

# Homes in Community Hands: Year Three Evaluation Report

September 2022



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## **Author(s):**

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

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

Mia Rafalowicz-Campbell - The Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University

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# About Power to Change

**Power to Change** is the independent trust that supports community businesses in England. Community businesses are locally rooted, community-led, trade for community benefit and make life better for local people. The sector owns assets worth £870m and comprises 11,300 community businesses across England who employ more than 37,000 people.

From pubs to libraries; shops to bakeries; swimming pools to solar farms; community businesses are creating great products and services, providing employment and training and transforming lives. Power to Change received an original endowment from the National Lottery Community Fund in 2015. Our 2021-26 [strategy](#) sets out our new vision and mission, and an important element of this is equipping community businesses with the capabilities to address some of society's biggest challenges.

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# Executive Summary

## Introduction

Power to Change was created in 2015 with an endowment from the National Lottery Community Fund. The organisation's principal aim is to support community businesses in England. In 2017 Power to Change launched its Homes in Community Hands programme, which sought to boost the development of community led housing (CLH). This would focus primarily on five urban areas across the country. The programme has provided funding to help plan and develop affordable housing projects to meet community needs. It has also provided grants to enabler organisations in the five areas and contributed to other investment and funding mechanisms.

Through this activity the Homes in Community Hands programme has played a significant role in the growth of the CLH sector in England. The programme has made grants in excess of £5.1m, providing 60 individual grants to 44 different organisations. This funding can be categorised into three types; grants to CLH projects, grants to CLH enabler organisations, and grants to/investments in other funding and finance mechanisms. The programme has supported - in varied ways and to different extents - the planned development of between 4,000–5,000 homes. The vast majority of these are yet to be completed however, and as we show in this report, there are a number of factors which may hinder their development.

## Impacts and outcomes of community-led housing projects

The programme has awarded 42 grants to 37 CLH projects, totalling £2.5m in value. These projects aim to create 1,350 new homes, with the bulk of these planned for completion by 2026. Significantly, two thirds of the funded projects were in the 30 per cent most deprived wards in England. Many of these projects focused not only on affordable housing provision, but also on the ownership and development of other non-housing assets, suggesting significant diversification and potential for broader community benefit beyond housing.

Evidence shows that the projects funded by Power to Change will make a significant and broad contribution to affordable housing provision. Data on the homes being planned shows that at least 64 per cent will be offered for Affordable Rent, Social Rent or Shared Ownership. Moreover, grantees expect to deliver significantly higher levels of affordable housing per scheme (76-80 per cent of homes created) than the typical project funded by the Government's national Affordable Homes Programme.

Homes developed by grantees are also anticipated to produce benefits beyond housing. In our qualitative interviews, grantees highlighted the ways in which their projects often form part of broader initiatives that focus on neighbourhood regeneration, environmental sustainability, and involve high levels of community involvement, including opportunities for local employment and training. Funded projects are likely to have significant and far-reaching impacts on people and places beyond the direct beneficiaries of new housing. As one interviewee noted, in reference to their forthcoming development, *'Our project will be a way to improve the infrastructure and built environment whilst making sure low-waged current residents aren't driven out, and I think this is a virtue of democratically run organisations like ours.'* (Project informant).



Project grantees benefit from local leadership, with board members and representatives often drawn from the neighbourhoods where development is targeted. This local embeddedness was complemented by important external advice and support from enabler hubs and Registered Providers. It was felt that enabler hubs have built local ecosystems of support, making different types of formal and informal support more accessible and readily available to local projects, on terms that they are comfortable with.

Project grantees have encountered challenges that have delayed or affected the realisation of impacts. The availability of funding and finance has been a particularly significant challenge. Grantees really valued the funding from Power to Change and often deemed it to be crucial to their progress. Many had used it to leverage other funding, including through Community Share issues. However, the end of the HCH programme and variable access to the Community Housing Fund, highlights the fragility of projects to changes in the wider funding context. Reduced grant funding makes it less likely for innovative CLH projects to develop in the future.

### **Impacts on funding and finance**

HCH funding has also helped develop other funding and finance initiatives. Working with CAF Venturesome and the National Community Land Trust Network (NCLTN), two new funding programmes were created.

The Cohesive Communities Fund was devised to improve inclusion, equality and diversity in CLH. Managed by NCLTN, it provided funding for 16 projects, each receiving up to £15,000 plus £5,800 for technical advice services. Grantees used the funding for online and in-person engagement activity, consultation exercises, local housing needs assessments, and to support projects being developed by minoritised groups. While the Covid-19 pandemic limited the scope of some of the intended activities, spin-off activities included peer research programmes on diversity and inclusion, as well as a new research project focused on black and minority ethnic leadership of community land trust projects. One outcome of this work has been the increased profile of equality and diversity issues in CLH, creating the potential to impact on a diverse set of beneficiaries in future.

HCH funding also helped to capitalise CAF Venturesome's CLT Fund II and later support the development of their CLH Fund. Both funds have provided pre-development support and development finance, but the CLH Fund has also provided unique support to raise community shares, created a land purchase facility and offered loan funding for enabler hubs. Power to Change invested heavily in the two funds, which could collectively create 289 new affordable homes, mostly Shared Ownership properties.

### **Impacts of enabling hubs**

Core funding for five enabler hubs in predominantly urban areas formed a significant part of the HCH programme. Previous reports from the evaluation discussed the emergence and development of hubs, and highlighted their progress in strengthening local and regional contexts for CLH development. As hubs have progressed through their funding period, impacts on CLH within their areas of operation have become more pronounced, producing a range of current and anticipated impacts on housing, communities and stakeholder relationships.

A novel difference-in-difference test developed by the evaluation team reveals that HCH funding has made a significant difference to the development pipelines of HCH-funded hubs. We estimate hubs funded through the HCH programme are, on average, supporting the development of nearly 160 more homes than we would otherwise have expected. While new homes can take years to develop - meaning that the housing impacts of these hubs are yet to be realised - the creation of a pipeline for over 3,000 homes across the five hubs is a real sign of potential long-term impact. Moreover, many of the homes planned through hub pipelines

have emphases on higher levels of affordability, energy efficiency, and focuses on community engagement than is found in most market or social housing.

Hubs are making an impact through their work with local CLH projects. Our case studies of projects supported by hubs highlight the crucial role they are playing. They do this through their enabling networks, by helping projects to develop financially robust business plans, to secure funding, to make progress with planning applications, to manage development processes, and to build relationships with other stakeholders, funders and partners. Reflecting on this, one project grantee noted how their hub had guided them '*...through financial and build risks, [to] a really sound foundation*'. The rich material collected suggests that hubs not only provide vital technical support and assistance to groups directly, but also curate and develop a broader ecosystem of professional and community networks and relationships.

Hubs have also played important roles in furthering support for active participation and cohesive communities, including support for minoritised groups and with communities otherwise absent from the leadership of CLH projects. Proactive engagement with communities not currently active in CLH was evident in all five enabler hubs, and enabling support models were designed to promote and enhance active community participation. As a consequence, hubs have supported a number of innovative projects that emphasise resident and community leadership and that could generate a range of community impacts, including outcomes related to health, wellbeing, zero carbon transitions, and employment.

Through the course of the programme, hubs have also impacted upon local and regional policy agendas. Tangible results include the development of land disposal policies and the receipt of funding from local and regional authorities. It should be acknowledged that policy takes time to develop and become embedded, and that this implementation process is complex. Hence, policy has matured in some areas more than other. However, hubs have adopted strategic approaches to influencing key stakeholders. In some cases, hubs participated in advocacy workshops to build political connections and align their objectives with stakeholders, while others have recruited key stakeholders into hub governance structures in order to build relationships with authorities.

Hubs have also established and enhanced partnerships with Registered Providers (RPs). Several RPs were core partners of hubs in the delivery of enabling support, while others were engaged through mutual interests in agendas such as town centre regeneration and decarbonisation. More generally, RPs were important partners in securing access to Affordable Homes Programme funding. However, only a relatively small group of RPs perceive CLH as part of, or linked to, their core business, and hubs often had established relationships with only one or two core partners. This confirms the importance of maintaining a variety of options and partnership forms in order to maximise leverage. Registering new CLH RPs may be part of that strategy, including the registration of hubs themselves as RPs contributing to their own financial sustainability.

The financial sustainability of hubs is a significant challenge and an impediment to further delivery and enhancement of many of the potential impacts from CLH. As core grants finish and the availability of subsequent grants diminishes, many hubs face an uncertain financial future, despite actively diversifying revenue streams to become financially sustainable. Hubs do not have an expectation of indefinite grant funding, but diversification of revenue and activity to generate core funding takes time to establish. As a result, while HCH-funded hubs can demonstrate a number of achievements and anticipated impacts, their overall legacy may not be fully realised as funding diminishes.

## **The programme's contribution story**

The evaluation used a theory of change to map points of programme contribution to outcomes and impacts. We explored the areas where change is both evident and as yet unseen, discussing the factors which are moderating these changes.

The HCH programme was intended to deliver additional community-led homes, and in so doing help grantees impact in various ways. We used the CLH sector's own impact categories to assess if and how CLH meets people's housing needs, produces greater community cohesion and civic engagement, and improves health and wellbeing. The slow development of projects means that these impacts are limited at present. Only around 25 homes that have received some form of programme support have been completed and occupied. Nonetheless, evidence from hubs and completed projects - presented in Chapter 5 - indicates that these homes are at affordable or social rents. In addition, several are providing housing for people in recovery or leaving care, are already creating wellbeing benefits. There has been more widespread community cohesion and civic participation benefits arising from projects at an earlier stage of development, linked to resident and community participation in project planning and design. One interviewee reported that half of the current residents of the completed housing had been involved in the refurbishment work as volunteers or trainees. They had *'actually worked on the property that they now live in - it gives them that much more ownership of it'*.

For those homes yet to be developed there are various anticipated outcomes and impacts. By 2026 directly supported projects, and those supported by funded hubs, are likely to have completed hundreds (potentially thousands) of new homes, realising major affordability benefits. Over two thirds of funded projects are working in the most deprived locations, and will therefore make the most difference in areas facing the strongest socio-economic challenges. In the coming years, CLH groups will make localised contributions to; community cohesion and integration, the widening of civic participation and control of assets, improved well-being, enhanced neighbourhood spaces and facilities, increased employment and training opportunities and reductions in the environmental impact of housing.

The most significant contributions of the HCH programme to these developments relates to (1) how HCH funding has helped improve the national infrastructure for CLH and its influence, (2) how support for hubs has enabled the promotion of CLH and the development of new enabling services and planned projects, and (3) how funding for hubs has helped to build local relationships and influence local conditions, creating opportunities for new community-led projects. Each of these contributions is summarised below.

- **National infrastructure.** Power to Change played a significant role in commissioning research, influencing policy and brokering relations as the Homes in Community Hands programme was being devised. This ultimately shaped other funding and finance programmes, enabling sector partners to inform the development of the Government's Community Housing Fund. The programme has also promoted collaboration, peer learning and helped create a *'strong learning exchange...and a mechanism to connect'*, notably for enabler hubs. It has also helped develop strategic alliances with other funders to create a more flexible and responsive range of funding and support for groups at different stages. Whilst programme funding has amplified the sector's voice, it has not yet led to sustained policy and funding programmes from government, as anticipated by our theory of change. This poses a major risk to the sector as CLH development is still heavily contingent on grant funding
- **Hubs and enabling.** Promotional work by funded hubs clearly increased the number of groups interested in, and planning, CLH projects. Their enabling work has helped groups to develop financial plans, secure funding and make progress with planning applications, and thus to reach 'build' and 'live' stages. Covid-19 was a significant moderating factor limiting scope for face-to-face meetings and the capacity of groups to take forward their projects. With programme funding, hubs responded in innovative ways, with some developing on-line resources and enhancing the standardisation of support. Over time funded hubs have supported a wider range of CLH types with a 'step change' in support for housing co-operatives and cohousing groups in 2022. The training and accreditation programme for CLH advisors helped hubs enhance their skills and quality assure their enabling work. Without programme funding hub advice services *'would have come forward more slowly'*. Our difference in difference analysis in section 5 confirms the



additionality of HCH funding - in terms of their development pipelines - through comparison with non-HCH-funded hubs. Overall, the programme has made a major contribution here in tandem with other funders. It has been, and will continue to be, challenging for hubs to develop sustainable funding models over the timescale required, and this is one area the programme's contribution is fragile.

- **Hubs and local relationships.** Each hub that received funding built upon an existing set of relations already in place, e.g. between local CLH organisations, supportive stakeholders, and local policymakers. Nonetheless, the programme's funding has been a significant catalyst to formalising these relationships, and building new institutions to support CLH locally. Each area has seen new policy developments, new sites secured for CLH and new actors brought in to local CLH partnerships. Partnerships with RPs with shared values have been strengthened e.g. around decarbonisation and local regeneration projects, through jointly funded posts as well as through site purchases, development, and help to secure grant funding. Hubs have been active in forming these 'new ecosystems' of support for CLH that would not have developed to the same extent without the programme's funding.

Hence, funding for hubs has created important and visible changes in the five areas. However there have been moderating factors that have hampered the development of local CLH projects. This includes local authorities seeking 'best consideration' in site disposals, and failing to recognise the potential 'community building' role of CLH groups within larger mixed tenure developments. There have also been 'implementation gaps' where positive CLH policies have not helped individual projects. RPs have also had potential conflicting interests, that means only a relatively small core of RPs perceive CLH as part of, or linked to, their core business.

The single most significant component in our theory of change that seems unlikely to be realised is the financial sustainability of all the hubs. This looks increasingly unlikely, though several will continue with a reduced level of resource, and parts of the local ecosystems for CLH – which have been hard earned in recent years - will remain in legacy.

## Implications and conclusions

The findings from this report have implications for various actors with a stake in the CLH sector. Below these implications are summarised, with suggested actions for different organisations:

- **Funders and policy makers.** We urge Government to consider the renewal of the Community Housing Fund, as the absence of this could lead to thousands of affordable homes not being developed. Other housing-related funds need to be managed flexibly - to include support for alternative tenures and property types - for the full range of benefits associated with CLH to be realised. Evidence contained here suggests CLH is a direct step toward several of the Levelling Up missions, not least in terms of wellbeing, living standards, housing and pride in place. Projects supported by the HCH programme are generally developing a mixture of property assets, and so failing to fund the housing component will have a ripple effect on the viability of projects overall. This means community centres not being renovated, high streets not being improved, and shared facilities and resources not being created. Local and national policymakers have failed to appreciate this. Funders can support research related to the impact of CLH, and advocacy work to demonstrate the alignment of CLH with current priorities and policy agendas.
- **National infrastructure.** To maximise the funding available to CLH groups, combined authorities and other devolved powers need to be encouraged to support the sector. Access to Levelling Up funding and the Shared Prosperity Fund also needs to be maximised. Using evidence provided here and in other studies, national bodies can guide

enabling hubs on the most effective and sustainable models, and how to forge local ecosystems of support. National bodies also have a role in refining and consolidating impact tools, and in the standardisation of impact data so that it can be aggregated.

- **Local infrastructure.** Local enabling organisations will need to find connections between housing and other social, economic and environmental actions, in order to maximise opportunities for funding. CLH projects may, for instance, connect to wider regeneration initiatives, action on climate change, or moves for greater community ownership. Hubs will need to diversify their income streams, e.g. through work with partners, direct involvement in housing development, direct access to public grants and finance, and through provision of housing management and stock maintenance services. Hubs should be encouraged and supported to keep sharing resources and intelligence around building local ecosystems of support.
- **Local authorities and registered providers.** Small investments by local agencies may provide the revenue that makes the difference in bringing CLH projects to fruition. RP partnerships will become ever more important, and the different types of partnerships developed between the HCH hubs and local RPs are models for others to consider. There is significant potential for more CLH schemes within major planned developments. Local authorities can catalyse more CLH by changing their approach to land disposals, prioritising social value over financial returns.
- **CLH groups.** Diversification beyond housing may be necessary for some groups. This could widen the opportunity for funding as well as broadening the benefits for communities. Groups need to choose development partners carefully on a values basis. Our research shows the benefits of such collaborative partnerships. However, this is a postcode lottery and not every CLH project has a supportive local partner. Knowing and demonstrating the potential impact of CLH projects will be critical in building support from partners. CLH groups also need to plan and prepare for long lead-in times for development projects, devising effective strategies to maintain local engagement throughout.

This report reveals some of the emerging and potential impacts of community-led housing. It has shown how funding initiatives like the HCH programme, when aligned with other resources and factors, can create the potential for large scale impact from CLH. However, this is contingent on a wider funding environment. Proactive involvement by a variety of funders, stakeholders, alongside enablers and CLH groups, will be needed for the full potential for CLH to be realised in the coming years.

# Introduction

Over the course of the last six years, Power to Change has provided significant support to community business in England. One strand of this support has been their investment in organisations undertaking community-led housing (CLH). The Homes in Community Hands (HCH) programme, funded by Power to Change, which made its first grant in 2017 and began winding down in 2021, has played a central role in shaping this alternative housing sector. CLH groups are typically run by local volunteers and staff, and seek to address local housing issues, most notably a shortage of affordable local homes. CLH takes many forms, and these initiatives can apply differing governance models and target various outcomes. Nonetheless, a set of defining characteristics has emerged in recent years. *Community-Led Homes*, the partnership of national bodies supporting this movement, suggest CLH is 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.<sup>1</sup>

As this report details, Power to Change's support has been most significant in terms of grant-making, but they have also played a key role in developing the evidence base around CLH<sup>2</sup> and helping a national partnership of CLH bodies make proposals to government. This report provides detailed insights into the varied impacts of the programme, through a period of substantial change.

## 1.1. The context for the programme

Recent years have seen significant interest in CLH. It has garnered support from policymakers and politicians, but most importantly from citizens simply wanting to improve land and housing in their area, in the context of various housing crises.

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<sup>1</sup> Community Led Homes (2020) What is Community Led Housing? Accessed at: <https://www.communityledhomes.org.uk/what-community-led-housing>

<sup>2</sup> This includes supporting studies into [funding for CLH](#), the [value for money of investment in CLH](#) and the [relationship between CLH and health outcomes](#)

From 2016, new funding flowed into the sector from different sources, alongside new forms of lending,<sup>3</sup> as alternative models for raising funding and finance from local communities were applied.<sup>4</sup> After an initial allocation of funds to local authorities to support CLH, in 2018 the government launched phase 2 of the Community Housing Fund (CHF). This provided revenue and capital grants to groups and proved a vital source of support as groups sought to bring forward housing schemes. Funding was also made available to develop an infrastructure that could help these groups navigate the complexities of housing development. This led to diverse and important activity, for instance, helping create an enabler training and accreditation system, a national CLH advice centre and, crucially for this evaluation, dedicated grant funding for enabler hubs operating at sub-regional levels. Informed by previous research<sup>5</sup> on the importance of an enabling infrastructure, and how this should be constructed, CHF grants were allocated to 26 hubs, providing them with revenue support until 2021.

