

Community-led Housing Policy

Version Number:

Effective Date:

VERSION HISTORY

Version	Date Issued	Brief Summary of Change	Author
0.9	27 Feb 2020	Final draft for Cabinet approval	Tomas Buadu

DOCUMENT APPROVAL

Version	Date Approved	Description of Approval	Approver

DOCUMENT OWNER

Job Title	Department	Document Location
Commercial Director Housing Delivery	Economic Growth and Housing Delivery Directorate	

Supporting community-led housing in the London Borough of Waltham Forest

1. Policy Statement

1.1 Waltham Forest Council ('the Council') will support community-led housing with some interventions to facilitate and enable delivery. This support will be transparent and consistent, with conditions and obligations proportionate to the number of dwellings in the project and the type of Council support provided.

2. Qualifying Requirements

2.1 Council support for community-led housing (CLH) will be dependent on the project meeting some or all of the requirements set out below, depending on the scale of the project and type and level of support provided by the Council.

2.2 The project must:

- meet Waltham Forest Council policy priorities as set out in published strategies and plans;
- have meaningful community engagement and consent (CLH Criteria, see appendix A);
- provide for community group(s) to take a long term formal role in the ownership, management and/or stewardship of the homes (CLH Criteria);
- have clearly defined and legally protected community benefits (CLH Criteria);
- provide wider longer term community benefits in addition to the legally protected benefits;
- provide some additionality, for example bring forward homes that would not otherwise have been built, including by tenure type and funding sources;
- deliver high quality, low to zero carbon, environmentally sustainable homes;
- meet all statutory regulatory requirements including town planning and building regulations.

2.3 It is envisaged that how community-led housing projects meet these requirements will be set out in community-led housing groups' Articles of Association and Governance Processes, Business Case and Project Plan.

3. Development Scale

3.1 The Council will adopt a flexible approach to requirements on projects that are not benefiting from Council land disposal or are not Council facilitated development opportunities. The expectation is that community-led housing schemes will exceed policy requirements for affordable housing (currently 50% affordable split 60% affordable rent and 40% intermediate on developments of 10 or more dwellings), and, depending on the number of homes in the development, provide some low cost rent homes that will be made available to households on the Council’s housing register.

Table 1- Minimum tenure requirements by community-led housing project size

Development Size:	< 10 dwellings < 0.25 hectare	10 – 25 dwellings < 0.25 hectare	> 25 dwellings > 0.25 hectare
Minimum Requirements:	<ul style="list-style-type: none"> • CLH Criteria only; • No tenure mix or nomination rights requirements 	<ul style="list-style-type: none"> • Minimum 5% of dwellings for low cost rent with Council nomination rights • Balance of homes can be any CLH model 	<ul style="list-style-type: none"> • 50% affordable housing with policy compliant tenure mix; • Minimum 15% of the affordable dwellings for low cost rent with Council nomination rights

3.2 All projects will have to meet all relevant (town) planning requirements and these will be secured through a planning (Section 106) agreement with conditions and obligations. The Council will be looking to ensure that community-led housing projects deliver high density development to help meet housing supply targets.

3.3 The Council will also be looking for community-led housing schemes to exceed minimum statutory and regulatory sustainability requirements to deliver high quality low carbon (in construction) to zero carbon (in use) homes.

4. Council Support

4.1 Where the Council provides support for community-led housing projects through land and development opportunities, the Council will have project specific conditions and obligations that the beneficiaries of this support will be required to meet. These conditions and obligations will be set out in Memorandum of Understanding (MoU) and Heads of Terms (HoT) prior to entering into legal agreements, depending on the type of support, as summarised in table 2.

Table 2 – Council Support and Conditions

Support:	Signposting	Capacity Building Support access to regional and national resources	Accessing Resources Support bids for funding from the CHF and for NCLTN technical support, for e.g.	Land Opportunities
	To national and regional support groups			Release sites declared surplus to council requirements for housing or housing led development with social value requirement
Conditions:	None	As required by agency and group providing resources	Must be for identified site in the borough	Competitive bids; MoU; HoT; legal agreements

4.2 The Council will not duplicate capacity building support that is available from regional and national agencies and groups like the Community-led Housing London Resource and Advice Hub and National CLT Network.

