



Pinchbeck Community Land Trust, Lincolnshire



Location

Maurice Chappell Way, Pinchbeck, Lincolnshire

Founded

2012

Legal structure

Industrial Provident Society

Description of activity

Owns and manages land and buildings

Key assets

Land on which affordable housing is leased to a housing provider

Staff and volunteers

No staff, nine volunteer board members and 80 volunteers

Overview

Pinchbeck is a large village situated in the south of Lincolnshire, which has experienced a growing need for affordable housing. Local surveys, conducted in 2008, identified 139 families in housing need in the village, leading the parish council to arrange a public meeting to discuss potential options. This prompted the creation of a steering group to explore the development of a Community Land Trust (CLT).

During this process the parish council continued to play a key role. Working with the steering group, the parish council proposed potential sites in their ownership which could be developed. After various discussions with local authority planners, and with all other sites ruled-out, a current allotment site was identified to the north of the village upon which a housing scheme might be viable. Negotiations concerning the purchase of the site, by the CLT from the parish council, were conducted in a public meeting. During the meeting, parish council representatives and CLT representatives engaged in a ‘Dutch auction’, with the CLT negotiating hard to ensure that the price paid for the land made a housing scheme financially viable.

Having secured the site, those involved worked with a local organisation set up to support CLTs, who connected them with a local housing association, Lincolnshire Rural Housing Association (LRHA) and a developer called Westleigh Homes. Pinchbeck CLT developed an agreement with LRHA and Westleigh to take the site forward. With funding from the Homes and Communities Agency, the partners developed Maurice Chappell Way, a scheme of 14 homes provided at affordable rents. The homes are let and managed by LRHA, with the CLT receiving an annual ground rent.

With these surpluses the CLT is developing new projects related to local land use, recreational facilities and future housing projects.

What difference community ownership makes

Pinchbeck village has experienced significant housing development in recent years, with those involved in the CLT suggesting that 250 homes are being created in the coming years. Yet CLT members argue this has had little impact in addressing local housing need, as developers seek to reduce the amount of affordable housing included in their schemes.

The CLT and its partners have countered this by ensuring all of the properties developed at Maurice Chappell Way are rented at 80 per cent of market rents. The allocation process ensures the homes are rented to those with a connection to the local area, thereby addressing local need. The scheme is providing some other financial and quality of life benefits, having solar panels to keep energy bills low, and providing dedicated allotment space for some homes. CLT members also stress that as the scheme was subject to a section 106 planning agreement, the properties cannot be acquired by tenants under the Right to Buy. This has the effect of ensuring the properties are retained as affordable housing for the long term.

Further to these housing related benefits, the CLT aims to use its revenue from ground rents to reinvest in local projects. Using current reserves of £8,000 the CLT is intending to improve local play facilities and support local sports clubs. It is also managing land in the village to increase car parking spaces and improve the flow of traffic.

Financial health

The CLT has a sustainable financial model. The organisation has transitioned from being a partner in a development scheme to a landowner and steward of local assets. In this ongoing stewardship role the CLT generates a small income from ground rents (approximately £3,000 per annum). Running costs are minimal enabling the organisation to build reserves year-on-year for future reinvestment.

Three key factors that have affected the CLT's development and financial health:

1. A progressive parish council and local authority

The CLT's emergence owes much to the facilitative role of the parish council. In search of remedies to significant local housing need, the parish council foresaw the potential of CLTs in catalysing affordable housing development locally. Beyond encouraging the development of the CLT, the parish council looked to leverage its own land holdings, exploring each site it owned in terms of development potential. As the CLT formed and developed, members of the parish council retained a role in the organisation, sitting on the CLT's Board, further cementing relations. The approach to the transfer of land was also arranged to ease cash flow issues for the CLT, as the site was acquired for £1 with a payment of £54,000 deferred until later in the development process.

Allied with parish council support, the local authority (South Holland District Council) provided encouragement and advice. Local politicians offered public support for the CLT's plans, whilst the local authority's officers helped assess sites for housing that would meet local planning requirements, understanding the wider issues in building affordable homes.

2. Supportive local partners

The CLT also benefited from good relations with a number of key partners. It is unlikely the organisation would have had the capacity to plan and deliver a housing scheme on its own, and hence relied heavily on the planning, financial and construction experience of LRHA and Westleigh. An interesting model has been developed through this process, which removes many of the financial and technical burdens which can hamper CLT development. Acting as a local catalyst by identifying and negotiating development sites, whilst not managing the development itself, the CLT provides an exemplar of CLT development that reduces the burden on volunteers (a frequent issue for CLTs taking a more 'hands-on' role in the construction process).

Whilst drawing on the professional expertise of partners, the organisation was also ably supported by Lincolnshire CLT, who work across the county to provide support for groups seeking to develop housing. At critical points in the process, Lincolnshire CLT staff provided advice to CLT members, and helped build the relationship with the development partners. This led those involved in the CLT to suggest that they "couldn't have done it without them".



3. The availability of grants and other financial support

Even with relatively low land costs, developing affordable housing can often require additional subsidy. With this in mind, the Homes and Communities Agency (HCA) played a key role. At the time the HCA (now Homes England) were the governmental body responsible for funding and regulation of social housing. Their grant of £469,000 to the CLT scheme was critical in ensuring that all the units developed could be let at affordable levels.

In addition to this, small grants were received for technical advice from the National CLT Network, equating to £5,000. The timing of this was critical, enabling the organisation to access support from Lincolnshire CLT advisors. Some of the financial benefits for tenants, arising from the installation of solar panels, were made possible by LRHA who secured additional grant funding for this.

Reflecting on local land prices and the availability of development sites, members of the CLT state that they “cannot afford to build any more housing.” This highlights the difficulties that organisations like CLTs can have in transitioning beyond their first housing scheme. If the CLT is to grow its activities and income, and create further benefits for the local community, then addressing the financial barriers the CLT faces will be a critical step.

Financial information

The following table provides an overview of Pinchbeck Community Land Trust’s income, expenditure and assets for the year ending 31st March 2018.

Income	£3,012
Expenditure	£683
Difference between income and expenditure	£2,329
Surplus/deficit on ordinary activities before taxation	£1,906
Annual income from grant or subsidy	£0
Fixed assets	£1 (nominal land valuation)
Current assets (Debtors; cash at bank and in hand)	£7,777
Creditors: amounts falling due within one year	£525 (all current liabilities)
Total	Not available
Net assets	£7,254