and the evolving masterplan brought forward by Grosvenor.

Given local campaigning groups have contributed heavily to the visions put out during the AAP and master planning processes, there are plenty of ideas which could be formed as guiding principles of the trust.

A suite of workshops could focus on:

- **Building the vision**
and unique purpose of the trust to be communicated to an external audience and to attract members to the CLT.
- **Legal**
Introductory session(s) on legal models to explore the right options for long-term governance taking into account the recommendations in this report.
- **Skills Audit**
Undertake a skills audit to identify gaps in the skillset of the core group

- **Group dynamics**
Develop working groups and a strategy for shifting the working groups throughout the phases of development
- **Development planning**
Planning the development processes including role playing governance situations.
- **Governance training**
Trustee training in good governance, policy creation and management systems.

The above list could be carried out by the Collaborative Housing Hub on request of a local core group of people wanting to establish and run the CLT.

Financial support

For Approach 1, small amounts of initiation funding, in the range of £2,000 to £4,000, would be required for legal fees and other external professionals to generate communication packages and offer specialist training where needed. It would be wise for the Local Authority and the CoHoHub to agree an approach to supporting these costs as discussed in the section on support (p42). If using Approach 3 then the start-up costs will be significantly larger and will require support being built into the site-wide business plan. More work is required to understand the cost of delivering a trust at this scale with case studies of comparable schemes which have been in operation for decades.

Case study: Stonesfield Community Trust

Due to the success of their first project, Friends Close, SCT were awarded a 12-month interest free loan of £80,000 from West Oxfordshire District Council to acquire a second site in 1992. The basis for offering finance to groups in this way could be repeated and scaled up including the charge of low rates of interest.

If the trust is engaging in the direct delivery of homes as in Approach 1 and Approach 2 the trust could make use of possible future national grant funding, as seen in the Community Housing Fund programme (2016-2020), to complete a detailed planning application and access capital grant for infrastructure and construction. At the time of writing, the Community Housing Fund has not been renewed and is predicted for review in the Comprehensive Spending Review in Autumn 2020.

A key role in the early stages of a CLT is the funding of an administrative role to take the pressure away from the voluntary founding group. In East Cambridgeshire, a regular funded role is a clerk position who can prepare documents for meetings, take minutes, and undertake the day to day administrative tasks of the trust. This could come from a development fee.

As is the case at Nationwide's scheme at Swindon⁵⁷, the employment of a community organiser could be a way to build trust as the planning applications are being prepared. This role could transition into a community navigator who integrates residents of the establishing OCGV community and ensure they have the support required. This is a role frequently undertaken by volunteers at projects developed by Redditch Co-operative Homes in the West-Midlands and much success has been found in the past two decades of operating in this mutually supportive way.

'Neighbourhood rooms', also known as City Rooms in urban areas, have been successful ways to engage with the public on potential and in-progress development and offer a 'shop front' for public engagement. In conjunction with employing a community organiser the trust could use an empty shop in Eynsham to conduct engagement exercises. A recent, and local, exemplar to use is the Open House project in Oxford⁵⁸ which ran for a year from October 2018, creating a 'public living room' for citizens to engage with issues around housing and homelessness.

Next steps

This research found strong support for establishing a CLT in Eynsham by local people and the Parish Council, as well as interest from people wanting to self-provide their homes as cohousing groups. Summaries on next steps for West Oxfordshire DC and CoHoHub are included in the recommendations on p42.

Recommended next steps following this report would be to:

1. Facilitate a first public CLT meeting to set out the potential options for a CLT contained in this report and indicate ways that people could engage.
2. Make use of grant funding and advisor-time available from the Collaborative Housing Hub and WODC to run engagement and training for people who are interested in being involved in an emerging trust.
3. Develop greater understanding of what would be required from an Eynsham Garden Village Trust to be incorporated into the AAP.
4. Facilitate a meeting with Grosvenor prior to them submitting an outline planning application to ensure that the characteristics of a CLT are appropriate.