The CHF funding for local community-led projects was heavily constrained by the grant maker's deadlines. The window for applications and required expenditure became compressed as the fund was late in launching. Significant effort was invested by sector stakeholders in securing a longer-term funding settlement. 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 an additional £4 million in revenue support for CLH,<sup>6</sup> which was welcomed but far short of the estimated £39m-£60m required nationally to develop the potential 12,000 homes in the pipeline.<sup>7</sup>

This cliff-edge in government support, and the closure of other funding sources like the Homes in Community Hands programme in 2021, has created problems for many groups, particularly in terms of meeting revenue costs. This coincided with wider social and economic change related to the Covid-19 pandemic, affecting the willingness and ability of some CLH groups to progress their schemes. The context for CLH in England has therefore changed markedly since we began the evaluation in 2019. Many of the foreseen impacts of the HCH programme are at risk of being lost in light of major changes in policy, funding and wider economics. The government's commitment to Levelling Up in the UK<sup>8</sup> would seem an opportunity for CLH, given what we know about the potential impacts of CLH on such issues as living standards and wellbeing. CLH is not explicitly recognised in the 2021 Levelling Up White Paper, though there are references to 'community-led regeneration' and 'community-led activity'. As we discuss below, CLH will be a critical form of action in pursuit of Levelling Up, with the potential to contribute to several of the 12 Levelling Up missions. Building on the existing evidence base, this report presents the realised and potential outcomes and impacts from HCH funded activity, as it stood in early 2022.

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<sup>3</sup> See [Targeting funding to support community-led housing](#)

<sup>4</sup> For instance, through [community shares](#) or local authority prudential borrowing.

<sup>5</sup> See <https://www.communityledhomes.org.uk/resource/delivering-community-led-housing-enabling-hub-service>

<sup>6</sup> See <https://www.gov.uk/government/news/all-new-developments-must-meet-local-standards-of-beauty-quality-and-design-under-new-rules>

<sup>7</sup> See [https://www.communitylandtrusts.org.uk/wp-content/uploads/2021/09/Delivering-the-Community-Led-Housing-Pipeline-in-England\\_Final-Copy.pdf](https://www.communitylandtrusts.org.uk/wp-content/uploads/2021/09/Delivering-the-Community-Led-Housing-Pipeline-in-England_Final-Copy.pdf)

<sup>8</sup> HM Government (2021). Levelling Up the United Kingdom: Executive Summary. Levelling up means 'giving everyone the opportunity to flourish. It means people everywhere living longer and more fulfilling lives, and benefitting from sustained rises in living standards and well-being'.

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

The Homes in Community Hands programme set three clear objectives when it was initiated:

- i. To simplify the process of community-led housing development, and 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.

To deliver these objectives, the programme has provided grants to help community businesses build or refurbish affordable housing designed to meet local needs. It has invested 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 projects come to fruition.

The programme had initially aimed to offer £5.8 million in revenue funding. Some capital funds would also be available to a limited number of grantees. The fund targeted five sub-regional areas: Leeds City Region, Liverpool City Region, Tees Valley City Region, the West of England and the West Midlands (seven core urban authorities). However, additional funding was made available to innovative CLH projects anywhere in England. Alongside such grant making, funds from the programme have supported various other activities, including a programme of learning and support for enabler hubs. The programme closed to new grant applications in 2021 for CLH projects, but support for the enabler hubs has continued into 2022.

## 1.3. The aims of this report

This is the third evaluation report in the series and seeks to summarise evidence from the programme to date. It focuses particularly on outcomes and impacts, but it should be acknowledged that the impacts from housing and regeneration activities may take many years to arise — such is the nature of physical development projects. Building on our baseline report in 2020,<sup>9</sup> and our second report in 2021,<sup>10</sup> we draw on new data for 2022 to provide an overarching view of the programme. We share various lessons learned that will be of value to policy makers, sector bodies and CLH groups and enablers.

## 1.4. A summary of methods

This report draws on information gathered between 2019–2022, including data from:

- Seven interviews (in Years 1 & 3) with national stakeholders in the programme.
- Two in-depth case studies with funded projects in Year 3, involving 11 interviews with key actors and beneficiaries.

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<sup>9</sup> See <https://www.shu.ac.uk/centre-regional-economic-social-research/publications/homes-in-community-hands-baseline-evaluation-report>

<sup>10</sup> See <https://www.shu.ac.uk/centre-regional-economic-social-research/publications/homes-in-community-hands-year-two-evaluation-report>



- Ten interviews with actors involved in ten projects funded by the programme directly or supported by the enabler hubs.
- A survey of project grantees in Year 2 (completed by around 40 per cent of projects).
- Rapid status updates with project grantees in Year 3 to establish project progress (completed by around 40 per cent of ongoing projects).
- Monitoring reports and end of grant reports from all project grantees.
- Interim and end reports from hub grantees, containing information on their deliverables and expenditure.
- Data from hub grantees on the pipeline of homes in their area (per annum).
- 62 interviews with staff, associate enablers, board members and partners of hubs, along with additional interviews with seven projects supported by hubs.
- 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 HCH programme.

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, and provide a summary of insights from national stakeholders on the programme to date.

This is followed by an assessment of evidence concerning CLH projects directly funded by the programme, offering deeper insights from two case studies.

We then synthesise various evidence from the hub grantees to assess their activities, outputs, outcomes and emerging impacts, before providing detailed qualitative evidence on their work, and the projects they support.

We conclude with a ‘contribution story’ for the programme, summarising current and anticipated impacts, and the change processes linked to programme funds and activities.

# Programme development and national perspectives on impact

# 2

## 2.1. Programme overview

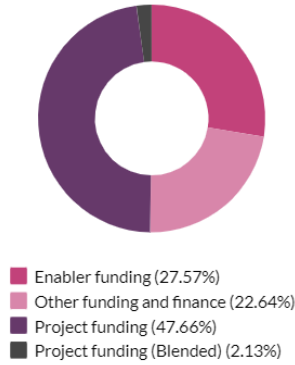
The HCH programme made grants in excess of £5.11m between 2016 and 2022. This was made through 60 individual grants to 44 distinct grantee organisations. Just over £2.5m of the total grant-making was provided to individual CLH projects. However, significantly more funding will have flowed to groups through other elements of the HCH programme, e.g. where HCH funding was used by other bodies who in turn made grants and investments with CLH projects. One example of this is a large HCH grant made to CAF Venturesome to support their dedicated CLH Fund, helping create a total funding package of £500,000 for CLH nationally. Over £1.4m in HCH monies has been granted to the five enabler hubs since 2017, with some variation in the number of annual payments depending on when the hub entered the programme.

Geographically, both hub and project funding has centred on the five areas of focus for the programme (see Figure 1). Only five grants out of 42 made to CLH projects were to groups outside these five locations. This suggests any impacts from the programme will be centred on these sub-regional areas.

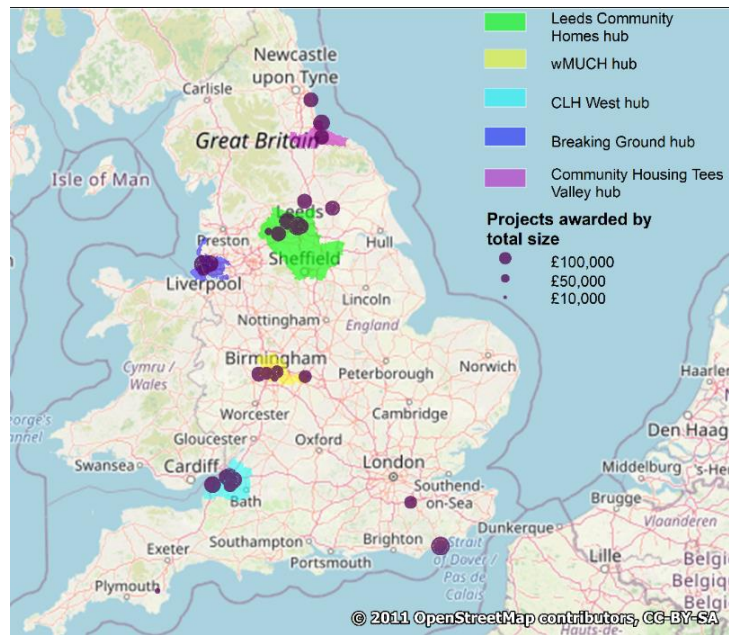
**Figure 1: Total grant making**



Grant-making (in £) by grantee type



**Figure 2: The geography of grant making**



## 2.2. Programme theory of change

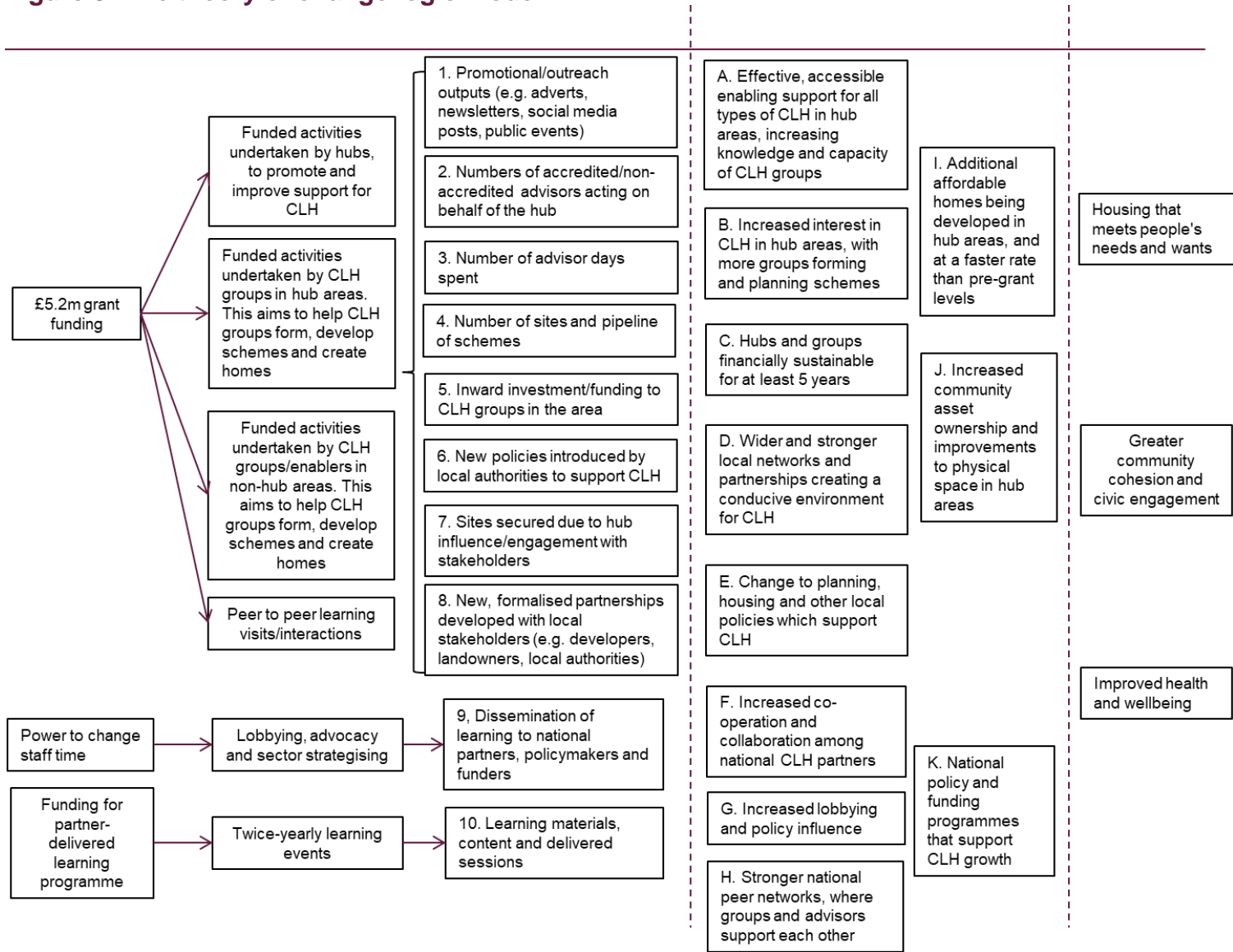
The evaluation has been guided by a theory of change for the programme, within a more detailed research framework. This approach was developed in 2019 in consultation with Power to Change and sector stakeholders. A key component of the research framework is a logic model that depicts the anticipated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

Figure 3 presents this logic model which tries to capture, primarily, the activities that were to be undertaken by enabler hubs and funded projects, and the largely quantitative outputs to which these activities contribute. These outputs connect to broader anticipated outcomes concerning both housing development and changes in the landscape for CLH. The impacts used were those agreed by the Community Led Homes partnership, adopted wholesale in this study to aid alignment with any other reviews or evaluations.

Applying this logic model in Year Two, we found patterns of significant change: for instance, in the development of hub pipelines, public engagement and in changing local conditions to support CLH. However, we also found areas where little change was apparent, or if it was, it was highly disparate across areas and projects. On the aspired outcomes and impacts for the programme it was, in general, too early to tell, and for others anticipated outcomes were at risk, most notably relating to enabler hub sustainability.

This year's report reapplies our theory of change and the logic model. Throughout, it presents evidence of significant changes that have taken place over the course of the programme. In the concluding section we draw this evidence together to depict - using the logic model - the main changes observed and the contribution of the programme to these.

**Figure 3: The theory of change logic model**



### 2.3. Moderating factors

To account for the external factors that could affect change at different stages in the logic model, various moderating factors were hypothesised at the start of the project (see Appendix 1). Firstly, both hubs and CLH groups were assumed to be in receipt of multiple grants, which means that any outcomes from their work could not *solely* be attributed to the HCH programme. Our approach has been to try to understand the *contribution* of the grants to the outcomes seen.<sup>11,12</sup> This means understanding what would have happened had the grants and support *not* been provided. These evaluation 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.

Two moderating factors were far more significant than we ever foresaw at the start of the evaluation. We anticipated that the support of other funders and lenders would be key to CLH projects and hubs progressing schemes and sustaining services, and we also acknowledged wider cultural, economic and political processes that could intervene.

However, the Covid-19 pandemic has had a multi-faceted effect on CLH projects, reducing volunteers’ 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.

Allied with this, the delays and limited funding from the Community Homes Fund since phase two has meant groups have had fewer resources to fund the activities often required to develop schemes. This includes paying for legal advice, financial planning, architects’ fees and planning costs. Indirectly, this lack of revenue support was seen to be hollowing out the revenue flowing to enabler hubs to continue their services. On the capital side, the end of dedicated capital grants to CLH groups made it more difficult to access finance generally, but particularly for tenures not supported via the government Affordable Homes Programme.

Throughout this report we reflect on how these two major moderating factors (support from other funders and Covid-19) have shaped the work of grantees and affected the programme’s impact.

### 2.4. National perspectives on programme development and impact

Our research framework for this evaluation was developed in 2019, after engaging with national stakeholders through a series of interviews and workshops. This activity was important in understanding the role of the programme within a wider sectoral context. It was therefore critical we returned to stakeholders in Year Three to explore with them any changes in context, the influence of any moderating factors, and to get their perceptions on the role the HCH programme had played in sector development.

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<sup>11</sup> 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.

<sup>12</sup> Dayson, C. (2017). *Evaluation of the Early Action Neighbourhood Fund: Insight Report 1 – Exploring Small N Approaches to Attributing Impact*. Sheffield: CRESR.



Below we present some of the key insights from these interviews, before zooming into the local and sub-regional level, to look specifically at funded projects and hubs.

In our Year One national stakeholder interviews, it was suggested that a key objective of the HCH programme was to create a sub-regional network of enablers. These would have the potential to become self-sustaining through a transition from grant support to earned income. This idea was drawn from earlier research for Power to Change – authored by Duncan and Lavis (2017) – which outlined the facets of an effective enabler hub.<sup>13</sup>

The interviews also helped identify issues to explore through the evaluation. These related to each hub's geographical coverage, the role of local authorities in the five areas, each hub's choice of - and relations with - technical advisers, diversity in hub operating models and governance, and how other programmes and resources could mitigate and/or enhance the development of CLH in the five areas. Interviewees suggested that whilst hubs might be steered in their development by national bodies, they should reflect local markets, stakeholders and community groups. Our first year interviews identified worries about the speed of hub formation and operation, limited early promotion work and the slow rate of applications to the HCH programme from projects in hub areas. This reflected the need for hubs to appoint staff, build new relationships and increase their profile, and suggested a 'start-up' period is inevitable before any impacts on projects and local conditions would be seen.

Initial interviews also identified local government as a major moderating factor in the programme's development. Some local authorities had been using early CHF funding to build a more conducive local environment for CLH. In other places CLH was less established, and housing market conditions meant that CLH groups and hubs found it difficult to progress projects and to build relationships with local politicians and officers.

Other key issues emerging from these interviews are now discussed in turn: national infrastructure building, supporting enabling work, leveraging other funding, and building connecting HCH with the wider housing system.

### ***The contribution of HCH to the national infrastructure for CLH***

In our Year 3 interviews with stakeholders, we reflected on the issues identified at the start of the evaluation and wider questions regarding the impacts of the HCH programme. Prior to the programme's development, Power to Change had played a vital role in formalising a sector partnership model, offering meeting spaces and independent facilitators so that partners could develop a proposal to government for the Community Housing Fund. HCH funding subsequently enabled national sector bodies to play varied roles in support of the programme – with organisations receiving funding to run dedicated grant programmes (e.g. the Cohesive Communities Fund), to undertake tailored learning and support packages, and to administer parts of the HCH programme itself. Hence HCH had '*augmented the significant support that CHF gave to the CLH Partnership*' (HCH stakeholder one). This led interviewees to assess the impact of HCH at this national level and observe that '*the national infrastructure [for CLH] is stronger than it ever has been*' (HCH stakeholder three).

As noted above, the HCH programme has been central to developing systems and mechanisms for learning. The contribution of the HCH programme, alongside CHF, had created a '*real step change in a five to six year period, networking and supporting each other through continuous learning activities*' (HCH stakeholder one).

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<sup>13</sup> See <https://www.communityledhomes.org.uk/resource/delivering-community-led-housing-enabling-hub-service>

Despite these gains, national actors reflected on the disconnect between different funds and the implications of this for the sector. The existence of several distinct grant programmes, including HCH and CHF but also the Nationwide Foundation's Backing CLH programme, has created administrative burdens for different actors. The inefficiencies in managing and reporting on multiple grants was seen as a key issue for both hubs and projects.

Stakeholders were keen to stress the importance of Power to Change's contribution to research funding which *'has been absolutely central, and we would be nowhere on lobbying without it'* (HCH stakeholder two). And by creating networks and opportunities to share learning, the HCH programme has enabled national bodies to develop a richer understanding of key policy and funding changes in different parts of the country. Examples were cited where local intelligence from hubs was used to set up MP visits to showcase progress and lobby for stronger funding commitments.

### ***The contribution of HCH to enabling work***

As will be seen in later sections of the report, hubs have had a marked impact on CLH, though this is largely constrained to the five areas targeted by the HCH programme. As one stakeholder described it, HCH had been *'a shot in the arm to the sector in those areas and without doubt things wouldn't be as advanced in those five areas as they are now'* (HCH stakeholder one). Understanding how local changes have been affected by the HCH programme is difficult. However, stakeholders reflected on this in relation to one specific hub, CLH West. They noted that because of the investment in the hub and local projects (through both HCH and CHF) it had increased local authority engagement and had positioned the hub as a trusted adviser and partner who could help devise local policy on land disposals. One interviewee stated *'It gave [CLH West] the capacity to engage and help [Bristol City Council], because they basically wrote the policy, right?... Now they're going into the second round of disposals and that changes the picture in Bristol dramatically'* (HCH stakeholder two).

