

Homes in Community Hands: Year Two evaluation report

July 2021



Homes in Community Hands: Year Two evaluation report

Author(s):

Dr Tom Archer – The Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University

Dr Tom Moore – Department of Geography and Planning, University of Liverpool

Professor David Mullins

with

Dr Yael Arbell, The Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University

July 2021

Contents

| | |
|---|-----|
| About this report | ii |
| About the authors..... | ii |
| Executive summary | iii |
| 1. Introduction | 1 |
| 2. Theory of change and research framework..... | 5 |
| 3. Community-led housing projects | 8 |
| 4. Enabling hubs..... | 29 |
| 5. The theory of change in practice..... | 56 |
| 6. Conclusion..... | 60 |
| Appendix 1: Moderating factors affecting the programme..... | 63 |

About this report

Power to Change's Homes in Community Hands programme provides grants to help build and refurbish affordable housing. Specifically, the programme is supporting the development of community-led housing in England with £5.2 million. The programme has undergone adjustment as Power to Change developed new funds to tackle the impacts of the Covid-19 pandemic. Programme grant making has been reduced, though some commitments to funding are being met up until 2022. The fund has predominantly targeted five areas in England, where enabler hubs are supporting the development of community-led housing, and where funding is directed to both hubs and community-led housing projects. The evaluation team is assessing the impact of the Homes in Community Hands programme on various stakeholders and beneficiaries, while also capturing important learning to inform the practice of community-led housing enablers, community-led housing groups and other organisations, including funders like Power to Change. This report presents findings from Year Two of the evaluation, identifying emerging outputs and outcomes, alongside lessons about the development of projects and hubs, and the factors affecting this.

About the authors

Dr Tom Archer is a Research Fellow at the Centre for Regional, Economic and Social Research (CRESR) at Sheffield Hallam University. Tom has led numerous studies in the field of community-led housing and community ownership of assets. In recent projects he has mapped the funding landscape for community-led housing, forecast the growth of the sector and evaluated the effectiveness of grant and finance programmes. Tom's academic work has focused on the processes and practices of community-led housing, and the mechanisms through which these projects achieve outcomes such as the affordability of housing.

Dr Tom Moore is a Lecturer in Planning at the University of Liverpool. He has over 10 years' experience of research in community-led housing and has conducted research for funders including the Joseph Rowntree Foundation, the British Academy, the Ministry of Housing, Communities & Local Government, the Greater London Authority, and the National CLT Network. He is an Associate Editor of the *International Journal of Housing Policy* and has published widely on community land trusts (CLTs), private rented housing and community development, including a recent special issue on community-led housing in the *International Journal of Housing Policy*.

Professor David Mullins has over 30 years' experience in policy related housing research. He has worked extensively on policy evaluations for government departments on many aspects of housing policy. Between 2008 and 2013 he worked in the Third Sector Research Centre, specialising in housing and social enterprise. In recent years he has worked on community-led housing, including projects on self-help housing, empty homes and urban community land trusts, has published several related articles in academic journals and co-edited a special issue of *International Journal of Housing Policy* with Tom Moore. He is also active as a board member and trustee in the community-led housing sector and with housing associations at local, regional and national levels.

Executive summary

Introduction

The community-led housing sector in England has grown substantially in recent years, with an increasing number of groups forming and projects being planned. This is reflective not only of the urgent need for a suitable supply of affordable homes to meet the diverse requirements of communities, but also the growing strength of national and regional organisations established to support community-led housing.

Power to Change's 5-year Homes in Community Hands programme has already played a significant role in this growth, providing support and grants totalling £4.7 million (of a total budget of £5.2 million) to help individual community-led housing projects and to build the reach and impact of enabling hubs in the sector. The programme has particularly targeted five areas in England – Liverpool City Region, Tees Valley, West Midlands, Leeds City Region and West of England.

Building on the baseline research undertaken in 2019-20¹, further work has been conducted to evaluate the programme's development in 2020-21. This report presents key findings on the impact of the projects and hubs that have received support. Reflecting on the factors that have contributed most, it also considers the effects of Covid-19, and how challenges in the funding landscape may hinder the sustainable growth and effectiveness of the community-led housing sector in future.

Impacts and outcomes of community-led housing projects

From the £4.7 million allocated, Homes in Community Hands has made 38 grants totalling £2.49 million to 33 individual projects. Most of these are located in the five areas where grants have also been made to enabler hubs. A small proportion (15 per cent) are at the early stage of developing their schemes and securing a site. A much larger proportion (over 60 per cent) are in the planning stage, having secured a site they are preparing to develop.² Although only a few projects have been completed, it is already possible to see some notable impacts and outcomes emerging.

Not only will the majority of the 900 or so homes being planned by the 33 funded projects be affordable – categorised as being for 'Affordable Rent', 'Shared Ownership' or 'Social Rent' – but the proportion of affordable housing being provided on site also compares favourably with other government-funded schemes, like the Affordable Housing Programme, and projects within the broader community-led housing sector pipeline.

That only 7 per cent of those 900 homes are for market rent or sale reaffirms the projects' focus on providing accommodation that is suitable and affordable for their communities.

¹ See https://www.powertochange.org.uk/wp-content/uploads/2020/08/PTC_3715_Homes_In_Community_Hands_FINAL.pdf

² There are five stages of a community-led housing scheme, developed by the Community Led Homes consortium, from initially forming the group to housing residents: Group, Site, Plan, Build and Live <https://www.communityledhomes.org.uk/how-do-it>

However, this suggests little use is being made of market housing to cross-subsidise or to provide the finance for additional projects.

The funded projects also have broader objectives beyond providing homes, and reported wide ranging outcomes for local regeneration that have included building skills and employment, investing in commercial spaces and infrastructure and opening up access to more green space. As the broader issues of community control and social cohesion are primary drivers for projects funded through Homes in Community Hands, it is unsurprising that grantee surveys reveal that the potential impacts of community-led housing projects funded by the programme are typically broader than those delivered elsewhere in the sector. This is all the more noteworthy given that more than two-thirds of the projects awarded grants were located in the 20 per cent most deprived areas in England.

The fact that many grantees own other physical assets, or are developing housing alongside other types of asset, raises important questions about how community-led housing might develop in future, and which organisations will play a role. Rather than remain the specialism for a small proportion of community businesses, community-led housing has the potential to become a more mainstream activity for the wider community business sector.

Homes in Community Hands has also enabled projects and their stakeholders to unlock additional funding to increase their reach and impact. Large developments – such as Glencoyne Square led by Southmead Development Trust – have enabled other stakeholders to attract further funding for improvements to community infrastructure and amenities. Similarly, Heart of Hastings' work on community-led housing and broader regeneration plans have helped secure an additional £2 million for a Heritage Action Zone. This will bring empty historic buildings back into use, and provide housing, workspaces, and other amenities that are affordable for residents and business owners.

The growth and strengthening of enabling hubs

A key objective of Homes in Community Hands has been to strengthen the infrastructure of the community-led housing sector, and five enabling hubs have provided crucial support to individual projects funded by the programme, reflecting the distinctive regional context they were established to serve. Interviews with stakeholders revealed some key insights on the challenges and opportunities that have emerged from the programme, and this will help inform the future development of individual projects and the wider sector.

Creating and developing a hub requires considerable effort as policy and governance structures need to be built alongside operational processes. While this is typically the case for those hubs that are created as new standalone organisations, it can also affect those that are hosted by other organisations. Funding from Homes in Community Hands, alongside grants from the government's Community Housing Fund, have been crucial to the operational and organisational development of hubs, many of which made clear that without core grant funding to sustain their operations they would either not exist, or only be able to work in ad hoc ways. Funding has enabled them to employ key staff and associates to work on building their organisational structure and processes, while continuing to support the individual housing projects in their region.

Partnership working has proved to be particularly important – in some areas hubs have established supportive relationships where housing associations have hosted their functions or provided complementary support, and in others strong alliances are emerging with other housing providers.

While successfully establishing and building local capacity, hubs have also shown significant capability to inform and influence policy – for some, securing political backing and policy improvements has been their primary achievement, while others have worked hard to challenge unfavourable perceptions of community-led housing and build understanding

amongst local policymakers of the sector's potential contribution to addressing local housing challenges.

Building awareness and advocacy has involved actively developing relationships with government at a regional level, for example with combined authorities, and informing the development of discrete policies at local authority level. Sitting on regional public land task forces has enabled hubs to connect directly with potential sources of land, and using innovative decision-making approaches that emphasise social value has shaped land disposal policies that have transferred land to community-led housing groups. It is clear that successfully creating such beneficial conditions for community-led housing to grow depends on hubs being able to work beyond their everyday interactions with community-led projects, and they need funds for staff to undertake that work and time to invest in the stakeholder relationships and policy lobbying required.

Hubs have clearly helped expand the community-led housing sector. Hub project pipelines indicate that at least 169 community-led housing projects have received or are receiving support from the hubs, with each hub supporting between 22 and 48 individual projects.

Nearly 3,000 homes are being planned within this pipeline, with more than 2,300 within projects where sites have been acquired or secured, business plans developed or planning approval granted. This is a significant increase on the first year's baseline assessment which estimated that there were fewer than 900 homes in the hub pipeline. These pipelines reflect both the enabling work already undertaken by established hubs, the expanding pipelines of newer hubs, and improvements in the data held by hubs on individual projects. Project interviewees were effusive about their relationship with hubs, whose staff and associates provide significant support and advice, connect them with sources of land and finance, and ensure their organisational and governance models are suitable for achieving their objectives.

Challenges and changes in community-led housing

While the community-led housing sector has expanded in recent years, significant challenges remain which may affect the sector's further growth, and may limit the impacts from the Homes in Community Hands programme.

Alongside the substantive effects of the Covid-19 pandemic, changes in the funding landscape for community-led housing pose a significant threat to the sustainability of hubs. Hubs are understandably keen to continue delivering their services to local community-led groups, not least because of the demand they have helped build through their own awareness-raising and advocacy work in recent years. There is a sense that hubs are at a crossroads – having benefited from substantial investment to create the infrastructure needed to thrive, revenue grant funding is contracting. With the closure of the Homes in Community Hands programme to new projects, and with only small amounts of revenue funding available through the Community Housing Fund (£4 million for 2021/22), hubs face serious challenges. Many hubs will be scaling down their operations and community-led housing projects will find it harder to secure revenue funding and will be competing for less dedicated capital funds to develop their schemes. This potential 'double whammy' may see mergers and consolidation within the hub network and highlights key strategic issues, like how necessary it is for enabling expertise in the sector to be grounded in local contexts and networks.

Our evaluation suggests hubs are exploring other sources of funding, including from local and regional government, fee paying services to partners and deferring income until developments are complete. Some are diversifying activity to create new non-housing income sources, developing their own assets to provide long-term revenue streams, or generating new funds through community share issues. Inevitably, each of these brings its own challenges as public funding remains unpredictable, project fees can take time to be realised, and new services take time to establish. Hubs were innovating and diversifying their income sources, but there

were concerns that the grants received were not sufficient, or had not provided enough time, to develop sustainable business models.

Theories of change and prospects for community-led housing

As part of the evaluation we developed a theory of change for Homes in Community Hands, summarising the inputs, activities, outputs, outcomes and impacts the programme aimed to achieve. These anticipated changes drew on qualitative and interpretive observations, rather than quantifiable measures, and our report reviews and reflects on what has been emerging as a result of the programme alongside other factors.

Decisions about budgets – including shifting resources to support community businesses through Covid-19 – meant that funding available through the programme was less than originally foreseen and closed for new projects sooner than anticipated. Inevitably, this had an impact on the change process that we originally theorised. Fewer community-led housing groups will receive funding through the programme, and funded projects seem to be making slower progress, particularly those at an earlier stage. The closing of grants for enabler hubs represents a financial ‘cliff edge’ that will make it increasingly challenging for them to become sustainable.

More optimistically, changes linked to the programme suggest progress is being made by both hubs and individual projects. As hubs draw on a variety of funding and provide a diverse range of services it is difficult to assign responsibility for those changes to any single programme, but it is clear that Homes in Community Hands grants have enabled hubs to formalise partnerships with developers, landowners and public authorities, and build community interest in community-led housing through effective promotion and partnership working. In some hub areas, community-led housing has favourable access to land through local authority disposal policies, and in others there are signs of increasing political interest and buy-in for community-led housing as a consequence of delivery and lobbying by the hub. More homes in hub pipelines suggest all this work is paying off.

Encouragingly, some of the broader outcomes envisaged for the funded projects are beginning to materialise as they progress through development to completion, with evidence that participating in projects effectively builds people’s skills and progression into local leadership roles.

In exploring community-led housing from the perspectives of individual projects, enabling hubs and policymakers in a variety of circumstances, the evaluation reveals a great deal about what is possible in enabling new community-led housing in distinctly different areas. However, there are still gaps in what we know, and these will be the focus for the third year of the evaluation. These include: understanding the impact of funded projects not only on those involved in developing the projects, but also on those accessing the housing itself; the nature and effectiveness of hub support for different types of community-led housing; the impact of efforts to change local conditions for community-led housing; and how hubs can ensure their financial sustainability in future.

Introduction

Over the past six years Power to Change has provided significant support to community business in England, all in pursuit of creating better places. Power to Change is using its endowment to increase the number of community businesses in England, catalyse the place-based impacts of these organisations, and play a wider role in advocacy for the sector. It has invested heavily in organisations undertaking community-led housing (CLH), through its Homes in Community Hands programme, which is the focus of this report. These groups are – generally speaking – run by local volunteers and staff and seek to address local housing issues, notably through the provision of affordable housing. CLH takes many forms, and these initiatives can target differing outcomes and models of governance, but a set of defining characteristics has emerged in recent years. Community Led Homes, the partnership of national bodies supporting this movement, define CLH as being where:

- i. Open and meaningful community participation and consent takes place throughout the process.
- ii. The community group or organisation owns, manages or stewards the homes in whichever way they decide to.
- iii. The housing development is of true benefit for the local community, a specific group of people (an intentional community) or both. These benefits should also be legally protected in perpetuity.³

Power to Change has also played a key role in developing the evidence base around CLH⁴ and helping the national partnership make proposals to government about future funding.

1.1. The context for the programme

Recent years have seen significant interest in CLH, from a variety of audiences. From policymakers to politicians, to people simply keen to see improvements to land and housing in their area, CLH has found traction in a context of various housing crises.

³ Community Led Homes (2020) What is Community Led Housing? Accessed at: <https://www.communityledhomes.org.uk/what-community-led-housing>.

⁴ This includes supporting studies into [funding for CLH](#), the [value for money of investment in CLH](#) and the [relationship between CLH and health outcomes](#).

More funding and finance has also flowed into the sector from different sources.⁵ New forms of institutional lending are still emerging,⁶ alongside new models for raising funding and finance from local communities⁷ and through public bodies. In 2018 the sector secured commitment from the government to create a Community Housing Fund, providing revenue and capital grants to CLH groups, but also funding to develop the infrastructure of support. This has led to new strands of work to create a CLH enabler training and accreditation system, a new fund for start-up support for groups, a national CLH advice centre and, crucially for this evaluation, dedicated grant funding for enabler hubs. Community Housing Fund (CHF) grants were allocated to hubs by early 2020, providing them with revenue support until 2021.

CHF funding for local CLH projects was constrained by deadlines which became compressed as the fund was late launching. Groups had between September 2018 and the end of 2019 to apply, with revenue funding significantly oversubscribed. The capital side of the fund was underspent, as schemes funded with revenue support could not progress quickly enough to access it. Significant effort was invested by sector stakeholders in securing a longer-term funding commitment. However, the Covid-19 pandemic interrupted this, as new priorities emerged for public finances and spending plans focused on the ongoing emergency. In January 2021 the government announced the availability of £4 million in revenue support,⁸ which was welcomed but far short of the projected need of £29 million–£53 million.⁹

The sector is now wrestling with how a significant pipeline of CLH projects can be delivered, in the absence of large-scale revenue support. And this reduced availability of funding has coincided with wider social and economic change in the form of the ongoing pandemic. This has affected the willingness and ability of (some) CLH groups to progress their schemes. The contextual picture for CLH is therefore vastly different from that in our Year One evaluation report, and this report provides insights into how groups and enabler hubs are swimming against the prevailing tide to develop CLH. It is important that the benefits of this recent wave of state support for CLH are carried forward, learning lessons from past experience (such as that related to the Co-operative Housing Agency's investment in the 1970s). This experience suggests it can be challenging to preserve momentum once ring-fenced funding goes.

1.2. A brief introduction to the Homes in Community Hands programme

The Homes in Community Hands programme has three clear objectives:

- i. To simplify the process of community-led housing development to mobilise a movement of community-led housing projects so that people are inspired and enabled to develop successful local solutions to housing problems.
- ii. To create an appropriate and sustainable infrastructure of support for community-led housing projects and local authorities to access.
- iii. To develop the funding for community-led housing so projects at any stage of development or delivery can transition between different types of funding from start-up grants, pre-development, community shares, social or mainstream investment.

⁵ See [Targeting funding to support community-led housing](#).

⁶ For instance, [The Community Led Housing Fund](#).

⁷ For instance, through [community shares](#) or local authority prudential borrowing.

⁸ See <https://www.gov.uk/government/news/all-new-developments-must-meet-local-standards-of-beauty-quality-and-design-under-new-rules>

⁹ See <http://www.communitylandtrusts.org.uk/article/2020/11/10/creating-lasting-clh-legacies-the-road-to-2025-and-beyond>

To deliver these objectives the programme is providing grants to help community businesses build or refurbish affordable housing designed to meet local needs. It is investing directly in local CLH groups to enable them to develop their organisation and their housing scheme, while also providing grants to enabler organisations, and others who can help groups realise their schemes.

The programme had initially aimed to offer £5.8 million in revenue funding from 2019 to 2021 to support CLH in England. Some capital funds would also be available to a limited number of grantees. The fund has targeted five sub-regional areas: Leeds City Region, Liverpool City Region, Tees Valley City Region, West of England and the West Midlands (seven core urban authorities). However, additional funding has been made available to innovative CLH projects anywhere in England. Alongside such grant making, funds from the Homes in Community Hands programme have supported various other activities, including a programme of learning and support for enabler hubs, which have not been the focus of the evaluation so far, but may in future years.

1.3. The aims of this report

This is the second report from the research team evaluating the Homes in Community Hands programme. Building on the baseline set out in Year One, this report details some of the specific outputs and outcomes being generated by grantees, looking at the contribution of the Homes in Community Hands funding. It also delves deeper into the experiences of CLH groups and hubs, to share key learning and to support the further development of the sector.

1.4. A summary of methodology

This report draws on various data collected through the course of 2020 and to March 2021, including:

- Ten interviews with a purposive sample of funded projects, as well as projects that were not funded by the programme but supported by the enabler hubs.
- A survey of project grantees (completed by ~40 per cent of project grantees).
- The most recent and available monitoring reports from project grantees (23 projects).
- The most recent interim reports from hub grantees, containing information on their deliverables and expenditure (5 reports).
- Recent data from hub grantees on the projects they are supporting, and/or the pipeline in their area (5 tables/pipeline statements).
- Twenty-four interviews with a range of staff, associate enablers, board members and partners of hub grantees.
- Programme management data provided by Power to Change.
- Data provided by third parties on funds and projects which are match-funded by Power to Change through the Homes in Community Hands programme.

This information has been synthesised to provide two types of content in this report; that which helps us understand the programme (its inputs, the activities funded and emerging outputs from grantees), and content that helps us learn about how projects and hubs have developed in their local context, how they are operating, and what the wider CLH sector might learn to effectively develop and enable CLH.

In the following section we set out the broad 'theory of change' for the programme, as developed collaboratively with Power to Change and stakeholders in 2018, considering changes and the impact of moderating factors on this theory. This is followed by a detailed assessment of the evidence concerning project grantees, and the deeper learning from qualitative research with them. We then synthesise various evidence from the hub grantees to assess their activities, outputs, outcomes and emerging impacts, before sharing some rich insights from the range of interviewees engaged in enabling activity or partnering with the hub.

Theory of change and research framework

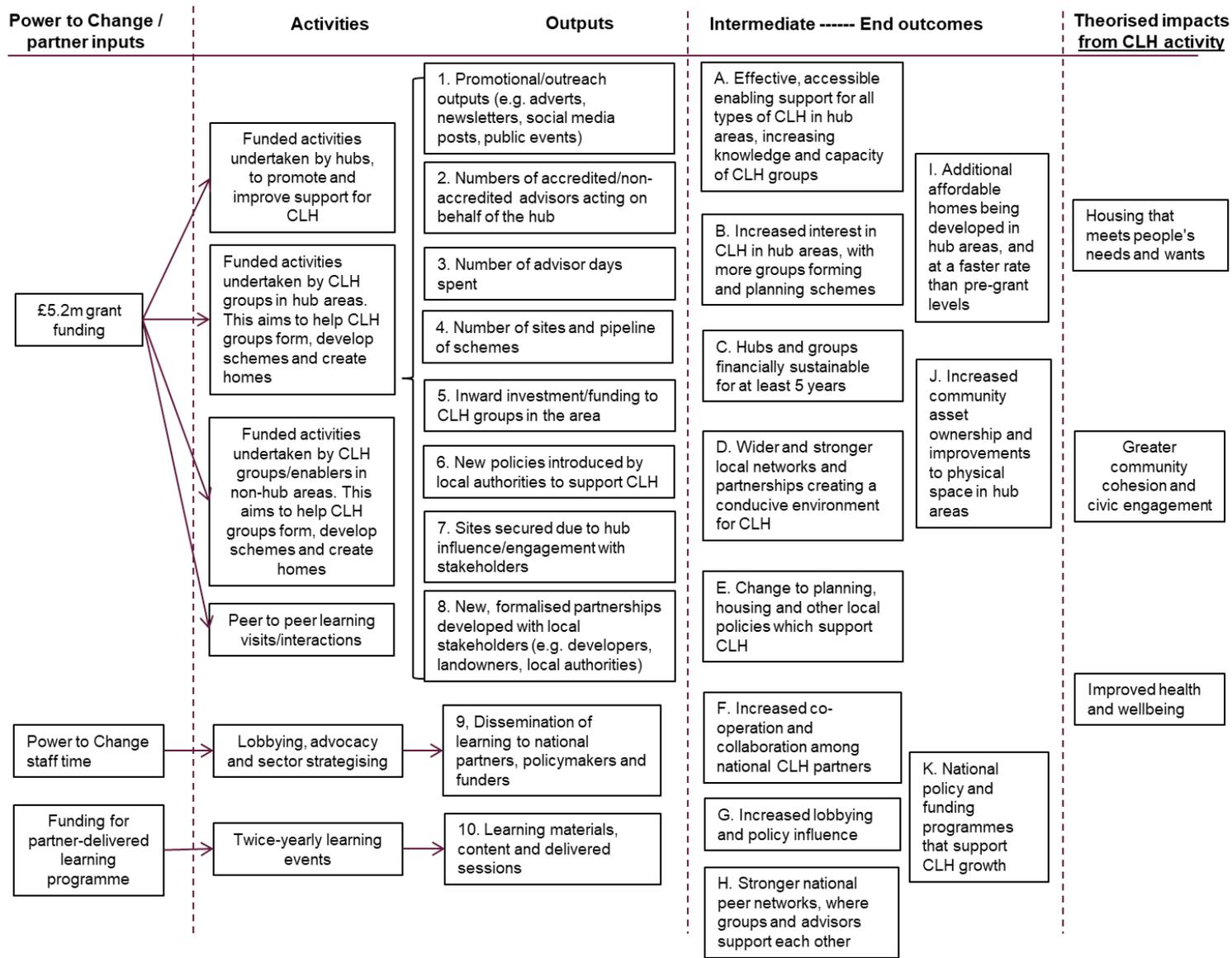
2.1. Programme theory of change

The evaluation is guided by a theory of change for the programme, within a more detailed research framework setting out the questions asked and the data to be collected. This approach was developed in 2019 in consultation with Power to Change and sector stakeholders. A key component of the research framework is a logic model that depicts the anticipated connection between programme inputs, activities undertaken, outputs generated, outcomes secured and the impacts in various forms.

