



Agenda item: 9

Full Council	
Month	September 2020
Report Title	Community Land Trust – Initial Steps – Report 1
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Attachments	None

Introduction

Saffron Walden Town Council members have long endorsed the concept of establishing a Saffron Walden Community Land Trust. The concept of a SW CLT is also endorsed in the SW Neighbourhood Plan, which states that a CLT is the preferred method for delivery of affordable housing. One of the core set of responses to all the consultations on the Neighbourhood Plan has highlighted the concerns of our residents that homes are too expensive; establishing a CLT would be an approach to helping with this situation. Given the complications around purchasing land in Saffron Walden, it is reasonable to assume that the only way to acquire land for a CLT in SW is through the S106 Affordable Housing allocations and agreements.

Considerations

The first step in making the concept a reality is to consider: public involvement, timing, broad objectives of the CLT, and a potential working group of Councillors.

1. Public Involvement

The legal definition of a CLT is that it is required to be democratically controlled by the community it benefits. While in practice Parish or Town Councils provide considerable administrative and Councillor support, the wider community must also be involved with genuine participation and consultation. Public invitation and consultation would be essential, and for example, the legal entity would include non-Council members on the decision-making board.

The Council must decide if it is appropriate to take this project forward by inviting members of the public to be involved.

2. Timing

Given that the Local Plan is now back at the drawing board, and that the LPA does not have a 5yr land supply, it is likely that planning applications will come forward for the edges of Saffron Walden. It makes sense for the Town Council to be prepared for this and to have positions in place which it can: (a) communicate to UDC immediately as principles; (b) make public so that developers are aware of these principles; and (c) communicate to developers as and when development comes forward. Naturally the SWNP is already in the public domain but it would be prudent to publicly reinforce SWTC's and the NP's position and ask the LPA to support it.

3. Broad objective A: Is it a concern that housing held by the CLT is affordable in perpetuity?

In theory, all housing within a CLT is affordable in perpetuity, however depending on the path chosen by the CLT, the housing can fall into the Right to Acquire eligibility category which in Uttlesford is currently a discount of £13,500 on the property. This then moves the housing into the Open Market and no longer be Affordable Housing. In this situation, there would be little effective difference between housing owned by a Housing Association and housing owned by a CLT.

The Council must decide if it is a concern that the housing is affordable in perpetuity. The extent of this would likely depend upon the numbers of houses under consideration. This could be changed at a later point but provides opening conversation points for public consultation, as well as setting parameters for next-step research to be put forward at a later point.

4. Broad objective B: Is a particular build format (in terms of quality, ecological performance and design) a consideration?

There are two main ways of acquiring CLT housing from S106 land:

- 1) the developer builds the houses (for a negotiated price) and then gives over the houses and the Freehold; or
- 2) the developer gives over the land Freehold and the CLT builds the housing.

(1) is simplest but entails compromises on the build format since the developer will seek planning permission along with the market units and will have a particular style and build quality that they will seek to repeat. Advice from the CLT Network suggests that it is generally very difficult to negotiate significant departures from the build format as proposed by the developer.

(2) is more complicated because it entails taking control of the build process, but removes compromises on the build format in terms of quality, ecological performance and design since the CLT is then at liberty to appoint the developer most able to deliver to a particular brief. Should, for example, the Council wish for some or all of the CLT housing to be low or zero energy, then this is the option to be selected.

The Council must decide which option is preferable. This can be changed at a later point but provides opening conversation points for public consultation as well as setting parameters for next-step high level research into negotiation partners (if 1), or build partners (if 2)

5. Working Group of Councillors

It would make sense for a smaller group of Councillors to be nominated to assist with the project on a day to day basis, to report back to the Full Council as agreed milestones are reached or as larger decisions need to be made. This smaller group could either be the Planning and Road Traffic Committee or could form a different set of Councillors in the same way that the SW Neighbourhood Plan Steering Group draws volunteers.

Recommendations:

1: Public Involvement

To decide that it is appropriate to take this project forward and open the potential CLT to the wider public involving a publicity campaign to seek opinions and volunteers.

2: Timing

i) To immediately signal the request that a SW CLT is given the first option for Affordable Housing Land to relevant members and officers at UDC, and to seek a commitment from relevant members and officers at UDC that this will be given fair and open consideration.

ii) To put this information in the public domain where developers are easily able to find it – such as this report, as a news item on the SWTC website, on social media and in the press, all of which are linked to the recommendation above.

3: Affordability in perpetuity

That the preference is for homes to be affordable in perpetuity and therefore of perpetual benefit to future generations of Saffron Walden residents.

That the above may be subject to thresholds on numbers, for example if the number of houses cross a given threshold, then it may be preferable for some to be available under Right to Acquire. (The given threshold to be defined in public consultation)

4: Build format

That the preference is for the housing to be zero or low energy in line with the Council's commitments on climate change action, and therefore note that the CLT must explore the feasibility and costs of building the housing.

5. Working group

No recommendation – to be discussed at FC so all views may be sought and members not on Planning Committee are given the opportunity to put themselves forward as volunteers.

Reporting / Next Steps

Recommendations 1 and 2: Officers to action and to report back to Full Council in October.

Recommendations 3 and 4: Officers to conduct high-level research and report back to Full council in October.

Recommendation 5: Working group format TBA.