Specifically, HCH funding for a hub support programme had *'really magnified'* (HCH stakeholder three) the support national bodies could provide and had created a system where they could work with multiple hubs at once, rather than individually. Hub forums became a *'strong learning exchange...and a mechanism to connect'*. This has meant that national partners are now better engaged with actors in parts of the country where they were previously disconnected. In Year Two we heard how workshops on business planning, sustainability and advocacy, facilitated by Community Led Homes staff and associates were a *'good thing'* (CHTV representative). In particular, this had helped hub boards and staff reflect on their business plans and resourcing, to adjust to a changing landscape of funding and demand for services.

Interviewees noted the value of peer learning programmes run by the UK Cohousing Trust. This work focused on three primary outputs: knowledge sharing on specific themes relating to enabling work, peer-to-peer learning opportunities and coaching for hubs, and policy and practice insights to inform hub developments.<sup>14</sup> Alongside facilitated action learning for hubs, specific 'spotlight' papers were produced on issues such as Equality, Diversity and Inclusion (EDI).<sup>15</sup> Building on feedback from hub surveys, issues were identified in the leadership and governance arrangements of hubs in terms of their diversity and inclusiveness. The actions of one hub on this issue was profiled with recommendations for all hubs to take action. In a similar vein, the programme identified issues with hub reliance on grant income, using dedicated sessions to explore approaches to income diversification.

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<sup>14</sup> UK Cohousing Trust (2022). Homes in Community Hands: Final Report.

<sup>15</sup> UK Cohousing Trust (2022). Spotlight Series: Social justice & community-led housing.

Despite the progress made in building hub networks, the direct support provided by some national partners to hubs had been *'frustrating'* (HCH stakeholder three). Various factors hampered efforts, including the way new hubs were formed through the HCH programme, the short timescales for this, and the capacity within the hubs to undertake the required organisational development. It had been hard for hubs *'to get a model that really works and reflects what local people want and delivers a service at the same time'* (HCH stakeholder three), particularly within the timescales of the programme. There has also been a lack of expertise within national partnerships and locally in terms of organisation building, *'nobody in the programme had that expertise'* (HCH stakeholder three).

However, stakeholders reflected on the contribution of the programme counterfactually, distinguishing between different funding programmes for hubs. As one interviewee noted, *'I think... [the HCH programme] has protected them [the hubs] and allowed them a bit more freedom to organise, extended their time frames...'* (HCH stakeholder three). HCH hubs were seen as being *'better prepared than other hubs that haven't received the level of funding'* (HCH stakeholder three). And yet, the HCH hubs still suffer from the issues affecting other hubs, including the need for more skilled advisers and stronger partnerships with other parts of the housing sector.

The 'life cycle' stage of hubs (HCH stakeholder one) was suggested to be a key driver of variation in impacts. It is still not known which business models pursued by the hubs will succeed, so the sustainability of the hubs is a key issue for the future. Some stakeholders felt, in terms of the funded hubs, there was *'not enough focus on how you build business from the outset'* (HCH stakeholder one). And while some stakeholders raised concerns about a culture of grant reliance, it was argued this has not been avoided in practice despite the emphasis on achieving it. Thus, the staged reduction of HCH grant, alongside other limitations on revenue generation and securing capital receipts, was proving a major challenge for all hubs (see Chapter 5).

### ***Impacts on projects and leveraging other funding***

National partners stress the value of the revenue funding to projects, and how this had catalysed new housing solutions in the five areas targeted. Again, interviewees acknowledged issues of attribution, but suggest *'Power to Change's presence...has given that kind of capacity to generate some of this interest [in CLH], and some of these ideas and these approaches wouldn't [have happened otherwise]'* (HCH stakeholder two). Stakeholders suggested that this support had also affected the speed at which CLH projects have emerged and progressed, with a counterfactual scenario of no HCH funding considered. As one interviewee (HCH stakeholder one) noted, *'...had the Power to Change support not been there, then things would have come forward more slowly and advice would have been put in place for groups more slowly.'* Nonetheless, interviewees regretted the closure of the programme to project applicants, and how this had affected project development in the five areas.

Interviewees reflected on specific projects supported by the HCH programme, and other Power to Change funding. One such example is Homebaked CLT, where Power to Change was seen to have *'stepped in alongside them in creative ways and supported them with other funding sources'* (HCH stakeholder two). For another Liverpool based project, New Ferry CLT, the sector's Start-up Fund provided early support, *'...but then Power to Change got behind them and they've accessed the money from Steve Rotherham [the Metro Mayor for Liverpool City Region]'* (HCH Stakeholder two).

The combined investment in hubs and projects was seen to be changing the appetite among some public bodies for CLH in their area. Interviewees cited examples in Runcorn where the local authority decided to help support a CLH project. *'They*

*initiated it and they did it because they were impressed with the hub... and there's a deadline [so] the funding has to be spent in order to get the project done,'* said HCH stakeholder two. The importance of this example is it presents a model where the speed and efficiency of CLH developments may be significantly improved, and where deadlines focus the minds of all stakeholders in the project.

But such project impacts come on the back of significant challenges associated with a global pandemic. Interviewees reflected on how Covid-19 has significantly affected their efforts to support projects in new and innovative ways. The Cohesive Communities Fund is one such example, being developed with a grant from the HCH programme, which was then distributed as smaller grants to local projects. One interview noted that Covid-19 had created '*huge disappointment*' (HCH stakeholder two) around this work. The pandemic had not only affected the ability of groups to use their flexible funding to progress projects, but also hindered groups trying to engage new actors in CLH developments. A central aim of the funding was to bring people from CLH groups together in residential to develop and strengthen relationships, but Covid-19 curtailed this. This is another reminder of the powerful moderating factor of the pandemic, and how this has shaped the impacts of the HCH programme. Despite these setbacks, the evaluation has captured evidence of important outcomes emerging from the CCF work, not least in helping CLH groups meet local food shortages during the height of the Covid-19 emergency.<sup>16</sup> In this example, the (South Bank) CLT was able to refocus some of the planned engagement activities around an eco-shop while meeting the most urgent local community needs.

### ***HCH within a wider system***

It becomes clear when assessing the views of stakeholders that the HCH programme, and Power to Change more broadly, has been instrumental in building the confidence among funders to support the CLH sector. When we see the HCH programme within a wider system, we see how instrumental Power to Change was in creating the platform for greater government involvement. Alongside the Nationwide Foundation, Power to Change had begun to fund research, websites and events related to CLH long before the HCH programme was initiated. As these funders began to commit significant funds, this '*definitely helped us to access that money from government*' (HCH stakeholder two). But as the government's funding came with problematic timescales and processes, it was here that HCH funding was seen as being so important '*...because the Community Housing Fund was such an impractical fund to try and deal with, ...being able to add Power to Change's funding - which was much more flexible - has worked really well*' (HCH stakeholder two). Interviewees reflected on how government's capital funds have been unable to support '*non-standard tenures*'. The Affordable Homes Programme could in theory do this, but it would require a degree of flexibility that Homes England does not yet currently exercise (HCH stakeholder four).

Problems in the wider system have impacted back on the HCH programme. Interviewees noted how the CHF funding has been '*frustrating and it hasn't been consistent, it was launched very late, everybody would admit that*' (HCH stakeholder four). This in turn, as we will see below, hampered projects supported by the HCH hubs. Interviewees acknowledged the importance of revenue funding for groups, and noted the preference for the government was to use any grants to leverage other contributions to create social finance options (HCH stakeholder four). This is in contrast to the model adopted in the HCH programme which focused on grants to support projects and group development. And yet there is a clear sign that government grant-making, alongside that of Power to Change and other funders, has created a

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<sup>16</sup> See <https://www.shu.ac.uk/centre-regional-economic-social-research/publications/homes-in-community-hands-year-two-evaluation-report>

significant pipeline of CLH homes. In May 2020, Homes England reported that, when its CHF programme closed in March 2020, it held approved applications from CLH projects planning 10,780 homes. As we will see later in the report, our analysis of HCH-funded hub pipelines corroborates this picture.

Interviewees highlighted how other initiatives that were not funded by the HCH programme have boosted the development of CLH in the five areas and beyond, revealing the importance of HCH within a broader system of change. As one stakeholder noted, the ability of the five hubs to provide quality support and accredited advice has been '*augmented*' through the national training and accreditation programme (HCH stakeholder one). This has meant hubs have had some assurance that the people supporting CLH groups have some of the skills required. Workforce development is still required though, and it would help if CLH organisations had the ability to retain and recruit leaders from the wider affordable housing sector, where many of the required development skills are to be found.

Hence, the HCH programme was developed and implemented in a wider system, building on a pre-existing set of relationships, factors, and resources. The impact of the HCH programme has therefore both amplified, and been amplified by, other funding programmes.



# Community-led housing projects

This section explores the work of project grantees, using a range of evidence to understand their activities, measured outputs, and the emerging outcomes and impacts from their work. We draw on a dedicated survey of project grantees in 2021, recent programme monitoring data and 12 rapid update interviews in 2022 to understand the status of projects. In addition, we have undertaken two detailed case studies of funded projects to deepen our understanding of outcomes and impacts, and to explore project origins, decision-making and challenges, and the role of the wider enabling infrastructure and grant funding.

## 3.1. Funded projects

A total of £2.54 million in grants has been awarded to individual CLH projects through the programme. This represents 42 grants to 37 individual projects. These projects are largely located in the grant-funded enabler hub areas (Figure 2).

Over 40 per cent of projects were in the top ten per cent most deprived areas in England, with over two thirds in the top 30 per cent most deprived locations. This is a critical feature of the programme, which largely targets housing and other activity in areas not normally associated with CLH.

In Year Two of the evaluation, we found that the vast majority of grantees define their area of benefit as specific neighbourhoods or wards. This is reflected in the composition of boards, where nearly three-quarters of board members live or work in the area served by the organisation, and within wider memberships over 90 per cent of members are from the area served. Grantees surveyed had nearly 1,000 members, demonstrating significant local buy-in to their objectives and, in some instances, a willingness to 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 in 2021 owned or managed other property. In year two there was evidence that ownership and management of housing assets, alongside other assets, was an important feature of the plans of HCH projects. This was reaffirmed in our year three work.

Most projects completing our status update identified other non-housing assets being developed as part of their plans. These ranged from shared growing spaces to play areas and youth centres, community workspaces and retail premises, eco-laundrettes and shared amenities and community shops. A number of projects were diversifying from their original HCH application, which had centred just on homes. One project had seized the opportunity to purchase their local community centre, the opportunity for which came out of the original housing project. Others had expanded their housing schemes to include children's play areas, in response to community consultations. One project had hugely expanded its plans to incorporate 8,900sqm of

non-residential spaces, made possible through engagement with their local and combined authority. Our finding from year two remains that HCH-funded projects are engaged in asset development far beyond housing.

And yet, HCH-funded projects have experienced significant challenges in realising the varied impacts intended. Our status updates with projects in year three has highlighted the main problems they have encountered, centring on access to funding and finance and obtaining planning permission, alongside issues finding and securing land or sites. There have been particular challenges in securing pre-development funding and ongoing revenue support to help organisational development. Projects suggest that there is a market failure, where small organisations are unable to take forward larger projects, with major concerns about volatility in the construction market and the associated increased costs. Those projects seeking planning permission bemoaned under-resourcing in local authorities and drawn-out processes that had stalled project timelines. Issues with finding sites or dealing with complex sites are prevalent, notably where these have been split up into several parts. We found evidence of projects investing time to get sites into contract only for this to be terminated and sold on to a different buyer for a higher price. Groups have had to deal with this uncertainty as they secure sites prior to planning permission and/or ownership.

In the face of these challenges, funded groups have valued the support from various external sources, emphasising the role of cited funders and also external advisers, contractors and professional services. Support from regional hubs was also mentioned, as well as other CLH organisations who they could pool knowledge with and learn from. A small number of organisations also mentioned invaluable support from Homes England and their local authorities.

### **3.2. Project progress, expenditure and activities**

Using data from our status updates, recent monitoring reports and desk-based material, we have identified the stage of development of 34 of the 37 funded projects. This is a more complete picture than we were able to provide in year two. Community Led Homes uses a model of development stages which depict groups as starting with an ongoing process of 'group' formation, transitioning onto the 'site' finding stage, then to a 'plan' phase where planning permissions are sought if required, and then onto a 'build' stage. Once homes are completed this is called the 'live' phase.

As Table 1 shows, around five per cent of projects have homes that have been completed, with a further eight per cent at the build stage. There remains a significant cohort of projects, just over 50 per cent, that are in the site and plan phase, with few signs that between 2021 and 2022 a sizeable proportion have transitioned to the build or renovation stage. This is a reminder that it will take a number of years for the housing impacts of these projects to be felt. Another cautionary finding is that a significant proportion of projects, nearly one fifth, have been 'discontinued', double the proportion of projects at this stage in 2021. Initial evidence suggests this relates to a combination of factors, notably the termination of the CHF, Covid-19 effects on engagement, and connected factors associated with site acquisition, financing and planning approval.

**Table 1: Development stages of projects with known status**

Stage	Number of projects per stage	% of projects by stage
Group	2	5%
Site	8	22%
Plan	11	30%
Build	3	8%
Discontinued	7	19%
Unknown	3	8%
Live	2	5%
Homes at multiple stages	1	3%
<b>Grand Total</b>	<b>37</b>	<b>100%</b>

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

**Base:** 37 projects

### 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. This dipped slightly in 2021 as projects struggled through the height of Covid-19. In 2022, our estimate, based on data from status updates and hub pipelines, suggests that ongoing grantee projects are planning 1,350 new homes. This is, in part, attributable to some additional grant-making in 2021 and improved data collection, but it does suggest that despite the increasing numbers of projects being discontinued this has not impacted significantly on the overall number of homes being planned.

These planned homes are at different stages of development. As noted above, very few projects are in the live stage and only a very small proportion of homes are therefore complete. There are significant numbers of homes at an advanced planning stage, suggesting completions will grow in the coming years.

**Table 2: Planned homes by stage of development**

Stage	Number of planned homes	% of homes by stage
Group	306	23%
Site	432	32%
Plan	453	34%
Build	101	7%
Live and other stages	50	4%
Live	8	1%
<b>Grand Total</b>	<b>1350</b>	<b>100%</b>

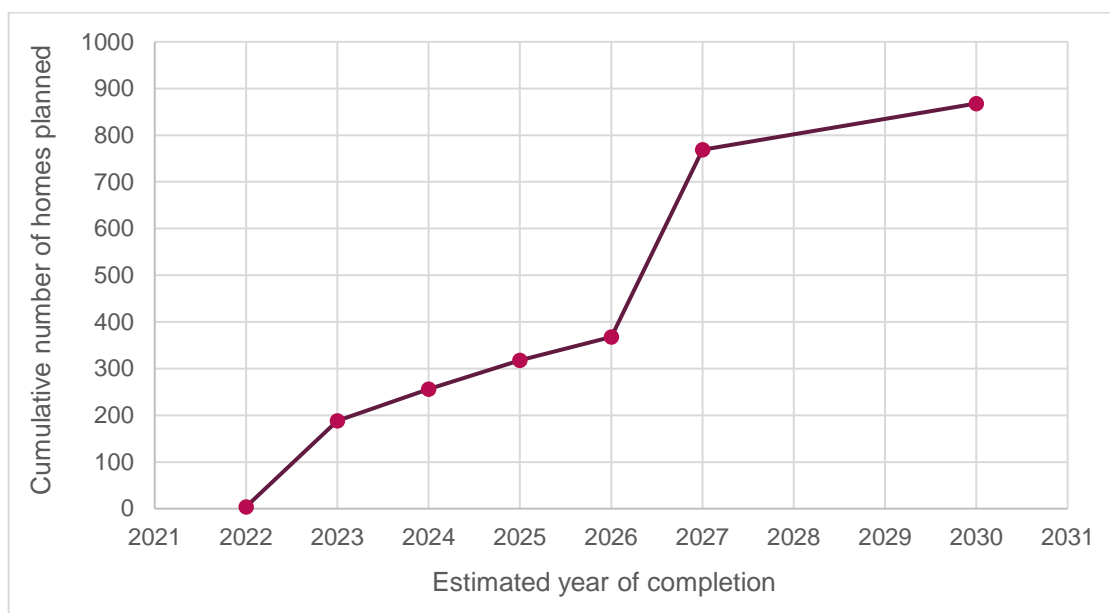
**Source:** Power to Change programme data, grantee project survey, status updates and desk searches

**Base:** 27 projects (excludes discontinued projects and those where the projects is unknown)

Data has been captured to estimate the timescale for housing-related impacts from the funded projects. Our status update with 13 ongoing projects asked when their homes would be completed, shown in the cumulative pattern in Figure 5 below. There is likely to be an incremental growth in completed homes by 2026, to a total of

approximately 370, and then a step change after this in 2027. However, there is significant uncertainty, both about these dates and, as noted above, about how many projects will come to fruition and how many will be discontinued.

**Figure 4: Year of planned completion of homes (where known)**



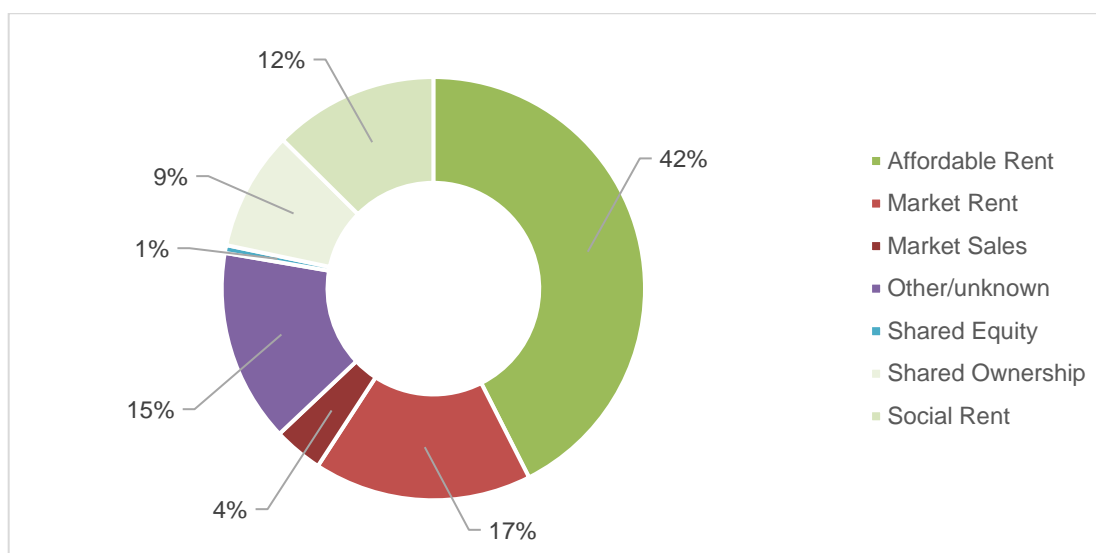
**Source:** Project status updates, 2022  
**Base:** 13 projects, 868 planned homes

A key determinant of the social impacts from this housing will be the tenure of homes developed. Our survey evidence in 2021 suggested that 20 HCH-funded projects were focusing on Affordable Rent,<sup>17</sup> alongside other standard tenures such as Shared Ownership and Social Rent. At this time, we estimated seven per cent of planned homes were intended to be Market Rent and Market Sale. We found that projects would be maximising affordable homes on each site, but potentially in so doing limiting opportunities for cross-subsidising with market products.