Figure 1 presents this logic model. It tries to capture, primarily, the activities that will be undertaken by enabler hubs and funded projects, and the largely quantitative outputs to which these activities contribute. These relate to broader outcomes covering both housing production and changes in the landscape for CLH. The impacts used are those agreed by the Community Led Homes partnership, adopted wholesale in this study to aid alignment with any other reviews or evaluations.

Our Year One report identified some of the short-term effects of the coronavirus pandemic. This Year Two report picks this up in much more detail, helping us understand how the combination of the pandemic and funding cuts and uncertainties have affected grantees and the wider sector, and the potential outcomes and impacts of their work.

Figure 1: The initial theory of change logic model



2.2. Moderating factors

To understand the factors – external to the programme – that can affect change at different stages in the logic model, various moderating factors have been projected (see Appendix 1). Firstly, both hubs and CLH groups are likely to be in receipt of multiple grants, which means that any outcomes from their work cannot be *solely attributed* to the Homes in Community Hands programme. Our approach is to try to understand the *contribution* of the grants to the outcomes seen.^{10,11} This means understanding what would have happened had the grants and support *not* been provided. These reports are part of developing a ‘contribution story’ that builds up evidence about the contribution made by an intervention, alongside the potential influence of other factors on an outcome.

These external or moderating factors are more significant than we ever foresaw at the start of the evaluation. Two moderating factors have combined to make the resourcing of CLH projects and enabling support significantly more difficult:

- i. **Covid-19** – As discussed in more detail later in the report, the pandemic has had a multifaceted effect on CLH projects, reducing volunteer time and appetite to develop schemes, and creating financial uncertainties that mean CLH groups are less willing to invest. Enabler hubs have felt the secondary impact of this, as group formation and development has slowed, creating a potential lag in revenue and capital receipts from completed schemes. Within this, other stakeholders have been affected by the pandemic, with this having further knock-on effects. For instance, as capacity within some planning authorities has become even more stretched, or the priorities of local authorities have adjusted to the emergency, so CLH schemes have struggled to progress.
- ii. **The delay and reduction in Community Homes Fund grants** – Allied with the ongoing pandemic, other financial uncertainties have been introduced. It was anticipated that in Spring 2020 the government would extend the Community Housing Fund, which provided revenue and capital funds for CLH. This did not happen, and a scaled-back revenue support programme of £4.2 million was announced in early 2021. This has meant that in 2020 groups have had fewer resources to fund activities often required to develop schemes, for instance, to cover legal advice, help with financial planning, architects fees and planning costs. Indirectly, this lack of revenue support has hollowed out the revenue flowing to enabler hubs, who have often provided the above support to generate income. On the capital side, the end of dedicated capital grants has meant it is more difficult to finance tenures except by securing more general housing grants via the government Affordable Homes Programme.

Throughout this report we reflect on how these major moderating factors affect the ability of grantees to deliver their intended outcomes. In Section 5 we draw on this learning to reflect on the theory of change, defining what we think is now a realistic vision of change.

¹⁰ Mayne, J. (2011) Contribution analysis: addressing cause and effect, in K. Forss, M. Marra and R. Schwartz (eds.) *Evaluating the Complex*. (New Brunswick: Transaction Publishers).

¹¹ Dayson, C. (2017) *Evaluation of the Early Action Neighbourhood Fund: Insight Report 1 – Exploring Small N Approaches to Attributing Impact*. (Sheffield: CRESR).

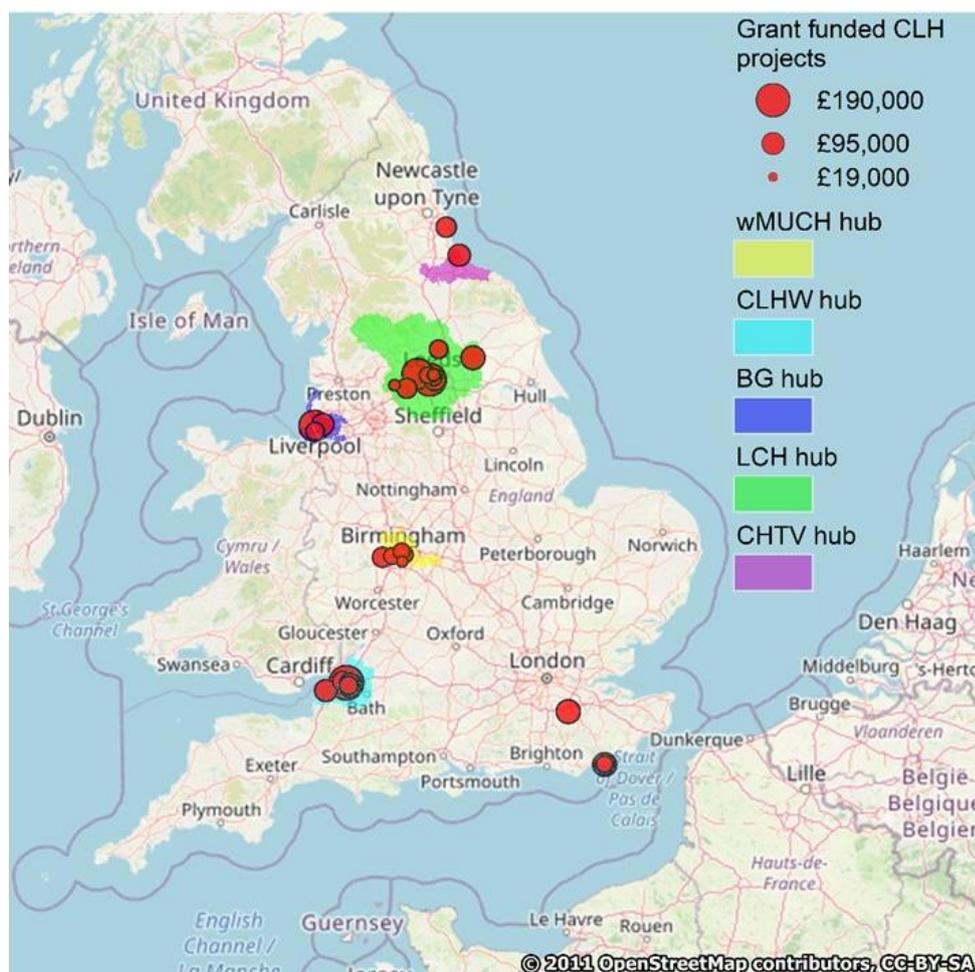
Community-led housing projects

The following section explores the work of project grantees, using a range of evidence to understand their activities and the types of output, outcomes and impacts they may be having. We draw on a dedicated survey of project grantees, recent programme monitoring data, as well as semi-structured interviews with grantee representatives, to delve deeper into their realities, to learn from experiences and the barriers and opportunities faced.

3.1. Funded projects

To date a total of £2.49 million in project grants has been awarded. This represents 38 grants to 33 individual projects, constituting just over half (53 per cent) of all grants awarded through the programme. These projects are largely located in the grant funded enabler hub areas (Figure 2).

Figure 2: Project funding and distribution (England)



Source: Power to Change programme data

Note: **BG** hub – Breaking Ground, **CHTV** hub – Community Homes Tees Valley, **CLHW** hub – Community Led Homes West, **LCH** hub – Leeds Community Homes, **wMUCH** hub – West Midlands Urban Community Homes.

Over two-thirds of the projects awarded grants were located in the 20 per cent most deprived areas in England and this will have implications for the future impact of the programme and likely beneficiaries.

Around half of the project grantees are formed as community benefit societies, with another third as companies limited by guarantee, some of which have charitable status. Our survey of projects suggests the vast majority define their area of benefit as specific neighbourhoods or wards, with some notable exceptions where the area of benefit is defined as a local authority or sub-region.

This is reflected in the composition of boards, as nearly three-quarters of board members live or work in the area served by the organisation, and within wider memberships where over 90 per cent of members are from the area served. This highlights both the local focus of funded organisations and projects, but also the high level of local involvement. Analysis of responses to the project survey suggests these organisations have nearly 1,000 members collectively, demonstrating significant local buy-in to grantees' objectives and, in some instances, a willingness among local members to help capitalise these organisations through share purchases.

One significant feature of the funded projects is the prior ownership of existing assets. All but three of the 12 projects surveyed own or manage physical property ranging

from houses, shops, community centres, business and retail space, to health and sports facilities. This is likely to distinguish them from the wider pipeline of CLH projects, given the age and maturity of organisations developing these. This is significant, as it has a bearing on several issues associated with project viability, replicability and impact, as discussed further in the report.

One other significant feature of funded projects, specifically those who responded to our survey, is their financial outlook. Two-thirds see their organisation’s financial health as ‘good’ or ‘very good’, with another third stating this was ‘neither good nor poor’. No survey respondents saw their financial health as ‘poor’. Similarly, nine out of ten respondents saw their financial health as improving or staying the same in the coming three years, with only one projecting it to worsen. This is quite remarkable given the survey took place during the January 2021 Covid-19 restrictions. There is a possibility that those who did not respond to the survey are more likely to be suffering financial challenges.

There is growing evidence that ownership and management of housing assets, alongside other assets, is an important factor in financial health. Analysis of financial health data captured in the ‘Our assets, our future’ research shows just that.¹² Although gathered prior to the Covid-19 pandemic, this data suggests that among the whole sample of responses from community assets, 46 per cent rated their financial health as ‘good’ and 29 per cent as ‘very good’. Among the sample of those assets that were involved in housing provision, 29 per cent rated their financial health as ‘good’ but 47 per cent rated their financial health as ‘very good’. With substantially higher proportions providing the rating ‘very good’, the role of housing assets in broader financial health may be important. It hints at the potential gains that community anchors and other community businesses might make if mainstreaming housing projects and provision. Whether in the post-pandemic world housing projects are still a viable diversification for these organisations is an issue worthy of deeper investigation.

3.2. Project progress, expenditure and activities

Using data from our project survey, recent monitoring reports and online searches, we identified the development stage of funded projects. Table 1 shows three-fifths of projects are in the ‘Plan’ phase, where a site is secured and the process of obtaining planning consent and entering contracts is in progress. Just over one in ten projects are known to have discontinued, and this may be higher given the unknown status of five projects.

Table 1: Development stages of projects with known status

| Stage | Number of individual projects with known status | Proportion of projects with known status |
|--------------|---|--|
| Group | 1 | 4% |
| Site | 3 | 11% |
| Plan | 18 | 64% |
| Build | 2 | 7% |
| Live | 1 | 4% |
| Discontinued | 3 | 11% |

Source: Power to Change programme data, grantee project survey and desk searches

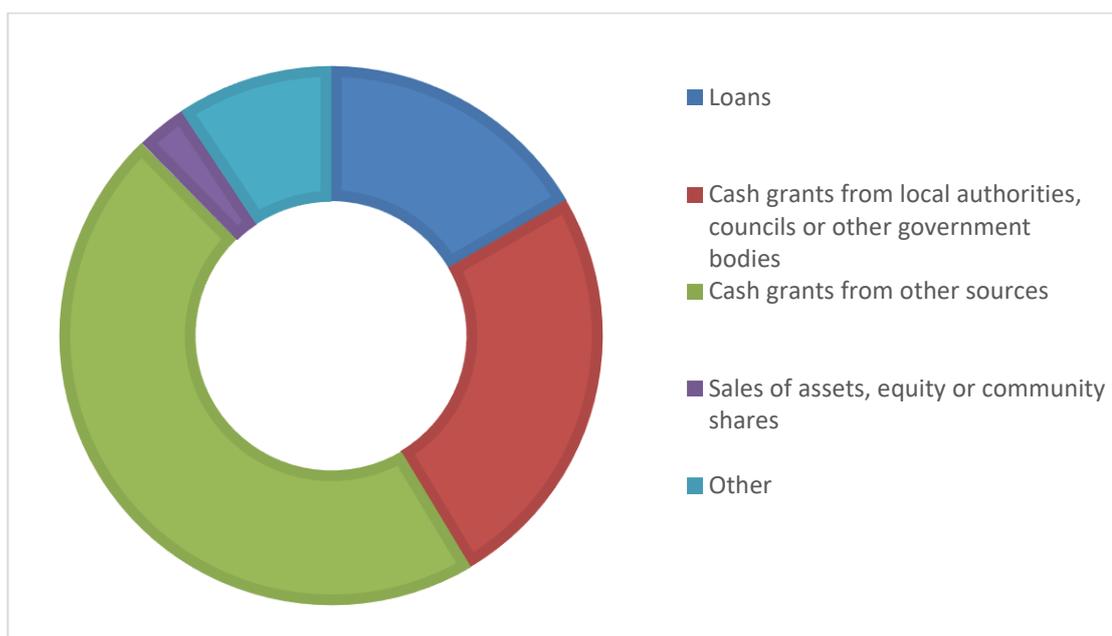
¹² CRESR (2019) Our assets, our future: The economics, outcomes and sustainability of assets in community ownership.

With 70 per cent of projects in the 'Plan' and 'Build' phase, we can expect a number of these projects to deliver schemes in the coming years. Hence the bulk of the housing and wider wellbeing impacts for residents and wider communities are yet to be felt.

Among the projects surveyed, eight knew the price of the site or property they were acquiring. Half had or were expecting to pay nil cost, as the land or property would be asset transferred, one other expected to pay a sub-market price, and another three expected to pay full market price. This is similar to the patterns seen in previous Capital Economics work.¹³

The Homes in Community Hands projects surveyed seem to be heavily reliant on cash grants (either from governmental or other sources) and far less likely to be borrowing money than the broader range of CLH projects surveyed in the Capital Economics study. This may be related to their stage of development, as most are yet to be on site and have not had to raise development finance, or simply reflect preferred financial models and ways of funding projects for which those organisations have prior experience. Irrespective of this, it could make them susceptible to uncertainties in different funding streams, notably the Affordable Homes Programme. However, it may mean projects are also less reliant on debt and the risks of over-leveraging. As projects progress to development in the coming years we hope to track changes in their sources of funding and finance.

Figure 3: Sources of funding and finance



Source: Grantee project survey. Base=10 projects

One important insight is that, with cash grants making up nearly half of the funding secured by those surveyed, the contribution of Homes in Community Hands is large indeed. In fact, Homes in Community Hands funding makes up the bulk of this funding and finance, making the programme's grants a crucial facilitator of project development. This is corroborated with qualitative insights in the deeper learning section below.

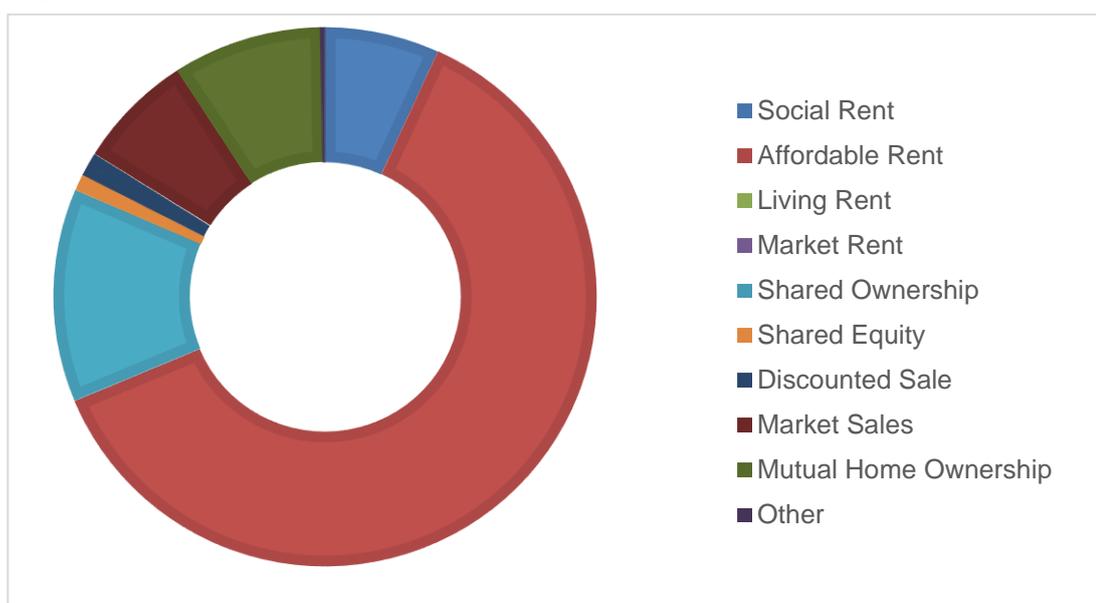
¹³ Capital Economics (2020) Housing by the community, for the community: An assessment of the value for money of community-led housing in England. Accessed at: <https://www.communityledhomes.org.uk/sites/default/files/resources/files/2021-02/final-report-capital-economics-housing-community-community-sept-2020.pdf>

3.3. Housing outputs, outcomes and impacts

Our baseline report in 2020 suggested that grantee projects were aiming to develop approximately 1,000 homes between them. A year on, and with more detailed evidence from surveys and monitoring reports, we estimate the total number of planned homes to be approximately 900. Several projects appear to have halted or discontinued; the result of board-level decisions about risk, but also in light of landowners rejecting proposals in favour of other developers. Several have also seemingly reduced the number of planned homes. One large project will see c approximately 70 fewer affordable homes built than planned, which we can see by comparing recent survey responses and the original application.

Using evidence available on housing tenure from 20 of the funded projects, it appears 'Affordable Rent' is the preferred option, along with other standard products such as 'Shared Ownership' and 'Social Rent'. Only seven per cent of planned homes are for 'Market Rent' and 'Market Sale'. This perhaps relates to the availability of dedicated capital grants for CLH projects in the recent past, but also the desire to maximise affordable provision on a given site (discussed below). As project finances get squeezed in the absence of capital grants for CLH, it will be important to track increases in Market Rent homes as a means of making projects viable.

Figure 4: Planned homes by tenure



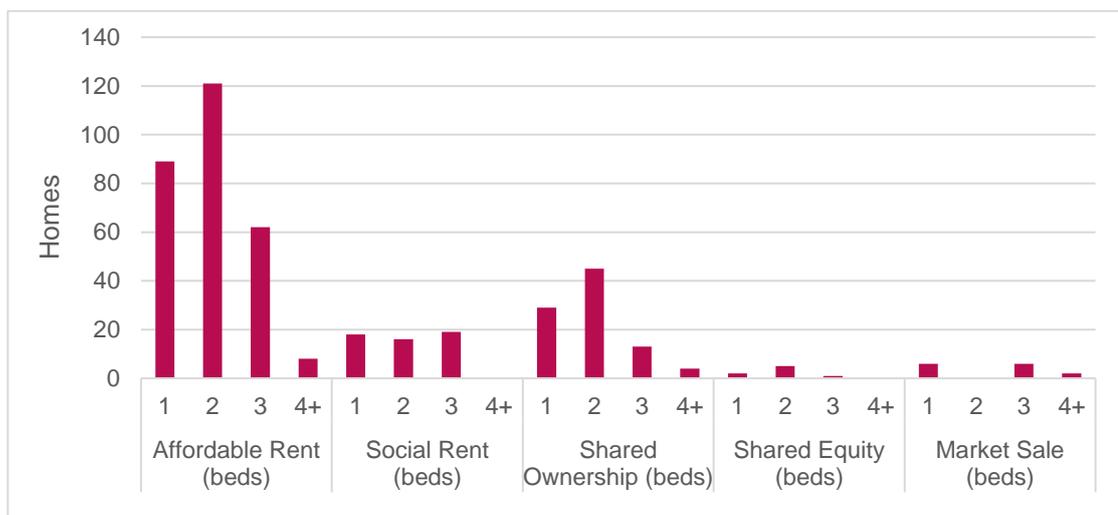
Source: Power to Change programme data, grantee project survey and desk searches

At the time of writing, none of the funded projects had fully completed their development schemes. One had partially completed a series of property renovations, and another new-build scheme was entering a self-finish phase.

Our project survey captured more detailed information on 12 schemes, helping understand the size, planned tenure and pricing of the homes planned. Smaller properties (1 and 2 bedroomed) account for nearly three-quarters (74 per cent) of this total, with large properties (4 or more bedrooms) constituting only 3 per cent of planned homes. For those surveyed, nearly two-thirds of planned units will be Affordable Rented homes. Another fifth are planned as Shared Ownership. A tiny proportion of planned units in our survey sample will match market sale and rental prices (3 per cent). This has profound implications for housing impacts such as affordability, but also for project financing and the potential for cross-subsidy, and on the social mix within such developments when completed. This tenure pattern is also in stark contrast with

other affordable housing provision, and the wider CLH pipeline, discussed further below.

