

### Community Right to Build

Among many announcements from the Coalition Government about its agenda for localism comes one about establishing local housing trusts (LHTs). First trailed by the Housing Minister, Grant Shapps speaking at a recent conference of Community Land Trusts, these have now been announced under the initiative called Community Right to Build.

It's tempting to ask "Why, yet another delivery vehicle?" In common with other recent announcements, we await detail - promised in the forthcoming *White Paper* on sub-national economic growth, and draft legislation in the form of the Decentralisation and Localism Bill. Emphasising the "Big Society", Mr Shapps is keen that local communities should have the freedom to decide on the type and quantity of housing, without external restrictions imposed by a centralised planning system.

The aim of LHTs will be to allow small-scale development in towns and villages. They will be community-led initiatives. They will require strong and experienced leadership, supported by expert advice, as they will have to achieve high levels of approval from the local community, through a referendum which must show no more than minimal (10 per cent or perhaps 20 per cent) opposition for a scheme to go forward. This will take some organising and not inconsiderable resources to ensure that the time, money and effort expended in promoting a scheme will achieve the positive referendum result.

The suggestion is that LHTs will be looking at land which is not otherwise designated for housing development in existing development plans. The unique selling point of LHTs will be the ability to side step the usual planning processes. Details of the development will have to be submitted to the local planning authority for checking that basic criteria related to sustainability and environmental issues are satisfied. If the legislation follows the Conservative's policy paper, provided those criteria are met then planning permission will automatically be granted, on the basis of the mandatory presumption in favour of development. If not, then the planning decision will revert to the local planning authority to be treated as any other planning application. It's interesting to note that Mr Shapp's department acknowledges that "where a community's proposed development fits with a local authority's local development plan and other planning requirements, then the easiest route may well be to file a planning application".

What is not clear is whether the Community Right to Build will really be anything more than another way of bringing forward rural "exception sites". Might local communities promote sites which are actually allocated, or at least are within the built up area of the local community? That would present clear issues in terms of the price to be paid for the land, and the cost of land acquisition will be fundamental to the viability of any scheme. The proposals make no commitment on the availability of public funds – hardly surprising in the current economic climate – and must await the autumn's comprehensive spending review.

Local housing trusts will be "not for profit" organisations, with a commitment to the long-term view. Surpluses arising and income derived from any development will be re-invested in a virtuous circle of recycling funds. This is consistent with the recent trend in making public money work harder for longer, moving away from one-off grant in aid, to investment with a long-term return.

## briefing continued

LHTs seem set to will follow the existing model of community land trusts (CLTs), which for the most part, have charitable status and the legal framework of a company limited by guarantee, or an industrial and provident society. Whilst not being side-tracked in a debate about legal structures, it is wise to be mindful that in the absence of clarity on such matters, it can be difficult to get schemes off the ground and there can be difficulties for funding.

Mr Shapps suggests that Community Right to Build need not be limited to building affordable housing, but may have a wider brief to construct housing for sale, sheltered housing for the elderly or even set aside plots for local people to build their own homes. Indeed, its activities may not be limited to housing, but could extend to providing other local community facilities.

The success of LHTs will be dependent on local communities identifying developable land within their locality and having strong local leadership and resources (both financial and skills-based) to promote it successfully – not only to the community itself, but to the local planning authority. The prize will be a big one – much needed small-scale development that otherwise would not be permitted for the want of a formal planning designation, within the existing fabric of the local community.

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