One year on, and with a more complete dataset on tenures, and also discontinued projects, there appear to be more market rent/sale homes planned than predicted in 2021, now estimated at 20 per cent of homes. This is partly due to one large scheme which intends to cross-subsidise affordable homes with market rents, but it may also be reflective of a more difficult financial climate and the need to generate additional receipts. As Figure 6 shows, the majority of homes planned (at least 64 per cent) are likely to be for affordable rent, social rent, or shared ownership.

<sup>17</sup> For a definition see [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/781746/Policy\\_Statement.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/781746/Policy_Statement.pdf)

**Figure 5: Planned homes by tenure**



**Source:** Power to Change programme data, grantee project survey, status updates and desk searches  
**Base:** 1350 planned homes

In 2021 we also captured data on the size of the homes planned, revealing that the vast majority of grantee homes are not being targeted at larger family units. In 2021 we also showed that 55 per cent of planned homes were to be priced lower than 80 per cent of the wider market, thereby offering higher levels of affordability than typical Affordable Rented homes from other providers. Grantees may also deliver significantly more affordable homes per development than other projects funded under the government's Affordable Homes Programme (AHP). In 2020/21, 31 per cent of completed units in all AHP funded schemes were for market housing,<sup>18</sup> compared to 20-24 per cent for HCH projects. Larger developers may use the income from market sales to develop more affordable homes, but this does not negate the fact that HCH funded schemes will deliver *additional* affordable homes on a given site when compared with other developers. Such activity may require higher levels of public and other funding, but the social impacts created may be significantly higher given what we know about CLH schemes.<sup>19</sup>

The majority of planned units are for Affordable Rent, typically priced at 80 per cent of market rents. In year two we explored whether such rents would be less than 35 per cent of net household incomes. For this we used median local authority rents as the basis for estimating the rental charges of homes being developed by funded projects. The table below shows the affordability of planned homes for local residents, if they were priced at 80 per cent of average rents in the local authority.<sup>20</sup> The green boxes indicate the properties that would be affordable on local incomes if set at 80 per cent of local rents, and the red boxes show where affordability would be stretched. The Affordable Rented homes planned by HCH grantees will generally be affordable on local household incomes, though some larger properties may not. Similarly, smaller homes in areas with low incomes but higher median rents in the local area may be a stretch in terms of affordability. Hence, if HCH grantees do develop housing which is charged at 80 per cent of the market average this will, generally speaking, be

<sup>18</sup> See <https://www.gov.uk/government/statistics/housing-statistics-1-april-2020-to-31-march-2021>

<sup>19</sup> 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>

<sup>20</sup> 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.



affordable to households on average local incomes. The extent to which such homes will meet the needs of those in more acute financial hardship is unclear.

**Table 3: The affordability of planned Affordable Rented homes**

		Price if 80% of 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, 2021 and ONS, 2018 (adjusted)

**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. We estimate that over 170 planned homes would likely be charged at social rented prices, which historically has equated to around 50 per cent of market rents.<sup>21</sup> This would be a significant contribution to local areas, given the low delivery of such tenures nationally – less than 2,000 new social rented homes were developed in England with AHP funding in 2020/21.<sup>22</sup>

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.

### ***Wider outputs, outcomes and impacts***

As noted above, the projects funded through the HCH programme have broader objectives beyond housing development. Indeed, in year two we noted how HCH projects diverge from those in the wider CLH sector, being much more likely to be

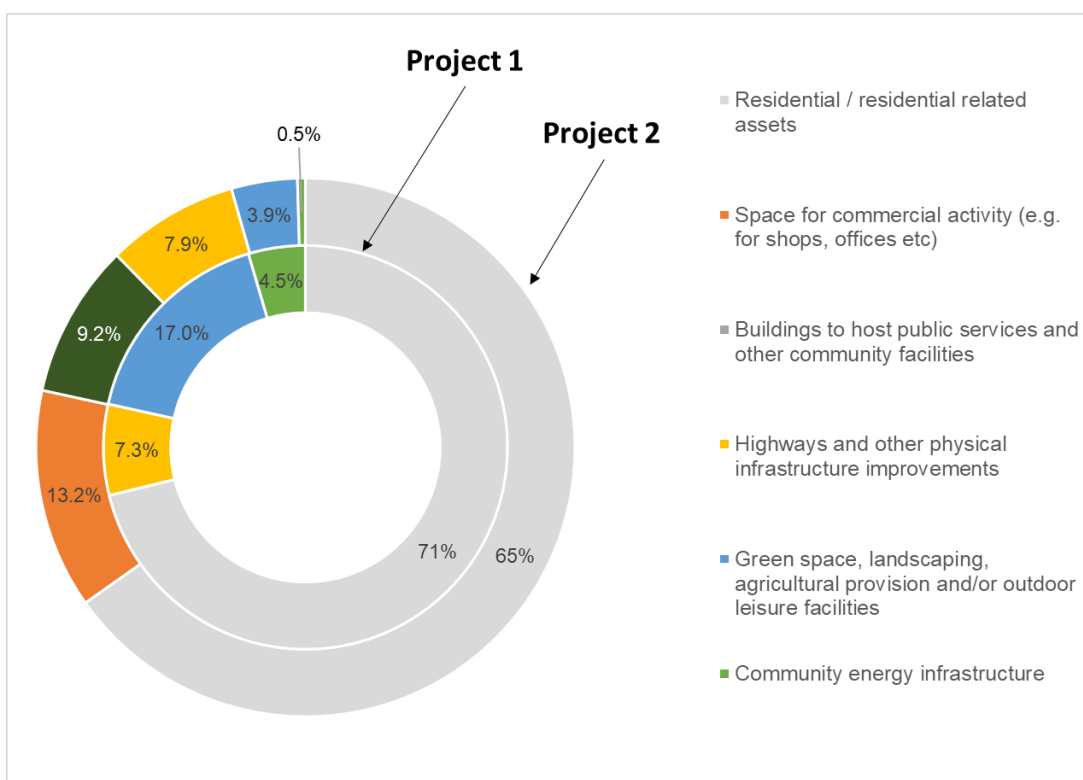
<sup>21</sup> UK Parliament (2021). Social rented housing (England): past trends and prospects.

<sup>22</sup> Homes England (2022). Housing Statistics Tables: 1 April 2020 – 31 March 2021.

active on mixed use developments. HCH-funded projects are likely to have significant impacts on local places and people beyond the direct beneficiaries of new housing. From other research, we know community asset owners generally direct their expenditure to local suppliers, and if this were the case with HCH-funded projects they would provide a boost to local economies.<sup>23</sup>

We noted in 2021 that the projected development expenditure of all funded projects was approximately £270 million. Example HCH projects show that, for some, over a third of the total development budget is allocated to non-residential assets. In one such project 17 per cent of the development budget is allocated to green space, landscaping, agricultural provision and/or outdoor leisure facilities, with a further 4.5 per cent allocated for community energy infrastructure. Another example project has set aside 13 per cent of its budget for commercial space and 9 per cent for buildings that will host public services and other community facilities. The chart below shows the development budgets of these two projects, with the inner ring relating to project one, and outer ring project two.

**Figure 6: Distribution of non-residential expenditure in two example HCH grantee project**



Other non-residential investments by projects related to highways and other physical infrastructure. Taken together this gives credence to the finding that projects will not only have housing and local economic impacts, but also the broader social and environmental benefits.

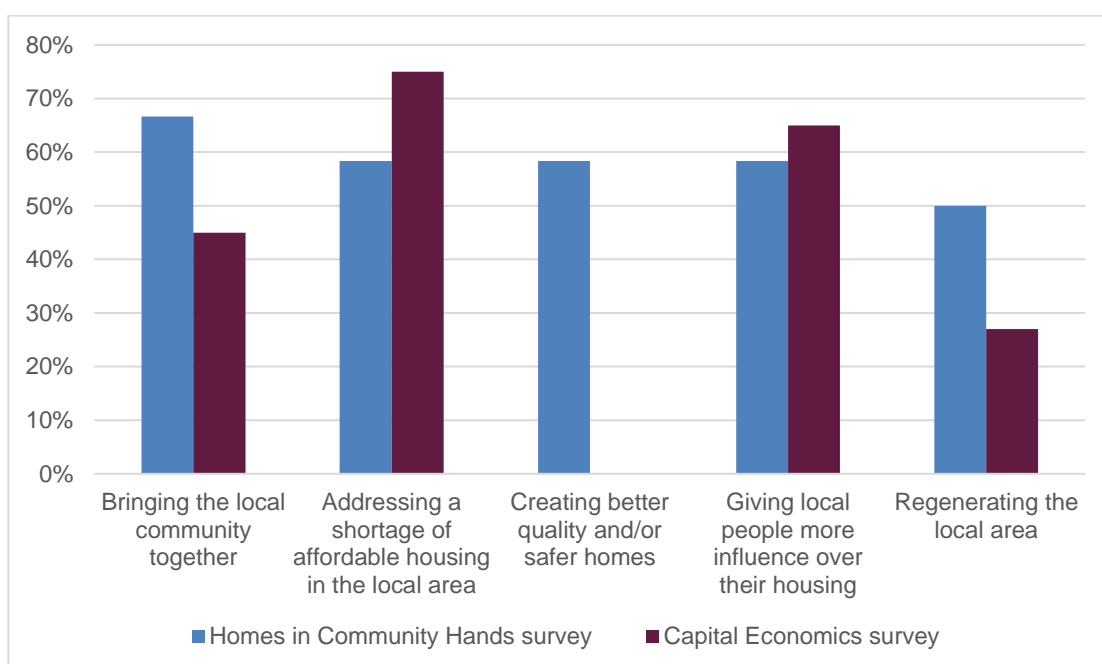
Further benefits will be seen in job creation and skills development linked to planned projects. Our projects survey in Year Two asked respondents about the impacts they were trying to make. Four of the 12 respondents were developing projects that would 'help people find employment' and seven were, or would be, providing training to improve skills for employment. And beyond employment and employability, projects

<sup>23</sup> 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>

also stated a focus on supporting vulnerable groups, with four planning to provide support for those with disabilities, two of which were also aiming to support those experiencing mental health issues. HCH-funded projects have shown themselves to be anything but simple housing development schemes.

To compare HCH-funded projects we assessed their intended impacts against a wider subset of CLH projects, using evidence from a Capital Economics report in 2020. While the provision of affordable housing remains a priority for HCH projects, other issues come to the fore when comparing HCH projects with the wider CLH sector. Community cohesion, local control of housing and the quality and safety of homes were more significant motivations for HCH projects than for groups in the wider CLH sector (see Figure 7). This quantified picture tallies with our qualitative findings (in section 3.4 below) which reveals the prominence of civic action and community empowerment in HCH projects, as they attempt to develop mixed use schemes, and/or those with shared spaces and resources.

**Figure 7: Impacts and intentions**



**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.

### 3.4. The impacts of HCH funded projects: Case study evidence

#### *Case studies: A qualitative perspective on impacts*

This section is based on in-depth case studies undertaken between February and April 2022 with two community-led housing projects that had already secured planning permission and had earlier been in receipt of Homes in Community Hands grants.

Since both projects were in receipt of a Homes in Community Hands grant at an earlier stage, these case studies contribute to our understanding of the impact of these grants and their specific contribution to advancing community-led housing projects. However, in each case there were several other important sources of funding or proposed funding (CHF, community share issues, Registered Provider partners accessing Homes England grants) which qualify any direct attribution of the HCH grant on overall

project progress. Both projects also had some direct engagement with key individuals from hubs also funded under the Homes in Community Hands programme. The extent and nature of engagement of the projects with Registered Providers (RPs)<sup>24</sup> and local authorities are also reviewed. Thus there are further insights into this evaluation's exploration of the value of enabling infrastructure.

Learning from these case studies is accentuated by thematic comparisons, discussing a number of common themes that emerged from the analysis of the interviews. However, it is important to recognise the significant contextual differences between the projects as set out below.

### **Project descriptions**

#### *Yorspace, Lowfield Green Cooperative*

Yorspace (YS) is an enabling body aiming to build affordable and sustainable community-led housing and workspaces in York for people who live, work, have lived or have family in the city. YS started in 2012 and now has around 170 members, most of whom are local people. It became a CLT in 2017. It is also a Community Benefit Society, which enables it to issue community shares.

The main roles of YS are to purchase land, undertake early stage site development, apply for planning permission, raise Community Share funding, co-create local Mutual Home Ownership Societies (MHOS) with members, lease the land it has purchased to the MHOS, and act as agent for the MHOS to complete the delivery of the homes.

Lowfield Green Cooperative (LGC) is the first local MHOS project supported by YS. There are currently eight member households taking the project forward. This project aims to develop 19 energy-efficient, affordable homes plus a shared community house for local people at Lowfield Green. The



Credits: Movisuals

plan is for a mix of 14 houses (5 two-bed, 6 three-bed and 3 four-bed) and five apartments (3 one-bed and 2 two-bed). A central feature of the group's plans for the project is communal living and the proposed design includes shared facilities: a shared garden, the community house with kitchen and communal dining space, launderette and workspaces/guest rooms. Car parking spaces are limited to 9 for the 19 homes. Other environmental goals include good energy efficiency and lower energy bills, waste reduction, and community sharing to reduce consumption (e.g. sharing items like lawnmowers).

The group is very focused on the need for the homes to be affordable for local people in an expensive city where local families struggle to find affordable housing, either for

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<sup>24</sup> Registered Providers are those defined in law as providers of social housing, and this status is a requirement to access affordable housing grants and manage any homes developed.

rent or to buy. An LGC project informant said, *'If it works, we will be doing something to tackle a big problem.'*

The group had intended to follow the Mutual Home Ownership (MHO) model pioneered by LILAC in Leeds, but now due to lack of funding and increased building costs, they are exploring other options, including shared ownership as the only ownership model that currently qualifies for government funds, without which the group cannot afford to build.

Planning permission was secured for the LGC project in 2019 as part of a larger mixed tenure development at Lowfield Green. The site for 19 community build and 6 self-build homes is adjacent to a new development of 140 homes currently being built by a private housebuilder, Shape Homes York, on this former council-owned site at Acomb, York (including 20 per cent council rent, 20 per cent shared ownership, a care home, a health and public service building and a village green).

YS is about to purchase the land from the council, after several years of negotiation. Funds for the purchase came from a successful community shares campaign, which raised £422,000, surpassing the original target. There are several instances within the HCH programme of CLH groups and hubs using share offers to raise capital, and this is something we reflected on in Year 2.<sup>25</sup> Creating community-led homes provides a financial means to repay investors, while also building a large, engaged membership base. For YS this was an important development, but accessing the site was critical. The site offer came after YS raised public awareness to community-led housing to encourage the council to consider social value and prioritise affordable community-led projects when selling land in the city.

The project's most important tangible achievements to date are a successful community share issue, securing planning permission and agreement to purchase the site on social value terms. Interviewees also highlight 'building a community' as an early outcome of the project. An LGC project informant said, *'People came for the affordability and stayed for the community and friendship they built. This is the upside of the adversity the project had to face.'*

The group are currently looking for grant funding and exploring Homes England funding models and talking to registered providers but do not currently have a partnership with a registered provider. Members are looking at ways to reduce building costs, and are reviewing the high sustainability standards originally envisaged. This has implications for the pattern of impacts these types of project will have, an issue explored in more detail below.

### ***Stirchley Cooperative Development***

This distinctive community-led project combines workspaces for three worker cooperatives with affordable residential accommodation for 39 households in housing need on the high street at Pershore Road, Stirchley in southwest Birmingham. The group originally came together in 2016/17 in a series of conversations between the worker cooperatives about the need for affordable and secure business premises to maintain their place in a changing high street, and the associated need for good quality affordable homes for workers.

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<sup>25</sup> <https://www.shu.ac.uk/centre-regional-economic-social-research/publications/homes-in-community-hands-year-two-evaluation-report>



Several core members had previously been involved in a Radical Routes housing cooperative with shared spaces for single people, but wanted to move on to develop purpose built and self-contained homes suitable for bringing up their families. An SCD member told us these would preserve *'mutual support and help without the cooking rota, and address the more structural issues of control over your housing. It's been a good number of years and models but it's finally looking like we will own the land in the next few weeks.'*

The site is on Pershore Road, where the three worker cooperatives are currently located, and will enable them to relocate to more suitable and secure premises and avoid being 'priced out' of the community. SCD is keen to build on the cooperative legacy in Stirchley which dates back to 1875.<sup>26</sup>



Credits: David Mullins



Credits: Birmingham Bike Foundry

The 39 apartments will now be a mix of 29 one-bedroom, five two-bedroom three person, two two-bedroom four person and two three-bedroom five person. A larger proportion of family homes had been envisaged, but a combination of planning requirements and scheme appraisal led to the revised mix. Rents will either be social rent or affordable rent; the aim is the former depending on the level of grant secured. Communal living will be strengthened through a courtyard overlooked by the apartments and with access to the ground floor worker cooperatives, a community hall where Artefact Cooperative will run events and exhibitions, a shared roof garden, communal laundry kitchen and living areas and a bike store.



Credits: indesign.

*'Environmental sustainability was the key driver from the start'* (SCD project informant. CO2 emissions will be 27 per cent lower per year than a brick-built property, air source heat pumps will further reduce energy costs for residents, there is good local public transport, and the planning application sought to minimise car parking spaces.

The project's most important tangible achievements to date are securing planning permission and negotiating its purchase from a private owner, and bringing together

<sup>26</sup> Several interviewees had a keen awareness of this rich history and see SCD as building on and preventing the loss of Stirchley's cooperative heritage. Ten Acres and Stirchley Coop society (TASCOS) was founded in 1875 and lasted as a local cooperative business for nearly 100 years. TASCOS had merged with the Birmingham society in 1971. <https://archiveshub.jisc.ac.uk/search/archives/d16fdf6a-ab54-3663-8675-66456ec1f800?component=4ff388c1-6fef-30e5-9b25-f369b88bd4eb>. The last day of trading of the Stirchley retail cooperative was in January 2020. This photo essay marks the date and makes explicit reference to the new cooperatives (Loaf, Bike Foundry, Artefact) and to the SCD project as picking up the baton 'from upper case Co-op to lower case co-ops': <http://fionacullinan.com/2020/07/a-last-walk-around-the-stirchley-co-op-a-photo-essay/>.



the three founder worker cooperatives and an RP partner into an effective and democratic team to plan a cooperative solution for housing, business and community needs in the heart of Stirchley.

Securing planning permission in 2021 was celebrated with a short video.<sup>27</sup> The planning process was lengthy and challenging and involved compromises including a reduction in the number of homes, particularly family homes, the loss of a fourth floor, compromises on layout, and delayed rehousing of 39 households. 35 per cent of lettings will be made through a nominations agreement with the local authority.

The group's development partner is an RP which specialises in work with cooperatives and community-led housing groups, including providing development and management services. The project informant at the RP, who is also the chair of the local community-led housing hub, has attended monthly meetings of SCD from the outset, enabling the cooperative to have a hands-on role in the development process. SCD is applying for RP registration and will buy the completed scheme from the RP when it has funding in place. The final legal issues prior to site purchase are being completed, remedial works undertaken by the site owner, and building is expected to start in summer 2022, with completion by early 2024.