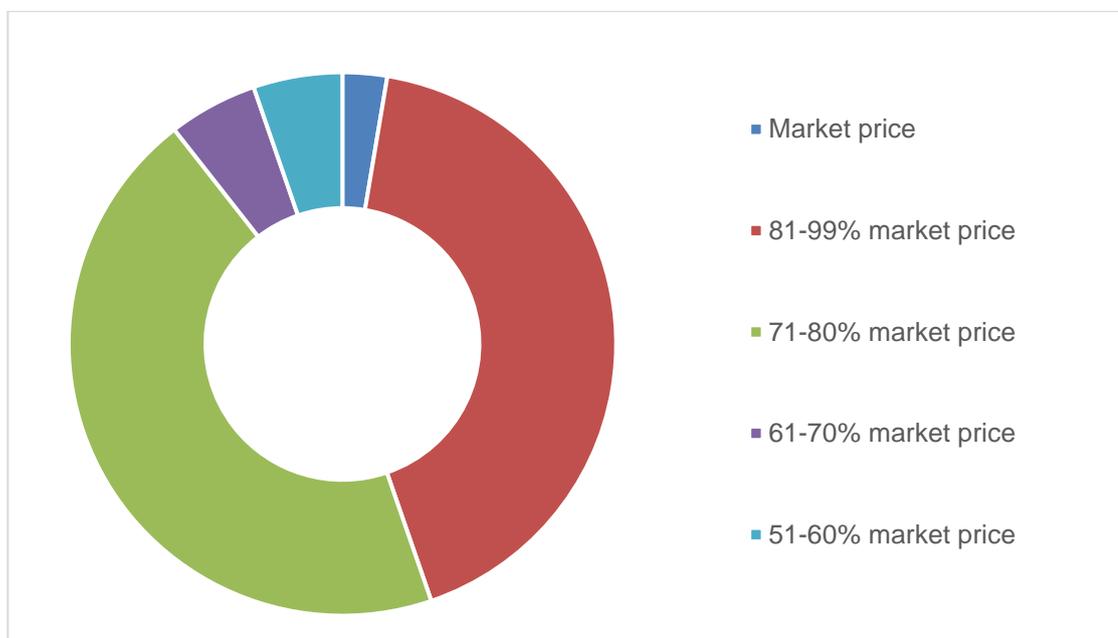
Figure 5: The size and tenure of planned homes



Source: Grantee project survey. Base=12 projects

Historically, there has been a lack of information about the affordability of CLH. Important research conducted in 2020 sought to define the pricing of community-led housing against market prices.¹⁴ Our survey of respondents reveals how, across the planned rented and sale properties, the vast majority of units will be below market price, and over 55 per cent are planned to be lower than 80 per cent of the wider market (Figure 6).

Figure 6: The pricing of planned rented and for sale homes



Source: Grantee project survey. Base=12

¹⁴ Capital Economics (2020) Housing by the community, for the community: An assessment of the value for money of community-led housing in England. Accessed at: <https://www.communityledhomes.org.uk/sites/default/files/resources/files/2021-02/final-report-capital-economics-housing-community-community-sept-2020.pdf>

With only 3 per cent of units in our survey sample priced to match the market, this enables us to draw certain conclusions. In proportional terms these projects may deliver far more affordable homes on a given site than the wider CLH pipeline, and significantly more than schemes funded under the government's Affordable Homes Programme (AHP). In 2019/20 approximately 30 per cent of completed units in these AHP funded schemes were for market housing.¹⁵ This raises questions for these projects, identified above, as to whether they should explore market options where the viability of their schemes is marginal.

While developers may argue market-priced homes are used to fund further developments on other sites (an issue which is subject to debate), this does not affect the argument about on-site levels of affordability. Some Homes in Community Hands funded projects are using market sale for instance to cover large infrastructure costs, but the vast majority are not. This tells us that projects funded under the Homes in Community Hands programme could deliver significant *additional* affordable homes on a given site compared with other developers. This concept of additionality is crucial when understanding the potential impact of this programme. It may be argued that more public money in the form of government grants is required for these CLH projects, and this may be the case where projects have received both revenue and capital grants. But then evidence also suggests CLH schemes add value through unique social impacts, and by catalysing the development of sites that would not otherwise have been brought forward.¹⁶

Given the majority of planned units are for Affordable Rent, typically priced at 80 per cent of market rents, we sought to test whether pricing at this level would be genuinely affordable. We used the test of rents being less than 35 per cent net incomes to do this, using median local authority rents as the basis and accounting for property size. Table 2 shows the affordability of those planned homes to local residents if they were priced at 80 per cent of median rents in the local authority.¹⁷ The green boxes indicate affordable prices, and red where affordability is stretched. Generally, the planned Affordable Rent homes are affordable on local household incomes, though larger properties stretch this, as do smaller homes in areas with low incomes but higher median rents in the wider area.

¹⁵ Homes England (2020) Housing Starts on Site and Completions by Programme and Tenure, England (excluding Help to Buy and non-Homes England London delivery).

¹⁶ Capital Economics (2020) Housing by the community, for the community: An assessment of the value for money of community-led housing in England. Accessed at: <https://www.communityledhomes.org.uk/sites/default/files/resources/files/2021-02/final-report-capital-economics-housing-community-community-sept-2020.pdf>

¹⁷ We use incomes at the Middle Super Output Area (MSOA) to calculate this. This data is only updated periodically, and we used the most recent income data for 2018 for each area where respondents were developing their schemes.

Table 2: The affordability of planned Affordable Rented homes

| | | Price if 80% median rent within local authority | | | |
|-----------------------------------|---|---|-------|--------|--------|
| Homes in Community Hands grantees | Monthly rents affordable at 35% net household incomes | 1 bed | 2 bed | 3 bed | 4+ bed |
| Grantee 1 | £764 | £328 | £396 | £440 | £680 |
| Grantee 2 | £648 | * | £580 | * | * |
| Grantee 3 | £645 | £688 | * | * | * |
| Grantee 4 | £1,059 | £680 | £876 | £1,060 | £2,000 |
| Grantee 5 | £793 | £688 | £880 | * | * |
| Grantee 6 | £957 | £320 | * | £460 | * |
| Grantee 7 | £796 | £320 | £880 | £960 | £1,480 |
| Grantee 8 | £534 | £520 | * | * | * |
| Grantee 9 | £674 | £360 | £448 | £540 | * |
| Grantee 10 | £688 | * | £361 | £420 | * |

Source: Project survey and ONS, 2018

Note: * denotes that no homes are planned of this size.

It should be noted that the above relates solely to homes planned for Affordable Rent. Many others are planned for Social Rent which will likely achieve higher levels of affordability. Indeed, from the survey we know that approximately 40 planned homes are intended to be charged at less than 80 per cent market rents.

Five out of the 12 projects surveyed anticipated that at least three-quarters of future residents in their housing would be from the defined area of benefit for the project. As noted above, the projects' areas of benefit were generally defined as neighbourhoods or wards. This is an important finding as it suggests the funded projects are not solely aimed at meeting a localised housing need, and anticipate meeting other needs present in the local authority or further afield. Projects may give nomination rights and align with local authority allocation policies, and so we would expect a high level of beneficiaries to be from the wider local authority area. However other projects may seek to control allocations to ensure the housing serves a distinct community. For some of the funded projects this is an interesting issue as there is an explicit aim to attract people into areas as part of local community rebuilding.

3.4. Wider outputs, outcomes and impacts

While Homes in Community Hands funded projects are intending to deliver significant additional affordable housing, our data collection also reveals that these projects have broader non-housing objectives compared with other CLH projects. This suggests that these funded projects may have significant impacts on local people and surrounding places beyond the benefit of housing provision. On a simple financial basis, the planned expenditure of funded projects will contribute to local economies. Community asset owners have been shown generally to direct their expenditure to local suppliers, and if this were the case with Homes in Community Hands funded projects these would help boost local economies.¹⁸ Across the projects surveyed, eight were able to outline

¹⁸ Our assets, our future: The economics, outcomes and sustainability of assets in community ownership (2019). Accessed at: <https://www.powertochange.org.uk/wp-content/uploads/2019/07/Assets-Report-DIGITAL-1.pdf>

the overall development costs. If this is grossed to all project grantees in the programme, then we anticipate development expenditure in the region of £270 million, should all projects reach the development stage. Further economic benefits will be derived from new jobs, made possible by the Homes in Community Hands funding to projects, but also through hubs, for instance, in the Tees Valley where around 50 per cent of pipeline projects have intended employment and training as well as housing impacts. Within the projects surveyed, grants have funded more than 570 hours of staff time, on average, supporting new and continued employment through the projects themselves.

As noted previously the grantees surveyed were, generally speaking, owners of existing assets, and this perhaps explains their focus on more than just affordable housing. Grantees owned, leased and managed other homes, community centres, almshouses, leisure facilities, offices, cafés and play facilities. And this focus on non-housing assets is mirrored in the planned development expenditure of projects funded by the programme.

Looking at those schemes where development expenditure was itemised, we can see large proportions being spent on non-residential space. One grantee plans to spend nine per cent of their development budget on facilities to host public services, and a further four per cent on greenspace, agriculture, and outdoor leisure facilities. Another grantee is investing 17 per cent of their total expenditure on such outdoor space. Other investments include improvements to highways and other infrastructure, including energy provision. This gives further insights not only into economic impacts, but also the broader social and environmental value of planned projects.

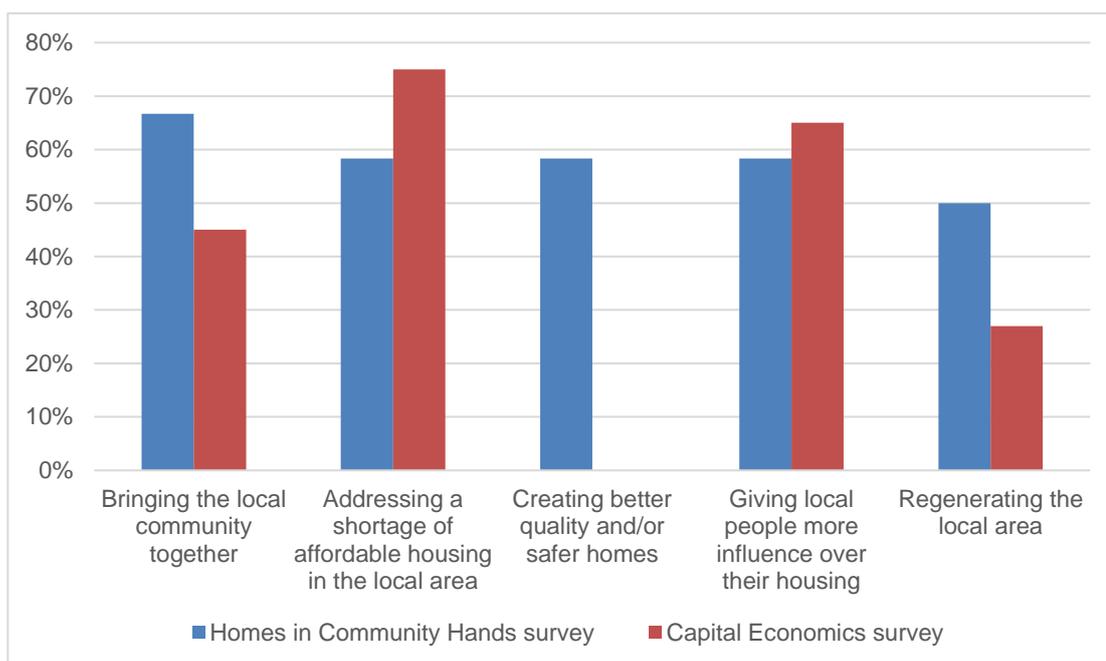
We asked funded projects whether they would be providing services to specific groups,¹⁹ mirroring similar questions in previous research.²⁰ While our survey captured the plans of only a subset of those funded by the programme, three-fifths already, or intend to, provide training to improve skills for employment. This is in marked contrast to projects surveyed in the Capital Economics study in 2020. Here only 19 per cent of projects were targeting these benefits. Indeed, on all the services specified above, a greater proportion of Homes in Community Hands funded projects are providing, or intend to provide, these additional services compared with the Capital Economics sample.

This is important as it is another piece of evidence to suggest Homes in Community Hands projects will impact in different ways, and for different groups, from the broader CLH sector. This evidence is corroborated when analysing and comparing responses on intended impacts and reasons for developing projects. Figure 7 outlines the different priorities and intentions of Homes in Community Hands grantees compared with the sample of projects surveyed by Capital Economics in 2020.

¹⁹ This included: help with finding employment; training to improve skills for employment; support for older residents; support for those with disabilities; support for those experiencing mental health issues; and support for those experiencing substance abuse issues.

²⁰ Capital Economics (2020) Housing by the community, for the community: An assessment of the value for money of community-led housing in England. Accessed at: <https://www.communityledhomes.org.uk/sites/default/files/resources/files/2021-02/final-report-capital-economics-housing-community-community-sept-2020.pdf>

Figure 7: Impacts and intentions (Homes in Community Hands survey sample and Capital Economics sample)



Source: Project survey and Capital Economics survey data

Note: Percentage scoring the issue a '5' for importance on a five-point scale, where '0' was not at all important, and '5' was very important. 'Creating better quality and/or safer homes' was a category introduced in our Homes in Community Hands project survey, and not used in the Capital Economics study.

The key finding from this comparative analysis is that while addressing affordable housing remains a priority for Homes in Community Hands projects, issues of community cohesion, local control of housing and the quality and safety of homes are more significant motivations for those projects. This contrasts with the Capital Economics sample where affordability was the key driver, alongside environmental impacts and security of tenure. This is instructive as it suggests future work in the evaluation should focus on the impacts on individual participants and residents, to assess how involvement affects them, and what additional activities this catalyses their involvement in.

3.5. Other funding

Homes in Community Hands funding has supported the Cohesive Communities Fund (CCF), run by the National Community Land Trust Network (NCLTN). The Fund aims to support community land trusts (CLTs) to develop their technical skills, access technical support and boost their capacity, and in so doing, championing 'projects and individuals not usually part of CLTs and supporting them to broaden their outreach and promote best practice within community development'.²¹

A total of 16 projects were funded (see Figure 8), receiving a revenue grant of up to £15,000 and an allocation of £5,800 for technical advice services. The total allocation of grants is £333,000, within a broader project budget of £461,000, allowing for some expenditure on events and communications, staffing and social impact measurement.

²¹ NCLTN (2021) Cohesive Communities Fund annual report to Power to Change.

The value of the Homes in Community Hands' contribution was £240,000, or just over half the total project budget.

Figure 8: Cohesive Communities Fund funded projects (England and Wales)



Source: NCLTN (2021)

With no dedicated evaluation of the Fund, and in light of delays arising from Covid-19, the impacts from these grants are still emerging. Recent scoping reports highlight how the funding has created paid staff for projects who actively attract and recruit new and more diverse memberships, improve member induction processes and increase communications with them. This boost to capacity, according to NCLTN's recent scoping report, has helped improve governance and communication, enabling projects to reach a broader range of audiences. Examples are cited of the funding being used for mass consultation exercises, more detailed local housing needs assessments, and supporting projects developed by minoritised ethnic communities and LGBT+ communities.

Given the focus on diversifying involvement in CLH projects, and the groups who benefit from them, the barriers to greater involvement by minoritised groups has been highlighted by programme managers. There is as yet no quantitative evidence from the programme as to whether it has increased diversity or leadership of projects by specific groups or individuals. Further research is being commissioned to understand the barriers to this in more detail.

In our Year One report, we also identified the key contributions Power to Change was making to other funding and finance mechanisms for CLH, including capitalising CAF Venturesome's CLT Fund II scheme. This had, at the time, offered grants and loans to CLH groups developing 243 homes. Power to Change has been instrumental in the development of a new community-led housing fund, run by CAF Venturesome. Allocated £500,000 of investment, CAF Venturesome has so far supported an additional three CLH projects creating 36 more affordable homes, as well as providing more support to an existing scheme from the CLT Fund II, which is developing a further

nine affordable units. The funding is also being used to provide working capital to an enabler hub. These projects are at varying stages developing both Affordable Rent and Shared Ownership homes.

Further to these funding programmes, Power to Change also played an important initial role in piloting the training and accreditation programme, which has been rolled out across England with further funding from The Nationwide Foundation and the Community Housing Fund. This is another example of Power to Change’s funding catalysing important changes in sector infrastructure.

3.6. Deeper learning: funded projects

To understand the development and impacts of Homes in Community Hands funded projects, and to establish critical learning to share with the wider CLH sector, we interviewed ten representatives from selected projects. These were purposively sampled to capture grantees operating inside and outside of areas receiving Homes in Community Hands enabler hub funding. We also included projects not receiving funds through the Homes in Community Hands programme but who are supported by a funded hub. The sample was also developed to include projects at different stages of development, in different locations, and funded under different elements of the Homes in Community Hands programme. Table 3 presents this sampling:

Table 3: The project interview sample

| Development stage | | | | |
|--|---|--|------------------------------|--|
| Hub area/ programme component | Site | Plan | Build | Homes in Community Hands funded project |
| Community Led Homes West of England | | Southmead Development Trust: Glencoyne Square | Bristol CLT: Shaldon Road | ✓ |
| West Midlands Urban Community Homes | Legacy West Midlands: Hamstead Road | Stirchley Co-op Development: Stirchley High Street | | ✓ |
| Community Homes Tees Valley | South Bank CLT | | | ✓ (Cohesive Communities Fund) |
| Breaking Ground (Liverpool City Region) | | New Ferry CLT | | ✗ |
| Leeds Community Homes | | Calder Valley CLT: Hebden High Street | YorSpace: Lowfield Green | ✓ |
| CAF CLT Fund II | | Herstmonceux CLT – Strawberry Fields | | ✓ |
| Non-Homes in Community Hands hub area | | Heart of Hastings, White Rock – Observer Building (Homes in Community Hands) | | ✓ |

The interviews highlighted issues that are familiar to the sector, although Covid-19 has crystallised some of the existing challenges that groups face. The main learning points relate to:

- The impact of Covid-19 and related restrictions.
- The value and constraints of Homes in Community Hands funding alongside other funding and finance.
- How projects work with enabler hubs and other partners.
- The significance of participation and community building.
- The anticipated and realised impacts of funded projects.

There are also specific learning points for Power to Change and other funders on the value and function of the Homes in Community Hands programme itself. Each of these learning themes is explored in detail below.

The impact of Covid-19

The project interviews provided valuable insights into how the Covid-19 outbreak had affected funded projects. These are captured and summarised in Figure 9, showing how projects have grappled with significant challenges that disrupted their organisational development and project progress, alongside the opportunities for new initiatives and improved processes.

Figure 9: Positive and negative effects of Covid-19 on funded projects



Engagement with existing members and the wider community has been significantly disrupted by Covid-19. Some phases of project development require significant interaction and public communication, while other phases can be run effectively by a small group or online. A clear insight from multiple interviewees was that projects at early stages, trying to build public awareness and engagement in project plans, have been significantly hampered by restrictions and social distancing measures. While not as prevalent, important impacts were also seen on later-stage projects. Interviewees highlighted the combined impact of Covid-19 and uncertainties around the Community Housing Fund that have created delays to some projects. For YorSpace this chain of

events had resulted in some members (and future residents of their housing) having to leave the project to find alternative accommodation.

Engagement with community members was particularly hard in communities where access to IT was low, and where familiarity with platforms such as Zoom was limited, especially at the early group building phase. This was noted, for example, by members of South Bank CLT and Heart of Hastings. For communities at other stages and with good IT access, moving to online meetings did not pose a significant problem and even had some benefits, for instance, in making processes more efficient and increasing board attendance. Covid-19 related delays also provided time used by some projects to refresh governance, develop policies and online communications, and host webinars.

South Bank CLT has worked hard to overcome the digital divide. With the advent of Covid-19, the trust pivoted to establish an eco-shop where people could buy surplus food at a low price. This practical service enabled the trust not only to keep in touch face to face with community members who were hard to reach online, but also to recruit 40 new members and strengthen their relations with local churches and community organisations.

The pandemic has also helped others develop broader, community-wide initiatives beyond housing development. YoCo is one such example, spun out of YorSpace, and which aims to build co-owned neighbourhoods around shared social, economic and environmental values.²² Covid-19 has amplified the significance of wider non-housing initiatives grantees were engaged in, for instance, by Heart of Hastings in Heritage Action Zone and High Streets work. This is a key insight, and links to the point made above that Homes in Community Hands funded projects are looking to deliver impacts beyond those narrowly associated with housing development, and how ownership of assets (including non-housing assets) might enable this. Power to Change grants have helped make these project expansions and wider visioning possible.

Nonetheless, project interviewees lamented how the pandemic had directly slowed financial plans and resourcing. It had delayed the launch of Calder Valley CLT's share issue, (which was, however, still successful when completed). The pandemic had also cut short potentially fruitful partnerships and projects, with one interviewee discussing how 'a promising ... funding opportunity with Orbit Housing Association' had been missed. The key message seems to be that while projects have adapted and innovated, the pandemic has (directly and indirectly) hit project timescales and income sources.

The value of Homes in Community Hands grants

CLH can require significant input from professionals, and Homes in Community Hands funding has enabled projects to address their gaps in technical knowledge and skills. In many communities funding was used to hire professionals and receive support from enabling hubs. These advisors played a key role in linking grantees to other sources of help, identifying funding opportunities and sharing knowledge of development processes. Speaking of their paid enabler, one interviewee noted:

'... his input has been invaluable ... it wouldn't have been possible ... without his knowledge, [on] how to prepare an appraisal for a scheme ... you're like "who knows a quantity surveyor?" So he introduces us to the right people ... and champions us in [his organisation] ... he's looking out for us.' (Stirchley Co-operative Development representative)

²² See <https://www.yoco.uk/approach>

Some projects have developed strong boards with a mix of valuable skills and had not therefore had to hire staff. This was the case for Calder Valley CLT who are planning and developing multiple schemes, and who recognise a growing need for paid staff and the revenue to support this. This has prompted them to develop plans and target grants for revenue funding. In some cases, funding for technical housing and development expertise was required. Sussex Community Housing Hub and specialist architect practices were crucial in supporting two of the projects interviewed, advising on funding, planning applications, site design and consultation processes.

The Homes in Community Hands grant was, without exception, seen as a valuable and important factor in project development. Seen as a 'really helpful pot' (YorSpace representative), which could be used flexibly to target a range of pre-development issues, grants met varying proportions of revenue expenditure. For some it was as little as 10 per cent of costs, for others over 40 per cent. The funding had enabled YorSpace to contract professionals to work through complex legal issues and prepare designs which maximised the total number of homes to be created.