4.3 Council support to access resources, land and development opportunities, will be provided only to formally constituted community-led housing groups and projects meeting the CLH criteria as set out in appendix A.

4.4 The Council will seek to consider viable opportunities for community-led housing developments as part of surplus property reviews. Community-led housing groups can inform the Council of their interest in a council owned property and will be informed when the property is declared surplus and released for disposal or redevelopment.

4.5 Community-led housing groups on the Council’s Local Self-Build Register will be kept informed of opportunities that may arise for land disposal and development partnerships. This will include open market disposals as well as self-build and custom homebuilding opportunities to meet statutory duties.

4.6 Selection process for allocating Council land and selecting community-led housing group partners for Council led development opportunities will be based on the assessment criteria in appendix B. These criteria will be tailored to individual site and project specific requirements, and will be subject to review as Council priorities change and strategies and plans are updated.

4.7 Where the Council provides land and development opportunities the Council will require community-led housing groups to enter into a Memorandum of Understanding to meet project milestones, agree Heads of Terms for and then enter

into land lease agreements and development agreements, depending on the type of project and Council support provided.

4.8 Where the Council provides land and development opportunities this will be conditional on the projects meeting Council policy requirements in terms of achieving best consideration and disposal on leasehold terms. The Council will also require legal obligations on council land disposal to ensure community-led housing is delivered and retained as affordable housing in perpetuity.

4.9 The Council may make development opportunities available through other agency sponsored programmes such as the Mayor of London's Small Sites Small Builders programme.

4.10 Governance of this community-led housing policy will be through a council officer community-led housing steering group chaired by a director and reporting to Cabinet portfolio lead members.

5. Project Pipeline

5.1 The Council will consider opportunities for community-led housing as part of council asset reviews and regeneration projects. Development opportunities should be made available to CLH groups following a robust assessment of suitability, deliverability and comparable options from the Council's Property, Economic Growth and Return on Investment teams.

APPENDIX A: Criteria for Community-led Housing

- 1.1 An alliance of community-led housing organisations has endorsed the following criteria for community-led housing schemes:
 - a requirement that the community must be integrally involved throughout the process in key decisions (what, where, who for) even if not involved in the direct delivery;
 - a presumption in favour of community groups that are taking a long term formal role in ownership, management or stewardship of the homes; and
 - a requirement that the benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity.
- 1.2 This criteria for community-led housing is supported by the Ministry of Housing Communities and local Government (MHCLG) in relation to eligibility for support from the government's Community Housing Fund 2016-2020. CHF support is available for affordable homes for rent and ownership at reduced cost.
- 1.3 For the purpose of this policy the Council will consider the following as meeting the criteria to be considered as community-led housing:
 - **Community Land Trusts** - provide affordable homes for people within a defined geographical area, for rent or shared ownership, by acquiring land and holding it as a community asset in perpetuity
 - **Housing Cooperatives** - involve groups of people who provide and collectively manage affordable homes for themselves as tenants or shared owners
 - **Co-housing Groups** - are formed by 'intentional communities', combining shared spaces and living units.
 - **Self Help Housing** - housing projects involve small, community-based organisations bringing empty properties back into use, often without mainstream funding and with a strong emphasis on construction skills training and support
 - **Community Self-build** - involve groups of local people in housing need building homes for themselves with external support and managing the process collectively.
- 1.4 Community-led housing groups will have to be formally constituted as a Community Benefit Society (CBS), Community Interest Company (CIC) or similar to be eligible for Council support in accessing funding, land and development opportunities.
- 1.5 The Council will consider other community organisations and group structures, for example tenant management organisations (TMO), for Council support to help deliver new homes, provided they substantially meet the CLH scheme criteria set out in 1.1.
- 1.6 Individual self-build and custom build projects do not meet the criteria for community-led housing. However it is the only form of resident led housing that local authorities have a statutory duty to support, so the Council will consider some support for self-build and custom build as part of this policy.