### **Project origins and motivations**

Each project had distinct origins and motivations. Both place a strong emphasis on affordability through collective ownership of assets and environmental sustainability. Further benefits of mutual support were also highlighted. Both projects were extremely locally focused: one on a high street, the other on a new mixed tenure development on council-owned land.

There is also evidence of a 'ripple effect' and movement building, with both projects being inspired by earlier successful community-led housing projects (LILAC in the York case) and cooperative models (the worker cooperatives and Radical Routes housing cooperative in the Birmingham case). Both projects were in turn seeking to stimulate more local projects (workshops for new cooperatives in York and replication plans for a second Stirchley project).

The distinctive feature of SCD is the core founder role played by three existing worker cooperatives (Birmingham Bike Foundry, Loaf and Artefact) who were all looking for better premises to expand their community businesses and to create long-term sustainable employment. Summing up the distinctiveness, the project informant said, *'It's not just a housing project with premises below because specific worker coops initiated the project from the start. Bike Foundry had been concerned about getting priced out of the area and met with Artefact (a cafe and gallery) who had similar issues. We thought: can we tackle this on a higher level - suitable premises for everyone, and housing as well?'* (SCD project informant).

*'Everything relates to taking the High Street project forward, as we had set up the organisation specifically to do the High Street project.'* SCD wanted to respond to gentrification of the high street and consequent rises in rents for retail premises, to avoid being 'priced out' and to secure their future through collective ownership of business premises. As one Loaf member put it, 'We will still be here and make our mark on Stirchley.'

They saw further mutual benefits in relocating to a hub for cooperative enterprise in the heart of the community to build synergies while retaining specialisms. A Birmingham Bike Foundry member said, *'[With] the bicycle cafe idea, buying bread is*

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<sup>27</sup> <https://www.stirchley.coop/>

*secondary... It's about what we share with each other, coops working together kind of stuff... pooling resources to challenge the power of asset owners.'* Furthermore a Loaf member noted, *'We couldn't do it on our own, but by coming together we can make something happen, turning property from financial assets to community assets.'* And further still, an Artefact member told us, *'...it will be a visible flagship run and used by local people...not sucking wealth out. We are all people from the area.'*

While not all of the worker cooperative interviewees were interested in housing for themselves, they were all acutely aware of the limited local housing options. An SCD member noted, *'Coop workers are on the living wage and thus affected by pricing out as rents and house prices have risen in Stirchley. The involvement of the worker coops has been very helpful in making SCD sensitive to local housing needs and affordability.'*

The housing vision of SCD was strengthened by the earlier experience of several founder members with a Radical Routes housing cooperative which had provided shared accommodation for single people. A project informant said, *'I was living in a housing coop at the time and we wanted to go beyond rooms in terraced houses, typical for coops in the UK because of what the housing stock is like. A purpose-built concept combining work spaces and modern housing was the outcome.'* There was also the desire to go beyond the Radical Routes cooperative by providing homes for families with children priced out of the area. By bringing the housing and business premises solutions together, *'we will literally have a community in our building ... all connected in some way'* (Loaf member). An Artefact member described it as *'a new facility with opportunities to live and work, and an ethos that encourages people to integrate and respect each other.'*

For YS and LGC, the origins were in the Mutual Home Ownership model pioneered by LILAC to secure genuinely affordable housing in perpetuity through collectively owned assets. Work to take this model forward in York began in 2012, with the formation of YS as a local enabling agency to create new communities around affordable cooperative housing in York. YS hopes the homes developed will actively encourage environmentally sustainable lifestyles, and be built to high environmental standards using pioneering low-carbon materials. They will be built around shared community buildings (Common House) and other shared facilities to foster and facilitate a vibrant supportive neighbourhood. They will be delivered at cost to the residents and well below current market rates (YS HCH Grant application 2019).

Work began in 2017 when the City Council responded to YS campaigning for sites for community-led housing and social value consideration when selling council-owned land. The opportunity of land within a new development of 140 homes being built by the private housebuilder Shape Homes York on council-owned land led to the formation of an MHOS at Lowfield Green by YS.

The key motivations were to provide affordable and environmentally sustainable homes for local people. Interviews with active participants highlighted the latter. One LGC participant stated: *'I was really attracted to the sort of aims and aspirations of the project, the particular environmental impact of the buildings themselves and also the environmental impact of ... living in the property so the things that you will be encouraged to do, like sharing facilities and cars and really helping each other to lessen our carbon footprint.'*

Further to this an LGC participant noted: *'The houses being built from sustainable materials and having some sustainable energy and stuff ... having those things already in place is half of the problem solved without me having to start thinking about, you know, reducing how much water I use or recycling or whatever.'*

A further important benefit participants were looking for was mutual support and security both for single people and families.

*'Because...I'm currently single, I really like the idea of living in a community where I would know my neighbours and be able to send, you know, a message round saying, "Does anybody want to hang out right now?" or having meals together...but [it is beneficial] also from a mental health and combating loneliness [perspective].'* (LGC participant).

Linked to this another LGC participant suggested: *'A lot of families will be happier (...) because a lot of the stresses of life will be taken down by having a group of people all around that you can trust. For example, childcare is such a massive stress. Having 19 or 18 homes around you that [you can think] "I know that person, I can leave my children with that person, and I know that it'll be safe." — it's huge.'*

### **Decision-making, barriers and challenges**

Both cases place a strong emphasis on democratic decision-making. YS emphasises co-creation of solutions with the MHOS at Lowfield Green. Sociocracy<sup>2829</sup> was used to make sure everyone is heard and decisions are made quickly. Sociocracy *'really opened my eyes to a new way of making decisions,'* said one interviewee.

There was clear evidence in the interviews on the depth of discussions that resulted, for example on the trade-off between affordability and sustainability. *'Unfortunately,'* said one interviewee, *'it is the way it is that the cheapest way to build houses is not sustainable.'* This conflict meant that members were divided on the way forward: should they prioritise sustainability and risk losing some members who cannot afford the higher building costs, or compromise on sustainability for social inclusion?

Another key choice was between the original mutual home ownership model which was not currently eligible for Homes England grants and the shared ownership model which was. Members did not want to rely on HE's affordable housing scheme grant that involves rented and shared ownership: it is complicated (members want autonomy), market-based and assumes houses will be sold at market value and enable members to buy up to 100 per cent of their home (thereby negating the aim of the CLT). Moreover, accepting the grant means losing some members as it is restricted to first-time buyers and may not be affordable to some. However, options are limited.

SCD had used more traditional democratic methods to ensure that members of all of the cooperatives were involved in key decisions as the project progressed. The cooperative's governance structure was member-led: each cooperative partner organisation was represented on the SCD board, which met monthly throughout the project, usually with the RP adviser. In addition a number of working groups comprising cooperative members and external advisers undertook detailed work, for example on outdoor spaces and membership.

The membership group has been the main forum for developing the residential project, with four to five core cooperative members (some of whom are hoping to be future residents of the project) meeting with external advice. This working group meets regularly and is producing a membership pack and policy manual, including a lettings policy. All lettings will go to people with a housing need who are living or working in the area. There will be a common selection process involving an interview demonstrating housing need and local connection. A declaration of interest process

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<sup>28</sup>Sociocracy is a system of governance that seeks to create psychologically safe environments. It draws on the use of consent, rather than majority voting. Here are two examples of its use in community led housing and intentional communities: <https://www.communityledhomes.org.uk/resource/introduction-sociocracy>

<sup>29</sup> <https://www.sociocracyforall.org/community/>

has been developed so that it is clear which of the existing cooperative members wish to be housed. The main difference for the BCC nominations is that the local authority's allocations criteria will apply. 14 apartments scattered across the scheme have been reserved for nominees. SCD will work with BCC to send targeted information about cooperative housing to higher band applicants interested in the Stirchley area in advance of the lettings period, to allow a membership induction process before moving in. All residents will be expected to get involved in the cooperative decision-making processes and the running of SCD once the properties are let.

This democratic participative structure enabled the project to integrate local employment, culture and housing outcomes. While this has entailed many meetings over a seven-year period and *'such meetings can become ritual and bureaucracy, there have also been many learning opportunities,'* an SCD project informant told us, *'...the payoff is so big, the stakes are so high. So, compared to other meetings you might choose to go to, the cost/benefit ratio is really good.'* (SCD project informant). This approach will become even more important at the live stage, they said. *'When the homes are built ... people will be expected to be involved in decisions about their homes. This is not a cost but a way to get your rights and a chance to learn skills and expertise ... This aids [your] employability... [as you are] learning by doing.'* (SCD project informant).

Both projects needed to address gaps in knowledge and experience between participants. In LGC this was addressed by training all the members in sociocracy and other skills, but there was a need to respond to the turnover of core members who had moved on due to changing life circumstances during such a lengthy process. There was an associated need for succession planning and to maintain the confidence of other members to pick up these roles. Many members have young children, which in some cases makes it hard to participate. As one LGC participant put it, *'We're just ordinary people.'*

SCD has a larger group of active participants, many of them well versed in cooperative organisation, but there was strong recognition of the need to be open to new members as this would be essential to meet the group's goal of addressing wider local housing needs. Planning was already underway for the challenge of welcoming nominees from the local authority and to find ways to achieve early membership for eligible and interested nominees within the constraints of the (normally last-minute) social housing nomination process.

These decision-making structures enabled the groups to address the many challenges faced during the development process. We have already referred to the two main challenges faced by YS, both involving finance. The loss of the CHF capital option left a hole of nearly £1million in project finances just at the point that costs were rising following Brexit, Covid and related supply chain issues (increasing the overall scheme costs from £2.8 to £4.5million. This had triggered two decision-making issues regarding the tenure model (would the group be prepared to accept the constraints and limitations of a shared ownership model in order to attempt to secure a Homes England grant?) and the trade-off between sustainability and affordability.

The major challenge to the SCD project came from the planning process. Like most community-led housing projects there has been much learning from barriers faced in the development path. In this case the need for hard negotiation, lobbying and alliance-building during the planning process was necessary to preserve the focus on sustainable construction methods and materials. Nevertheless, the process took well over a year and some homes were lost. *'This has delayed [the] rehousing of 39 households in housing need to [the] end of 2023,'* an SCD project informant told us. *'The council's community-led housing policy didn't really help. We didn't have the money to contest planning decision-making.'* There were compromises over density

and design and there are fewer three-bedroom apartments than originally envisaged in order to ensure viability. There were also additional legal costs associated with the section 106 agreement, which seemed unnecessary to the group since it was offering 100 per cent affordable homes and 35 per cent nominations to the local authority.



### Intended outcomes and impacts

We have mapped outcomes and impacts from the projects using six domains. While neither case study project has reached the live stage, interviews with participants give a clear picture of intended outcomes and impacts building from the original motivations reported above. In many ways their ambitions mirrored the motivations discussed above so are presented in summary form.

**Table 4: Summary of case study outcomes**

Outcome Domains	Lowfield Green Cooperative	Stirchley Cooperative Development
<b>Housing need</b>	<ul style="list-style-type: none"> <li>• One of the main aims of the project is to provide affordable housing in an expensive city like York where families struggle to buy and even to rent privately. <i>‘If it works, we will be doing something to tackle a big problem.’</i> (LGC participant).</li> <li>• Seeking genuinely affordable housing in perpetuity through collectively owned assets and the Mutual Home Ownership model.</li> <li>• Participation gave members something to look forward to: a future where they have secure and affordable homes in York, a supportive community, and a setting that supports sustainable living.</li> <li>• However, the only financially viable option at the moment is shared ownership: a model that may not be in line with the CLT’s commitment to affordability in perpetuity.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>‘There is expected to be a substantial impact on housing need in Stirchley and a demonstration of an alternative model for living and working.’</i> (SCD member)</li> <li>• The core aim is to <i>‘help to solve the housing crisis in Birmingham’</i> (SCD project informant).</li> <li>• They are offering 35 per cent nominations to the local authority.</li> <li>• The scheme is aiming for social rents if possible (modelling includes affordable and social rent options, subject to resources).</li> <li>• The scheme will provide <i>‘Better housing than private landlords provide ...not more tiny and expensive student flats - a nice place that’s secure [where you’re] not likely to be thrown out by the landlord’</i> (Loaf member).</li> <li>• <i>‘The homes will be warm, cheap to maintain. ‘You can do other things to benefit your health if your housing does not prevent you’</i> (SCD member).</li> </ul>
<b>Environmental sustainability</b>	<ul style="list-style-type: none"> <li>• <i>“The fact that we’re trying to build affordable, sustainable homes tackles two main problems really for me (...) Even if I could afford to buy a house in York, the building itself wouldn’t allow me to live completely sustainably, because of the way that a lot of properties are built.”</i> (LGC participant)</li> <li>• Limited cars</li> <li>• Sustainable materials</li> <li>• Trade-off with rents</li> <li>• Good energy efficiency and lower energy bills</li> </ul>	<ul style="list-style-type: none"> <li>• <i>‘Environmental sustainability was the key driver from the start’</i> (SCD project informant).</li> <li>• Sustainable materials were used, with modular achieved despite planning challenges. CO2 emissions will be 27 per cent lower per year than a brick-built property.</li> <li>• There is good local public transport and the planning application sought to minimise car parking spaces.</li> <li>• Air source heat pumps will further reduce energy costs for residents, (trade-offs with rents and communal roof space)</li> </ul>



	<ul style="list-style-type: none"> <li>• Waste reduction: community sharing will reduce consumption (e.g. sharing items like lawnmowers)</li> <li>• “Unfortunately, the way it is that the cheapest way to build houses is not sustainable” (LGC participant). This conflict meant that members were divided on the way forward: should they prioritise sustainability and risk losing some members who cannot afford the higher building costs, or compromise on sustainability for social inclusion?</li> </ul>	<ul style="list-style-type: none"> <li>• ‘[We are] taking a piece of wasteland and making [it] into an accessible place to live and work.’ (Loaf member)</li> </ul>
<b>Community cohesion and integration</b>	<ul style="list-style-type: none"> <li>• ‘[The] sense of community [is the] greatest outcome so far: related to members’ improved wellbeing, members felt that the community feeling is their biggest achievement so far.’ (LGC project informant)</li> <li>• Members made friends and overcame challenges together. LGC project informant: ‘Members want to start living together and looking at ways to live communally in the short term until the development is complete.’</li> </ul>	<ul style="list-style-type: none"> <li>• ‘We will literally have a community in our building – 39 households will be members alongside the worker coops. There will be more public space and a car-free community hub.’ (Loaf member)</li> <li>• ‘All three worker cooperatives will open up on to a central courtyard... [There is a] garden area [with the] community growing raised beds’. (Loaf member).</li> <li>• There will be ‘public space for meetings and events, for the coops and the wider local community.’ (Bike Foundry member)</li> <li>• ‘The community hall will be an important cultural asset for Stirchley, enabling community cohesion and integration... Friday night gigs, theatre space too ... SCD will be a visible flagship run and used by local people.’ (Artefact member)</li> </ul>
<b>Neighbourhood impacts</b>	<ul style="list-style-type: none"> <li>• Working together created a very strong bond. ‘We’re not neighbours (yet) but it feels like we’re there for each other,’ said an LGC participant.</li> <li>• Links to the wider Lowfield Green development are planned. LGC residents are hoping to be involved in the wider development, for example through taking responsibility for a food growing allotment and engaging with older people from the care home.</li> </ul>	<ul style="list-style-type: none"> <li>• There is a very strong Stirchley community focus – regenerating the high street without gentrification. An SCD project informant said, ‘All existing coops are on Stirchley High Street and our members live in and around Stirchley, so we were only looking for sites in Stirchley.’</li> <li>• ‘We’re developing things we’ve been talking about but didn’t have [the] capacity or space [for, such as] working with charities and special needs schools.’ (Loaf member)</li> <li>• ‘The local benefits for the high street [include] more public space and a car-free community hub’. (Bike Foundry member)</li> <li>• The programme is setting higher standards for local landlords.</li> </ul>
<b>Benefits of participation in process for those involved</b>	<ul style="list-style-type: none"> <li>• There has been a significant impact on members. The community’s supportive approach enabled members to take on roles and learn new transferable skills.</li> <li>• Having control over their level of commitment meant that members felt confident taking on roles. An LGC participant said, ‘There is encouragement and positivity</li> </ul>	<ul style="list-style-type: none"> <li>• There are 35 active participants from three existing cooperatives.</li> <li>• An ambitious participative process has demonstrated the value of democratic organisation, with all key decisions made at monthly general meetings with the RP development adviser.</li> <li>• There are task-based working groups.</li> </ul>

	<p><i>to take on stuff, but no pressure. The way we communicated was never authoritative. I can admit if I'm struggling or offer help if someone else is struggling.'</i> (LGC participant)</p> <ul style="list-style-type: none"> <li>• <i>"A lot of people within our little circle just become better at varying things that they've never tried before.... So we've got people who have, you know, training on finance and things like that. And training in varying forms of community conflict resolution... So, we've developed a group of people who, again, are getting very good at resolving differences and stuff".</i> (LGC participant)</li> </ul>	<ul style="list-style-type: none"> <li>• Members <i>'learned a lot about process — how cooperatives are structured and developed, and the building and planning process'</i> (Artefact member).</li> <li>• Worker cooperatives were involved in scheme design, with each cooperative having direct input into the design of the premises (e.g. a disabled access shower in the Artefact space)</li> <li>• At the live stage all residents will be expected to be involved in decisions about their homes. <i>'This is not a cost but a way to get your rights and a chance to learn skills and expertise ...This aids employability...learning by doing'</i>. (SCD project informant)</li> </ul>
<p><b>Employment, training and the local economy</b></p>	<ul style="list-style-type: none"> <li>• There were some paid opportunities in developing the project.</li> <li>• HCH funding was used to explore different tenure models. This became an employment opportunity for a member who lost her job during Covid, as well as a learning opportunity. She said, <i>'I think the opportunity to have that paid work came at a good time because I was unemployed. Well, I had a part-time job, but it helped me with my income, and it helped me understand the coop more.'</i> (LGC participant).</li> <li>• It is hoped the scheme will include working spaces in Lowfield Green's common house.</li> <li>• There are no current plans for members to take part in the building works.</li> </ul>	<ul style="list-style-type: none"> <li>• A major theme is creating new premises for three worker cooperatives, enabling them to stay in the area and safeguarding 23–25 local jobs. Cooperative members highlighted the following outcomes.</li> <li>• <i>'The business was limited by existing shop space and design, so new and bigger premises to expand business and create long-term sustainable employment [is welcome].'</i> (Bike Foundry member)</li> <li>• Also enabling the cooperatives to develop more local services: <i>'We will have more capacity to run cookery schools.'</i> and <i>'More local produce and equipment in the shop, [and] more outreach to community.'</i> (Loaf member)</li> <li>• There will also be synergies on the site between the cooperatives, <i>'I hope our project will be a way to improve the infrastructure and built environment whilst making sure low-waged current residents aren't driven out, and I think this is a virtue of democratically run organisations like ours.'</i> (SCD project informant)</li> <li>• The scheme demonstrates a cooperative community assets model for the high street: <i>'We're turning property from financial assets to community assets.'</i> (Loaf member)</li> <li>• It also offers a possible future of the high street, with groups of businesses locating together and sharing services (including the mortgage costs that buy security). <i>'We're not sucking wealth out. We are all people from the area.'</i> (Artefact member)</li> <li>• The construction and live phases may create further local work opportunities. For example, a new cooperative might be formed for management and maintenance of the building, and facilities management of the common areas.</li> </ul>

It can be seen from the table that the intended outcomes of the two groups are quite similar, with key emphases on housing affordability and environmental sustainability outcomes that go beyond what is generally available in market or social housing. Grant funding regimes were seen to provide only a limited form of affordability, and both groups were keen to go beyond this: to deliver models that offer affordability in perpetuity through collective ownership, and to secure lower rents by attracting other forms of subsidy. Potential trade-offs between sustainability standards and affordability were apparent in both projects, and good use was being made of democratic decision-making processes to balance these trade-offs in ways that generated group consent for preferred outcomes. Of course, investment in energy efficiencies and renewable technologies may enhance affordability (and negate long term negative impacts of climate change) but this is difficult to factor in at the point of meeting development costs.