⁵⁷ [People Powered Planning](#), Demos (2019)

⁵⁸ [Why We Built a Shop That Doesn't Sell Anything](#) (Lucy Warin, 2019)

6. Planning policy

The Local Plan Strategic Development Areas (SDAs) aim to deliver 4,051 new homes by 2031 of which 550 are for Oxford's unmet housing need.⁵⁹ There is the potential for the Oxfordshire Cotswolds Garden Village to be a trail-blazing prototype for SDAs across the District, forming policy within the Local Plan 2031 and beyond.

This section outlines three ways, from site to district scale, in which the routes recommended in this report could be delivered in policy terms at the OCGV, and which could also be mirrored in approaches for the wider SDAs within the Local Plan 2031.

Delivery through the AAP

Although WODC does not wish to prescribe who the stewardship body is within the AAP, they are keen to outline what characteristics an organisation would have.

The most appropriate approach would be to use the legal definition of a CLT, held within Section 79 (1-5) of the Housing and Regeneration Act 2008, in which CLTs are described as an 'English body'. An extract of this section of the act (emphasis added by author) is included to the right.

The stewardship section of the AAP could require a corporate body which has:

1. A 'community of benefit' expressly outlined in its rules
2. An asset lock which satisfies Condition 2a.
3. An open membership criteria which satisfies Condition 2b.
4. Is entirely controlled by the membership which satisfied Condition 2c.

In subsection (1)(d) "community land trust" means a **body corporate** which satisfies the conditions below.

(3) In those conditions "local community" means the individuals who **live or work, or want to live or work, in a specified area**.

(4) Condition 1 is that the body is established for the express purpose of furthering the **social, economic and environmental interests** of a local community by acquiring and managing land and other assets in order—

(a) to provide a **benefit to the local community**, and

(b) to ensure that the **assets are not sold or developed except in a manner which the trust's members think benefits the local community**.

(5) Condition 2 is that the body is established under arrangements which are expressly designed to ensure that—

(a) any **profits from its activities will be used to benefit the local community** (otherwise than by being paid directly to members),

(b) individuals who live or work in the specified area have the **opportunity to become members of the trust** (whether or not others can also become members), and

(c) the **members of the trust control it**.

Section 79 Housing and Regeneration Act 2008

⁵⁹ Sustainability Appraisal, Strategic Housing and Employment Land Availability Assessment, LUC assessment of site options for the Oxfordshire Growth Board, and Site Assessment Matrix

Delivery through Neighbourhood Development Plans

A Neighbourhood Development Plan (NDP) cannot allocate a site solely for a particular CLT, neither can it state that a Rural Exception Site should be delivered by a particular CLT. However, there are NDPs that state this as a route to delivering the affordable homes on allocated and rural exception sites⁶⁰. They may also include an implementation Plan with a greater degree of specificity as to how delivery will be achieved by setting up a CLT⁶¹.

In future updating processes to the Eynsham Neighbourhood Plan, and that of other NDPs across the District, there could be a drive to assert the involvement of a CLT in each development site.

Rural Exception Sites might also be an option for delivery outside of development plans in mostly village settings. As an example, Ashton Hayes NDP referred directly to CLTs as being a form of delivery on Rural Exception Sites without excluding other providers (see box below) as well as citing Local Plan policy (SOC2) to tailor delivery to local need.

Extract of Policy H1 – Local Housing Need

“Planning applications for residential development led by the community through a community development organisation (such as a community land trust (CLT)) or in partnership with the applicant will be supported.”

[Ashton Hayes & Horton-Cum-Peel Neighbourhood Plan \(2016-2036\)](#), p.32

⁶⁰ See Winslow NDP (2014), [Petersfield NDP](#) (2015)

⁶¹ Further details on this can be found in Lavis (2019) [A Planner's Guide to Community Led Housing](#)

Delivery through the Local Plan

Guidance on how to implement a Community Land Trust on each strategic site could be met through the creation of a Supplementary Planning Document (SPD) which would provide the Council's expected characteristics of a CLT, including recognised mechanisms, and the support offered to citizen-led groups.

