



# Sampford Peverell CLT

## **The Community Land Trust**

### ***What is a Community Land Trust?***

Community Land Trusts (CLTs) are registered under the Co-operative and Community Benefit Societies Act 2014. They give local communities the means to develop and manage homes and other assets important to those communities.

### ***How do local people get involved?***

Local people can join and support the CLT. Anyone living or working in the community and who supports the aims of the CLT can become a member. Members can stand for and vote to elect the Board. Membership involves buying a share or shares at £1 each for which a share certificate is issued. Irrespective of how many shares they have, all members have just one vote each. Members contribute to and support the Board in managing the CLT. They can vote on such matters as the suitability of a site and the acceptability of designs.

### ***When was the Sampford Peverell Community Land Trust set up?***

The Sampford Peverell Community Land Trust (SPCLT) was set up in 2018 at the instigation of the Parish Council. It is a separate legal entity, distinct from the Parish Council.

### ***What are the Sampford Peverell Community Land Trust's objectives?***

The SPCLT's objectives are set out in full in our registration document which is available on our website. Our principal objective is to create a small development of homes which can be rented out to people registered with Devon Home Choice and with a close connection to the parish of Sampford Peverell.

### ***Who is on the Sampford Peverell Community Land Trust Board and how are they appointed?***

Board members are drawn from people in the community who have an interest in the objectives of the CLT. The current Board was elected at our last AGM in August 2023. The officers are:

Colin Passey - Chair; Heather Culpin - Secretary; Peter Bowers - Treasurer

There are 5 other Board members - David Cutts, Rachel Cutts, David Disney, Joy Childs and Greta Tucker.

### ***Who advises the board?***

The SPCLT is supported by Middlemarch Community Led Housing, an organisation providing technical advice and support to CLT groups. They are working with over 60 groups across Devon, Dorset and Somerset. They promote a partnership approach whereby the CLT works with a Housing Association (HA) or Registered Provider (RP) to deliver affordable homes for local people.

### ***How is the Sampford Peverell Community Land Trust funded?***

The SPCLT is a non-trading body and is reliant on grant funding. We received a small grant from Mid Devon District Council to enable us to establish and begin work in accordance with

our objectives. The creation of a CLT brings with it the opportunity for further grant funding, perhaps through the Local Authority and indirectly through the HA / RP partner.

## **Affordable Housing in Sampford Peverell**

### ***What is the need for affordable housing in Sampford Peverell?***

We conducted a Housing Needs Survey in September and October 2019. 178 survey forms were returned, a very good response rate of 32%. At the time of the survey a need for 6 affordable rental homes was identified, and 77% of those who answered the relevant question said they would be in favour of a small development of affordable housing for local people. National and local trends since then suggest that the need for affordable housing in the area will have increased significantly.

### ***Will the Higher Town / Edenstone development meet that need?***

The requirement for affordable and self-build housing on the Higher Town site is set out in the Appeal Decision document dated 7 April 2021 on the Mid Devon District Council planning portal. We do not know in detail how that requirement will be met. We did try to engage with the developer to understand what was envisaged, but our discussions were inconclusive.

### ***What are the advantages of having affordable housing provided by a Community Land Trust?***

A CLT can secure the availability of affordable housing through its relationship with its HA / RP partner and through the planning consent and S106 agreement. We want our properties to be available for social rent. Our partners would agree to let such properties in accordance with an agreed Local Lettings Plan which we have developed, prioritising the homes in the first instance for local people with a connection to Sampford Peverell. This type of affordable housing remains available in perpetuity whereas other forms of affordable housing, such as shared ownership or First Homes, can lead to such homes eventually finding their way on to the open market, although in the case of the latter the sale price will always be discounted by at least 30%.

The relationship between the CLT and its HA / RP partner is set out in an Option Agreement with the Landowner and then a lease and transfer. The Option provides that, once planning consent is obtained, each party will act in the way they have agreed. So the Landowner will provide a long lease to the HA / RP partner and at the same time transfer the freehold interest in the land to the CLT. The CLT holds the land which is asset locked meaning that should the CLT cease to exist its assets must be transferred to another similar organisation with an asset lock, such as another HA / RP or the Local Authority.

### ***What is the difference between market, affordable and social rents?***

Market rent is that charged by private sector landlords. Affordable rent is set at up to 80% of market rent (including service charges). Social rent is set using a government formula which takes account of the relative value of the property, its size and comparative local income levels. Social rent is on average around 60% of the market rent for the area where the property is located. The rent charged does not include the service charge.

## **The Mountain Oak development**

### ***What is the proposal?***

The proposal is for a development of about 30 - 35 dwellings on the plot of land behind Mountain Oak farm. Full details of the plans will be set out as part of a public consultation process.

### ***If this development were to go ahead, how many affordable homes would it provide?***

The intention is that 10 - 12 of the dwellings would be available to HA / RP tenants. The proposal is compliant with local planning policy in terms of the number of affordable homes to be provided.

***What type of affordable homes would be provided?***

There would be a mix of 2 and 3 bedroom homes, built to nationally described space standards meaning 93m<sup>2</sup> for a 3 bedroom property and 79m<sup>2</sup> for a two bedroom property. Many modern open market homes are smaller than this.