The timing of Homes in Community Hands grants had been important for some, helpfully following on from Community Housing Fund grants, or preceding those from Community Housing Fund. For Herstmonceux CLT, the pre-development funding offer by CAF Venturesome and Power to Change had been critical. Without it the trust would have needed to borrow more at an early stage which may have been deemed too risky. This reasserts the findings from previous studies on the importance of early-stage funding for groups.²³ Homes in Community Hands funding had 'lifted the whole project', allowing for higher design standards that would in turn smooth the planning process. For this grantee, Power to Change's grants had also been particularly important in funding the acquisition of the site. Due to site infrastructure issues the project has 'needed every penny secured from loans and grants and arguably might not have proceeded at all without the CAF Venturesome/Power to Change package' (Herstmonceux CLT representative).

The value of other funding and finance

For all projects, the Homes in Community Hands grant (or blended funding with CAF Venturesome) was part of a mix of funding and finance. The Homes in Community Hands grants have then been a contributory factor to the impacts made or planned, rather than the sole financial impetus. Various other funding and finance had been accessed by interviewees, including that from Locality, Homes England, NCLTN, local and combined authorities, and via local residents through share offers. Our interviews highlighted how funding for CLH projects has been inconsistent, patchy and complicated, and this has created uncertainties and difficulties in financing projects and progressing them quickly. One particular issue that has arisen relates to the government's Community Housing Fund. For Herstmonceux CLT there was an unexpected withdrawal of Community Housing Fund grant monies from Homes England because of 'insufficient funding' after it had been awarded in November 2019. This was one of two such withdrawn grants nationally to be restored in early 2020. Community Housing Fund support has been central to the development of Homes in Community Hands projects, and the closure was both disappointing and problematic for some groups. One interviewee suggested it left them feeling 'forgotten' and that they had been 'let down' after raising significant new capital through a share issue.

The combination of this with the end of new project grants through the Homes in Community Hands programme, was a source of dismay for several interviewees:

²³ See, for example, Lawson (2020) [An Evaluation of the CLT Start Up Fund](#) and Moore et al. (2018) [A Review of Urban CLT Project](#).

'... [it] is disappointing that Homes in Community Hands is now closed to new applications. The CCF grant was very useful funding and needs to be replicated somewhere'

'[there's] ... regret that the closure of the Homes in Community Hands programme to new applicants would prevent future start-ups from benefiting in the ways [we] had'.

Homes in Community Hands funded projects have been a catalyst for leveraging the involvement of other stakeholders in neighbourhood improvements, and in acquiring additional funds to support this. Large developments such as Glencoyne Square, led by Southmead Development Trust, have been complemented by acquiring further funding by the local authority for wider infrastructure and amenity improvements. For Heart of Hastings, the Homes in Community Hands funding helped to build credibility with other funders and enabled them to apply for more grants. This funding was important in Heart of Hastings's success in becoming a Heritage Action Zone, opening access to funding worth £2 million over four years. The grants provided through the Homes in Community Hands programme therefore had the effect of providing some confidence to partnering organisations regarding the financing of projects and helped to leverage other funds as a consequence.

CLH projects have also been able to leverage funds from other sources. One of the projects featured in this study that did not receive a Homes in Community Hands grant was New Ferry CLT based in Wirral. The trust had formed in response to resident desire to see regeneration and new opportunities for affordable housing and community businesses through acquisition of under-utilised assets in their community. It received a grant of £500,000 from the Combined Authority's Town Centre Fund, channelled through and working in partnership with Wirral Council, and was able to leverage this grant as the trust's ambitions around regeneration aligned with the council's. This shows how CLH projects often have objectives that extend beyond housing, and how these can be matched with distinctive, unconventional (to CLH groups) funding opportunities.

Other projects have had to adapt the tenures of their planned properties and the nature of their approach, to ensure funding and finance can be secured. One interviewee noted how their objective to develop a mutual home ownership society – where residents are co-owners of the scheme and lease their properties from the society – may need to be changed to meet the requirements for shared ownership and the associated funding through the government's Affordable Homes Programme. This is a significant issue as government funding may be creating disincentives to innovation in tenures and pricing. This is despite these models receiving significant local support and capital investment.

This issue comes into stark focus when we see that a number of interviewed projects are not securing land at discounted prices. One interviewee noted how they were acquiring their site at market value, though had pursued a change in use through planning. It is remarkable that this group was able to compete with other developers for this site, developing a viable plan for a 100 per cent affordable housing scheme. The social impacts of this, compared with other affordable housing schemes, may be significantly different given the levels of affordable housing being developed, and other commercial space being built specifically for cooperative enterprises. Government funding for the development, through the Affordable Homes Programme, will help meet approximately half the capital costs, with the other half raised from lenders. But again, sacrifices are being made in terms of the end affordability of the housing as Homes England 'dictate what is affordable'. The desire was originally to charge much lower rents to affect pricing in the local market, but this has not been possible, suggesting that some wider intended impacts on the local housing market may not arise.

Relationships with enabler hubs

While several interviewees suggested they were receiving valuable support from their Homes in Community Hands funded hub, there is insufficient evidence to say whether this support is quantitatively or qualitatively different to non-Homes in Community Hands funded hubs. The two projects interviewed who are located outside of Homes in Community Hands hub areas, had received valued support from the Sussex Community Housing Hub. The hub, together with a specialist architect practice, worked closely with the CLT directors throughout relating to design, project management and procurement decisions. In White Rock the hub was 'simply useful for networking', and through this route found that Brighton and Hove CLT shared their enthusiasm for community organising, with the potential for collaboration.

Generally speaking, hubs have provided valuable help to projects in the form of technical advice, guidance on funding and raising capital, on changes in national policy, on different development options and planning, and in facilitating local networks and joint working between groups.

Some of the projects interviewed had developed close and intensive working relationships with their Homes in Community Hands funded hub. For instance, Breaking Ground, the programme funded hub for the Liverpool City Region, had resourced an enabler to help New Ferry CLT work through difficult legal issues, as well as key aspects of organisational development. In contrast, some other interviewees had no direct knowledge of their local hub, with their relationship being primarily with an associate advisor. In between these two positions the Stirchley project was advised by a housing association that was also a core partner in the wMUCH hub.

Some project and hub relations were at more embryonic stages, with both parties still exploring ways their dual needs could be met. On the financial side, there was minimal evidence of direct contractual arrangements with hubs, whereby hubs get some financial return for their support. Contracts with hub enablers were in place for two interviewed projects, but these were with the enabler in another professional capacity. This poses some difficult questions about whether and how revenue will flow back to the hub to support their services.

Perhaps where the Homes in Community Hands hubs differ in their relations with projects, in contrast to other hubs, is in their intricate relationships with local CLH projects. For YorSpace, one founding member had been employed by their Homes in Community Hands funded hub, to support other groups as an associate enabler. For Bristol CLT, as both host organisation for the CLH West hub and a stand-alone CLT, this is a complex relationship. Interviewees noted that their Homes in Community Hands funded Shaldon Road project was a CLT project rather than a hub project, though hub staff had supported the CLT's trustees. Similar intricate relations were seen in South Bank CLT, where the development worker leading the CHTV hub was one of three founding directors of the CLT (others were a ward councillor/former council leader and a former Homes England and housing association manager in South Bank, now an independent consultant). This highlights how key individuals can wear multiple 'hats' to promote the development of CLH in specific areas. This relationship was actually seen as valuable in some instances, building networks and shared expertise to match that seen in other (often rural) areas, and justifying the idea of CLH as a 'movement'.

These intricate relations are linked to another dilemma. A number of interviewees noted how they had explored providing their own enabling services to local groups, however they had been unsuccessful in securing funding for this, as national grants were seen to be targeting larger pre-existing hubs. This issue of how local expertise

and knowledge can be mobilised, alongside or within hubs, is a subject for further study.

Other relationships and partnerships

Collaboration with established housing organisations (e.g. housing associations, cooperatives and housing companies) has been necessary and helpful for some projects, providing access to professional knowledge, back office support and access to funding. The nature of collaboration depends on the context of the development; projects can navigate the balance of power in this partnership in different ways.

South Bank CLT has formed a partnership with Redcar & Cleveland Council (RCC) which is using commuted Section 106 funds to purchase five empty homes from Karbon Homes; and with Thirteen Group, which has accessed the Homes England grant, and will procure the works and have leasehold interest for ten years. In order to maximise local economic impact, South Bank CLT has agreed that works to some of the properties will be undertaken by local CLH projects procured as contractors by Thirteen, demonstrating local employment and training benefits from the refurbishment process. After 10 years the freehold will revert to the CLT. In Bristol, United Communities played significant roles in helping to progress CLH development in both the Southmead and Shaldon Road projects, collaborating from the early stages of the project and, in the case of the latter, assuming a greater role when the CLT found it difficult to raise debt finance to fund the later stages of the development.

In the case of Legacy West Midlands, another Homes in Community Hands funded project, there is a strong desire for independence following 'years of large charities, with mainly white staff employing BAME workers ... the aim is to have [a] big asset base, an anchor organisation, so we can deliver them on behalf of the community' (Legacy West Midlands representative). To address this the organisation aims to become a registered provider (RP), but it may consider partnerships if the arrangement is suitable. Stirchley Co-operative Development received planning permission after our interviews and is now progressing with its own registration to secure grant funding for the long-term development of the site. In the short term it is being supported by a RP partner to secure the site purchase from the private owner; thereby balancing long-term independence with short-term partnership support.

Strong networks and relations were seen as important in terms of funding, too. As noted above, reliance on cash grants involves a degree of uncertainty and risk. Some projects have sought ways to reduce their dependence on grants. This has involved mobilising social capital (networking with influential people and organisations) and relying on the communities' social networks. Bristol CLT formed good relations with the local council which resulted in land gifted to the project, and Heart of Hastings received some co-funding to purchase their site. Good relationships with local landowners resulted in Herstmonceux CLT acquiring their site at a low price, and there is offer of first refusal to Legacy West Midlands on eight properties in their project. Hence, building productive relations is a key task for funded projects, and will remain so as the funding landscape changes.

Community building, engagement and participation

Projects have clearly placed a value on community engagement and localised control, but multiple methods have been found by projects to achieve these objectives. Aside from examples cited above which sought to meet emerging Covid-19 issues or forthcoming issues, for instance, with high streets, other examples are apparent. Calder Valley has undertaken a mass promotion and engagement exercise through its community share issue, securing 120 new members. This complements a board, members of whom are wholly based or work within the local area. For South Bank CLT,

a recipient of a Cohesive Communities Fund grant, their main purpose was to 'develop skills and engagement that will ensure local ownership of the CLT' (South Bank CLT representative). The project has been greatly helped by the willingness of a core of residents to 'go the course' and active support from the borough council, TVCH, voluntary sector partners and committed directors.

CLH can, however, expose tensions between the needs and requirements of different actors, and boards can reflect this tension. A number of Homes in Community Hands funded projects, interviewed as part of the evaluation, were initiated by a small group of concerned residents and supporters, rather than end beneficiaries. Herstmonceux CLT recognised this and has expanded its board from five to seven members to include two younger women with lived experience of social housing. This augments the founding group of mostly retired residents with professional backgrounds. However, board membership is not always attractive to residents, despite training opportunities, and some projects have found more effective ways to engage local residents. Heart of Hastings CLT adopted an Organisation Workshop approach that successfully engaged disadvantaged local residents to develop a meanwhile use for part of the Observer Building. Around 60 local residents were recruited and 37 of them participated for the whole four-week period to complete the partitioning work.

Participation often changes as projects are adapted, and over the life course of the scheme. For Bristol CLT, in the development of their Shaldon Road project, some residents got involved because of the opportunity to influence the design of what they hoped would be their own home. The scheme incorporates self-finish elements, but aspects of the community-led process were affected by difficulties encountered in financing the project, which led to a partnering housing association assuming a greater role.

In Stirchley, local worker cooperatives were leading the development and this shaped their approach to participation both in terms of their ethos and their investment in improving local spaces. The cooperative was already 'very engaged with local people through the existing workers co-ops' (Stirchley Co-operative Development representative). Their engagement efforts included sessions with local residents associations, in addition to the formal planning consultation, which resulted in 'overwhelming support'. It is suggested this support was forthcoming as local residents 'know us ... we've been on the high street for 10 years'. The importance of localised control and community involvement in CLH development was also apparent in other cases. When Calder Valley CLT was unsuccessful in its initial planning application, the board decided not to appeal and instead looked for ways to work with members of the community who objected, because formal appeals would be 'what a commercial developer would do' (Calder Valley CLT representative). The trust wants to foster a different culture and win local support by amending the scheme so it meets local needs better.

Across the interviewees, what is revealed is the centrality of local voices and actors in shaping the focus and implementation of the project, with signs that this may affect the pattern of impacts (both housing and non-housing related) arising from these projects. As these impacts emerge over the coming years, the significance and role of this engagement and participation should become apparent in the development and its associated benefits.

Project impacts

At this stage, most project impacts are anticipated but not yet realised. In line with responses from the project survey, funded projects foresee a range of social, economic and environmental impacts. We should not be surprised that housing related impacts are yet to be actualised. Work for the Nationwide Foundation recently explored

the issue of the speed of development in the CLH sector, drawing parallels with the wider housebuilding industry.²⁴ The study shows that standard private housebuilding takes, from pre-planning to completion, an average of 6.9 years, but this does not account for all land acquisition activity and negotiations. Even if the funded projects move at this speed, we can expect grantee projects to still be developing homes to 2028, with the impacts on residents arising after this point. Patience is required from funders and evaluators, with investment and support being put in place for the long term.

Beyond the anticipated housing impacts of increased affordable housing and reduced housing costs, improved housing quality and enhanced security of tenure, there are other anticipated impacts that are important to identify. Interviewees, for instance those involved in the South Bank CLT and New Ferry CLT, highlighted the potential economic benefits from their schemes, as their investments build confidence among other investors in the wider area to generate investment into the community and allow the CLTs to increase revenue to be used for community benefit. As noted above, flexible use of these assets also allows for new initiatives such as allotment projects and eco-shops, which seek to generate new positive interactions between residents. A clear future economic impact from the Stirchley Co-operative Development scheme will be felt by the founding worker co-ops. As the scheme contains new commercial space for those organisations, the potential impacts in terms of their services and revenue will be significant. This impact on those organisations is something that can be tracked over the coming years. Furthermore, the impact of grant funding in helping to leverage funds from other funders should not be underestimated, as evidence of funding can strengthen the credibility of CLH organisations and offer some reassurance of their potential to progress.

Some health and wellbeing impacts are anticipated, but these have been less apparent in discussions with interviewees. One key exception relates to South Bank CLT which is developing a new 'Oxford House' mutual self-help model for alcohol and drug rehabilitation. Projects such as this should be tracked over time to understand their impact, and the contribution of the Homes in Community Hands grant.

Anticipated impacts on cohesion and empowerment are more apparent in the interviews. Herstmonceux CLT's development, for example, aims to promote mixed communities, with space to support interaction: 'tenure mix and scale will contribute to a cohesive micro-community with potential for intergenerational solidarity' (Herstmonceux CLT representative). Similarly, those involved in Southmead Development Trust's project noted that their key aim was to 'create a space in the middle of the community which everyone can use', looking beyond residential spaces to create areas where people can mix and use the space in different ways. Legacy West Midlands sees its project as the basis for a wide range of services and interventions, as the development of housing would potentially sit alongside a community hub, arts space and office space for themselves and other local community businesses. The nature of the plot also offers opportunities for gardening and shared greenspace.

While many of these impacts are anticipated, some have begun to be realised. There is clear evidence that the projects are empowering and upskilling individual participants. YorSpace provided this insight into how its members had grown through the process:

'... the people we've met along the way have changed so much ... it's empowered them ... One member said to me "I was so unconfident when I started, now I run

²⁴ Archer (2020) Community-led housing and the speed of development: Briefing note and presentation.

workshops with people and speak to solicitors about MHOS' [Mutual Home Ownership Societies] ... they're feeling more confident and determined.'

In a similar vein, Calder Valley CLT suggests the involvement of members in projects may be changing their awareness of housing issues, and how they can help. CVCLT's social impact report details how members are becoming more informed about local and national housing issues.²⁵ Over 70 per cent of respondents to their member survey suggest that their knowledge of national housing issues was 'greater' or 'much greater' than two years previous, and 82 per cent said the same in reference to knowledge of local housing issues. The report also attempts to assess the social value of volunteering within the organisation, using HACT's social value tool to calculate the monetary benefit of trustee involvement. They estimate this equates to £50,000–73,000 per annum. Hence, attempts are being made to attribute value, and quantify the impact of, participation in funded projects.

These impacts on individuals' knowledge, skills, behaviours and contributions are starting to become more apparent as the programme progresses.

Reflections on grant management and administration

The Homes in Community Hands funding was seen as helpfully 'flexible' by several interviewees, with some noting that Power to Change were 'committed to working with community organisations in a way that most funders are not'. Southmead Development Trust highlighted how the Homes in Community Hands grant was light on administrative burden, compared with funding from Homes England.

However, some grantees did experience issues in relation to the grant management. Delays in agreeing and making the grant were experienced by several interviewees, one related to the timing of CAF Venturesome and Power to Change agreeing the nature of their collaboration. Interviewees had found some elements of working with Power to Change difficult, for instance, when wishing to talk through aspects of their scheme and funding model with dedicated staff. Others mentioned challenges in knowing which partner organisations to speak to about specific issues.

Nonetheless, grantees asserted the value of the Homes in Community Hands grant. As noted above, it has helped increasing internal capacity, with additional organisational and governance benefits, in addition to enabling grantees to bring in skilled staff members and other professionals who proved critical to project development. The closure of Homes in Community Hands to new projects will unfortunately reduce the scale and nature of such intended impacts.

²⁵ Calder Valley CLT (2020) Measuring Social Value: Preliminary Results. See <http://www.caldervalleyclt.org.uk/docs/socialvalue.pdf>

Enabling hubs

A critical component of the Homes in Community Hands programme, captured in the theory of change, is the funding for, and work of, enabler hubs. Their role is important for several reasons, but perhaps most importantly because of their role in a) providing direct support to local CLH groups to develop their schemes, access professional advice, form and develop their organisations, build local support, secure funding etc, and b) to improve the conditions for CLH in their area by influencing policy change, funding and resources, processes and practices, and relationships with other stakeholders. The five funded Homes in Community Hands hubs are therefore a significant focus for the evaluation.

As shown in Figure 2, the hubs in question cover largely urban areas in Yorkshire and the North East, North West, Midlands and South West. The fund is supporting the hubs to target enabling support at five sub-regional areas:

- Leeds City Region (Leeds Community Homes – LCH).
- Liverpool City Region (Breaking Ground – BG).
- Tees Valley City Region (Community Homes Tees Valley – CHTV).
- West of England (Community Led Homes West – CLHW).
- and seven urban authorities in the West Midlands (West Midlands Urban Community Homes – wMUCH).

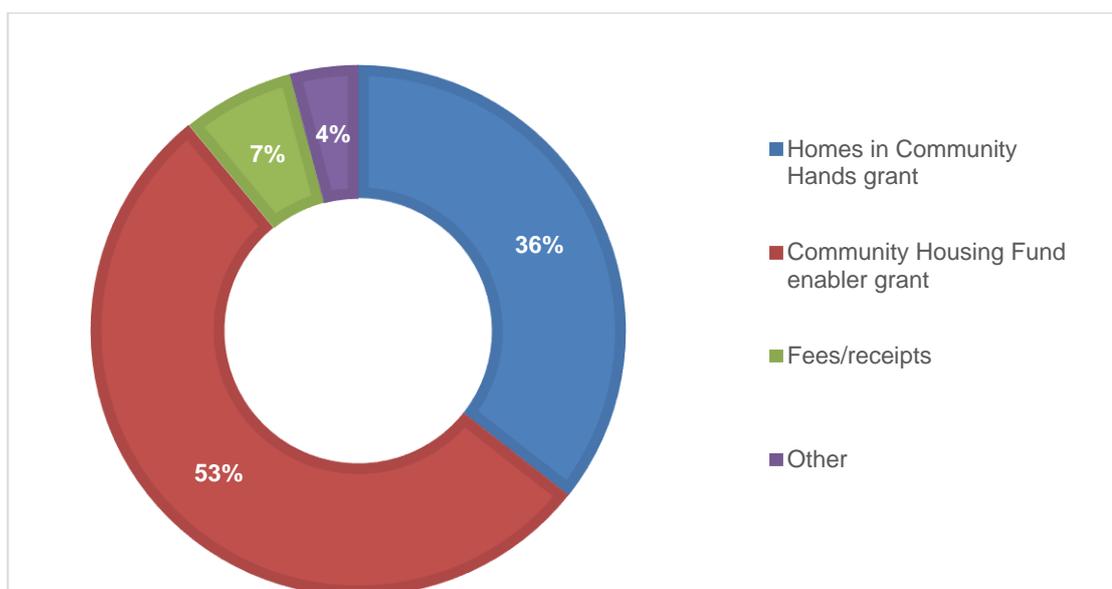
To build a picture of hub activities, outputs, outcomes and impacts, we have undertaken fieldwork with all five of the funded hubs. This has involved 24 interviews with hub staff, board members, associates and stakeholders or partners (minimum of three per hub). Alongside this, we have analysed secondary data sources, notably the most recent interim monitoring reports from each hub and their pipeline data.

In the following section we explore this material, drawing out insights from the quantitative data first, to establish the activities undertaken, the usage of the grant and the pipeline of homes they are helping develop. Following this, we delve deeper into the development, processes and decisions of the hubs to explore the different models and approaches being developed. This provides important learning for the wider CLH sector and others trying to enable CLH effectively.

Hub income

To understand the contribution of Homes in Community Hands grants, in purely financial terms, we have analysed the budgets of each hub, assessing how the grant contributed to their sources of income in 2020–21. Figure 10 presents this analysis in aggregate across the hubs, showing that Homes in Community Hands grants constituted approximately a third of income for the year. Each hub has also received a Community Housing Fund enabler grant, and it is important to state that this constitutes the majority of funding across the five hubs.

