



# Bishops Castle and District Community Land Trust



Location	Shropshire
Founded	2007
Legal structure	Industrial and provident society
Description of services	Predominately set up to provide affordable housing, but can also develop and manage other assets important to the local community, such as community halls, pubs or workspaces
Key assets	Two houses, available to members to rent at an affordable rate
Employees	Two part-time
Volunteers	Ten part-time
Most important skill set(s) to successfully running the business	Financial management skills
Biggest obstacle to success	Lack of access to finance to fund the business
Relationships	Local authority
Notes	<ul style="list-style-type: none"> <li>– Well-evidenced demand for affordable housing and high levels of community engagement led to grant funding and loan finance to build the CLT’s first two houses</li> <li>– The CLT’s board has a good working relationship with builders and architects, which helped to ensure that development work was carried out to agreed timescales</li> <li>– Land was bought at below the market rate because landowners were impressed with community engagement activities of the CLT and bought-in to its aims and objectives</li> </ul>



This case study report provides an overview of the Bishops Castle and District Community Land Trust (CLT) and describes the factors that are perceived to underpin its success. The findings are drawn from research commissioned by Power to Change and carried out by NatCen Social Research and WPI Economics. More information about the study and additional research reports can be found on the Power to Change website.

## Overview of Bishops Castle and District Community Land Trust

Bishops Castle and District CLT registered as an industrial and provident society in 2007 and is run by a board of voluntary directors. The CLT has over 200 members, becoming a member requires buying shares in the CLT at a cost of £1.

The aims of Bishops Castle and District CLT are broad, in order to allow the CLT to focus on a wide range of local issues such as housing, employment, provision of land (e.g. for allotments) and spaces for local businesses to use. Two homes have been built by the CLT and are available to members at an affordable rent. Houses are allocated to shareholders who live in the local area and are not eligible for social housing, but at the same time cannot access private-rented accommodation due to issues such as low wages.

The board of directors are supported by two paid members of staff: a board secretary and a development officer. The board secretary is responsible for taking minutes at board meetings, developing grant applications and scoping out potential projects such as further housing opportunities. The development officer is responsible for communicating with members and increasing the CLT's membership base.

## Success factors for Bishops Castle and District Community Land Trust

This section summarises the key factors that are perceived to influence the success of the Bishops Castle and District CLT, based on interviews with those involved in volunteering and working for the CLT. Success factors are grouped according to whether they relate to the business, people involved or the external environment.

### Business

Two important business-related factors underpin the success of Bishops Castle and District CLT; building a good understanding of levels of demand for affordable housing in the local community and access to grants.

### Identifying and responding to local need

The CLT began by carrying out a survey of local people to better understand local housing need and built on a Parish Plan which had already identified issues with housing supply and demand. The survey results confirmed demand for affordable housing and this provided an evidence base to support a successful application for grant funding to set up the CLT.

### Access to finance

Access to finance is important to the early and ongoing success of the CLT:

- Grant funding awarded when the CLT was first established enabled the business to employ a member of staff on a part-time basis. Their role was to raise local awareness of the CLT and increase membership. Initial awareness-raising was considered important to ensure local residents understood that the aim of the CLT was to represent the interests of the local community. It was also important to allay fears or concerns that the CLT might be a traditional property development organisation.
- Strong applications which evidenced the demand for affordable housing and high levels of community engagement led to the CLT being awarded a combination of grant funding (from the local council and national government) and loan finance. This provided the capital needed to build the CLT's first two houses.

While credibility was important to being awarded grant funding, it was recognised that the CLT's aims and objectives happened to fit within the funding criteria set by funding bodies at the time of submission. If funding criteria for grants and loans change in the future, other applications may not be successful.

Once Bishop Castle and District CLT was trading, an unexpected bequest from a local resident made it possible to become financially independent of loan finance. The CLT now receives a trading income via rent payments from the two houses and holds enough liquid reserves to cover operating costs for over two years.

The trading income does not however provide enough capital to buy more land to build houses. This means the CLT requires access to further grant and loan finance to be able to buy land and build more affordable homes, as well as deliver other projects that benefit the local community. The CLT ranks a lack of access to finance as the biggest obstacle to its overall success and the biggest obstacle to growing the business; it rates financial management skills as the area of expertise most important to the successful running and growth of the business.

## People

Dedicated, enthusiastic and skilled leaders, staff and volunteers are important to success.

### Strong leadership

Committed and enthusiastic leaders are important to helping the CLT build affordable homes. Key attributes include a 'can do' attitude, resilience and the ability to identify and overcome challenges. This includes for example, addressing skills gaps among board members by proactively engaging local residents with the requisite knowledge and experience.

### Effective working relationships

The board of the CLT had a good working relationship with partners such as builders and architects, which helped to ensure development work was carried out to agreed timescales. This was important because grant funding was made available in stages, with each stage of funding provided on the basis that certain aspects of the housing development had been completed.

Events are an important way the CLT raises awareness and fundraises. Volunteers are pivotal to the success of these events. Having paid staff with the right skills to support and mobilise volunteers is important to ensure those volunteering have a positive experience and continue to provide their time volunteering for future events.

## Community and external environment

Three factors related to the community and external environment are important to the success of the CLT: support from the local community, buy-in from the town council and access to land.

### Local community buy-in and support

The CLT was successful in gaining the support of the local community through providing a regular newsletter and running a number of successful music festivals in collaboration with a local music project. High levels of community support for the project was instrumental to two local land owners selling land to the CLT at a reduced price.

It is important that the CLT regularly engages with the local community so that there is continued buy-in for future housing or other community developments.

### Support from town and county councils

Support from the town and county councils is important to the success of the CLT. For example, town councillors helped the CLT to gather evidence to demonstrate there was a need for affordable homes in the area. They did this by disseminating and collecting the needs assessment survey the CLT conducted in the initial stages of development. A representative from the county council also sits on the board, which provides the CLT with key insights into future funding opportunities.

### Access to affordable land

Access to affordable land is critical to the CLT being able to provide low cost housing for rent. Income generated from the rent of the two houses developed does not provide the CLT with enough capital to buy land at market rate. As explained above, Bishops Castle and District CLT has been able to buy land at below the market rate from local landowners who chose to sell the land cheaply because they were impressed with their community engagement activities and because they supported the organisation's aims and objectives. Access to affordable land is one of the key barriers to the CLT successfully developing other sites in the town. Further to this, a lack of available assets is regarded as the biggest obstacle to the CLT's success behind a lack of access to finance.