APPENDIX B: Indicative Criteria for Community-led Housing Project Assessment and Group Selection

STRATEGIC FIT (Weighting - 20%)

The bid must show how it fits with Waltham Forest Councils' strategic priorities and the key programmes connected to these. Some are summarised below and this list will change as strategies are updated and programmes change

- Economic Growth – Innovative models of housing delivery, mixed use developments, supporting infrastructure, inward investment into the borough, training and employment
- Think Family – housing delivery and management that helps residents be safe, well, resilient and independent; contribution to Connecting Communities and such similar programmes
- Creating Futures corporate strategy – improving life chances of residents, keeping our streets clean and safe, and ensuring a decent roof over everyone's head
- Housing Strategy - supporting growth and aspirations; tackling and preventing homelessness; ensuring decent, safe and healthy homes; inclusive and sustainable neighbourhoods

VALUE FOR MONEY (Weighting - 20%)

The bid should include details of the cost of the scheme and how this will be funded

- Development costs and specifications – total project costs based on robust estimating practice
- 'Value Added' by group – cost savings compared to other delivery methods, hours and type of 'uncharged' work,
- Value added by inward investment into the borough – particularly from resources only available to CLH projects
- Opportunity cost to the Council – Council Total Return on Investment (Financial and Social Return of Investment assessment)

DELIVERABILITY (Weighting - 20%)

The bid needs to highlight how the scheme will be delivered, particularly of the capacity of the group to deliver the project, and expected delivery timescale

- Project Management – how and who will be managing the project, consultant team and support from other organisations (for e.g. London CLH Hub)
- Development/Delivery partner – is there an experienced delivery partner (e.g. developing housing association) working on the project
- Finance and Funding – Details of how all costs will be met including contributions from the group, borrowing, grants, cross subsidy from sales and other commercial activity
- Planning – what stage in the (town) planning process is the project, if it does not have permission what is the planning advice
- Programme – project milestones and timescale for delivery
- Long term management – how and who will be managing and maintaining the homes after completion of construction

COMMUNITY BENEFITS & SOCIAL VALUE (Weighting - 20%)

The Bid should be able to clearly demonstrate how the group is are community-led and the level of community involvement and support

- How well the group and project meets CLH criteria
- Wider community involvement and support – immediate and wider neighbourhood, residents and business and other service providers (schools, special interest groups, etc)
- Number and type of affordable homes – at least policy compliant in terms of tenure and size, more affordable and/or some specialist housing
- Community facilities and infrastructure – multi use non-residential buildings,
- Mentoring, training, apprenticeships, employment - (development (building the homes) and longer term)
- Local supply chain – use of local contractors and suppliers, multiple benefits from each £ spent on project
(the Council will use the Community Benefit Assessment Tool and Social Value Portal as appropriate)

QUALITY AND SUSTAINABILITY (Weighting - 10%)

The bid needs to highlight how the scheme will deliver high quality sustainable homes and a sustainable community

- Design – does the project meet London Design Guide requirements as a minimum and how does it exceed these requirements
- Environmental Sustainability and Carbon Reduction – how does the project at least meet and exceed minimum standards (Building Regulations, Local Plan) and aim for Housing Quality Mark and Passivehaus specification
- Economic and Social Sustainability – how will project contribute to sustainable and connected communities and neighbourhoods
- Connecting Communities – how will the project help build integrated, supportive and safe community and create networks with the wider neighbourhood

MEMBERSHIP & ALLOCATIONS (Weighting - 10%)

The bid should include details of the makeup of the group and how the group is run, how homes in the development will be allocated.

- Group constitution and governance – formally constituted and demonstrable robust governance arrangements
- Group makeup – diversity and inclusion, Equalities Act protected characteristics, demonstrable housing needs
- Measure of member contribution and benefit – what are members expected to contribute and how this determines the level of benefit they receive
- Members' housing need as measured by the Council's housing allocation policy, members on the Council's Housing Register
- Group allocations policy for rented and sale homes and fit with Council housing allocations policy
- Number/proportion of homes made available to Council Housing Register applicants

The bids will be accessed by a multi-disciplinary team from across the Council and, depending on the valuation of the Council's support (land value and discount and/or grant funding), will be subject to Cabinet decision.