Both projects were organising to achieve community cohesion within the project by maximising opportunities for collaboration and mutual support amongst the residents. They were also making links with the wider local community to contribute to the integration of the projects into the neighbourhood. Both were highly focused on generating community benefits for very specific local neighbourhoods. Examples include allotments and gardening, a venue for local music events and exhibitions, making links with local care providers, schools and residents, and seeking to influence standards and expectations for other housing and retail space in the neighbourhood.

Active participation of group members was very apparent in both cases and a range of beneficial outcomes were reported for the development phase of the projects. At the live stage there will be even greater emphasis on participation and adapting structures to achieve this while welcoming a wider range of members, for example through the 14 local authority nominees to SCD.

There were significant differences in anticipated economic impacts, reflecting the different nature and purposes of the projects. For SCD, the outcomes for the worker cooperatives were wide-ranging with consequential impacts for each business, for local employment, and 'the future of the high street'. Underpinning the project was the outcome of achieving business sustainability through collective ownership of assets. In both cases the projects themselves created opportunities for participants to gain skills and employment opportunities during the planning phases, and further opportunities were expected to arise for local economic impacts at the construction and live stages.

### ***The role of wider enabling infrastructure and grant funding***

In this final section we review the insights gained from the two case studies on the role of supporting infrastructure including hubs, advisers, RP partnerships and local authorities. We also explore the role of HCH grant funding in project development, and the wider funding context for the case study projects.

#### ***The relationship with hubs***

Both projects had relationships with key individuals active in the HCH-funded hubs. However in neither case did the projects regard the hubs themselves as their primary source of support.

In one case this was because the hub was regarded as rather distant (being in based in Leeds), and with the group having had aspirations to establish a more local hub in York. They had engaged the current development manager of LCH as a project adviser, but this work was being undertaken on a freelance basis working with individuals from within the group who undertook other work such as project

management, financial modelling and the share issue; *'because we are [not]... you know, a group that can hire a bunch of consultants to do the work for us. We have to do it ourselves.'* (LGC project informant)

In the other case this was because the primary enabling relationship was with an RP who specialises in development and management support for cooperatives. The lead enabling adviser from this RP was also the current chair of the wMUCH hub. Indeed, the relationship between the adviser and the group had started in 2016 and therefore predated the formation of the hub by several years. Referring to this enabling adviser, the SCD project informant said, *'If he hadn't been doing this role with the RP we might have sought more direct support from wMUCH.'* (SCD project informant).

Nevertheless, the project is recorded as part of the current hub pipeline, and some enabling support has been provided and grants applied for through the hub. The group had met the previous hub chair and current hub lead who came for *'a walk along the high street'*. From the group's perspective, the main relationship was with the lead adviser and the development support was from his RP (as discussed below), but like other wMUCH partners SCD are keen to support replication across the West Midlands and have agreed for their project to be promoted through wMUCH to achieve this.

These findings confirm those in Chapter 5 that the role of the hubs has been as much to create informal supportive networks around community-led housing as it has to provide direct services to projects. People in the community-led housing sector wear many hats and the connections being built by the hubs to form *'local ecosystems of support'*<sup>30</sup> have provided a stronger context for expertise to be accessible to projects on terms that they are comfortable with.

### *The relationships with RPs*

One key difference between the two projects was that SCD had engaged with an RP from an early stage whereas YS had chosen a more independent path. They had initially decided against going down the RP route. An LGC project informant said, *'Becoming one ourselves would be a huge amount of work, but more fundamentally the affordable tenures the government will fund through the AHP are not truly affordable in the long term, in our view.'*

Both projects had been wary of sacrificing their independence as community-led projects by engaging with RPs and with the Homes England grant regime, yet as one YS interviewee put it, *'Without capital funding, really, the whole sector is stuck. I know a lot of groups are becoming registered providers so that they can access grant funding. But you have to submit to the Homes England sort of straitjacket of tenure models, which is a shame.'*

YS had wanted to pursue the Mutual Home Ownership model pioneered by LILAC in Leeds and were disappointed to find that current Homes England grant opportunities do not facilitate this approach. Members had not wanted to use Homes England's affordable housing scheme grant for rent or shared ownership: *'it is complicated (members want autonomy), market-based and assumes houses will be sold at market value (thereby negating the aim of the CLT). The conditions of the grant require to pay it back interest free, so it is effectively a loan, not a grant. We do not consider social rented or shared ownership to be truly long-term affordable tenures.'* However, they were now reviewing their options and talking to several RPs *'because the financial situation is so dire'*. (LGC project informant)

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<sup>30</sup> This phrase was coined by the CHTV hub lead as reported in Chapter 5 but can be seen to apply also to LCH and wMUCH as discussed in these two case studies.

SCD also valued their independence but had wanted to develop a different model to the Radical Routes cooperative that several of them had previously been involved in. They recognised that this would require public grants, and the associated greater regulation and accountability through becoming an RP. Moreover, SCD were keen to keep rents at affordable levels or below and to house local people in housing need, so there was a degree of fit between the affordable housing grant regime requirements and core project aims, albeit with affordability in perpetuity and social rents being more important to the group than to the grant regime.

Engagement with the RP had been easier for SCD because of prior knowledge and trust of the key individual. Group participants knew him from their earlier experience in setting up a student housing coop, and he was willing to work directly within the governance structure the three cooperatives had set up to manage the project. He regularly attended the monthly SCD meetings which were the primary planning and decision structure for the project, and was able to advise on a wide range of issues while listening to and reflecting the wishes of the group in the design brief.

Reflecting on this key relationship the SCD project informant reflected, *'The [RP] lead has managed to get himself a role in an RP where he can do what is best for coops. He clearly goes above and beyond what he needs to do in this role.'* (SCD project informant). The RP lead enabler was similarly positive about the differences achieved by working collaboratively with SCD compared to more typical RP clients. He valued the commitment of cooperative members and their willingness to challenge planners in a way his RP would not have done, for example on materials, design and heating systems. *'The building would look, feel and work differently without the coop's hands-on input. Also, because the group had a CHF grant my RP were less likely to challenge them — they acknowledged that the group had a lot of local political support.'* (RP lead enabler)

There were a number of tangible benefits to SCD from working with the RP partner. The RP had already provided a development and architect service, helped SCD to negotiate with planners and site owners, and was funding upfront the purchase of the site. As the project progresses to build stage it expects to secure Homes England funding through its membership of a Strategic Development Partnership and access other public funding to help achieve lower rents at around social rent levels if at all possible. The project will be built by the RP's offsite modular construction factory, enabling SCD input into materials, design and finishes. While the RP will fund the project up to the live stage with a mix of these grants and private borrowing through its loan facilities, the plan is for SCD to purchase the completed project at the live stage with a mortgage covering both the commercial and the residential accommodation. By this stage, SCD expects to be an RP in its own right.

Within this generally positive relationship there were some points of difference. For example, SCD had been unimpressed with some aspects of the initial design provided by the RP's in-house architects and would have liked to achieve a larger number of homes, especially family homes, than the development appraisal allowed after the planners had rejected the fourth floor. But SCD had generally welcomed the RP lead enabler's responses to these concerns and the help provided in negotiating with planners. While the RP lead enabler did not always agree with SCD at project meetings, he would always have a good reason and his judgement and knowledge of the system were generally trusted to find the best way around barriers. Nevertheless, where SCD held out for specific options such as the use of air source heat pumps for every apartment, the RP's lead enabler had acquiesced, having advised the group on the cost and implications.



### *The relationship with local authorities*

YorSpace have been in dialogue with CYC since 2015, when the CLT campaigned to buy a former council care home in the heart of the city centre. YS were unsuccessful in acquiring this site but successful in raising the profile of the housing affordability issues that more and more people were experiencing in the city. This had attracted wider community support within the city. This work led to a public commitment from the council to identify an alternative site, which led to the opportunity at Lowfield Green. This earlier lobbying by YS encouraged the council to consider social value and prioritise affordable community-led housing when selling council-owned land and buildings.

City of York Council have shown support throughout the development both at executive and officer level, agreeing to sell the land off-market to avoid a bidding war and including the 19 homes in the wider site outline planning application to reduce development costs. YS is about to purchase the land from the council, after several years of negotiation. Funds for the purchase came from a successful community shares campaign, which raised £422,000. The site offer came after YS had campaigned to encourage the council to prioritise social value over capital value and prioritise affordable community-led projects when selling council assets in the city.

SCD's engagement with the local authority was much more limited since it secured the site on the market from a private landowner. The main engagement was during the planning process which as noted earlier was the most challenging aspect of the project. The council's community-led housing policy which had been developed with advice and input from the wMUCH hub was not seen to have helped smooth the path with the planning department. Nevertheless, SCD remain keen to *'help to solve the housing crisis in Birmingham'*. An SCD project informant said, *'We want a representative sample of the city's needs. We will be accepting fourteen nominations from the city's housing list.'* The group is keen to set the project in the context of the housing crisis and lack of affordable homes in the neighbourhood. They are seeking evidence from the council to help support the case for social value land disposals and prudential borrowing for future projects.

### *The value and impact of Homes in Community Hands grants*

There were some differences between the two cases in the value they placed on the funding support from Homes in Community Hands grants. These differences partly reflected the scale of the funding secured relative to other sources, the purpose of the grants in relation to their project aims and the timing of the grants. Particular mention was made of flexibility and compliance costs.

YS were very positive about the value of the Homes in Community Hands funding to their project. This was seen as *'flexible, easy to work with, generous and vital to the project development'*. They had received two HCH grants totalling £99,470. The first of £30,000 in 2017 supported work prior to planning application building on earlier funding from Locality and Unltd. The second of £69,000 in 2019 (matched with £115,000 from Homes England, Reach Foundation and Power to Change) was to progress the funding and development stages of the project which was expected to include a community share issue to purchase the land, private borrowing, and a Community Housing Fund (CHF) capital grant. They had planned to apply for £855,000 but CHF was much delayed and it was impossible to fulfil the conditions for full completion within six months of the fund opening).

An LGC project informant provided detailed insights into the value of their HCH grant, which is worthy of full quotation: *'I don't think we'd be here without [the PTC grant]. It's been absolutely crucial. They specifically funded the financial modelling around*



*different tenure models...They even offered us some of the grant funding... They did say we could use it to pay a deposit on the land because there was a point where we thought we needed to move very quickly and put the deposit down. So, you know, they've been very, very generous and very flexible, which has been invaluable. That flexibility actually has been brilliant because projects change and ... when you apply for some money, you know, you think you know what you want to do with it, but actually things evolve and change, and you need to do something else with it. And so being able to redirect money...in a not overly bureaucratic way...because we're all doing this in our spare time, is really helpful". (LGC project informant)*

SCD had received one relatively small HCH grant of £11,336 at the pre-planning stage. *'This paid for admin time and work to get to where we are now - everything pre-capital.'* It also enabled SCD to start the process of applying to become an RP. In the view of the SCD project informant, the PTC funding process was not particularly easy at that time. *'[It was an] extremely involved application process... [the] end of grant reporting [was] arduous... way more rigorous than the Homes England Community Housing Fund application which was for a much larger grant. They asked us to take photos of the site to bring it alive for their directors. These had to be taken by volunteers as a favour and this was not recognised.'* In contrast SCD was successful in securing a large CHF grant of £209,435. This was used to prepare the plans and employ professional consultants to work with the planning groups within SCD co-operative structures. The earlier draft plans prepared by the RP had been taken further at this stage using the CHF grant funding for this detailed consultancy work.

### *The wider funding context*

The two case studies provide further insights into the wider funding context for community-led housing projects. It is clear that, despite efforts to fill funding gaps and coordinate support for community-led housing projects at each stage of the project development cycle, the system remained a constantly changing patchwork with a lack of certainty, and it remains very hard to plan over lengthy project lifecycles (eight years in the case of SCD and five years so far in case of LGC). Even at the time of writing, there is growing acknowledgement that policymakers have failed to grasp that CLH could be an important mechanism for 'levelling up', and that something akin to the Community Housing Fund (CHF) is needed.

During the lifecycle of these two projects we have seen the rise and fall of two national frameworks to support community-led housing through the CHF and HCH. There are strong similarities here to the earlier rise and fall of national support for cooperative housing through the Cooperative Housing Agency (1976–80). Perhaps a more promising future context might be developed through more active integration between community-led housing projects and local authority housing strategies, although the barriers identified earlier, particularly in relation to planning, suggest that this would also require quite radical change.

The absence of a direct fit between the community-led housing models gaining support from local groups and available capital funding programmes is best illustrated by YS's work on a mutual home ownership model inspired by the successful MHO project developed by LILAC in Leeds. YS was able to secure HCH funding for financial modelling of the LGC project as a Mutual Home Ownership Society (MHOS). Their application to HCH stated, *'This will mean that the homes are owned by the MHOS with residents buying shares in their homes rather than owning them outright. This will provide secure tenure for life. There will be a mix of grant funding, loan funding, member deposits and sales of shares to develop Lowfield Green'* (YS application to Power to Change). It had planned to secure capital funding of around £850,000 through the CHF but with the ending of new bids to the ring-fenced CHF in 2021 and the expectation that community-led housing projects would apply for future grant

funding through the Affordable Housing Programme it became apparent that MHOS model no longer fitted the funding criteria, leaving the project *'high and dry'*. An LGC project informant said, *'It's pretty outrageous that the government could do that to volunteer groups who are working in their spare time, trying to do something that the government really should be doing themselves... to leave them high and dry.'*

SCD made similar points about the contribution that they were making as volunteers to *'solving the city's housing crisis'* and a perceived lack of clear support at local authority level for future similar projects. *'What I'm trying to establish is whether it is rational for the council to sell land at commercial prices given its outgoings and the rising housing list.'* (SCD project informant).

The ending of the HCH programme has added to the gaps already apparent, with the shift from CHF to AHP for Homes England grants making it less likely for innovative projects such as SCD and LGC to develop in the future. Radical alternatives for the future might include social value purchases of land as achieved at LGC by YS and as proposed by the SCD project informant, and the use of prudential borrowing by local authorities to secure low-cost funding for local community-led housing projects, suggested by the RP lead enabler on the SCD project.

## Other funding and finance

In addition to direct grants to CLH projects and hubs, the HCH programme has made grants and investments in other programmes to support CLH nationally. Notably, this includes funds for the Cohesive Communities Fund and CAF Venturesome's CLT Fund II and subsequent CLH Fund.<sup>31</sup> There are a number of important, emerging outcomes from these that should be acknowledged. These joint programmes demonstrate a degree of strategic collaboration between Power to Change and other key funders, leveraging additional impact by developing projects through joint funding.

### 4.1. Cohesive Communities Fund

Managed by the National Community Land Trust Network (NCLTN), the Cohesive Communities Fund (CCF) aimed to support community land trusts (CLTs) in England. Specifically, it sought to improve technical skills, access technical support and boost CLTs' capacity, and in so doing, champion *'projects and individuals not usually part of CLTs and support them to broaden their outreach and promote best practice within community development.'*<sup>32</sup>

A total of 16 projects were funded, each receiving a grant of up to £15,000 as well as an allocation of £5,800 for technical advice services. NCLTN allocated £333,000 in grants across the 16 projects, with a total budget of £461,000 to cover expenditure on events and communications, staffing and social impact measurement. The value of the Homes in Community Hands' contribution was £240,000.

In Year Two we heard how the funding had enabled projects to employ new staff, to attract and recruit new and more diverse memberships, and enhance member engagement processes. This boost to capacity had improved communications so that funded CLTs could reach a broader range of audiences. Funding was being used for large-scale consultation exercises, local housing needs assessments, and to support projects being developed by minoritised groups.

A recent report detailed some of the good practice connected with CCF funding, as well as several common issues.<sup>33</sup> It identified examples of positive online and in-person engagement by grantees to reach diverse audiences. Grantees had also used software to advertise and allocate tasks required to develop their CLT project, or to further organisational development. There was evidence this had widened participation and increased participants' input in time. The report details the importance of dedicated events hosted about the CLTs and on related local issues, as well as examples of groups participating in events hosted by other organisations. This has helped raise the awareness of community-led initiatives locally, recruit new members and board representatives, and forge new collaborations with funders and partner organisations. One group receiving a CCF grant had invested significant time

<sup>31</sup> Neither of the depth case studies reported in 3.4 had received funding from these jointly funded programmes.

<sup>32</sup> NCLTN (2021). Cohesive Communities Fund annual report to Power to Change.

<sup>33</sup> CLH London (2022). Cohesive Communities Fund monitoring: Common themes and good practice

and energy in securing a site for development. They decided not to bid for the homes being created, instead supporting a BAME organisation to do so, thereby achieving some of the core objectives of the CCF fund.

Despite these positive signs, the impact of Covid-19 has been significant. In Year Three our stakeholders reflected on the disappointments associated with the impact of the pandemic. Two key aims of the Fund had been to give groups money and freedom and flexibility to focus on issues of diversity and inclusion, and to bring groups together in residential programmes to strengthen relationships. These aims had been significantly undermined by the pandemic. Emerging evidence from internal reviews suggested that the additional funding spent on organisational development had '*really helped them*' (HCH stakeholder two). However, assessing broader outcomes on diversity and inclusion were proving difficult due to a lack of accurate data on board members, staff and volunteers. Stakeholders suggested that '*no real improvement in the representativeness of their membership or their board*' could be seen, with clear signs of difficulties in engaging certain groups such as young people.

Perhaps the most important contribution of the CCF has been that it has stimulated various other spin-off initiatives such as peer research programmes on diversity and inclusion, and a large research project looking specifically at Black, Asian and Minority Ethnic (BAME) leadership of, and engagement in, CLH projects. The work had also informed the development of a CLT ambassadors initiative<sup>34</sup>, which recruited individuals from diverse communities and is keen to further the work on diversity and inclusion.

## 4.2. CLT Fund II and CLH fund

Power to Change has supported the development of two funds run by other providers, helping capitalise CAF Venturesome's CLT Fund II and later supporting the development of their CLH Fund. Both funds have provided pre-development support, in the form of part-grant/part-loan funding, as well as development finance. In 2020, £500,000 of HCH funding was made available to create the CLH Fund, with this money being used to provide the grant component.<sup>35</sup> The CLH Fund offered new packages of support to raise funding through community shares and bridging loans. In addition, it included a land purchase facility and loan funding for enabler hubs.

The CLT Fund II received steady demand, in part bolstered by the growth of the sector and initial CHF monies, which helped groups develop their ideas. As of 2022, the CLT Fund II had supported nine projects with Power to Change's funding, seven of which have been completed or continue to progress. These projects have developed, or are developing, a total of 190 affordable homes. Numerous other projects received financial support through the CLT Fund II but not with Power to Change monies. As the new CLH Fund launched, interest from groups was substantial, again boosted by CHF revenue grants for CLH projects. However, the Covid-19 pandemic and the end of significant CHF funding meant demand for the CLH Fund reduced. To date the CLH Fund has supported four projects with HCH funding, and one enabler hub.