Figure 10: Hub income sources



Source: Hub monitoring and budgeting data (autumn, 2020)

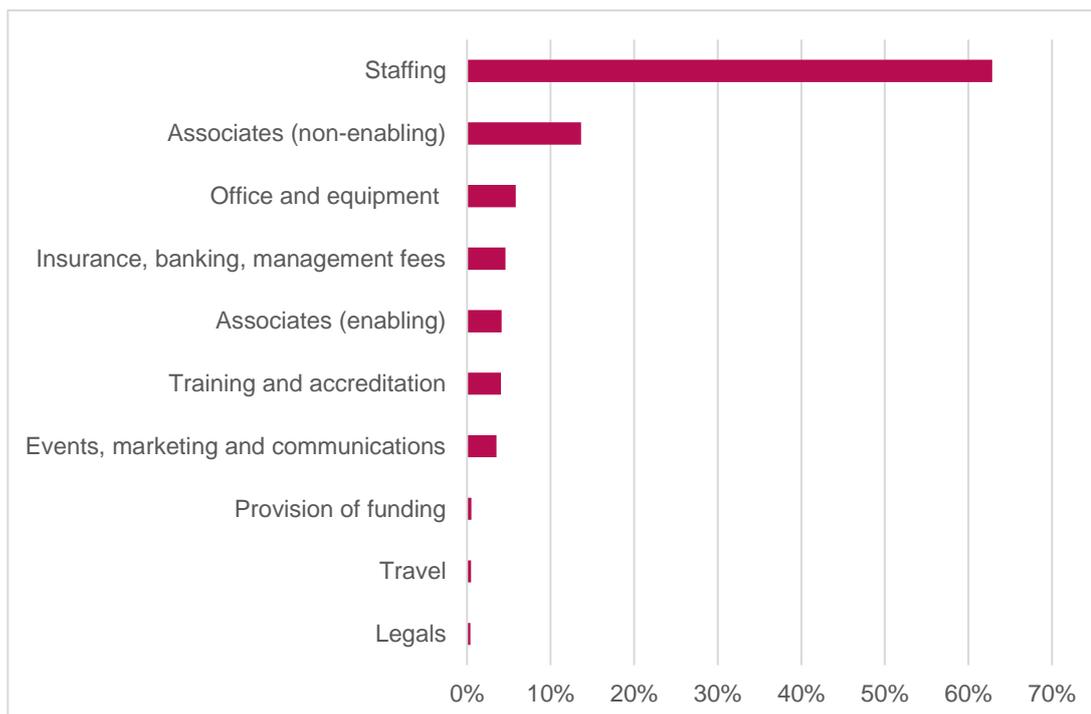
However, this aggregate picture hides variation across the hubs. The proportion of income made up by the Homes in Community Hands grants in 2020–21 varied between 20 and 52 per cent, and equally important is that this has fluctuated each year for each hub. Nonetheless, the analysis is a reminder that Homes in Community Hands funding is often a significant contributor to hub funding but not its sole financial input. Hub related impacts are the product of this mix of funding, alongside other factors.

Hub expenditure and delivery

Given this picture of hub funding, it is important to understand how, specifically, Homes in Community Hands funding has been used, as this will be instructive as to the contribution of the funding to hub activities. Firstly, it is important to note that hubs have planned all their grant expenditure to maximise its use. For some, the priority has been to use other grant income to meet their stated objectives and therefore delay the use of Homes in Community Hands. The tight timescales for spending Community Housing Fund grants has meant that some hubs have prioritised using this money. For others Homes in Community Hands funding was an early input pre-dating Community Housing Fund funding and, year-on-year, it has been used to meet a specific cost, such as staffing a team member. These variations should be acknowledged as grant used will differ year-on-year, and therefore the contribution of the grant each year will vary.

Analysis of the most recent monitoring reports available for each hub reveals how the Homes in Community Hands grant has been focused on covering staff costs (Figure 11). Surprisingly, Homes in Community Hands funding is not in any significant way being used to fund associate enablers (i.e. enablers paid under contract). One reason for this is that the Community Housing Fund enabler grant has been primarily used for this by some hubs. Aside from important contributions to office and running costs, marketing and communications activity, and training and accreditation, support for staff salaries has been the major contribution of the programme to hub activity in the most recent round of allocations.

Figure 11: Expenditure as percentage of Homes in Community Hands grant (relating to the most recent allocation of funds)



Source: Hub interim monitoring reports (winter, 2020), with exception of Breaking Ground where income and expenditure data was updated for April 2021.

This raises important questions about the role that staff have played in hubs, and the types of outputs, outcomes and impacts that are associated with this. What we see in the narrative supporting the expenditure sheets is a clear sign that Homes in Community Hands-supported staffing is essential to organisational development and wider relationship building. Taking Leeds Community Homes as an example, their Homes in Community Hands grant has been used to cover a large proportion of staff salaries and has funded:

- The majority of senior staff salaries to enable them to manage the organisation, progress fundraising, develop partnerships and manage staff.
- Part of a Development Director’s salary, which enables them to lead hub development projects and build networks and relations with key stakeholders such as local authorities, housing associations and other developers – these salary costs have also covered time to advise on financing and financial appraisals of projects supported by the hub.
- Part of the salaries of other officers, undertaking financial administration and reporting, developing applications for RP status, undertaking marketing and social media activity, managing events and coordinating the support offered by enablers and advisors.

Other hubs, such as CHTV, are using Homes in Community Hands grants to fund staff salaries, enabling those in post to undertake various internal management and organisational development tasks, alongside providing dedicated support to CLH groups. The Homes in Community Hands grant was used to a greater extent than Community Housing Fund (532 of the total 682 enabler hours) to fund enabler work by CHTV.

The picture that emerges from this analysis is that much of the organisational development, leadership and service functions of hubs would not have been possible

without Homes in Community Hands grants. The grants have played a less significant role (than Community Housing Fund grants at least) in funding external support for CLH projects.

Hubs reported on progress against standard deliverables in the winter of 2020. Each hub has agreed a set of planned targets against each of these deliverables. Some hubs have targeted delivery of a large number of advisor hours (e.g. Breaking Ground aims to offer 519 hours of support over the course of its grant), while CHTV had delivered 532 hours from Homes in Community Hands funding. Others have targeted more modest input to groups (e.g. wMUCH aims to provide 100 hours of advisor time). Similarly, hubs have invested varying degrees of energy in outreach and promotion. Leeds Community Homes planned events to engage more than 200 attendees and have far exceeded this through recent online sessions and film launches. Of course, much of this relates to the amount of Homes in Community Hands grant received. It may also relate to the availability of other grants as some hubs use these same deliverables in reference to their Community Housing Fund enabler grant.

What emerges from the analysis is that, as a collective, the hubs are well on the way to achieving most of their planned deliverables. Some areas have seen significant overachievements, such as in the reach of their promotional work (if not the quantity of events). Arguably, the online delivery of some events has increased audiences for hub events, such as Breaking Ground’s community-led housing festival in February 2021 which attracted large audiences from within and beyond its area of operation. Other areas are work in progress, particularly the delivery of advisor time, which is reflective of the fact that hubs are not all at the end of their grants. Fewer groups than planned are being supported at this stage, though again this perhaps relates to their point in the grant period.

Table 4: Planned and achieved hub deliverables, in aggregate

| Deliverable | Planned | Achieved to date |
|--------------------------------|---------|------------------|
| 1. CLH enabler staff employed | 11.75 | 10.75 |
| 2. Advisors appointed | 35 | 38 |
| 3. Advisor time (hours) | 1,849 | 1,439 |
| 4. Promotional events | 34 | 16 |
| 5. Promotional event attendees | 830 | 3,224 |
| 6. Community groups supported | 83 | 92 |
| 7. Local authorities engaged | 192 | 20 |
| 8. Homes planned/delivered | 1,077 | 1,508 |

Source: Hub interim monitoring reports (winter, 2020). Advisor hours for CLH West not available.

A further deliverable that hubs were asked to report on was the ‘number of planned/delivered homes’. Because of the detailed analysis of pipelines below, and the difficulty in identifying what has been achieved to date (in terms of whether homes are either planned or delivered), we have not assessed this data here.

One recommendation that emerges is the need for funders to ensure that such deliverables are reported on consistently – if these are shared with Community Housing Fund enabler funding, then all hubs should know this and respond on that basis. Similarly, it is unclear if deliverables relate to a specific allocation of grant, rather than the total potential grant depending on year-on-year allocations. Securing clarity on this will ensure the data provided is comparable.

Hub pipelines

Each hub has collected data on all the projects they support, and as this is in a standard form, it is possible to undertake some aggregate and comparative analysis. Exploring this data suggests that at least 169 projects are receiving, or have received, some support from the hubs, with each supporting between 22 and 48 individual projects. Across these projects a total of nearly 3,000 homes are planned, though varying likelihood scores are attached to these projects.

Hubs take slightly different approaches to recording data on projects, with some regularly removing projects that have not gone ahead or who have not been in recent contact. Others have retained some of these projects, for which there may be good reason. It is therefore helpful to look at the 'likelihood' scores attributed to each project and key milestones, to understand the potential of their respective pipelines and likely speed of development. The following section covers in more detail the extent and nature of the support offered to projects and how this might vary.

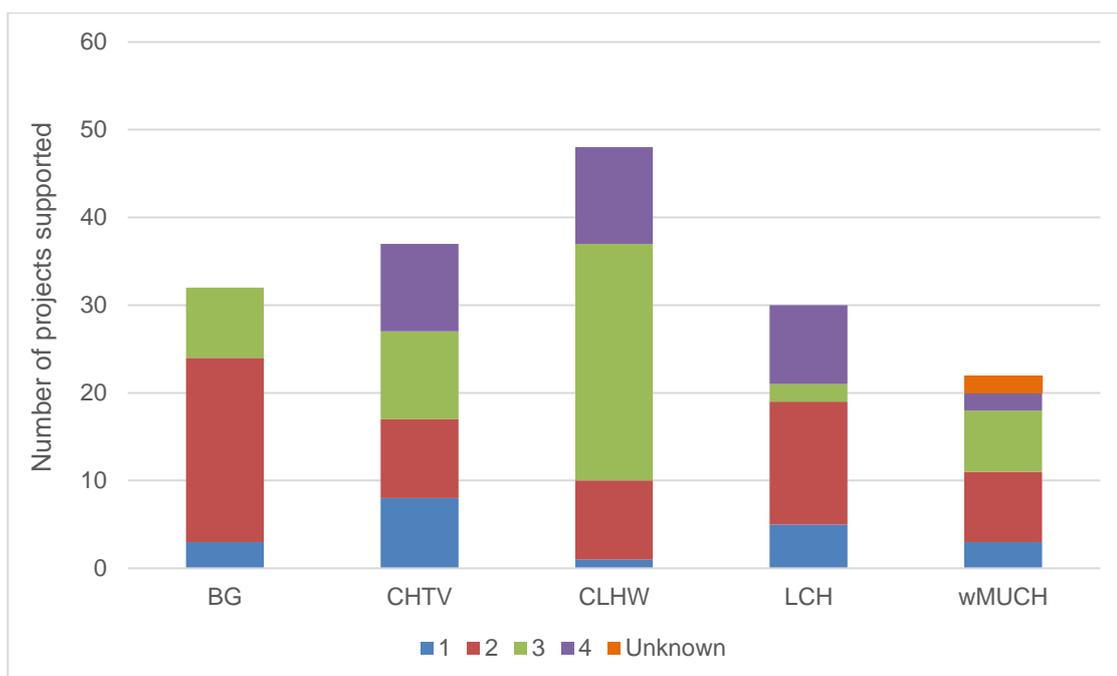
Figure 12 shows the total number of projects in each hub's pipeline and the likelihood scores attached to those projects. In attributing these scores the hubs have been given guidance which is linked to the idealised phases of CLH development; through Group, Site, Plan, Build and Live stages.²⁶ A score of 4 is given if the project is dormant, but still with the potential to develop. A score of 3 is attributed to projects at an early stage or those with a high degree of uncertainty. A score of 2 is given if 'Group' milestones have been met and when some 'Site' phases are complete (e.g. that sites with development potential have been identified). A score of 1 is given to a project when it has completed all milestones associated with 'Group' formation and development, as well as those associated with finding and acquiring a 'Site'. Furthermore, some 'Plan' activities must have been completed (e.g. developing a business plan and appointing architects).

While this scoring system is a simple basis for categorising projects, it is subject to interpretation. When is a project deemed dormant? When have sufficient 'Plan' tasks been completed to attribute a score of 1? When is a site truly acquired? And linked to some of these questions are vagaries around how a project comprising dispersed properties should be included. Should each property be classed as a project, or is each phase a discrete project?²⁷ Despite these considerations, analysing the likelihood score gives us an approximate picture of forthcoming development, and the scale and probability of projects supported. Figure 12 presents an analysis of this data in graphical form, and reveals both the variations in the number of projects being supported by hubs and their perceived likelihood. Some hubs have a large proportion of projects in the low likelihood categories 3 and 4 (e.g. CLH West of England), while others are more optimistic, scoring the majority as 1 and 2 (e.g. Breaking Ground).

²⁶ For more details, see <https://www.powertochange.org.uk/wp-content/uploads/2018/08/TargetingFunding-final.pdf>

²⁷ For the purposes of our analysis we have tried to apply this latter approach to defining a discrete project.

Figure 12: Hub pipelines by project likelihood score



Source: Hub pipeline data

Note: **CHTV** – Community Homes Tees Valley, **CLHW** – Community Led Homes West – West of England hub, **LCH** – Leeds Community Homes, **wMUCH** – West Midlands Urban Community Homes.

Given the unpredictability of CLH development, it is valuable to focus just on those projects that are most likely to come to fruition. Table 5 details the number of projects in each hub’s pipeline, and specifically the number of projects scoring a 1 or 2 for likelihood, and the estimated number of homes in these projects. What this data reveals is that there are a large number of homes in projects reaching a more advanced stage. There are essentially more than 2,300 homes planned within projects where sites have been acquired or secured and, for some, where business plans and planning approval is in train or secured.

This marks a significant increase on our baseline assessment in Year One. In 2020 we estimated that hubs were supporting projects with the potential to deliver 889 homes. Even accounting for those with low likelihood scores, the number of potential homes that may be delivered by hubs has increased by over 150 per cent.

Table 5: Homes planned with likelihood score of 1 or 2

| | Number of projects supported | Number of projects with likelihood score of 1 or 2 | Number of homes estimated in projects with likelihood score of 1 or 2 |
|---------------------------------------|------------------------------|--|---|
| Breaking Ground | 32 | 24 | 1,003 |
| Community Led Housing West | 48 | 10 | 102 |
| Community Housing Tees Valley | 37 | 17 | 262 |
| Leeds Community Homes | 30 | 19 | 632 |
| West Midlands Urban Community Housing | 22 | 11 | 337 |

Source: Hub pipeline data

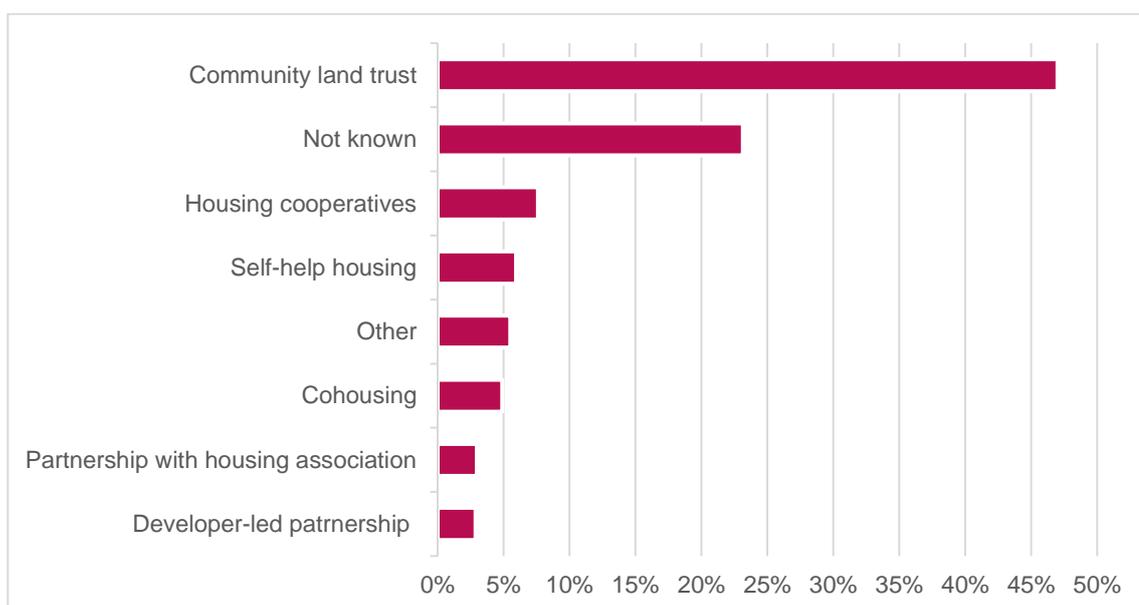
Note: For multi-unit, single developments, the total anticipated units have been used.

Additional analysis has explored only those projects where planning approval has been received or, if planning permission was not required, where homes are currently being developed or are complete. This identifies 16 such projects, totalling 198 homes. This is a small proportion of the pipeline, constituting only 7 per cent of all homes in pipeline projects. So, while the pipeline is large, there are significant contingencies around the delivery of up to 3,000 new homes.

Clearly, hubs are adopting different approaches to collecting and using data, and the evidence suggests some projects are more bullish than others, with some hubs purposefully narrowing the scale of projects they support to intensify their input to them. Nonetheless what this analysis shows is that there are a significant number of projects in the 'Site' and 'Plan' phase, with a smaller number delivering or about to deliver new homes. While these outputs are not solely attributable to hub funding and activities, hub support is clearly contributing to their development. The previous section provided some insight into this from the project's perspective, and the following section explores the hub and stakeholder perceptions of their contribution to project development.

Four of the five hubs captured information about the type of CLH projects in their pipeline identifying, for instance, whether they are housing cooperatives, community land trusts or cohousing schemes. This data is incomplete, both in terms of identifying types and the number of homes anticipated, but sufficient data was available to merit analysis. Figure 13 is based on projects that are planning approximately 2,300 homes and shows that CLTs are the dominant type of project through which these homes are being planned.

Figure 13: Percentage of estimated homes by project type



Source: Hub pipeline data

Note: Data relates only to projects where the entries for project type were provided alongside estimated homes.

Smaller proportions are being developed through housing cooperatives, self-help housing organisations and cohousing groups, with a notable emergence of developer-led and housing association partnership models. One aspiration, captured in the theory of change is that hubs provide 'effective, accessible enabling support for all types of CLH'. It is unclear whether lower levels of, for instance, cohousing groups, relates to group factors or hub services and expertise.

Exploring the pipelines further reveals an interesting range of engagement by hubs, supporting diverse housing models involving student housing cooperatives, parish

councils, community anchor organisations and heritage trusts. This corroborates the recurring theme that Homes in Community Hands funding is supporting a varied range of CLH activity, with potentially diverse impacts.

If the key measure of hub success is the delivery of their pipeline, then the total number of completed homes should be tracked over time. Using the pipeline information provided, Homes in Community Hands funded hubs have, to date, supported the completion of 31 new homes. But as the pipelines show this is likely to grow markedly in the coming years.

4.1. Deeper learning: enabler hubs

Building on the insights above, the following section looks in more detail at the work of hubs, to draw out insights and learning that can strengthen future enabling activity. This learning is provided thematically in the following six sub-sections, focusing on:

- The origins, context and development of hubs.
- Their governance and organisational forms and functions.
- Their stakeholder relationships.
- The nature and effectiveness of their enabling models.
- Their financial sustainability.
- Emerging evidence on hub outputs, outcomes and impacts.

The origins, context and development of hubs

The first year of our evaluation highlighted the importance of the diverse contexts and local traditions in the areas in which the five hubs emerged prior to Homes in Community Hands funding and outlined development processes and learning to date.²⁸ The adoption of two main organisational models – new organisations or hosted projects – has continued to differentiate the experience of hubs this year; with the former having undertaken considerable work in building policy and governance structures in addition to operational processes. This was exemplified by one interviewee who noted, ‘There’s been a “mountain of stuff” to do to set up the organisation and systems. The timescales have been “stupid”’. Other interviewees reflected on some of the early tasks involved in developing their hub: ‘There were basic needs for such things [like] bank accounts, rules ... a mass of work on governance ... developing policies, risk registers’ (wMUCH board member).

This year, other life cycle factors have become increasingly apparent differentiators: first the employment of paid staff and then later the switch from building up the organisation to running it down to meet changing income expectations. Key factors were the approaching end of hub grant periods for both Community Housing Fund and Homes in Community Hands, and the reduced revenue grant options for projects to pay for enabling services. Cutting across these predictable life cycle factors has been the prolonged and entirely unanticipated impact of Covid-19 which has radically changed the operating environment and operational responses throughout 2020.

For those hubs that have been in operation for a shorter period of time, the employment of paid staff has led to significant progress, transforming their capacity to deliver their objectives with the introduction of systems, procedures and accelerated

²⁸ Archer, Moore and Mullins (2020) Homes in Community Hands: Baseline Evaluation Report. Accessed at: <https://www.powertochange.org.uk/wp-content/uploads/2020/08/Power-to-Change-3715-Homes-In-Community-Hands-FINAL.pdf>

promotional activity with both groups and key stakeholders. In the Tees Valley, the appointment of a second part-time development support worker in October enabled the hub to give greater priority to administrative and planning tasks such as 'keeping track of costs, project support, [being a] sounding board to the hub lead and steering group and thinking about future sustainability' (CHTV Hub development support worker). Further time investment was still required to use the webpage to promote hub activities and achievements such as the Redcar & Cleveland Voluntary Development Agency (RCVDA) first new-build project moving to 'Live' stage in January 2021; a new website was anticipated later in 2021. The appointment of a director by Breaking Ground also had a significant impact. One stakeholder observed that the director's appointment and subsequent activity had been a 'massive catalyst for change within the wider city region and CLH' (BG stakeholder representative). In addition to day-to-day organisational development, the hub undertook a branding exercise, resulting in its new name – Breaking Ground – as well as a week-long CLH festival which raised the profile of the sector nationally as well as regionally.

Looking across the five cases this year it became apparent how the focus shifts as organisations mature; from building the organisation and service (for instance, through the staff appointments outlined above), to securing longer-term sustainability and / or running down operations. This was most apparent in the case of Leeds Community Homes, the earliest urban hub starter, whose core grant is due to expire at the end of 2021. 'There's a cliff edge at the end of the grants. The future looks significantly different. It is predicted that in a year ... the hub will be much lighter' (LCH officer). The interviewee went on to reflect that this example of big 'expansion and contraction is ... painful' and that 'to meet costs this year staff enablers are halving their days' and topping up as-and-when as associates. The CEO is reducing their days and they are also giving up dedicated office space, and moving to home working. Later in this section we review emerging thinking on financial sustainability from each of the hubs as they plan towards the phasing out of grants.