An excellent template for this document is the East Cambridgeshire District Council's Community-led Development SPD⁶² which was adopted in February 2016. This document was created following an adopted Local Plan policy⁶³ and in-line with a user-friendly guide which explains the council's attitude to this form of development in simple terms. The SPD explains what each line of the Local Plan policy means as well as providing an exemplar list of community group types.

As the Local Plan begins the next stage of updating, and pending success of this model at the OCGV, there could be an enhanced requirement for all future SDA's to incorporate the transfer of land and assets into a CLT in line with the three recommended approaches in this report.

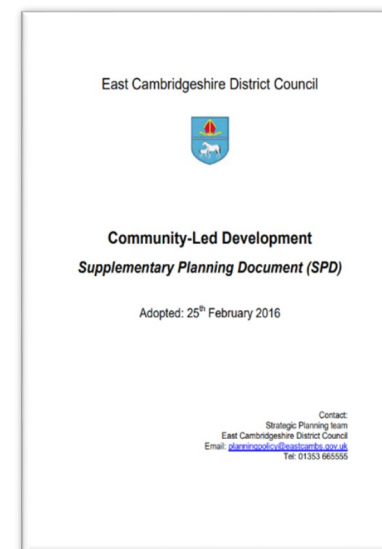


Figure 13 Community-led Development SPD (East Cambridgeshire DC, 2016)

⁶² [Community-Led Development Supplementary Planning Document](#) (East Cambridgeshire District Council, adopted: 25th February 2016)

⁶³ Local Plan Policy GROWTH 6: Community-led development, Adopted East Cambridgeshire Local Plan (April 2015)

7. Recommendations and conclusions

The previous three sections have shown that there are a range of approaches for utilising the CLT mechanism at the Oxfordshire Cotswolds Garden Village (OCGV) and, from interviews, there are individuals and groups with the enthusiasm, skills and resources to be involved in building a democratically owned and managed organisation. However, each of these elements needs to engage with the realities of the OCGV site itself including emerging national policy, evolving development practices and the requirements of landowners and any intended developers.

In terms of operational efficiency, the author views there to be clear benefits from taking a large-scale legacy approach to the ownership and management of assets, infrastructure, public open space, and utilities in a CLT. Not only would the trust benefit from economies of scale in procurement, but it would raise sufficient annual income to hire staff who can manage the day to day operations of the trust, taking the pressure away from volunteers. In this approach, all assets would be passed into a non-profit long-term legacy trust, run by a representative board and experienced staff team which is accountable to the local geographical community of benefit.

Due to the phased delivery at the OCGV, the trust will have a decade or more to build the required skills and capacity to accumulate ownership of parts of the site. The slow and careful evolution of this legacy organisation will allow it to react swiftly and appropriately to the changes of the century.

As the social, economic and environmental interest of the community is a fundamental purpose of planning, **the CLT is a body that effectively exists only to go on supporting the purposes for which the planning permission was given**, and so could assist the planning applicant in negotiating the detail of ongoing stewardship functions that may be incorporated in the permission and attendant agreements. An early advantage of this will be a reduction in the time spent by community, developers, and legal professionals in ensuring the stewardship body is properly constituted, task focussed and accountable.

Option recommendations

The three assembled approaches put forward in this report were accompanied by a number of general recommendations when choosing options for a CLT:

Recommendations for organisational structure and identity:

1. **Development of a new stewardship body which includes the 2008 CLT legal definition.** The CLT legal definition should provide confidence to policy-makers and project promoters that a CLT is an organisation that will not run the risk of mission drift or be exploitable to extract the value of its assets.
2. **Incorporating ‘Village Trust’ or ‘Garden Village Trust’ into the name to establish a clear identity.**
3. **Ensuring that there is sufficient flexibility for wider community-involvement** outside of residents of the OCGV site.
4. **Incubating the CLT within partner organisations** to help develop skills and administrative processes in the initial years, before transitioning to be an independent organisation.