Power to Change's contribution to the two funds is noteworthy, directly supporting the development of 289 new affordable homes. The majority of these are Shared Ownership properties, with 223 homes planned in this tenure. A further 66 homes are planned for Affordable Rent. A number of these units are completed, on-site or due to start very shortly. CAF Venturesome data suggests that three projects started on-site in 2020–21 developing 52 homes. A further two projects will likely start construction in 2022, with a further 10 homes planned. Various projects have experienced significant

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<sup>34</sup> <https://www.communitylandtrusts.org.uk/clt-ambassadors/>

<sup>35</sup> <https://www.cafonline.org/charities/borrowing/social-investment/community-led-housing>

delays and their start on-site date is unknown. These delays have generally related to planning application re-submissions and delays, negotiations with local authorities over funding, arranging legal agreements with landowners and/or local authorities, or financing issues.

The CLT Fund II and CLH Fund are offering financial support to many more projects discussed above and this is an important point not to miss. Power to Change has played a collaborative role enabling the development of these funds and their support for numerous other CLH projects. A significant proportion of homes developed and planned would not have been viable without CAF Venturesome's investment, and Power to Change funding has been a key factor in making this possible. Nonetheless, what the implementation of the funds has shown is how sensitive they can be to changes in the wider funding landscape and, in particular, to the government's own revenue funding for CLH.

## Enabling hubs

The HCH programme has invested £1.4m in enabler hubs. These organisations have played key functions in the development of CLH locally. Firstly, they have provided direct support to local CLH groups to develop their projects, helping them access professional advice, develop their organisations, build local support, and secure funding. Secondly, they have invested time and effort improving the conditions for CLH in their area by influencing policy change, funding and resources, processes and practices, and building relationships with other stakeholders such as local authorities, combined authorities and RPs. Hence, the five funded HCH hubs are a major focus for this evaluation.

As discussed in section two, the fund has supported hubs to provide enabling support in five sub-regions:

- 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).

In understanding the work and role of hubs, we have undertaken 62 interviews with hub staff, board members, associates and stakeholders or partners over the course of the evaluation (22 in Year Three). Alongside this, we have analysed a variety of secondary data, notably interim monitoring reports and pipeline data for the homes being supported by each hub.

### 5.1. Use of the HCH grant

In 2020 we analysed the planned expenditure of the funded hubs, with information from their grant applications. This revealed a focus on increasing staff resources, and creating new posts like hub managers and salaried CLH advisers, though not all hubs planned to develop a salaried pool of advisers. Hubs initially allocated between 3 and 14 per cent of budgets to communications, marketing and engagement costs. While there was very little direct expenditure on building relationships with stakeholders and influencing policy, this was a key role taken on by paid staff and voluntary boards and would have been part of the general staff costs. In addition, each hub was allocating grants from different grant makers to different types of expenditure. This emphasised how HCH funding was just one contributory factor in any outcomes and impacts secured by the hubs. In Year 2 these patterns of expenditure, focused on staffing, were maintained, though some shifts were apparent to other costs and direct expenditure.



In Year 3 these patterns broadly continued, though 58 per cent of their expenditure had been on staffing, a slight reduction from previous years. A number of hubs were contracting external advisers to support CLH groups, with associated increases in direct costs. What we have seen in year three reflects reduction in staffing within the hubs. As this intensifies with the end of HCH and other grants, this will have had a major bearing on the enabling work they can undertake, and their wider efforts to build relationships and influence local policy.

## 5.2. Hub outputs and deliverables

HCH-funded hubs have reported back on a series of deliverables in their monitoring forms. These related to CLH enabler staff employed, advisers appointed, adviser time spent with CLH groups, promotional events, promotional event attendees, the number of community groups supported, the local authorities engaged and the number of planned/completed homes.

In Year 2 we noted that, as a collective, the hubs were well on the way to achieving most of their planned deliverables. Some hubs had exceeded expected outcomes, for instance in the reach of their promotional work. The number of homes planned and groups supported were marginally lower than anticipated.

In Year Three the picture was still evolving but it does appear there has been some drop-off in terms of achieving deliverables, potentially reflecting the end of CHF funding, and for some, the end of their HCH allocations (see Table 4 below). The data has a number of complexities, with some hubs compiling data for the year, and others for their whole grant settlement. Adjustments have been made to try to account for this. Nonetheless, in areas such as staff employment, adviser hours spent with groups and the number of planned homes, expectations have not quite been met. An important exception is the promotional reach demonstrated by the numbers of people attending hub events, which exceeded planned levels in both years (this is accounted for by the success of online events during Covid-19 and several CLH festivals held for example in Merseyside and the North East).

**Table 5: Progress on deliverables 2021 and 2022**

Deliverable	Planned in 2021	Achieved 2021	Planned 2022	Achieved 2022
No. of CLH Enabler staff employed	11.75	10.75	11.75	8.75
No. of advisers appointed	35	38	38	38
No. of adviser hours	1849	1439	2938	2274
No. of promotional events	34	16	50	41
No. of promotional event attendees	830	3224	1030	1246
No. of community groups supported	83	92	90	91
No. of local authorities engaged	20	20	31	32
No. of homes planned/delivered	1077	1508	1819	1688

**Source:** Grant monitoring reports 2021 & 2022

**Note:** The data for homes planned/delivered was reported in aggregate in hub monitoring forms. Therefore, we were unable to identify the total number of planned homes and the total delivered.

The figure for planned homes does not reflect the scale of homes planned within supported projects, perhaps more accurately reflecting the most advanced projects or those receiving the greatest support. As will be shown in the following section, projects within hub areas are planning over 3,000 homes, so it is important not to underestimate the scale of potential CLH development in these areas based purely on the evidence

on deliverables. What is also clear however, is that only a small number of homes have been delivered by hub funded projects, which in early 2022 we estimated at just 25 homes.

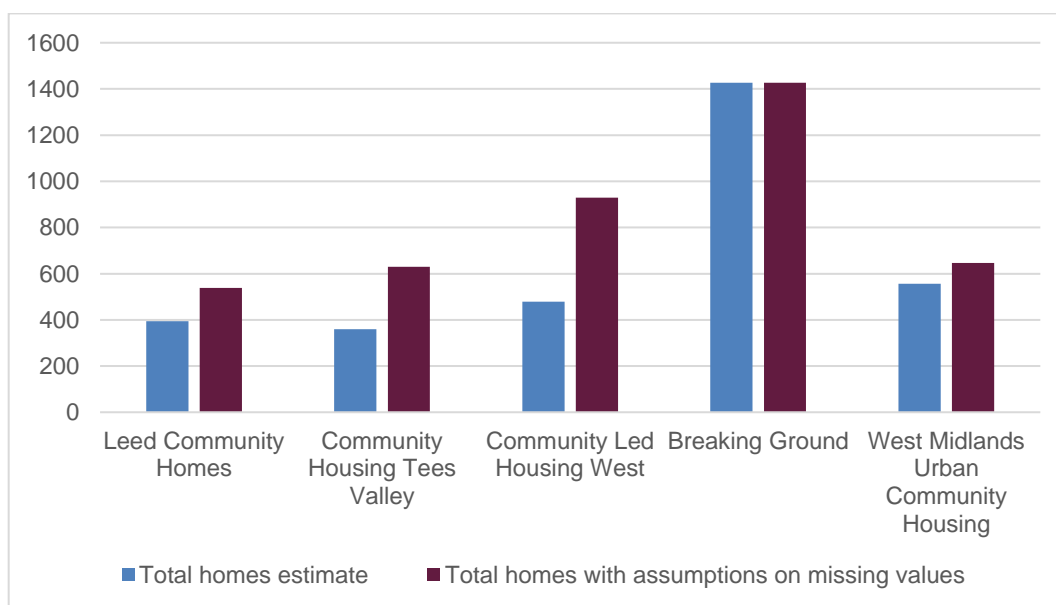
For the HCH programme broadly, this information on deliverables gives us three important insights: 1) that funded hubs have achieved impressive outputs related to the number of groups supported, 2) that hubs have invested time and energy in outreach with their local populations and relevant stakeholders, with a significant number of local authorities directly engaged, and numbers attending hub events, and 3) that the pipeline of homes has continued to grow year-on-year within the programme, despite it being a time of great change in local and national contexts.

### 5.3. Hub pipelines

In Year Two of the evaluation our analysis suggested hubs were supporting projects aiming to develop 2,965 homes. We identified 2,300 homes (78 per cent) within projects that had the highest likelihood scores. These were projects where sites that had either been acquired or secured.

In Year Three the total number of planned homes has increased again, to 3,216, suggesting more projects have developed locally and existing projects are continuing to progress (albeit at different speeds). If we apply an average for those projects where there is no data on the number of homes planned, this figure increases to over 4,000.<sup>36</sup>

**Figure 8: Hub pipelines with estimates for number of planned homes**



**Source:** Hub pipeline data, 2022

**Base:** 258 projects

However, it does appear that optimism about those projects progressing is lower than last year. Whilst likelihood scores were only available for projects supported by three of the five hubs, analysis of this data suggests only 63 per cent of these projects were given the highest likelihood score (compared to 78 per cent last year). As our qualitative data suggests below, this clearly relates to a worsening context in terms of

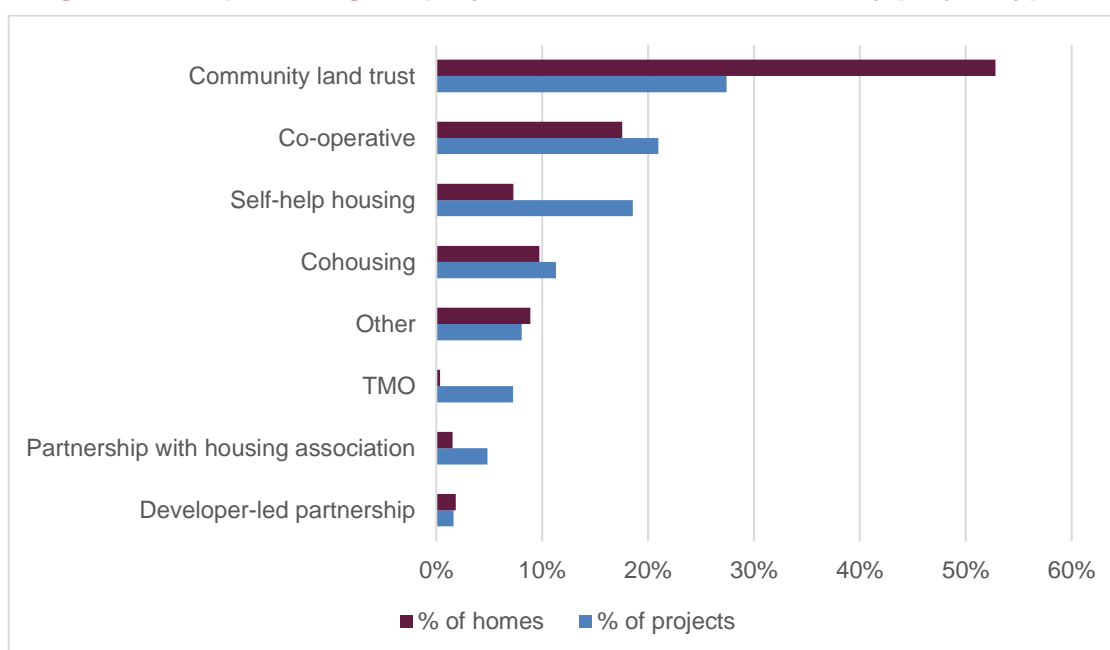
<sup>36</sup> [Research on the wider CLH pipeline in England](#) suggests that CLH projects on average aim to develop 18 homes. This average was applied to account for missing data.

revenue and capital grants for CLH groups, but also reduced hub resources and continuing social and economic uncertainty.

Given that the first hub grants were made in 2017, peaking in 2019/20, we would expect to see increasing numbers of completed homes.<sup>37</sup> In reality, the position has not changed significantly from Year Two, though a number of projects are, at the time of writing, close to completion with homes being advertised.<sup>38</sup>

One of the key objectives in supporting hubs was to ensure support was offered for different types of CLH. This is captured in the theory of change as hubs providing ‘effective, accessible enabling support for all types of CLH’. Analysis of hub pipelines suggest there are signs of increasing variety in CLH types (Figure 9). In 2021, housing co-operatives made up eight per cent of total planned homes and cohousing five per cent. Pipeline data for 2022 suggests the corresponding figure for housing co-operatives is 18 per cent and 10 per cent for cohousing. The factors behind this may be complex, but it does seem to be driven by increasing interest in these models in different hubs. For instance, there are increasing numbers of planned cohousing homes in Leeds Community Homes’ area, and new data for wMUCH suggests there will be significant developments of co-operative housing here, including the 39 homes planned by the case study project reported in para 3.4.

**Figure 9: The percentage of projects and estimated homes by project type**



**Source:** Hub pipeline data, 2022

**Base:** 258 projects. Analysis only conducted for those projects where the project type was provided.

#### 5.4. Assessing the contribution of HCH funding to hub pipelines

One way to assess the contribution of the HCH programme to hub development and outcomes is to analyse the relationship between the funding and the number of planned homes within projects they support. It is important to explore how the HCH funding might have affected this beyond what would have happened anyway. As nearly all hubs nationally received CHF hub funding (including the five HCH hubs),

<sup>37</sup> Archer and McCarthy (2021). Community led housing and the speed of development.

<sup>38</sup> And some hubs, e.g. CHTV only include individual homes as completed when the entire project is completed (this can be an important difference in case of empty home refurbishment projects).

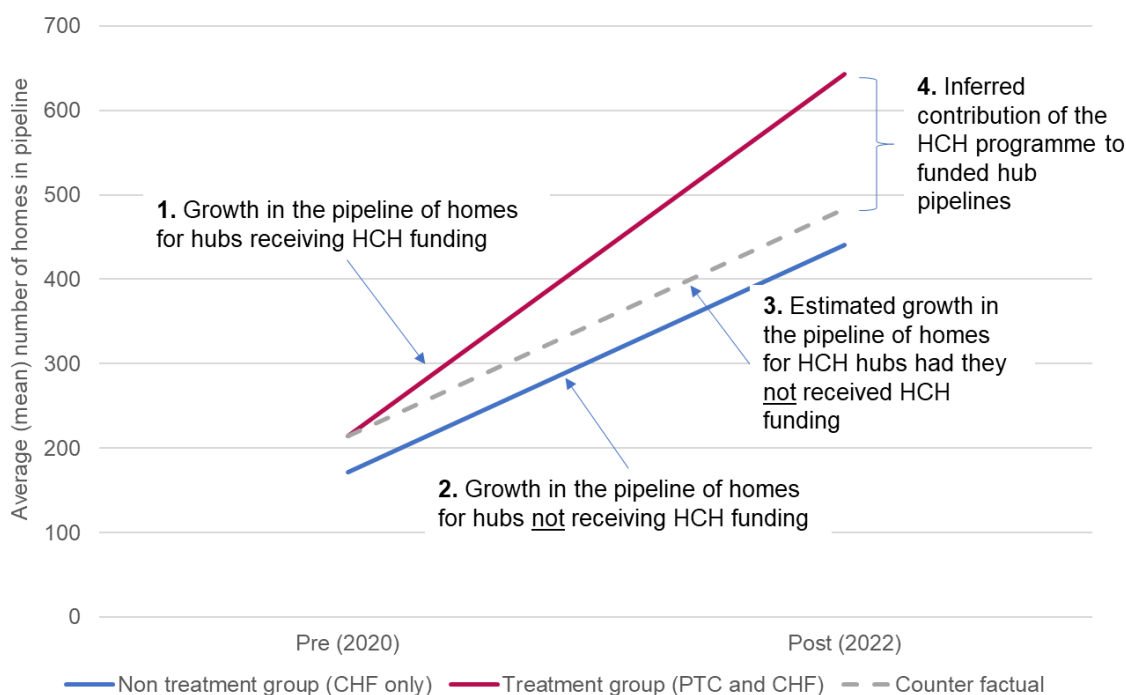
what we are seeking to understand is the additional contribution of the HCH funding above and beyond this.

A difference-in-difference model was developed using data on the pipeline of homes being supported by hubs at two points in time (late 2020 and early 2022). We collated data on the pipeline of homes, at these points in time for both the HCH hubs and a selection of hubs receiving no HCH funding. The former is what we call the 'treatment' group, and the latter is the 'non-treatment' group.

To minimise the effects of other variables it was important to match the treatment and non-treatment hubs as closely as possible. Given the small number of hubs nationally, this matching could not be done using statistical methods (such as propensity score matching) so we manually matched using data on two key variables: the length of time hubs had been providing services, and their geographical remit. The age of the hub was important as younger hubs have generally seen a rapid rise in their pipelines in the first two to three years of operation. Matching new hubs with older ones would have meant any differences in the growth of pipelines could have been explained by this variable rather than the funding. The same goes for variation in the type of area covered by each hub, which is important given the HCH-funded hubs have focused on urban areas.

Having identified suitable matches for the HCH hubs, we analysed pipeline data for the two hub groups at the two points in time. What this revealed was that the hubs in the non-treatment group had seen a sizeable increase in their pipelines, which is perhaps not surprising given they had received CHF funding. This tells us that even if the HCH hubs had not received HCH funding we would still expect them to have grown their pipelines. In this counterfactual scenario we estimate that HCH hubs would have grown their pipelines by approximately 270 homes between late 2020 and early 2022. However, the HCH-funded hubs saw a much larger growth in their pipelines than their matching (CHF only) hubs. HCH-funded hubs saw an average increase of over 340 planned homes over the period studied. This enables us to quantify the contribution of the HCH programme to the pipeline of homes that funded hubs are supporting. This we estimate at nearly 160 additional homes over the period studied, displayed graphically in Figure 10.

**Figure 10: Difference in difference analysis of hub pipelines**



The quality and extent of data relating to hub pipelines has improved over time. To mitigate the effect of this we have tried to focus on the most recent year, during which time standardised approaches to data collection had been implemented nationally. Of course, there is still no guarantee that such homes will be built, and there is a degree of uncertainty in the data as some hubs will have included all groups and others not, and the figures for the total numbers of homes per project may be subject to change as those projects progress. Nonetheless, such is the difference between the HCH hubs and those in the non-treatment group to which they were matched, we feel confident HCH funding has directly impacted on pipeline development.

## 5.5. The impacts and achievements of funded enabler hubs

Previous years of this evaluation have identified that enabler hubs undertook a range of activities to create favourable local conditions for CLH. This included strategic approaches to policy influencing and development, partnership building with local stakeholders, development and formalising of approaches to working with locally-based CLH projects, and organisational development in terms of income diversification and service delivery roles. Building on these insights, this section begins by exploring hub impacts on local policy and conditions for CLH in their area. This is followed by a discussion of their enabling work and how this is changing. We then detail the main impacts flowing from the work of hubs and, crucially, the impacts of the projects they support, looking across several domains of activity housing, community cohesion, health and wellbeing, employment and training, and active community participation. We discuss how the hubs have supported projects in their quest to achieve impacts in several of these domains, and what impacts are emerging as a result.

