

# Partnerships between Community Led Housing groups and Housing Associations

Steve Watson

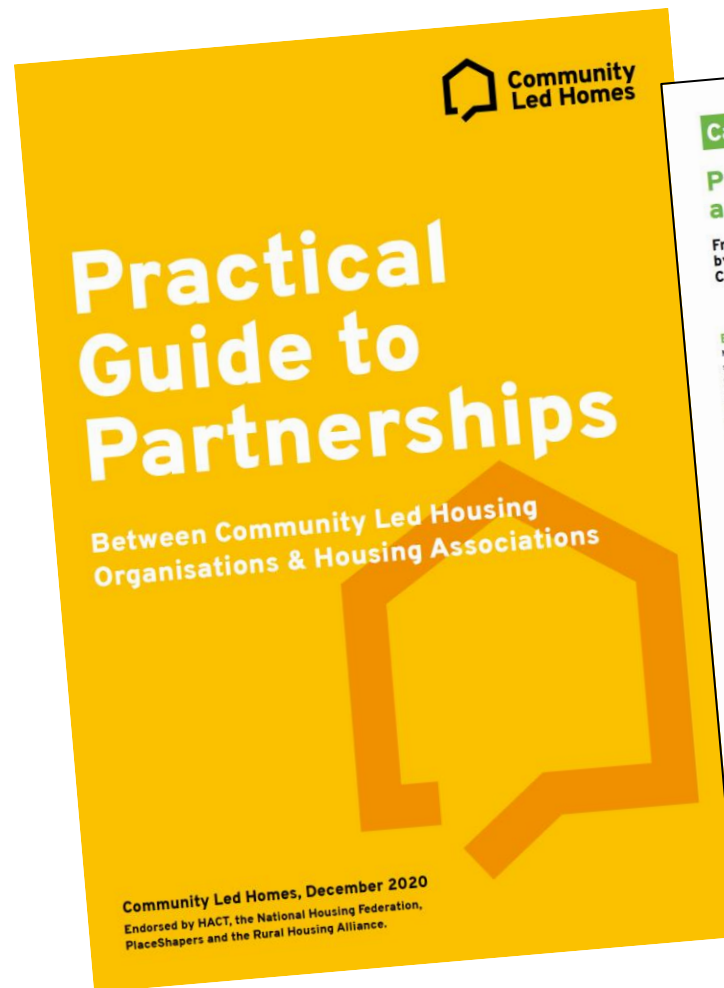
**Partner, Middlemarch**



# CLH/HA Partnership Programme 2010 – 2021

- Homes completed: 200
- Homes in progress: 500
- Regular coverage on the BBC





### Case Study 3

## Partnerships During Development and Management:

Freehold/Leasehold Model pioneered in the South West of England by Middlemarch Associates working under contract with Wessex Community Assets.

#### Background of the CLH group:

Middlemarch Associates LLP provides technical advice and support to CLT developments, mostly under contract with Wessex Community Assets in the South West of England but also in its own name. From 2010 to 2020, support for more than 50 freehold/leasehold partnerships has resulted in the completion of nearly 200 affordable homes. There are almost twice as many partnership schemes, and homes, currently in the pipeline.

#### Background of the Housing Association:

The housing associations that have entered into partnerships under this model include Aster, Yarlington, Teign Housing, Stonewater, Places for People, United Communities, White Horse, Alliance Homes, and Hasloe. These housing associations range in size from small housing associations like White Horse with approximately 350 homes to large housing associations like Places for People with almost 200,000 homes. Some of these housing associations are using the model to do repeat partnerships with CLTs.

#### Documents:

Detailed written description of the partnership model.  
[Click here.](#)

#### The nature of the partnership:

The CLT plays a lead role in finding the site; agreeing the number, type, tenure, and design of the homes; helping to define the allocations policy; advocating for rents to be as low as possible; ensuring that the homes remain affordable in perpetuity; including environmental sustainability in the scheme; and securing a reasonable financial return to the CLT.

The housing association develops and manages the homes; shoulders the financial risk; is the Registered Provider as required for being a landlord of sub-marketed rented homes; bears the legal responsibility for lettings; and decides on the selection of residents in line with the allocations policy.

The CLT retains the freehold and enters into a 125-year lease with the housing association to develop and manage the homes. The lease contains a buy-back clause for the CLT; a weekly ground rent payment from the housing association to the CLT; and a clause preventing the residents from exercising the voluntary right to Buy, as that would defeat the goal of creating permanently affordable homes.

Experienced CLH advisers like Middlemarch play a critical role in brokering these partnerships, and benefit from experience working in both housing associations and with CLH organisations.

The document linked in this case study provides a much more detailed account of these partnerships.



9



## Partnerships between Community Led Housing organisations and Registered Providers

*This account of partnerships<sup>1</sup> between CLH groups and Registered Providers is drawn from some 50 projects either complete or in the pipeline, mostly in South West England. It refers throughout to Community Land Trusts because all of these partnerships involve CLTs. In principle, the experience and lessons learned can apply equally to other forms of CLH. The account is authored by Steve Watson and Alison Ward, Partners with Middlemarch Associates LLP. Middlemarch provides technical support to CLTs, primarily under contract with Wessex Community Assets but also elsewhere.*

### 1. Introduction

We started to provide technical advice to Community Land Trusts in 2010 through what became known as the Wessex CLT Project. The WCLTP was an early Hub, funded for two years by the Department of Communities and Local Government and sponsored by Carnegie UK. Its mission was to explore whether technical advice provided on a sub-regional basis would help to promote the development of CLTs.

Unlike the Hubs being created through the Community Housing Fund in 2019, there was no requirement to support the whole spectrum of Community Led Housing models. A few pioneer CLT projects had succeeded, particularly in the South West e.g. St Minver, Buckland Newton, High Bickington and East Portlemouth. Others had failed or stalled e.g. Symondsburry, Appledore, Carhampton and Worth Matravers. Although several hundred co-operatives had been established in the 1970s and 1980s, these were early days for the CLT sector. Indeed, the National CLT Network was only just being established, also funded by the DCLG.

We were tasked with helping CLTs to get homes built; the emphasis was very much on 'doing' rather than 'talking about doing', not least because the service would need to become self-financing through income after two years. Our first couple of months were spent talking to those CLTs who had succeeded and those who had failed or stalled, plus the local authorities who had been involved. The outcome of this early research was a strong sense that the 'standalone' model used by all of the early adopters was hard work and risky; especially for the development of homes for rent where registration as a provider would be required to obtain access to capital grants. Freshly minted CLTs found it hard going and the local authorities which supported them thought that while the community-led approach was inspiring, it was also hugely resource-intensive and ultimately not replicable.

<sup>1</sup> The term 'partnership' is used here to mean a landlord/tenant relationship between a Community-Led Housing organisation and a Registered Provider as opposed to a legal partnership. The term 'partnership' can also be used to mean a client/service-provider relationship between a CLT and an RP.

<sup>2</sup> <https://middlemarchassociates.co.uk/>

Case Study 3: <https://www.communityledhomes.org.uk/resource/practical-guide-partnerships-between-housing-associations-and-community-led-housing>

# CLH/HA partnerships

- CLH group leads project
  - location, numbers of homes, design, choice of HA partner
- HA supports the CLH group
  - funds, develops and operates the homes
- CLH group owns the freehold, HA has 125-year lease
- CLH group benefits:
  - leads the project, inc allocation criteria
  - receives ground rent: £4/home/week
  - has option to buy-out the HA: at intervals
  - prevents sales under the Right to Shared Ownership
  - low risk for the community