Recommendations for finance and long-term organisational sustainability:

1. The use of **large-scale forms of legacy ownership** to adequately meet the ‘Garden City Principles’ and ‘Garden Communities Programme Key Qualities’
2. **Prototyping new housing models and tenures** with local cohousing groups, such as the Mutual Home Ownership model.
3. **Undertaking further exploratory work on diverse long-term income streams** and the impact that these would have.

What can West Oxfordshire District Council do?

There are a number of activities that WODC can support in the short-term:

1. Financial support for the inception of a Community Land Trust

- a. Grant provision for start-up costs such as incorporation fees (legal, registration), meeting space, website, and branding.
- b. Grant provision for an administrator and minute-taker.
- c. Grant for initial year of National CLT Network Start Up package (£75) to access CLT Handbook, legal advice, and incorporation service discounts. Commitment to cover a year of CLT membership once incorporated (£350) which includes Directors and Officers liability insurance.

2. Officer support

- a. Facilitating discussions between the emerging CLT group and the WODC planning, housing, and real estate teams.
- b. Free planning pre-application advice for emergent Community-led Housing groups on the OCGV.
- c. Events to attract Community-led Housing groups, such as new cohousing and other collective custom-build groups, to the OCGV

3. **Set up a loan facility** to support an emerging CLT with pre-development costs in lieu of the currently discontinued Community Housing Fund. This is being explored through research commissioned by the Oxfordshire Housing and Growth Deal in 2019 and support for this facility could be given by WODC for prototyping on the OCGV site.

WODC could explore whether there is still internal institutional knowledge of the loans made by WODC to Stonesfield Community Trust and whether those agreements could form templates for use with other community groups.

What can the Collaborative Housing Hub do?

The community-led housing hub for the Thames Valley has paid staff, financial resources, and local advisors to bring forward more community-led housing within Oxfordshire.

1. Continue to provide case studies to inform development approaches

Using a suite of national and international exemplars, CoHoHub can add detail to each stage of the development process from pre-development through to scheme management.

2. Further research

The hub could provide research into long-term income streams and model the impacts of alternative business models on delivery and long-term stewardship.

3. Build connections

Co-facilitate a discussion with local and national bodies on the options for CLTs on large scale new communities such as Garden Villages.

4. Project management

The hub has funding to begin supporting a new trust at the OCGV through offering workshops, training, and client representation.

Making it happen

Interviewees in this report were concerned at the potential compromises made between maximising return for the landowners in a context of increasing development costs, whilst prioritising the exemplar zero-carbon scheme that local residents desire. Although this report has suggested that there could be cost savings from working with a Community Land Trust, these assertions require further evidence tailored to the OCGV site.

There are three principle ways that, when combined, could allow the site to achieve greater access to the benefits that interviewees raised in this report such as increased affordability of housing, meaningful community-ownership of assets or higher environmental standards within the current context:

1. The first is to **increase the density, or value, of income-generating property on site** without increasing the overall footprint of the scheme. Cohousing design principles can help to do this as residents have a lower requirement for infrequently used space and instead co-locate personal offices, kitchens, guest bedrooms and transport. Bringing the community and future residents along through the development processes often garners support for increased density through the provision of more and better shared facilities.
2. The second way is to bring in a **greater level of targeted grant** for elements such as transport infrastructure, building performance and genuinely affordable housing. As defined by the NPPF, the developer profit is an established percentage benchmark in the development model and thus increased grant has the potential to inflate both the profitability and the land value. Grant for targeted elements will need to be locked-in to the development model so that increases in value due to grant is captured for long-term benefit with periodic reviews through the development period using industry standard indexes of price and value.
3. A third way is to **reduce the risk premium across the whole site through bringing in up-front finance, purchaser customisation, and ensuring the development process is fast and effective**. Future purchasers engaging in self-build methodologies would be expected to place cash deposits at the outset, as seen at Graven Hill in Bicester, which can assist in funding the early stages of the scheme. Community Share Offers can bring in equity finance, allowing local people to invest and reducing the requirement for costly long-term debt. A trust has the potential for reducing the risk premium by being the facilitator of these forms of finance and spatial design.