***Who would build and manage the affordable homes?***

Once Heads of Terms are agreed with the landowner, the CLT will usually seek to select a HA / RP partner to work with. In this case, the SPCLT have already been advised of a number of potential HA / RP partners it could work with and it will be for the eventual developer and CLT to determine which one best meets our objectives. In most cases, the HA / RP will undertake to build and manage the homes. Alternatively, the developer will build the homes and the HA / RP will acquire them and then manage them.

***Who would pay for those homes?***

So far as the land is concerned, once a HA partner has been found they will hold a long leasehold interest from the CLT, usually 125 years, and pay an agreed sum. This can be in the form of payment to the Landowner once planning consent is obtained. Alternatively, as here, payment will be made by the HA / RP to the developer. The HA / RP will pay an ongoing ground rent to the CLT.

***How would the Sampford Peverell Community Land Trust identify a Housing Association partner?***

Some HAs are interested and experienced in working with CLTs; others are not. Our advisers, Middlemarch CLH, have already worked with a number of HAs on over 60 CLT projects. Some potential HA / RP partners have already been identified who may have an interest in the project. In conjunction with the developer, the SPCLT would select the HA / RP which best fits our objectives.

***Who would be eligible for those homes?***

There would be an agreed Local Lettings Plan whereby priority would be given to households with a local connection. The plan would be drafted by the SPCLT and agreed between the SPCLT, Mid Devon District Council and the HA / RP.

***Will the homes be built sustainably?***

Both the SPCLT and the land owner are committed to build the homes to a high standard of sustainability. The aim would be to keep running costs low for tenants.

**Additional questions raised at the public meeting in January 2024**

**The Development**

***Has a planning application yet been submitted?***

Not yet. The land owners intend to submit an outline planning application once the views of the community have been gauged at discussion / information sessions to be held in February. All residents will have the opportunity to comment on the proposals through the planning system.

***How many houses are to be built?***

The landowner intends to submit an outline application for planning permission to build up to 35 dwellings.

***How many of the houses would be affordable?***

It is intended that between 10 and 12 of the houses would be available to the Sampford Peverell Community Land Trust (CLT) and Housing Association / Registered Provider (HA / RP) partner. The final number will depend upon the eventual number of houses built on the site. This proposal is compliant with local planning policy in terms of the number of affordable homes to be provided.

***Is the site already earmarked for development?***

The site is on about 3.95 acres of land behind Mountain Oak Farm. It is not included in Mid Devon's local plan as for development and so would be an exception site.

***Why not make all the housing affordable?***

The landowners and developers need to make some profit from selling most of the houses on the open market so as that they can offer the freehold of part of the site to the CLT for £1 (see '***How does the funding for CLT housing work***' below).

***What further community engagement is planned by the CLT?***

The CLT is accountable in the first instance to our members. They will have opportunities to influence factors such as the design of the properties, etc at meetings including the Annual General Meeting. We have also committed to keeping the wider community informed of what is going on through various means, including our website and further consultation events.

## **The CLT housing**

***How does the funding for the CLT housing work?***

The CLT will agree Heads of Terms with the landowner. These set out the respective obligations of the two parties to the agreement, including the sale of the freehold of the land for affordable housing to the CLT for £1. The CLT will then select a HA / RP as a partner in the project. In most cases, the HA / RP will undertake to build and manage the homes. Alternatively, the developer will build the homes. The HA / RP will be granted a long leasehold interest, usually for 125 years, by the CLT and will pay an ongoing ground rent to the CLT. The money thus raised will be available for investment in other community projects.

***What type of housing would the CLT homes be?***

The intention is to provide a mix of 2 and 3 bedroom homes. They would be built to a high standard of sustainability and to nationally described space standards. This means that a 3 bedroom property would be 93m<sup>2</sup> and a two bedroom property 79m<sup>2</sup>. Many modern open market homes are smaller than this.

***How would the CLT housing be managed?***

Day to day management of the housing would be carried out by the HA / RP. One of the factors the CLT will take into account in selecting a partner will be the extent to which the HA / RP shows an understanding of our objectives and of our community's needs.

***How can we ensure that the housing remains available for the community in perpetuity?***

The CLT will retain the freehold of the land. The tenants of the CLT housing are not eligible for the 'right to buy' and this avoids such homes finding their way onto the open market at some point in the future.

***Will the houses become clogged up by people not wanting to move?***

One of the issues we will discuss with prospective HA / RP partners will be their approach to managing tenancies. There will need to be a system of review to ensure that tenants are abiding by the terms of their tenancies. Our aim will be to ensure a degree of movement in and out of the homes while at the same time giving people the comfort of a reasonably long-term tenancy. Experience elsewhere suggests that some people in rented accommodation naturally want to progress from renting to home ownership if their circumstances permit. Also, some people tend to move because of changes in employment or other personal reasons.

***Will the CLT homes be reserved for local people?***

Applicants for the homes will need to show that they are in housing need and registered with Devon Home Choice. They will also need to show local connection. The precise detail of what a 'local connection' means would be set out in a legal document agreed between the CLT, the HA /RP and Mid Devon District Council. It would cover factors such as long-term residence in Sampford Peverell parish, having a family member resident in the parish for a given period, being permanently employed in the parish, etc. If insufficient applicants meeting these criteria come forward then applications would be invited from people in neighbouring parishes or, if there are again insufficient applicants, Mid Devon district.