The national retraction of revenue grant funding has created a funding gap for hubs in other ways too. The closure of the Homes in Community Hands revenue grant programme for new projects and a reduced Community Housing Fund of £4 million for 2021/22 poses a serious challenge for hub service delivery and strategy, leaving one hub representative to ask, 'Do we put energy into building the pipeline when we don't know about funding for them?' (wMUCH representative).

Covid-19 has also had an impact on both delivery capacity and on workflow from groups. For CHTV, 'Covid has had a significant impact with two of the five core partners, and many other local organisations having staff furloughed. Over the first eight months members focused on essential business strategies – 'putting food on the table; literally in the South Bank CLT eco-shop' (CHTV development worker). While in wMUCH it had proved difficult to make progress with some groups despite an active communication strategy and online events programme. Due to Covid-19 some groups have just 'parked' their project, with 15 groups not responding to follow-up communication. LCH's Interim Report for 2020 gave a more nuanced account of the impact of Covid-19:

'When the coronavirus crisis first hit, everyone was in shock for a short period, then we found that we were able to work effectively from home, and about half of our groups actually increased their activity, as they found they had more time on their hands. The other half of our groups went very quiet however, because of busy jobs, childcare responsibility and other personal factors for the steering group members.' (LCH interim monitoring report, 2020)

When judging the outcomes and impacts of hubs, these constraining factors need to be borne in mind. Such income pressures from grant reductions and Covid-19 have

challenged the resilience of the hub models, just at the point that they had completed the ‘forming’ and ‘norming’ stage and begun to establish a regional presence. Some key strands of learning to address these challenges have emerged. This includes both scaling up and scaling out local projects, moving into development and asset ownership as an RP and accessing Affordable Homes Programme funding, as well as seeking to grow ‘ecosystems of support’ for CLH that are less dependent on a single organisation.

The case study hubs continue to work across regional geographies, often to match combined authority areas, such as in the Liverpool City Region, though in the West of England this is less to do with aligning with regional governance and more a shift to expand support from the hub’s origins in Bristol to surrounding rural areas. For some hubs it may be less strategically advantageous to match the geography of regional governance, where key priorities of the combined authority focus more on employment than housing. There is also evidence of hubs working across geographical boundaries, particularly in Leeds where their new subsidiary People Powered Homes (PPH) could have the potential (within its governing rules at least) to provide support nationally.

An alternative route to resilience was being pursued by CHTV, based on its alliance model and ‘fungal expansion’ to develop ‘ecosystems of support for CLH’ (CHTV Development Worker). This has entailed forming an alliance of active community embedded partners in each local authority area. In Hartlepool, one alliance partner Hartlepool NDC Trust (HNDC) has led a partnership of eight organisations to work up ideas for an ambitious ‘health village’ on NHS land. Redcar & Cleveland Voluntary Development Agency, another alliance partner, has succeeded in registration as an RP and has a shareholding in a modern methods of construction (MMC) factory in Stockton. The hub is now thinking about the infrastructure accessible to start-up groups in an area of low social capital through a variant of the community gateway model – essentially a secondary cooperative to provide development support and management and maintenance services at the ‘Live’ stage through the hub’s alliance network structure.

Against the context of these distinctive origin, life cycle and Covid-19 factors, the hubs all went through considerable individual learning processes this year, most of which are explored in the next four sections. There were some external enabling factors that promoted the sharing of this learning.

The Community Led Homes team has facilitated exchanges of learning (for example through the online Basecamp system) and supported occasional learning engagements with individual hubs (for example the ‘deep dives’ on financial sustainability in autumn 2020). Basecamp is an online message board tool where all hubs can post, respond or comment and is a ‘helpful tool which would be missed if it wasn’t there’ (wMUCH officer). Basecamp was being used by hub leads to look for examples of what has been done elsewhere, to crowdsource ideas on how to tackle an issue with a particular scheme, or to coordinate efforts across the sector (e.g. to engage with the Church of England on land holdings). In the CHTV case study it was used by RCVDA to assist with their process to register as a provider when they needed technical advice to produce a market assessment for their unusual peer supported housing model. The Basecamp request unearthed expert advice from a Savills associate who had ‘a passion for CLH, an interest in the recovery movement and wanted to help, charging less than quoted and leading to a successful RP registration’.²⁹

²⁹ RCVDA – Presentation to NE Community-led Housing Network Festival December 2020: Why Housing? Why RP? A Marathon not a sprint.

The 'deep dives' conducted by Community Led Homes advisors also prompted several hubs to think systematically through their options for future income, drawing on the long-term experience of advisors from the 'Wessex model' of capitalising advice and support costs across the life cycle of successful projects. These discussions also prompted hubs to explore other locally relevant options while avoiding 'reinventing the wheel'. Hubs valued regular facilitated interactions and meetings between each other; one member of the Breaking Ground steering group commented that 'the national network and infrastructure has been really good. We're wired into that and there's a lot of fast learning to be gained'. This work has been supported by a dedicated action learning process, starting with a baselining process to understand hub contexts and challenges, with subsequent action learning sets and coaching calls. This process originally involved a series of face-to-face residentials and learning sets, but the methods have changed in light of Covid-19.

Governance and organisational models

This report incorporates views from members directly involved in hub governance, exploring their motivations and perceptions of change in relation to governance structures, membership and recruitment, policies and governance documents. The sub-section ends with board member reflections on the key decisions faced in the last 12 months and on wider processes of hub governance.

Some hubs operated as distinctive, standalone organisations, such as Leeds Community Homes, and therefore had their own distinct governance structures, including a board. Other hubs sat within existing organisations and within existing structures, though develop their own steering groups specific to hub operations, and distinct from their host organisation's governing body. Board or steering group members came from a variety of backgrounds but were generally involved in other local housing and community-based organisations in both professional and voluntary capacities (RPs, development trusts, voluntary sector infrastructure, government office, credit unions, Citizens Advice). They were generally motivated by the social change potential of CLH, including 'radical ways of raising money', 'interest in CLH and desires for partners to pull together to create a hub', 'grand solutions through land tax, prevention of land banking', and 'both practical and symbolic interventions to change the balance of power'. Breaking Ground's steering group was largely composed of CLH groups and local voluntary sector stakeholders, and this is mirrored in most of the other hubs.

There were also more instrumental reasons for people getting involved, for instance, 'to share learning, access information and national networks, and build legitimacy and support for the emerging CLH work in Hartlepool', 'sharing operational level experience and information', and 'to share relevant skills and experience with CLH start-ups'.

There were several changes to corporate governance structures in the hubs this year. The most significant were in Leeds with the establishment of a new non-charitable subsidiary People Powered Homes (PPH). As one LCH representative described, 'We've set up a new company and board, as required for RP status'. This means LCH will focus its development activity on Leeds and the surrounding area, and PPH will concentrate its enabling support on West and South Yorkshire. However, with demands for support coming from groups across the country (and some outside the UK) PPH may work beyond these immediate boundaries. For wMUCH there was a move to more formal delegation of decisions to committees, to ensure separation of powers and avoid conflicts of interest for those members also acting as associates. This was accompanied by preparations to employ paid staff and to recruit associates to deliver the enabling service. There were also board champions for the business plan and strategy, and regular operational meetings with associates involved in delivery of

enabling services. Looking across the hubs it becomes clear very different structures are emerging to meet their specific internal dynamics or other local factors and priorities.

Membership and recruitment drives featured in several of the hubs. wMUCH had recently recruited three new board members (from Dudley, Wolverhampton and Solihull) as it seeks to better reflect its expanded geography, while also extending its skills base – to bring in those with experience in accountancy, local authority leadership, communications and cultural sector links). LCH had recruited a new treasurer (formerly working for an ethical lender), as well as engagement specialists and those experienced in housing and affordable housing delivery: ‘We’ve done very well with new people with expertise ... [it’s] now probably more fine-grained expertise than ever before’. LCH’s board was also conscious of lack of diversity in groups and the board, highlighting ‘lots of work done on this’ including through the Cohesive Communities Fund project on diversity, equality and inclusion which was now also influencing some of the other hubs.

One factor which marked a key step change for those hubs constituted as new organisations rather than hosted projects was the need to develop a raft of policies and compliance procedures to meet external regulatory and corporate governance requirements. These changes had implications for the role and motivation of board members. In LCH it was ‘... clear you had impassioned people ... but they were [taken] by surprise at the process-y things needed’. Some board members of hubs had complained about the extent of focus on process, policies and internal developments, as they buckled under the weight of internal bureaucratic tasks needed for completion at rapid speed.

This has entailed a perhaps lighter load for hubs hosted in other organisations. As noted by one CHTV steering group member, ‘Partners have been able to influence the approach and are comfortable with CC87 [the host] managing the project as they are trusted and it builds on the ‘hatch and dispatch work they had been doing over many years’ (RCVDA chief executive). But it was noted that at the ‘last few meetings there has been a shift back to internal stuff – developing processes for recording the enabling support work in Support Log. It is important to have audit trail, but we need to keep it simple’ (HNDC chief executive). It appears that whatever the governance model, the need to engage associates to undertake enabling activities and deliver the grant milestones and outcomes has required a sharpening of governance and accountability processes. CHTV had adopted a short governance policy statement following principles such as independence, openness and accountability for its core steering group members, with plans for membership policy and more formal links to wider stakeholders likely to be part of the hub’s future agenda.

Hubs were developing suites of policies and governance instruments both to ensure external compliance but also to steer their decision making and priority setting. The LCH chair had been directly involved in compiling a good governance handbook. There was some sharing of ideas here between hubs, with wMUCH for example adapting aspects of the LCH governance handbook and in return providing LCH with access to wMUCH technical reports.

Board members reflected on some of the key decisions their hubs had faced over the past 12 months. In LCH the most difficult and demanding issues had been RP registration and progressing the first scheme to be directly owned, which was also part funded by a share issue. Complications have arisen as share money has been connected to a specific housing project which has been significantly held up over design and construction issues. With the share money as yet unspent, LCH discussed the use of share money with members, who have shown patience and pragmatism in working through these decisions. These discussions have revealed members ‘just

want to be part of a movement' (LCH hub officer), rather than wedded to development of one specific scheme.

wMUCH's hub lead described their board's focus in the nine months since her appointment as centring on the business plan, getting the right policies in place and managing grant monies (including potential underspends). They reflected that '...the business plan has been the most difficult bit of board meetings'. This had however paid dividends with a board champion and sub-group, a special deep dive board session with CLH advisers, and several detailed board discussions leading to an extensively rewritten and accessible business plan in spring 2021, with detailed sets of assumptions for future income streams.

In reflecting on hub governance more generally, wMUCH board interviewees described a change in the board's focus and development, and the speed at which that had to happen, reflecting on the fact that the hub was 'crawling, then suddenly going regional'. This process was 'hampered by board members having day jobs ... [It was] hard to push the organisation forward until we saw the options'.

These insights reveal the rapid changes to organisational structures, processes and board membership as hubs attempt to meet major future challenges to their operations and financing.

Stakeholder relationships

The first year of this evaluation highlighted the importance of influencing partnerships and policies to create a local or regional climate in which CLH can grow. This was highlighted as a key role for hubs over and above enabling work with individual groups. Baseline evidence from NCLTN was used in the first-year report to highlight the very uneven extent of CLH policy development by local authorities, including the five urban hub areas. This year our report draws on interviews with some key stakeholders in local authorities and RPs, as well as reflecting on the learning from hub leads and board members on managing stakeholder relationships. In this section we discuss new findings on relationship building with local authorities and with RPs, but first we consider the importance of hubs having a strategic approach to relationship building and management.

A strategic approach to relationships

wMUCH provides a good example of a strategic approach to relationship management, as it seeks to influence and collaborate with key actors across seven local authority areas. Summarising their approach a wMUCH representative noted, '... we have a relationship with all seven of them [local authorities] ... primarily housing strategy'. The hub has run 'toolkit session for West Midlands housing *officers*', with a goal to 'enable [CLH] at a strategic level' (wMUCH hub lead). The hub has developed a two-pronged strategy for working with RPs. First by developing a prospectus setting out the kinds of support it can offer to groups and to RPs, including a 'community building' offer to assist developer RPs to work with CLH groups, and running online events to promote this. Secondly, wMUCH is engaging with key RP forums and partnerships including Birmingham Social Housing Partnership and Matrix, an RP alliance which in 2020 re-applied for substantial Affordable Homes Programme pot from Homes England under the Strategic Partnerships Framework. wMUCH aims to make the RP sector aware of the benefits of community-led housing, and to stimulate active interest for trailblazing CLH projects initiated by, or in partnership, with RPs. Active relationship building with the West Midlands combined authority has enabled the hub to connect directly with potential sources of land and infrastructure support for CLH through membership of the Public Land Task Force.

This relationship building work was used in turn by wMUCH to inform a pitch to influence candidates for the May 2021 mayoral elections, on a range of issues including land and infrastructure, revenue funding for groups and for the hub to support its active pipeline. The 2021 mayoral elections were used similarly by LCH and the Breaking Ground hub. For the former, the aim was to influence mayoral manifestos. In Liverpool City Region the combined authority had previously supported CLH projects in Bootle and the Wirral, and was now asking for investment of £3.8 million over four years (£800,000 revenue and £3 million capital contributions) and support for the hub to facilitate delivery of the programme. The hub also has aspirations of creating a 'political champions' working group, bringing a group of local councillors together to meet regularly, guided by agreed terms of reference. Through its work with sub-regional RP networks LCH has sought to collectively influence the West Yorkshire combined authority: 'We got ourselves into that [NYHP] partnership ... who are preparing representations for the mayoral elections' (LCH hub lead).

A similar strategic process of moving from initial local authorities to influencing a larger number across expanded hub geographies was found in other hubs, including West of England and Leeds. In the case of LCH this was seen as work in progress. 'Other local authorities are a priority for influencing/strategic partnerships', with the aim to focus 'on the best relations first, and then where [CLH] groups are' (LCH hub lead). As hubs begin to reach the end of their grant funding, they face the dilemma of investing time and resource into lobbying, influencing and relationship building in areas where CLH is less prevalent, or on focusing their resource in areas of high demand and where local policy and relationships may be favourable and supportive of development, as this is where some of that support can be capitalised to support the hub financially.

Local authority policy

Hubs have sought to create or influence discrete local authority policies. Our Year One report highlighted the uneven commitment of authorities within the five hub areas to CLH policies, sites and funding support.³⁰ In each hub area less than a third of local authorities had high commitment to CLH and less than a quarter had supportive policies, according to the 2019 NCLTN survey. Moreover, our early evaluation work confirmed further unevenness between departments within local authorities, and implementation gaps between paper policy commitments and departmental practices. Year Two evidence indicates a continuation of this pattern despite the strategic influencing activity outlined above. Some of the stakeholder interviews provide clues to the reasons for this pattern and learning points on what makes for more effective influencing.

In all five hubs, there has been greater initial success with one or two local authorities than with others across their areas of operation. This partly reflects the origins of the hubs; both LCH and wMUCH initially focused on one local authority, while Community Led Housing West is born out of a strong CLH culture in the city of Bristol. It also reflects hubs' strong local focus, the relative practical ease of working with one local authority partner, and the strength of relationships between some officers or councillors in these local authorities.

It is important to capture some of the ingredients of positive working relationships between hubs and some local authorities. In CHTV a strong and longstanding relationship existed between Redcar & Cleveland Council and CC87, the host organisation for the CHTV hub. This initially reflected a common agenda linking housing refurbishment work, employment and training, and local economic

³⁰ Archer, Moore and Mullins (2020) Homes in Community Hands: Baseline Evaluation Report. Accessed at: <https://www.powertochange.org.uk/wp-content/uploads/2020/08/Power to Change 3715 Homes In Community Hands FINAL.pdf>

development, and strong mutual trust; and the local legacy of HMRA in South Bank. The council's housing strategy officer was 'very pleased to work with them around an important issue for the council [empty homes] adding as much value as possible – employment skills especially for young people'. He met with CHTV when applications went in for Community Housing Fund and Homes in Community Hands to ensure that the plans for a council CLH officer and for the CLH hub dovetailed.

CHTV are seen to have made a real difference for Redcar & Cleveland Council – 'it's difficult to separate out the contribution of the hub, but it's possible to say that with both RCVDA and the Land Trust, they wouldn't have got to where they are without the hub being in existence' (RCC housing strategy lead). One further indication of the mutual benefits of hubs and local authority policy commitment to CLH was provided by recognition of a heightened need of groups for advice and support when the council's CLH post was not replaced in 2020. 'Without our own resource it has become even more important that there are the skills and resources available for community groups to call on to get delivery on the ground' (RCC housing strategy lead).

Indeed, in practice Redcar & Cleveland Council met all the tests of a supportive council explored in the NCLTN 2019 survey, having a CLH policy statement and actions within their 2019 Housing Strategy Statement,³¹ a committed sums budget for CLH, evidence of asset transfers to CLH alliance members, councillor support for and involvement in CLH projects, and consistency of support after change in political control. This connects to the perceived value of CHTV to CLH development locally. However, CHTV had made less progress in securing policy support from the other Tees Valley authorities or from the combined authority. A similar pattern was found in other hubs of strong relations with one local authority partner but weaker support from other local authorities.

A strikingly similar endorsement of wMUCH was provided by Birmingham City Council's housing strategy lead, who suggested, 'People around the [hub] table are knowledgeable and committed ... we don't have the skill and support in the council to help groups. I tap into this experience'. This was also the case for CLH West and Breaking Ground, where local authorities perceived them to be especially important partners at the early stages of group formation, visioning and progress through the stages of CLH development.

But if one of the pillars of local authority support for CLH and hubs is key individual relationships, the corollary may be that support may not survive personnel changes, especially if other things change such as council finances in response to Covid-19. Some evidence for this was emerging in the experience of LCH, where longstanding relationships with the self-help housing sector had underpinned innovative council policies around recycling 'Right to Buy' receipts to fund CLH developments and reinvest in empty homes. In 2020 there were perceptions that relations may have weakened somewhat. A key officer had left their post and it has been difficult to maintain relationships. Further support has been limited as LCC is seen as 'totally busy and [with] big budget deficits'.

Local authorities have also been key partners in supporting land or asset acquisition. In 2020, Bristol City Council launched a CLH land disposal policy, transferring land to CLH groups and utilising innovative decision-making methodologies to take account of social value. The hub played an active role in supporting the launch and implementation of this land disposal, working closely with both the authority and CLH groups. Five groups obtained land through this process. This disposal process was also perceived to shift the local authority's role in relation to CLH groups – rather than

³¹ See <https://www.redcar-cleveland.gov.uk/resident/housing-property/housing-related-policies-guidance/Documents/Housing%20Strategy%202019-2024.pdf>

providing direct support to communities in engaging around the concept, their negotiations are centred on heads of terms for land disposal, housing management expectations if they receive grant funding to support development, and other technical matters. For a local authority this is a necessary shift when dealing impartially with a competitive tender process, and it was commented that their changing role ‘really highlights the importance of a hub to provide support, training and governance advice’ (local authority official, Bristol City Council).

The land disposal policy in Bristol was viewed with admiration by hubs based in other parts of the country, and local authorities in some regions expressed an interest in learning from the experience of CLH West and Bristol. However, it should be recognised that the land coming through the disposal programme was not always suitable for all groups, and that there would be a need to identify other opportunities, for instance through developer partnerships and Section 106 agreements (discussed in further detail below). There was also recognition that many CLH groups face significant barriers to land acquisition, which often reflect intense competition for scarce local authority land resources between different housing providers, as well as pressures within local authorities to balance competing internal priorities.

Recent studies on the disposal of public land have identified that local authorities should not be understood as one homogenous unit and that there may be multiple and contrasting visions of how land should be utilised.³² This was evident in some local authorities in this study, even where CLH appeared to be well integrated into policy. One official commented that, in their area, there was ‘pushback’ within their council because of the ‘amount of work that CLH requires to set up ... relative to the number of units’. One argument in relation to this was that hubs should look beyond housing outputs to articulate potential benefits of CLH for local authorities, identifying their contribution to strategic agendas around regeneration or green living rather than solely housing units: ‘We need to pitch CLH to wider regeneration issues, rather than simply around housing supply’ (Birmingham City Council, housing strategy lead). Hubs were seen as key partners in overcoming this perception, though the availability of revenue and capital funding was also seen as important in assuring decision-makers over the viability of CLH. There were also policy implementation gaps indicated by groups encountering problems in securing planning permission, even where CLH schemes appeared to align with strategic priorities in relation to affordable housing and green agendas. Design and rigid application of Section 106 rules were examples where CLH policies were being outweighed by planning imperatives.

Influencing local authority policy has been a key strategic priority for many hubs, particularly once their initial visions and ambitions were agreed. This was often achieved by aligning CLH with strategic local authority agendas, such as relating CLH to local economic development in Wirral, though there were also challenges, particularly in areas where there was less history in the development of CLH or other forms of community asset ownership. Hubs had begun to invest significant resource in lobbying and influencing in areas where CLH is less prevalent, though in some cases this has been reallocated to meet growing demand in core urban areas. This also relates to issues of financial sustainability, whereby hubs may have to prioritise projects most likely to proceed and succeed at the expense of some ‘softer’ influencing work.

Registered providers

Managing relationships with RPs presents hubs with a different challenge from those with local authorities, and one that has been regularly revisited in the story of CLH.

³² Dunning, R., Moore, T. and Watkins, C. (2021) [The use of public land for house building in England: Understanding the challenges and policy implications](#), *Land Use Policy*, 105, June 2021.

Despite the narrative outlined by the council officer of CLH filling the gap abandoned by RPs as they scaled up, 'they've kind of moved away from that (their original ethos) and CLH is like now reinventing that' (RCC housing strategy lead), negotiating their role has often been far from straightforward. In practice a plurality of development routes and partnership approaches are emerging as Community Led Homes (2020) has begun to map out in their recent report on partnerships between housing associations and community-led housing organisations.³³

The Year One evaluation report noted the pivotal gatekeeper role for local projects seeking to access grant support from Homes England, necessitating hubs to build relationships with RPs. It identified the 'developer model' approach whereby some hubs are seeking to secure access to a share of sites developed by RPs and other developers to be managed under community-led models. It also noted that most of the hubs have 'community-oriented' RP members who have taken a more pro-active role in supporting CLH groups, sometimes over a very long period through secondary cooperative service provider roles. This report updates these main strategies for accessing AHP grant funding for CLH through these various strategies, and also includes the emerging trend for hubs and CLH groups to seek RP registration themselves. The following are the key forms through which partnerships with RPs, or new dedicated RPs, are formed:

- i. Registering new community-led housing RPs.
- ii. Working with existing 'community-oriented RPs' within hub partnerships.
- iii. Working towards a 'developer model'.
- iv. Working on a project basis with larger RPs.