Conclusion

In some contemporary cases of housing development, local opposition can prove to be a strong barrier to development moving swiftly through the planning process. However, in the approaches recommended in this report, developers and the community would find clear mutual-benefit for the OCGV scheme being delivered on-time and on-budget. These recommendations are highly compatible with Grosvenor's own community charter, Positive Space, which commits to exploring 'a greater role for communities in the governance and management of neighbourhoods'⁶⁴

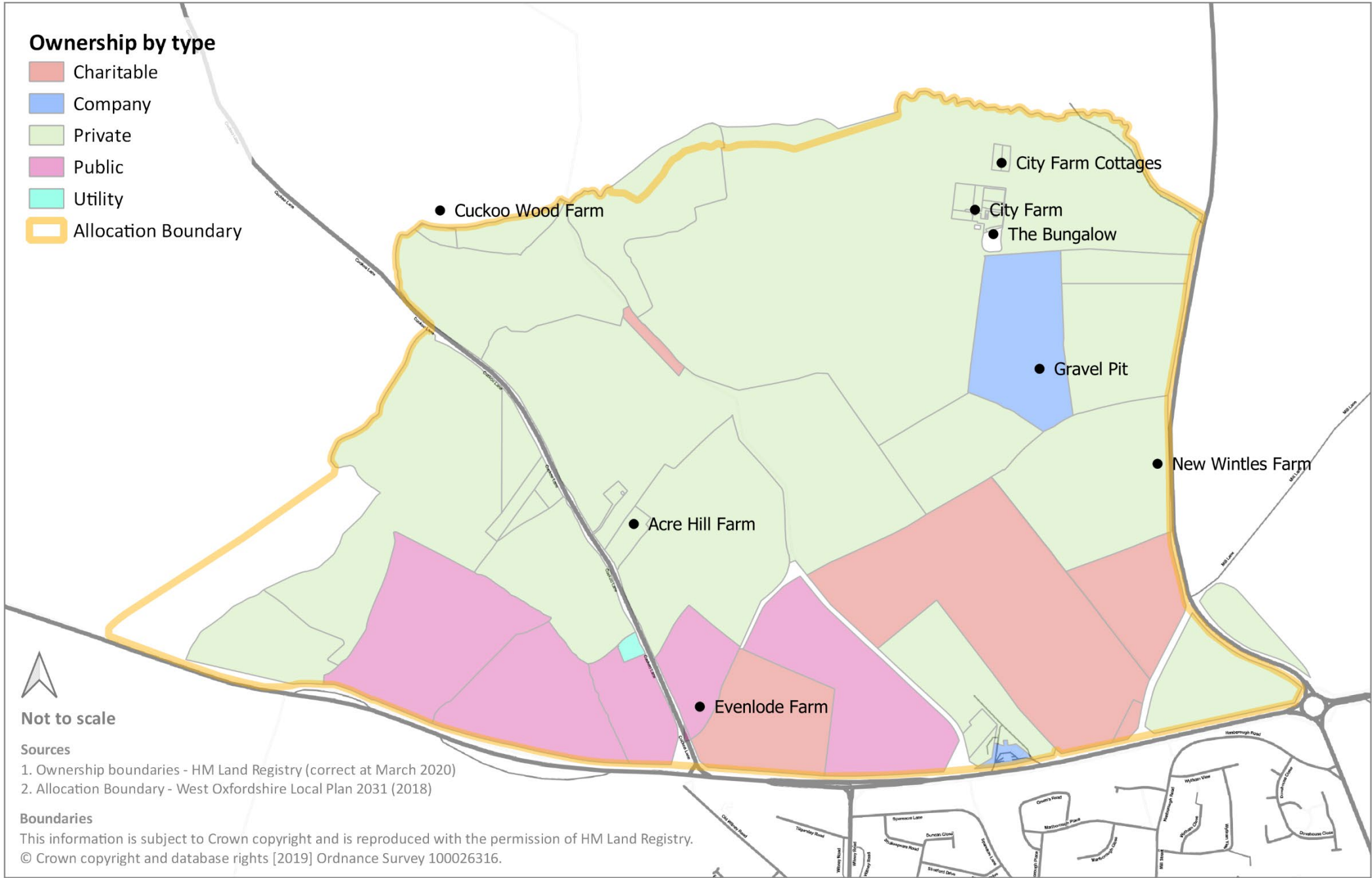
Based on the case studies in this report it is anticipated that a CLT as a non-profit stewardship mechanism will result in reduced costs. However, it will be important to evidence this within any future financial viability work to demonstrate how a CLT stewardship body would impact on the wider-OCGV. Exploring more in-depth financial case studies of schemes like Bournville Village Trust or Letchworth Garden City would allow direct comparisons with for-profit management companies.

There are clear opportunities for delivering homes on Strategic Development Areas (SDAs) using the recommended approaches in this report, tailored to each delivery context and the level of community-activity within the surrounding area. These approaches provide tools within a shifting planning context in which Local Authorities are declaring Climate Emergencies but are struggling to react in a confident and timely manner within existing structures.

The approaches recommended in this report have been tested on schemes across the country, accumulating decades of experience of what works, and are fast becoming the direction of travel for UK and global development. Together with the institutional knowledge of property-managing entities such as Grosvenor, Oxfordshire County Council and West Oxfordshire District Council, the OCGV will provide a unique opportunity to be at the forefront of wellbeing-focused development.

⁶⁴ Positive Space: Our Community Charter (Grosvenor, 2020), p.9

Appendix A – Land ownership by type (March 2020)



Appendix B - Key stakeholders

Name	Organisational purpose in relation to OCGV	Representative Interviewed
Eynsham Community Resilience Forum	'Liaison committee between local communities; parish councils; Thames Valley Police; West Oxfordshire District Council; and young people' (link)	No
GreenTEA (Transition Eynsham Area)	'Grassroots action and building a more resilient community, enabling us to live within the planet's resources' (link).	Yes
EPIC (Eynsham Planning Improvement Campaign)	Set up to 'Challenge the assumptions' of development plans and 'campaign to ensure that any development is appropriate and answers local needs.'. (link)	Yes
Eynsham Futures	The community body which brought forward the Eynsham Neighbourhood Plan including community groups and the Parish Council. Now disbanded due to the Plan being submitted but multiple members still heavily active in groups such as GreenTea and EPIC.	Yes
Eynsham Parish Council	Experienced at managing property around the village and keen to be engaged in ownership and management on the OCGV	Yes
Eynsham Cohousing	An early-stage group interested in developing 10-15 homes using low-impact natural materials and a fabric-first approach	Yes
OCGV Community Forum	Not a formal organisation but a series of events hosted by West Oxfordshire District Council	No
Grosvenor Developments Ltd	A development company sitting within Grosvenor Limited which is part of the international real estate company Grosvenor Group. Grosvenor is appointed through a Promotions Agreement to obtain outline planning permission on behalf of the landowners' consortium.	No
Landowners consortium	Seven landowners including Corpus Christi College and Oxfordshire County Council (link) who have entered into a Land Pool Trust named "Eynsham Land Pool Trust"	No

Appendix C – Climate Innovation District Stewardship Diagram

This diagram can be found on Citu’s website ([link](#)) and is an indication of how the eventual CIC will operate.

Buy a home.
Own a place.
Control your future.