Registering new community-led housing RPs

Registering new CLH RPs is not the easiest or most direct way to access Homes England grant funding, but it is one that has been attracting increasing attention among CLH groups wishing to maximise the independence and community control of decision making within their projects. It has also been identified as one option for future sustainability of hubs wishing to become developers and housing asset owners in their own right. LCH is one such hub, and its journey to RP registration was an important milestone in the last 12 months.

LCH invested significant time in considering and developing RP registration. Complexities arose because of share issue (focused on a specific site). While the process has demanded a lot of time commitment, securing RP status will enable LCH to access Homes England grants to build and manage affordable housing, and to partner with groups to help them achieve their ambitions. It could also provide an important part of the route to financial sustainability after the end of Homes in Community Hands grant funding in December 2021. The grant funding itself is regarded by the hub finance lead as 'crucial also in meeting legal costs associated with becoming an RP'.

Another body registering as an RP, with the aim of supporting CLH delivery, is the infrastructure body RCVDA, a key partner in the CHTV hub. Registration was secured in October 2020, after a 29-month process. RCVDA's housing work is undertaken under a community interest company subsidiary – which is the registered RP, led by a former senior housing association officer from the local area, with a pipeline of four projects producing 70 homes. As well as developing its own partnership projects (e.g.

³³ See <https://www.communityledhomes.org.uk/sites/default/files/resources/files/2020-12/partnership-guidescrolling-version.pdf>

substance abuse peer recovery model) there are plans for collaboration with other hub partner projects including Hartlepool Health Village and North Ormesby CLT. Key strengths are in project planning and finance, modular construction, green design and viable building layouts.

Working with existing 'community-oriented RPs' within hub partnerships

Several of the hubs include existing community-oriented RPs that are used to facilitate independent community-led projects, reflecting their own community-based origins or roles, for example as secondary housing cooperatives. By working with more community-oriented RPs it has been possible to avoid many of the problems of scale and power differentials, lack of local focus and professional distance that have often dogged relationship building with larger RPs. Shared values and common purposes between RPs and CLH partners seem to be easier to achieve in these types of partnership. Working together through hubs can also move the relationship on from a project-based transactional one to a more collective transformational one, e.g. through a common vision for 'five per cent of homes built in the West Midlands by 2031 to be community-led and to see an increase in community control of existing homes in order to build strong and successful neighbourhoods' (wMUCH Vision).³⁴ wMUCH has three core partners who are RPs and one applying for registration with track records of developing and managing community-led housing. These partners have ongoing CLH projects within their own organisations as well as contributing to and facilitating hub enabling services. While this activity is a key strength of the hub and has enabled some early wins in projects that have been supported by the RPs (e.g. through assistance with purchase of sites once planning permission is secured in advance of securing capital funding), it can also lead to perceptions of 'competition' including with the hub's enabling service. It seems likely that pragmatic solutions will be developed as hub projects proceed to development stage and the proposed system of developer fees and hub overheads is tested for different types of collaboration.

CLH West also benefited from a partnership with United Communities, a community-oriented housing association in Bristol which has provided significant support to the local CLH sector. This includes initial funding and resourcing of the hub and partnering with CLH projects on specific schemes, such as the Power to Change-funded Shaldon Road project. United Communities has played a longstanding role in supporting CLH in Bristol, notably the establishment of Bristol CLT, the organisation within which the hub now sits. This partnership has continued beyond the initial creation of the hub, by establishing a new role within the housing association dedicated to working with CLH groups and the hub. The relationship between United Communities and the hub is perceived to be complementary, with the hub offering particular expertise in set-up, creation and formation of groups and projects, and the housing association able to support the actual delivery of homes.

A developer-led model

The concept of a 'developer model' for CLH has clear distinctions from the bottom-up approach that characterises the 'Group, Plan, Build, Live' model. The developer model has potential advantages in expanding CLH more rapidly by focusing on homes that are already being built or likely to be built (for example in large new planned settlements). However, this leaves the crucial question of how to ensure that these homes are genuinely community led both at the development stage and at 'Live' stage. wMUCH is planning to introduce a community building service, attempting to broker relations between groups and developers. This approach outlined in wMUCH's

³⁴ See <https://www.wmuch.org.uk/about-us>

Business Plan 2021 may foster collaborations with municipal housing companies and private sector developers as well, where there is a shared vision for CLH:

‘Our Community Building Service will help to build communities, not just homes. If developers would like to initiate or develop a CLH scheme, we can help them to find a community partner and to facilitate successful partnership working, or to build a new community group from scratch to take on a stewardship role within their scheme.’ (wMUCH Business Plan, 2021)

Project specific partnerships with larger RPs

Project based partnerships with larger housing associations continue to form a common route for CLH groups to gain access to Homes England grants, development and management expertise and services and other forms of technical support. As the 11 case studies in the Community Led Homes (2020) Practical Guide to Partnerships illustrate, these partnerships can be structured in a variety of ways and it is important to ensure that they meet the needs community-led housing groups.³⁵

One of the partnerships described in the practical guide is in the CHTV area and involves a large RP, Thirteen, securing a grant and managing refurbishment of six properties acquired by North Ormesby CLT. This work was done on a five-year lease after which freehold ownership reverts to the trust. This is one of a stream of five project-based partnerships between Thirteen and local CLH groups, mainly grant funded empty homes refurbishment projects. The latest with South Bank CLT has a 10-year lease and proposals for CLH groups to contribute to the refurbishment works being procured by Thirteen. It was interesting to gain the perspectives of Thirteen’s Community Resilience and Assets teams and from CHTV on their learning from these project-based collaborations. From CHTV’s perspective it has been important to ensure that such partnerships are empowering rather than limiting for CLH groups, for example by limiting the time period before control of assets passes fully to CLH groups and by ensuring that local residents and the groups benefit from employment and training impacts.

From Thirteen’s perspective, all activities must show either social, environmental or financial returns. Working with CLH groups makes sense in this context because ‘CLH groups can offer several benefits, particularly the willingness to take on challenges of some of the worst housing stock, older terraced houses in declining neighbourhoods, often have extensive local community contacts, ability to access resources not available to Thirteen, and connections to national expertise on CLH’ (Thirteen, community resilience officer). There is also a recognition that scale and professionalisation can separate large RPs from the local geographies and there is a need for community links to better inform decisions and enhance local delivery. Thirteen is adopting an ‘ethical disposals policy’ and is currently in discussions about some possible disposals. There is an underlying pressure to make sure that projects stack up and to comply with regulatory requirements and Homes England grant conditions.

Hubs have sought to develop partnerships with housing associations to explore mutually beneficial arrangements or where they can achieve complementary outputs. For instance, the first year of Breaking Ground has involved high-level discussions with senior staff amongst housing associations in the city region, while LCH has been engaged in a number of project-based partnerships with registered providers, as well as pursuing its own registration to provide units in its own right. These experiences confirm the centrality of RP engagement for hubs in enabling projects requiring grant

³⁵ See <https://www.communityledhomes.org.uk/resource/practical-guide-partnerships-between-housing-associations-and-community-led-housing>

support to produce affordable homes. They show the advantages of strategic approaches to stakeholder relationship management and the importance of maintaining a variety of options and partnership forms in order to maximise leverage.

Enabling models and working with groups

A key purpose of hubs is to catalyse and develop CLH schemes within their area of operation. The first year of the Homes in Community Hands programme evaluation highlighted that each of the five hubs sought to stimulate interest in CLH amongst potential and existing community groups and organisations, as well as to provide support for projects that are further progressed. In addition, the design and delivery of a hub's enabling model is related to its plans for financial sustainability. In this section, we discuss the design and delivery of hub enabling services, reflecting on the ways in which hubs seek to support groups, and discuss ways in which this can create revenue and capital opportunities in the following section.

The enabling work of the hubs is delivered through a combination of core staff and a broader network of enablers and associates, who may be contracted to undertake discrete pieces of enabling support. Given most hubs have limited staff resources, usually numbering fewer than five employees, this network offers important capacity to support CLH groups. Many of the hubs have spent significant time building and expanding enabler networks, often drawing on individuals with previous experience in CLH pre-dating the creation of the hub. For instance, while the Breaking Ground hub in the Liverpool City Region employs one director, there is a broader network of 11 enablers, many of whom have undertaken the formal CLH enabler accreditation training supported by the hub. In CHTV, six hub advisors drawn from the hub's core partners undertook the accreditation training and had, on recent records, delivered 682 hours of support to 16 projects (531 funded through Homes in Community Hands and 151 through Community Housing Fund).³⁶ In the Liverpool City Region advisors often worked intensively with particular projects in order to achieve specific goals, such as constitution reviews and devising action plans at early stages. Developing and formalising this network of enablers has been a focus for many hubs in their early years and has been seen as a natural part of organisational development. In some instances, this enabler network has become part of the 'ecosystem' of the hub. Some hubs, such as wMUCH, hold dedicated enabler network meetings so they can share learning, good practice and reflect on local CLH policy and practice. Similar meetings are held among enablers working with CLH West, as they aim to strengthen their enabling work.

A key part of each hub's organisational development has been the configuration of processes to provide and manage the enabling work undertaken with groups and through their network of advisors. Inevitably, processes for this are more mature within hubs that received their grant funding earlier than others. Hubs usually begin their support for early-stage groups with an initial 'health check' to assess their developmental needs and steps before progressing this to greater levels of support. In the West Midlands, this involves a one-day funded health check, before moving to five days of support when the group reaches the right stage. The allocated advisors are managed by a member of staff, but with board substructures to deal with these issues of 'resourcing and commissioning'. To improve the enabling services, wMUCH has also established systems to evaluate the experience of users of advice services.

In the West of England, CLH West uses core hub time to undertake an initial assessment and, following this, circulate details of the support needs through their enabler network for expressions of interest. The hub then meets with groups to match

³⁶ This is based on recent data relating to enabler hours than was captured in the last interim report.

them with an enabler, allocating somewhere between four and nine days of enabler time at the outset depending on the group's developmental needs. The costs of contracting an enabler have so far been met through core grants. Projects often also benefit from pro bono time invested by advisors. In the Tees Valley, CHTV built on local CLH traditions of pro bono peer advice and collaboration in an area of high deprivation. As noted above, the Homes in Community Hands grant enabled a further 531 advisor hours to be delivered to 13 projects by four advisors. The enabling model in this area has drawn on the strong alliance-based structure that underpins the hub and has assembled a pipeline of projects, with the 17 deemed most likely to proceed having the potential to produce 262 community-led housing homes.

In all five hub areas, the majority of enabling work has occurred at the initial stages of the process for delivering CLH, such as support with group formation and site identification and acquisition. By way of illustration, Breaking Ground was actively supporting 32 CLH projects across the Liverpool City Region as of March 2021, with just eight of these progressed to the stages of financial and business planning, scheme building or property management. Similarly, of the 30 groups supported by Leeds Community Homes, 18 were in the first stage of group formation and identification. Across the hubs, there are also groups who receive support at an early stage who do not immediately continue their development in a linear or straightforward manner, often stalling or pausing, an issue particularly exacerbated during the Covid-19 crisis. These delays are often attributed to uncertainty over future CLH revenue funding, as well as due to personnel changes within organisations and groups. This creates a challenge for hubs in deciding how to prioritise their time and often stretched resources, considering whether to focus their efforts on early-stage groups where development may be unpredictable, or on those most likely to progress.

These decisions are often driven by financial imperatives, though it must be stressed that all hubs have invested significant time into the initial group stages. The value of enabling support after the phase of group formation was also clear in interviews with groups and stakeholders. In Liverpool, an advisor contracted by the hub to a CLH group helped a community land trust to change their constitution in order to allow them to undertake a community share issue, while Leeds Community Homes was contracted to support Calder Valley CLT – a project also funded by the Homes in Community Hands programme – to undertake a community share issue. The hub was contracted to manage the promotion and communications for this on behalf of the CLT, and helped successfully hit the target of £270,000 in investments. Another project on the Wirral benefited from substantial amounts of hub and advisor time to support the recruitment of a staff member and liaison with a local authority over asset acquisition. The value of this work was also articulated by local authorities; hubs were often quoted as providing an important 'hand holding' service for groups and liaising between them and local authorities.

Covid-19 has led to shifts in the enabling work undertaken by hubs given restrictions on community gatherings and social interactions. This led to the scaling back of some conventional 'softer' work that hubs undertake with groups, such as community outreach and promotion events to promote the CLH concept, though many hubs also adapted well to the online environment. CLH West held online webinars to support groups with Bristol City Council's CLH land disposal policy, while the North East CLH festival in November 2020 and Breaking Ground's CLH festival in January 2021 provided platforms for new and existing groups to interact with stakeholders and hub representatives. While enabling work has adapted to virtual and online environments, there was also a sense amongst enablers contracted by hubs that they valued and missed the face-to-face interactions with groups, as one enabler in the Liverpool City Region commented:

'You can't beat a face-to-face meeting with a local project specific to a site. You want to be with a group, visioning a site, and also for a group to work face-to-face to gel and deal with difficulties, to have straightforward conversations that are vital for any development.' (Breaking Ground enabler)

This perspective reminds us not only of the people-centred interactions that are integral to the development of CLH schemes, but also the difficult circumstances in which housing development centred around people and community has operated since the Covid-19 outbreak. It is in this context that the progress of CLH projects and hub pipelines through the different phases of development should be borne in mind.

One of the key challenges for hubs is to ensure they have the requisite skills available to support groups at all stages of CLH development, either internally among core staff or within their broader network. Hubs have actively sought to develop enabler networks with a range of skills, including those associated with the early stages of community organising and development as well as the latter stages of planning, financing and developing skills. Skills and knowledge suited to a range of contexts, including different urban and rural contexts and equality, diversity and inclusion have also been sought. Notably, this has led to the recruitment of external expertise related to market assessment for peer supported housing in Tees Valley, and in Leeds a dedicated equalities, diversity and inclusion officer who has worked closely with groups previously under-represented in the hub's activities and CLH sector more broadly. The officer also worked with several of the hubs to develop their approaches to diversity, equalities and inclusion, and shows some of the cross-fertilising resulting from combined Homes in Community Hands hub grants *and* Cohesive Communities funding. The case studies identified the emergence of a group of enabling experts now working across several hubs leading to interesting questions about the balance between enabling skills and regional contextual grounding, and the rationale for anchoring support resources to specific regions as funding diminishes. Whether enablers need to be locally rooted, or should be a flexible resource for work across very different regions, raises key questions for national bodies seeking to enhance, structure and standardise enabling support across the country.

As more groups begin to move through the different stages of CLH development, hubs have begun to consider the most appropriate arrangements for providing support in the 'Build' and 'Live' stages. Community gateway models have been proposed, which could include a range of 'secondary type' support services such as property management and maintenance for groups at the 'Live' stage; thereby replicating services provided by earlier generations of secondary cooperatives.³⁷ These ideas have also been considered as a way of achieving economies of scale for smaller CLH groups, as hubs consider how to scale up the sector while taking into account the reluctance of smaller projects to become 'bogged down with bureaucracy and governance' (Breaking Ground steering group member). These arrangements may also provide more attractive CLH sector based options for groups to secure management services compared with other options such as housing associations and commercial service providers.

Financial sustainability

Grants through the Homes in Community Hands programme have provided core funding for the hubs and, as noted earlier in the report, played a significant role in sustaining staff as well as meeting other overheads related to marketing, publicity, enabling work, and lobbying and influencing. Combined with Community Housing Fund enabler grants, this has provided a valuable and significant form of income to

³⁷ For a more detailed outline of the model as originally conceived see <https://twoworlds.me/wp-content/uploads/2013/02/EmpoweringCommunities.pdf>

make this work possible. As these grant programmes come to an end, hubs have worked on identifying and developing alternative income streams to sustain their existence beyond the period of grant funding. In the first year of our evaluation, hubs were working on and implementing such plans, including considering fee-based models of service provision and asset acquisition, but their focus on this has intensified as the major grant programmes wound down.

A particular challenge relates to the provision of early-stage advice when CLH groups are forming and visioning. It is at this stage that those seeking advice and support can be described as 'groups' rather than 'projects'. Given their embryonic status, they may not be constituted (indeed, part of the enabling work undertaken by the hub may be to help constitute a group), may be developing their vision, and not yet identified assets or land through which to deliver housing. There is therefore uncertainty over whether and how supporting these embryonic groups will help to fund and sustain a hub's activities, particularly as many of these groups do not have the resources to pay for hub time up front. LCH reflected on the speculative nature of services, having spent lots of time helping one specific group, with a strong prospect of delivery, only for the board to decide against the project; in terms of their pipeline it was 'the most likely and now it's just gone' (LCH hub lead). In planning for the speculative investment of time, lessons may be learned from other areas of the housing sector, potential land agents and brokers who have systems for prioritising sites and opportunities.

Interviewees across the five hub areas commented on the difficulty of sustaining early-stage support in the context of funding reductions. Many hubs have provided services to early stage groups through using core staff but a reduction in grant funding will likely result in diminished staffing and capacity. One hub representative commented that 'We've built a great staff team but the grants disappear'. A consequence of this is that many hubs are now making conscious decisions to focus their time and resource on projects that are most likely to succeed in planning and developing homes, as these are the ones most likely to generate fee-based income for hubs to help sustain their services. An interviewee for one of the hubs said that 'We need to determine which projects will lead to capitalised fees, and that will drive decision-making over which schemes receive the most intensive support'. The recent announcement regarding the £4 million extension to the government's Community Housing Fund was welcomed, as it will provide some small source of revenue funding for CLH projects to fund enabling support. However, it was also generally perceived as insufficient for the needs of the sector. Interviewees reported frustration that significant sources of funding were due to expire or diminish at the same time and while some hubs were still maturing. One enabler in the Liverpool City Region commented that: 'The infrastructure is all there, the enablers are qualified, and the groups are interested. It just needs the tap turned on with funding.'

The diversification of income streams for hubs can broadly be grouped under four different themes:

- Working with local government.
- Partnerships with developers.
- Embedding fees into the life cycle of CLH schemes.
- Diversification beyond enabling work.

As described above, local government was seen as a key partner and potential funder to support CLH. This extends beyond policy and into funding. For instance, in the Liverpool City Region, the hub has successfully raised the profile of CLH to such an extent that it forms part of prospective local authority strategy documents, which the hub would like to see reaffirmed through pump-priming revenue and capital funding. A proposal to the combined authority will be asking for £3 million of capital funding and

£800,000 of revenue funding over a four-year period, which would provide important support to grow the pipeline of groups, provide reassurances to groups embarking on the process over potential funding, and – should they wish to work with the hub – offer an opportunity for Breaking Ground to undertake contracted, fee-based work, thus helping to sustain the hub. Similarly, other hubs are hoping to secure finance from local authorities. In some places, such as Bristol, the local authority already operates capital grant funding which is available to CLH groups (though not exclusively), and so one argument may be that revenue funding acts as a natural extension to this. However, there is also recognition amongst interviewees that local authorities continue to operate under restricted budgets – for instance, a recent report showed that the spending of local authorities in the North on housing and planning services has significantly reduced over the last ten years in line with austerity measures (Hincks et al., 2020).

An additional aspect of hub business development is focused on partnerships with developers, discussed in detail above. wMUCH's proposed community building service, 'matchmaking' between communities and developers, offers the potential for revenue from other housing partners. This may involve finding existing community groups to initiate or develop CLH schemes within a developer-led housing model or building new community groups from scratch to take on stewardship roles within schemes. The proposed community building service could be multi-faceted, ranging from concept development and community recruitment, to supporting more formalised aspects of community involvement in planning, lettings and governance. This service proposes to charge up-front fees to developers according to agreed project costs. In addition to acting as an income stream, such ideas also demonstrate the visioning of hubs, as they seek to identify innovative ways in which CLH can be integrated into mainstream housing delivery and methods by which the CLH sector can grow beyond conventional discrete new-build schemes. Similar ideas are evident in other hubs. As part of its business development, CLH West has mooted the potential for the Section 106 requirements of developers to be directed to community-led housing. While this idea is embryonic, this could again involve provision of services to commercial developers delivering Section 106 affordable housing contributions, or in securing planning gain contributions that could be used for enabling support. It was also felt that an approach such as this could result in CLH being accommodated within better located sites that are usually out of the financial reach or scope of CLH schemes.

One of the most widely discussed income streams for hubs is to capitalise fees into development costs, so that once schemes are complete and receipts received, enabler time is remunerated. This idea, building on the 'Wessex model', was being encouraged across the hubs by advisors from Community Led Homes who ran a series of 'deep dive' business plan sessions with individual hubs in autumn 2020. This is seen as a potentially effective way of overcoming the challenge related to the lack of resource at early stages, essentially deferring the payment to the 'Build' and 'Live' stages of CLH development. In the Wessex region, enabling support for groups has been regularly capitalised into developments. However, there are challenges associated with this, not least that the planning and development of CLH schemes can take some time. Deferring payment to development and completion may therefore overcome one problem of early-stage resourcing for groups, but may be most fruitful for hubs that have other sources of funding to sustain themselves during fallow financial periods of group visioning and site identification and acquisition.

While trying to find resources to fund early-stage work is a priority for hubs, it should also be noted that in some areas there is a further challenge in persuading groups that in fact these services should be charged for. In Tees Valley, CHTV has branded this a 'solidarity model', whereby financial contributions from projects at development stage would go into a fund for future early-stage advice. Agreement of the principle of solidarity funding was seen as reflecting values of the core hub partners. But it was

seen as more challenging to secure agreement of newer projects at an early stage of development to commit to contributions several years down the line. Couching it as 'solidarity' rather than 'development contributions' seemed a potential way to secure value-based buy-in.

Beyond more conventional enabling work, each of the hubs has been exploring ways of diversifying their income streams. The revised Tees Valley business plan identified a range of services reflecting the local context and specialisation and expertise of core hub partners in older housing stock and in employment skills training, retrofit and the green agenda. CHTV is also developing an offer of property management and maintenance services to CLH groups at 'Live' stage as part of its 'community gateway' model. The potential of community share issues is to be explored for later years of the business plan. This mirrors experience in Leeds, where community shares are financing the purchase of homes in one scheme, and which has led them to pursue RPstatus in their own right, in order to build their own asset base and rental revenue.

The idea of hubs developing their own assets as a revenue stream is not entirely new – an umbrella community land trust service in Cornwall has undertaken such development for several years – but it is clear that this forms a central plank of financial sustainability plans for some hubs but not all. Hubs at earlier stages of development and earlier in their funding cycle, such as Breaking Ground, are still exploring the range of options available to them with respect to organisational and business evolution, while others have expressly avoided becoming housing developers in their own right to avoid perceived potential for conflicts of interest:

'There is no intention at present for wMUCH to directly deliver housing schemes or become a Registered Provider of Social Housing. Whilst this may limit our long-term income streams we believe it will allow us to remain agile and lean and to focus on our enabling role, without creating conflicts of interest'. (wMUCH Business Plan March 2021).

Therefore, not all hubs are actively committing to development of their own assets, but all are exploring diversifying income in other ways. This includes creating 'sponsorship' opportunities for local firms or businesses that may support CLH schemes, and in turn benefit from groups taking up their services, or through development of 'products' such as social value impact tools, use of which can be charged to groups or organisations within and beyond the hub area.

The financial sustainability and survival of hubs was a concern amongst many interviewees across the hub areas, and much of this section and previous sections highlight the substantial challenges faced. Hubs are concerned to ensure they can continue to deliver their services to groups, not least because of perceived strong demand for CLH in their areas as a result of their organisational development, lobbying, influencing and promotional work in recent years. However, there is a sense that the CLH sector is at a crossroads, having benefited from substantial financial investment in creating the infrastructure needed to thrive, there is now a concern to ensure that this investment is utilised to its full effect and potential and that local groups, regional hubs and national bodies capitalise on the political interest evident in many areas. This political support is one particularly key outcome of hub activities in 2020/21, as discussed in the following section.

Outputs, outcomes and impacts

One way of measuring the impact of hubs is with reference to the quantitative pipeline of projects they are supporting and homes delivered. As shown at the start of this section, hub pipelines are significant, with the potential to create impacts seen across varied metrics associated with housing, local economic development, cohesion,

empowerment, wellbeing and broad aspects of place. For many of these impacts to be realised the pipeline projects need to be supported, and the section above reveals the vital role hubs are playing not only in advising and supporting CLH projects, but also in changing local conditions and relations to make these conducive to CLH. One might pose a series of counterfactual scenarios about the progress that may not have been made in New Ferry without Breaking Ground's support for the community land trust through difficult legal challenges, or the nature of development at Mistress Lane in Leeds without the CLH focus asserted by LCH's project leadership.

This study has identified more qualitative measures of outcomes and impact. These are described in the preceding sections but can be summarised in relation to:

- Direct benefits to CLH groups.
- Hub organisational development.
- Creating more favourable political environments local to hubs.
- Diversification of CLH schemes to other participants and beneficiaries.

As described in Section 3, the work of hubs has had both tangible and intangible impacts on CLH groups. This has ranged from important support in constitution, organisational set-up and asset acquisition for early-stage groups, advice and support on potential funding diversification and models for existing groups, and active support to raise funding through community share issues. Leeds Community Homes' support for Calder Valley CLT in planning and delivering a community share issue represents a direct impact of the Homes in Community Hands grant, as these monies helped put in place the staffing and systems to deliver this contract. The enabling work undertaken by hubs is diverse and varied. While the ultimate objective and way of measuring CLH may be through the number of housing units and projects, the actual impacts of hubs can be observed at various stages of CLH development and through the experiences of the participants in the process.

These impacts on groups are directly enabled by the organisational development of hubs. A legacy of the Homes in Community Hands programme, assuming hubs identify and configure methods of financial sustainability, will be a network of hubs ready to support the growth of CLH in their regions. The investment of time and resource to undertake this organisational development, even where hubs are formed within existing organisations and governance structures, should not be underestimated. A key outcome of grant funding during 2020/21 has been the creation of processes and procedures that prepare hubs to support groups in productive and tangible ways, including ways of organising and appropriately delegating work to a network of enablers and advisors.

Hubs are also attempting to achieve this wider system change through lobbying and influencing. As noted above, this has involved pushing for mayoral commitments to community-led housing, efforts to involve local authorities and councillors in the strategic direction of the hub, and attempts to embed CLH into local and combined authority policies and decision-making. There is clear and tangible progress made in many of the local authorities covered by hubs. There are plans underway to write CLH into housing, land disposal and community wealth-building strategies in a number of these local authorities, evidence of officers within local authorities being assigned specific duties in relation to CLH, and continued progress in areas where formal support for CLH is more longstanding, such as in Bristol, where land disposal policies have been devised and enacted. Furthermore, many local authorities in this study found great value in the hub's role and presence, with the enabling work undertaken by hubs helping to fill gaps in skills, capacity and process for directly supporting groups within local authorities. It should not be assumed that the inclusion of CLH in housing strategies will directly translate to greater housing delivery, particularly in the context

of constrained funding. However, increasing the coverage and awareness of CLH within local authorities may help to clarify how it can contribute to local authority policy agendas and, vice versa, how local authorities can accommodate varied forms of CLH within their policies, strategies and activities. One hub directly attributed discussions around political commitment and change to the Homes in Community Hands funding, stating that 'Power to Change funding has helped us to push into that' (LCH hub lead).

A particularly striking contribution by the hubs is the diversification of CLH opportunities to a broader range of participants. CLH has traditionally, and sometimes unfairly, struggled with perceptions around its limited contribution towards acute or diverse housing needs. Hubs have sought to tackle this perception. In Leeds, the use of the Cohesive Communities grant to employ an equality, diversity and inclusion officer has had a tangible impact on the hub's internal policies and processes, and on the groups it supports, which have become more diverse and led to greater recognition within the CLH sector. Their work has had 'larger than local' impacts, as networking between hubs has helped utilise that expertise and spread good practice. This has led to other hubs reviewing their approach to equality, diversity and inclusion in their own working practices, and in terms of their offer to CLH groups. One potential impact of this may be that a more diverse range of CLH groups come forward to seek hub support. For instance, Breaking Ground held dedicated sessions at its CLH festival on Black-led community-led housing and housing for LGBT+ communities. One might ask if events such as this would have been organised, without the capacity provided by the Homes in Community Hands grant. Similarly, issues of funding, scale and competition with other developers have often limited the land opportunities available to CLH groups. The work undertaken by hubs in relation to developer-led partnerships, potential Section 106 opportunities, and greater partnership working with RPs may create new opportunities for CLH on sites and within schemes that were previously difficult to access. Without this partnership building, fewer of these opportunities would have been realised.

Such is the multi-faceted nature of hub work and its intermediary functions, that understanding hub impacts, as well as cause and effect relationships, can be difficult. What this section has revealed is that, alongside other major grant funding streams, Homes in Community Hands funding has enabled hubs to develop a significant pipeline of homes through diverse projects targeting varied housing and other impacts. Generally speaking, hubs are making the conditions for CLH more conducive in their area. However, there are at least two spectres which loom over the full realisation of hub impacts: the very real possibility that they cannot continue to finance themselves and the potential that the pipeline of projects and homes they support never comes to fruition, about which the current rate of delivery raises serious questions.

In the following section we draw on the learning so far from the report, to reflect on whether the theory of change for the programme is unfolding as hypothesised, and whether we can expect the kind of outcomes and impacts envisaged when the programme was conceived.

The theory of change in practice

In this section we apply the learning above to explore whether the theory of change for the programme, which was hypothesised in the early stages of the evaluation, is actually being realised in practice.

In Figure 14 we identify areas of the theory of change where evidence suggests there has been some substantive change in inputs (**purple**). It also depicts where we see changes in and from activities, outputs, outcomes or impacts that are more (**green**) or less (**red**) significant than anticipated. Where significant change is taking place, but in more polarised ways, boxes are coded in **amber**. As no quantifiable measures of success were set for the programme at the outset (e.g. a target number of homes to complete), this analysis is purely interpretative, and reflects what the evaluators expected to observe, based on our understanding of the programme and wider environment. The narrative below describes the evidence and reasoning for the coding:

- **Input – £5.2 million grant funding.** Given decisions around programme budgets and Power to Change's shift of resources to support community businesses through Covid-19, this total input is being reduced. We can therefore expect this to impact on the process of change depicted, notably in terms of the number of CLH groups funded directly and their associated outcomes and impacts.
- **Activity – Funded activities undertaken by CLH groups in hub areas. This aims to help CLH groups form, develop schemes and create homes.** Linked to the reduced input above and to wider factors associated with limited access to revenue funding generally, the total number of projects developing through the programme has been less than anticipated, though strong hub pipelines suggest significant non-Homes in Community Hands funded projects are emerging.
- **Output – Promotional and outreach outputs (e.g. advertising, newsletters, social media posts, public events).** Largely as a function of hub activity in this area, but also through notable work of funded projects (e.g. through their consultation activity, share issues etc.), grantees are reaching more people through their promotion and outreach work than anticipated, with qualitative evidence indicating that this is changing perceptions and buy-in to CLH locally. This may be one positive consequence of Covid-19 as events have moved online, multiplying audiences.

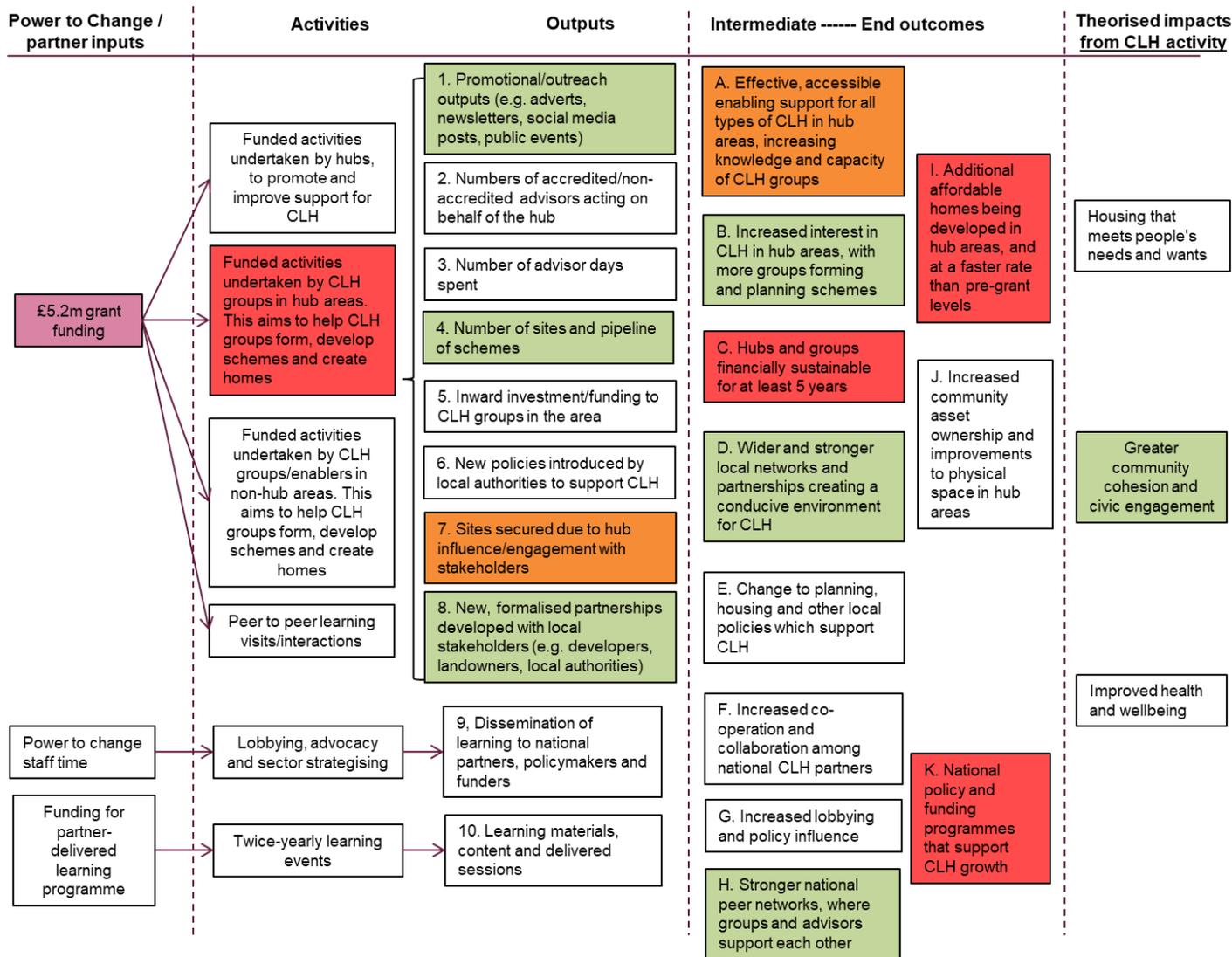
- **Output – Number of sites and pipeline of schemes.** With a pipeline of 2,300 homes in the highest likelihood categories, hubs are perhaps exceeding expectations in the number of projects coming forward in their areas. Comparisons may be offered to the national pipeline of CLH homes which, in 2020, identified around 10,000 homes being planned within projects where the development stage was known.³⁸ While the differing methodologies make direct comparison difficult, hub pipelines appear sufficiently large to suggest they are making a large contribution to the pipeline of CLH homes nationally.
- **Output – Sites secured due to hub influence or engagement with stakeholders.** There is evidence of excellent progress by hubs in creating favourable access to new sites for CLH development (e.g. through Bristol’s land disposal policy or LCH’s close work with Leeds City Council on their Mistress Lane site). Furthermore, progress is seen in enhanced access to existing properties held by other housing providers. Several funded projects (e.g. in Southmead Development Trust’s Glencoyne Square project, and in New Wortley Housing Association’s Holdforth Place scheme) are receiving land transfers or favourable pre-development agreements. The general picture, however, suggests there are continuing challenges in accessing sites and taking them through planning. This is exemplified by Stirchley Co-operative Development’s funded project which, despite a dedicated local authority policy for CLH, encountered difficulties acquiring their site and securing planning approval once they did.
- **Output – New, formalised partnerships developed with local stakeholders (e.g. developers, landowners, local authorities).** Linked to the above, there are positive signs that effort invested in relationship building is paying off. Strategic approaches to relationship management appear promising in the West Midlands, where wMUCH is developing new services and building relations with RP groups that have direct access to Affordable Homes Programme funding. This is also evident in hub and projects’ ongoing relations with supportive housing associations, such as that between Bristol CLT and United Communities, or Breaking Ground’s close working with local authorities like Wirral Council on the New Ferry project, and broader city region developments. It is likely that Homes in Community Hands funded hubs are ahead of the curve on such relationship building and influencing. Given the focus of the programme’s grant on funding core staff time, these outputs are a major contribution of the programme.
- **Outcome – Effective, accessible enabling support for all types of CLH in hub areas, increasing knowledge and capacity of CLH groups.** While hubs have certainly enhanced their structures and processes for delivering enabling support (e.g. through health checks and widening advisor networks), there is a dominance of CLH types such as community land trusts in their pipelines. It remains an open question, for instance, whether a lack of cohousing groups is due to them not coming forward for support, or whether hub services and expertise is not geared up for such projects.
- **Outcome – Increased interest in CLH in hub areas, with more groups forming and planning schemes.** There are signs that some of the positive progress on activities and outputs noted above is feeding through to more interest and larger pipelines than we might have expected. Homes in Community Hands funded projects are engaged in unique consultation and engagement activities which appear to be building local support for schemes and knowledge and capacity among residents.
- **Outcome – Hubs and groups financially sustainable for at least five years.** The availability of grant funding for hubs, access to revenue funding for CLH

³⁸ See http://www.communitylandtrusts.org.uk/filecache/519/bc6/1000-dr-tom-archer-pipelinereport_addendum_sept-2020-final.pdf

groups and the nature of hub business models, is making the prospect of financial sustainability beyond their grant funding ever more unlikely. In response, hubs are seeking to innovate and diversify income sources, against what are difficult prevailing conditions.

- **Outcome – Wider and stronger local networks and partnerships creating a conducive environment for CLH.** As described in the previous section, progress is being made on influencing and formalising partnerships, which is affecting the conditions for CLH locally. Nonetheless, Covid-19 is reframing the priorities of various stakeholders and funders, which will challenge the strength of these relationships in future, and the CLH sector's ability to capitalise on them.
- **Outcome – Stronger national peer networks, where groups and advisors support each other.** Signs are emerging from the evaluation that resource invested in online hub platforms, facilitated online forums and action learning support has been valued by hubs, and is enabling them to share learning and resources to improve practices. Connections to other grant funded programmes, such as the CHF enabler grant programme and the Nationwide Foundation's Backing Community-Led Housing, has been important in wider skills development and movement building.
- **Outcome – Additional affordable homes being developed in hub areas, and at a faster rate than pre-grant levels.** While pipelines are developing fast, delivery is notably slow. Only 31 units of housing have been delivered through hub supported projects, and fewer still from Homes in Community Hands funded projects. Speed of delivery has perhaps been slowed by Covid-19, but even still the completion of homes supported through the programme will take many years to materialise.
- **Outcome – National policy and funding programmes that support CLH growth.** Despite the efforts of national bodies to lobby government and other funders for support for CLH, the national picture on policy and funding is bleaker than when the programme was announced. The extent to which this programme should, or does, contribute to an improved funding and policy regime remains unclear.
- **Impact – Greater community cohesion and civic engagement.** It has been noted that many of the end impacts for beneficiaries, linked to the programme's contribution, will take several years to materialise. Nonetheless, some impacts are already being seen, notably in the skills, perceptions and behaviours of volunteers involved in the projects supported and funded. Evidence from YorSpace and Heart of Hastings suggest that, even if their projects do not create new housing, they will have had a significant effect on individual participants.

Figure 14: The theory of change logic model – areas of substantive change



Conclusion

6

In our Year One evaluation report we set a baseline for the evaluation of the Homes in Community Hands programme.³⁹ By gathering and analysing different data throughout 2020 and early 2021, we have been able to present a picture of the progress made by grantees and the impacts emerging. Significant changes have taken place in the activities and outputs of grantees, but also in their wider operating environment. What has emerged is evidence of a programme on the cusp of significant delivery of new homes, with large numbers of projects in more advanced stages of planning, and of an enabling infrastructure expanding its pipeline of projects and with strengthened organisational processes and influence. Such progress is however chequered by a wider context which is blunting project development and jeopardising the realisation of potential impact. The closure of some funding programmes and the reduction of funds available through others, such as the Community Housing Fund, is likely to dent the growth and development of the community-led housing (CLH) sector.

The Covid-19 pandemic has evolved alongside this, created varying issues, not least hampering the development of CLH projects at an early stage of development. In other ways, the pandemic has necessitated the development of new processes to engage and make decisions, and to reflect on what communities need beyond housing provision.

It is here that Homes in Community Hands projects, and their planned impacts, look different from the wider CLH sector. Comparing survey data captured through the evaluation with recent surveys of the sector by Capital Economics highlights this variation. While the Homes in Community Hands projects surveyed in this evaluation are driven by the desire to provide affordable, good quality and secure homes, they also place significant focus on wider placemaking functions. Their priorities include bringing the local community together, giving people more influence over their housing and regenerating their local area. This may reflect the nature of the organisations funded who were more likely to own existing assets in their community, and/or because those organisations are actively looking beyond housing provision to other services and interventions in their area.

Clearly, the Homes in Community Hands programme has played an important role in the development of grantee projects and the enabling infrastructure for CLH in the five areas. Interviews with project grantees revealed how instrumental the revenue funding had been to their progress, providing crucial resource to bring in professional support, and to meet other pre-development costs. The importance of this early-stage support is a recurring theme in the CLH literature and this study corroborates such findings. For the hubs supported by the programme, Homes in Community Hands funding has enabled them to appoint staff who have made a major difference to their organisational

³⁹ Archer, Moore and Mullins (2020) Homes in Community Hands: Baseline Evaluation Report. Accessed at: <https://www.powertochange.org.uk/wp-content/uploads/2020/08/Power-to-Change-3715-Homes-In-Community-Hands-FINAL.pdf>

development and service provision. This is reflected in their progress in developing large pipelines, but also in their increasing credibility, influence and collaboration with local stakeholders and partners.

Section 4 of this report presents learning from Homes in Community Hands funded hubs, which if applied nationally can strengthen the wider infrastructure for CLH throughout England. Important insights are offered into new models of governance, improved design and management of enabling services, new forms of influence and collaboration, and different financial models premised on diverse income streams. This learning will become more and more important if grant income diminishes.

There are also a number of important lessons emerging from this evaluation for funders. Over the course of two years of study it has become apparent that grant makers and other stakeholders have overestimated the speed at which grantee projects and hubs can build their organisations, services and their development programmes. Longer-term funding settlements are needed if aspired impacts are ever to be realised.

There remain gaps in our understanding of the impacts of the Homes in Community Hands programme, and the nature of grantee activities, outputs and outcomes, specifically concerning:

- How and in what ways funded projects impact on individuals, notably those participating in the projects, those housed in completed homes, and those living in the surrounding community.
- The nature and effectiveness of support provided by hubs for different CLH types, and the impact of efforts to change local policy and work with partners to create conducive conditions for CLH.
- The most effective approaches to ensuring the financial sustainability of hubs, particularly in the absence of large grants, and the impact of programme activity in supporting those hubs.

Over the course of the next year we will continue to collect data from grantees and begin to fill these gaps in our understanding. This will be important as more and more funded and hub supported projects come to fruition.

The closure of the Homes in Community Hands programme, as Power to Change has realigned its funding to support the community business sector through the Covid-19 pandemic, is a significant development for the evaluation, but more importantly the CLH sector as a whole. While the Homes in Community Hands programme is no longer making grants, Power to Change has set out their strategic priorities for the future and will support CLH where it fits with these objectives:

1. **Enabling conditions for community business:** To build a strong case to influence government and other funders to increase their funding and support for community business and continue to strengthen the infrastructure that is a critical enabler of community businesses, such as community-led housing.
2. **New economic models:** To reinforce the role that community businesses such as community-led homes have as engines of local economic development, building on our current place-based work. This includes supporting them to take on assets and contribute to the transformation of their high streets and town centres.

3. **Climate change:** To support community businesses to make a significant contribution locally to the transition to net zero. They will continue their work on community energy, as well as building on the best examples of community businesses working to create climate benefits, including sustainable community-led housing.

Future evaluations of Power to Change programmes can build on the theories of change and data collection frameworks developed in this study to understand the impact of new programmes on CLH grantees and the sector as a whole.

Appendix 1: Moderating factors affecting the programme