### *Impacts on local policies and conditions*

A key purpose of enabler hubs has been to create positive conditions locally for CLH, including the development of stakeholder relationships, the development of supportive policies for planning, funding and land disposal, and the development of partnerships with other organisations such as Registered Providers (RPs).



## Stakeholder relationships

The second year of this evaluation highlighted how hubs were adopting strategic approaches to relationship-building and management in order to build support for community-led housing, including the strategic targeting of key stakeholders and developing platforms and processes for engagement with them. More recently, this systematic approach has been enhanced by support from national infrastructure bodies such as the National CLT Network, which ran a series of advocacy strategy workshops. These workshops asked hubs to map and prioritise their main influencing targets, recognising that these may vary according to local conditions and existing relationships, and to clearly define the offers and asks that they may be seeking to achieve. In Tees Valley, these workshops helped to focus influencing activity on the Combined Authority in their attempts to align community-led housing with employment, training and green retrofit agendas, as well as a local authority where CLH has been less prevalent. These workshops were seen to have helped the hub in *'aligning objectives more concretely'* (CHTV hub lead) and were valuable for the *'really good connections being built with local politicians'* (CHTV steering group member).

Similar activity was developed in other areas, even if not explicitly linked to workshops. Leeds Community Homes had developed a dedicated advocacy plan in order to initiate meetings with local authorities, though noted that the diminishing resources available to the hub may limit the extent to which those initial conversations can be built upon. In other areas, such as Liverpool, positive relationships had been built with local councillors who in turn were beginning to champion CLH as a housing solution.

In the West of England, there has been long-standing political support for CLH within the hub's core city of Bristol, and the hub has made significant progress in targeting and influencing other local authorities within its area of operation, resulting in emerging project work described in the following sub-section. Following a period of political support and policy development in their area of operation, CLH West were actively leading on a strategy for CLH, bringing together the views of various stakeholders to try and establish a vision for CLH going forward. A CLHW hub representative said, *'We're putting together a strategy for CLH that everyone's been feeding into – groups, enablers, local authorities, councillors – asking how do we change CLH and what policies do we need? What are the opportunities and challenges? If this is our lasting legacy, it's to create that conversational piece for combined and local authorities. We want them to understand challenges and barriers and maybe that will open some funding opportunities for groups.'*

An alternative approach to achieving influence has been to recruit key stakeholders into hub governance structures, thereby creating potential entry points in the target organisations that the hub needs to influence. This included, for instance, recruitment of a new steering group member with a background in local authority regeneration and economic development in the Tees Valley. His appointment and expertise was enabling the hub to progress its business plan commitment to a green retrofit workstream. A steering group member told us, *'There is a clear enthusiasm for the agenda, and encouragement. But it boils down to the level of funding available, the cost of works and value properties after works. Employment/training funding could be a key component to the viability and impacts of projects.'* Another new CHTV steering group member represented a faith-based community development organisation, which had the potential to access former church land and property and connect with the Archbishop's Commission and the Coming Home report.<sup>39</sup> She is following developments in local CoE dioceses and is part of a national group tracking Bishop Juliana of Gloucester's policy development on redundant church assets. Both

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<sup>39</sup> See <https://www.archbishopofcanterbury.org/sites/abc/files/2021-02/COE%204794%20%E2%80%93%20Full%20Report%20%E2%80%93%20V6.pdf>

appointments were proving mutually beneficial. CHTV were seen as “*good allies and potential for new development partnerships*” and that the hub leads were “*fantastic, [they] always [have] time for you and helpful suggestions*” (Steering group member, CHTV).

### *Local and regional policy*

These influencing strategies have produced variable impacts on local and regional policymakers and policy itself. While the area of operation for all hubs transcends administrative boundaries, encompassing multiple local authorities, each hub reported stronger relationships with one or two authorities than with others. This partly reflects the early origins of the hubs but is also impacted by local authority attitudes and perceptions and the resources available to hubs.

In Bristol the City Council has developed a dedicated land disposal policy for CLH groups, releasing 11 sites for projects that are currently in development. While the development of this policy is not solely attributable to the hub, they were perceived as a key partner in its delivery, particularly in offering advice to groups interested in land acquisition, running workshops with interested groups, as well as broader education and awareness raising of CLH within the city. Following the success of the first round of the land disposal programme, the City Council had decided to support a second tranche of land disposals, including funding for the hub to support this disposal. This was a particularly positive achievement, as the key points of contact within the local authority had changed and the hub had been required to forge new relationships. These pieces of funding, although tied to specific deliverables and periods of time, also represented a form of income diversification for the hub.

In addition to land disposal in Bristol, CLH West has also worked closely with the local authority in Bath & North East Somerset to bring forward rural exception sites, working closely with the authority, community, and landowner to develop proposals acceptable to community preferences, authority priorities, and that are achievable within rural planning policies. Other hubs also benefited from specific opportunities, if not policies, brought forward by local authorities, such as an emerging plan for community-led housing in Runcorn brought about as a consequence of Halton Council approaching Breaking Ground.

In other areas, there was a feeling that hubs had influenced elected members and representatives to support CLH but that this had not yet translated into policy support. In Leeds, it was felt that they had received a political commitment at a regional level to supporting CLH but that this had not translated into financial support or specific policies. There had been ongoing discussions with the City Council regarding the inclusion of CLH within relevant planning policies and the hub was positively regarded by the council as “*a really good source of intelligence on CLH in the city ... they’ve facilitated conversation*” (Leeds City Council officer). However, the reduced availability of funding both for hubs and for groups themselves, as well as pressure on sites in local authority ownership, represented challenges. Similar developments were observed in Birmingham, where it was felt that a policy on community-led housing was yet to have a tangible effect, though a manifesto policy commitment from the local Labour Party who retained control of the council in 2022 had been secured, offering hope for further commitments. Some hubs talked about escalating their narrative and demands, seeking genuine commitments related to finance, land or policy from local authorities following a period of propositional work.

Hubs were continuing to develop their relationships with local authorities in order to influence attitudes and develop policy opportunities. The CHTV hub argued, “*It’s very complex and fluid – [you] need to link advocacy strategy work with real local agendas, especially after election changes. It’s about managing profile and people as things*

*happen.*' The key learning point here had been the need to align influencing with current priorities of the target stakeholders, so for instance in the Tees Valley the hub lead commented, '*We don't throw housing at councillors but play to what they are interested in – for example, employment and training and neighbourhood plans.*' This highlights the adaptability of hubs, which was also evident within CLH West, where the hub has actively engaged with communities in urban and rural contexts, as well as with marginalised minority ethnic groups, and with Breaking Ground, where the hub has worked with groups on conventional affordable housing ideas, community-led mooring sites on water, and groups involved in urban regeneration projects.

It was also recognised by hubs that policy takes time to embed and to develop and that implementation is complex. Many of the local authorities in this study were themselves confronted by challenges of financial austerity and in some cases were constrained by the need to obtain best value for the sale of land in their ownership.

### *Registered Provider Partnerships*

The Year 2 evaluation report identified key forms of partnership between hubs and Registered Providers (RPs): registering new community-led housing RPs, working with existing 'community-oriented' RPs within hub partnerships or on a project basis, and working towards a 'developer model' where RPs play an important role in delivery. In the latter examples, it was suggested that hubs may play a brokerage role between local groups and RPs, providing the skills and support required for them to build genuinely community-led projects.

Some hubs were actively attempting to engage RPs in their enabling activity and community-focused work. In wMUCH, most of the active RP partnerships were with community-oriented RPs that were heavily involved in the hub board or enabling activity. In other areas, such as in the Tees Valley, hubs had made tangible progress in developing new relationships with RPs, such as a collaboration with one of the larger local RPs Thirteen, which is engaged with CLH as part of its decarbonisation agenda. The hub in the Tees Valley has also been working with RPs that are interested in town centre regeneration and the redevelopment of empty properties. Breaking Ground, in the Liverpool City Region, were engaging with a group of six of the largest RPs on funding for a dedicated officer to link between the hub and CLH projects and the RPs, working with RP staff to broker opportunities and support awareness raising of CLH/RP partnerships. Funded by the group of RPs, this represented an innovative approach to expanding the hub's reach through a new and dedicated staff member. It is hoped that this achievement will lead into future opportunities for CLH within RP plans.

In the case of Leeds Community Homes, the hub has progressed its own registration as an RP, with the creation of a wholly owned subsidiary called People Powered Homes. While time-consuming, this process means that the hub will be able to develop its own stock and derive an income from this, potentially helping to sustain hub operations, as well as giving the groups they support a better route to capital funding.

Evidence suggests that hub relationships with RPs, and impacts upon their attitudes and willingness to support CLH, is likely to be very variable. Only a relatively small core of RPs perceives CLH as part of, or linked to, their core business. However, there are productive relationships emerging between RPs and hubs in many areas and others that are more established, such as in Bristol.<sup>40</sup> Given the different ethos and motivations of RPs, hub attempts to broker partnerships and a 'developer model' are only likely to succeed where there is alignment of values and interests. This confirms

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<sup>40</sup> See <https://www.shu.ac.uk/centre-regional-economic-social-research/publications/homes-in-community-hands-year-two-evaluation-report>

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. Registering new CLH RPs may be part of that strategy, including the registration of hubs themselves as RPs contributing to their own sustainability.

### *Enabling work*

Previous evaluation reports have outlined the different ways in which hubs organised their enabling services with local projects and the resources that have been drawn on to provide this support, including use of core hub staff, partner organisations, and networks of associate enablers. This sub-section focuses on some of the ways in which enabling work continued to be delivered and some of the key achievements and impacts of enabling work, as well as some of the challenges that hubs continued to encounter.

As enabling work is geared towards supporting groups through the process of planning and development of CLH, the growth in the pipeline of CLH homes is one measure of judging the effectiveness of enabling work. However, interviews with hub staff, advisers and partners revealed some more qualitative achievements, as well as reflections on how these had been achieved.

Hubs and their advisers demonstrated adaptability during the Covid-19 pandemic in order to try and sustain CLH planning and development. One adviser employed by Leeds Community Homes demonstrated a creative response, developing a series of online modules to continue enabling work with groups. *'[With the onset of Covid19] I'm sure everybody thought, oh my goodness, we're all going to be out of work. Actually, we ended up busier than ever. As fast as we could develop these resources we were using them online. We were sending out the resources and then doing a workshop and then doing a follow-up.'* (LCH enabler, LCH)

The support given to groups took many different forms, ranging from early-stage exploratory work to dedicated support to achieve particular outcomes, such as one enabler in Liverpool who supports groups in the City Region to register as an RP and another group with appointing a managing agent for their redevelopment of a disused building. Enabling work was thought to be valuable in helping groups plug resource gaps and offer specialist support. A CLH enabler with Breaking Ground said, *'These groups don't have paid staff, or if they do they're stretched every which way. Being able to go and say to groups: it's ok, don't worry about that, here are your options, that support of an additional resource, someone to talk to as a sounding board is incredibly valuable and helps to re-energise.'*

Enabling work was also important in identifying new opportunities for CLH. While many hubs may work with groups that approach them, there are also examples of hubs identifying opportunities and then undertaking work to identify potential interest from local groups. wMUCH was provided with a new opportunity of five sites being disposed of by the City Council's housing development arm, Birmingham Municipal Housing Trust (BMHT), on market terms. These sites already had planning permission and designs/house types set, and there was a tight timescale to agree disposals before the expiry of planning permission. The hub identified interest through its network, such as two sites that were of interest to existing local cooperatives, and worked with local RPs to undertake development appraisals and negotiate a purchase from the local authority. A development director of one of the partnering RPs commented, *'I think the key role of the hub for me is it identifies additional opportunities to deliver housing and work for community-based organisations.'*



A pool of expert advisers is critical to the ability of hubs to deliver enabling work. The national accredited adviser programme was seen as a helpful development in this regard, as it resulted in hubs having access to a national network of accredited advisers that they could match to specific project needs. One enabler at Breaking Ground described this as a *'network of mutual support'* while others highlighted its importance in helping hubs to access specialist skills that may not be otherwise available in regions where there were a limited number of local advisers. Another hub argued that *"being able to train enablers [using funding] has been good, that range of enablers we've brought in to do the accreditation. We had some skillsets that were missing and we wanted to bring some more people in and work with us ... It's about being able to capacity-build the hub and if you create it, you need to fulfil it. There's no point in creating need and having no way to fulfil it with the right skillsets.'* (Hub Representative, CLH West).

It should be noted that not all CLH groups in a particular place work with their local hub. This is often because those groups may already have knowledge, skills or experience in place to progress their ideas. However, for those projects that do work with hubs, it has been established in previous studies<sup>41</sup> that early-stage support is significant to them. This has been supported by the Homes in Community Hands fund, helping to ensure hubs can help emerging groups. One hub commented on the importance of agile funding, where they are able to help groups with early costs such as web profiles or company incorporation and are able to tailor support to the specific needs of groups. However, the reduced availability of grant funding, both via Homes in Community Hands and the government's Community Housing Fund, was thought likely to affect the funding of early-stage advice work. One hub lead at LCH commented on the *'stop-start national funding'* and how this made it *'really difficult for groups to have any continuity or any kind of certainty about what they can do.'* Other hubs shared similar experiences and highlighted a need to focus the use of skilled development resources on projects that are most likely to succeed and to provide a financial return to the hubs: *'Prioritisation is exactly what's happening. We don't have time, money is running out and it has to be spent.'* wMUCH had developed a new classification of their hub pipeline into three categories of gold, silver and bronze<sup>42</sup>, which in turn had implications for the deployment of enablers who comprised partner organisations and a network of associates.

While it was felt that hubs had made great strides in raising awareness of their existence and in developing pipelines, it was feared that their ability to generate demand and to support emerging projects will be constrained by the reduced availability of funding for early-stage support and broader hub operations. This was described by one hub as entering *'uncharted territory'* (Hub lead, LCH), whereby they were reliant on generating funding from development work, though many projects were not yet at the point of completion. Hubs had varied approaches to income diversification, ranging from engagement and alignment with other agendas related to fuel poverty and retrofit, as in the Tees Valley with CHTV, and in the West of England where CLH West were involved in a successful funding bid for a Climate Cities Challenge grant. Some were also proposing and experimenting with different delivery models, such as entering into agreements with RPs to derive development fee-based income from enabling work when particular project milestones were met.

However, many of these approaches are dependent upon projects progressing quickly and presented dilemmas for hub staff balancing their time between enabling work with groups and development of plans and strategies for diversified income generation. The

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<sup>41</sup> See <https://www.shu.ac.uk/centre-regional-economic-social-research/publications/homes-in-community-hands-year-two-evaluation-report>

<sup>42</sup> wMUCH hub lead: *'Our pipeline is divided into three categories gold, silver, and bronze. Gold has a 50%+ chance of completion and the focus is on getting these finished.'*



overriding concern for hubs was of funding gaps arising between the end of grant funding and the realisation of development income from homes currently in their pipeline. A hub representative from CLH West said, *'Once the funding drops out, those [hub] staff leave and the knowledge leaves, the relationships, the frameworks, the templates and the processes you put in place. All the services that we provide, where does that go?'*

### **Hub achievements and impacts**

The Year 2 evaluation report identified that many of the housing and community impacts that hubs create are likely to take some time to be fully realised, in line with research that highlights that standard housebuilding takes, from pre-planning to completion, an average of just under seven years. However, our research indicates that the anticipated outcomes and impacts go well beyond new affordable homes, such as housing that met higher levels of energy efficiency and helped to reduce energy costs, or others that were more climate-friendly. Such ambitions are made more likely to be realised by the work of hubs, such as CHTV, in aligning CLH with broader strategic priorities of local and combined authorities, such as empty home refurbishment and green retrofit. We therefore asked hubs to break down areas of achievement into five domains. This generated some interesting and reflective responses covering both achievements and limitations to date.

### **Homes to meet local needs**

As discussed above, the pipeline of planned homes by projects being supported by hubs is now over 3,000. The additional contribution of HCH funding for this is clear and significant. This pipeline creation is perhaps the most significant quantified measure of outcomes which will lead to impacts down the line.

In addition to this quantitative evidence, hubs felt that not only had their pipeline grown but that it had become *'more realistic than when we started.'* A hub representative from *Breaking Ground* said, *'The pipeline is a really clear picture of a growing number of projects that would not have become potential projects without us being here. They're real projects that people want to see move forward.'* As noted above, however, realism may be translating to pessimism about certain projects, as the likelihood scores attributed to projects reveal.

Nonetheless, this view about potential projects was shared by other hubs, who felt that their pipelines were composed of robust project ideas, some of which have significant potential to progress, and that this robustness was in part as a result of the processes put in place by hubs to identify and deliver the support needs of groups. This point was also made by a hub representative in Leeds, who argued, *'I guess before hubs existed, groups did succeed and do stuff, but these were a lot less then and I think groups sprang up as a result of our work and a lot more groups progressed further than they otherwise would.'*

This was a view shared by a local authority representative in CLH West, who argued that demand for community-led housing may exist without having a local hub, but that this demand can be supported, nurtured and increased by the presence of a hub. They said, *'The hubs play an important role ... Where we have groups that don't have much of a clue about housing, they're very good at supporting those.'* In the Tees Valley, a hub representative observed that they are *'seeing more housing created on the ground and controlled by local people, and more robust infrastructure'*, supporting the view that the organisational development of hubs funded through Homes in Community Hands has helped to create more certainty over project progress.

This does not necessarily mean that hubs and the projects they are able to support are always able to deliver on ambitious objectives. The hub representative of CHTV commented, *'It has been a slower burn than we envisaged - complex projects such as the health village show the problems. You win in one area but fall back in another.'*

### *Cohesive communities and active participation*

A significant development by hubs in this study has been work on community cohesion and the active participation of communities in developing projects.

A notable area of work has been in supporting black and minoritised ethnic community-led projects. In Leeds, funding obtained through the Cohesive Communities Fund provided resources for an adviser who undertook significant amounts of outreach work to engage communities otherwise absent from discussions about CLH. Similar efforts to engage with Black communities were made in Bristol, where three Black-led groups had emerged with support from the hub. A hub representative from CLH West told us, *'One of our things was that we didn't feel it was an equal or level playing field in Bristol. We wanted to raise that profile and speak to Black-led organisations about housing and what they can do about assets and land.'* These outreach efforts are significant for their attempts to tackle issues of equality, diversity and inclusion through and in community-led housing approaches. The impact of hubs is therefore not only a quantitative increase in the pipeline of homes provided but in enhancing the ability of different communities to engage with the community-led housing sector. This was emphasised by wMUCH, whose hub lead argued that *'we want to focus on urban setting where communities are not as clearly defined'*, highlighting that hubs are proactively engaging with communities that may not be currently actively involved in CLH but which may benefit from active promotion of the benefits of different approaches. Time will tell if these crucial building blocks provide the basis for new CLH projects, homes and communities that serve the varied needs within different localities.

For most hubs, the benefits of active participation by current and future residents were seen as being at the heart of CLH. There were many examples of the tangible benefits that participation can bring (see also Chapter 3 and the section on project benefits below), but acceptance that there are limits to community capacity that can affect the extent of such participation. CHTV has supported a peer-led recovery model adopted by the RCVDA Staying Sober Cromwell House project. However, a hub lead from CHTV said, *'I is really hard in this area for groups to move along the continuum to the live stage. This is why CHTV has been working up a gateway model that starts from where local communities are, but then attempts to enable meaningful participation opportunities.'* This shows how diversifying CLH projects, and engagement within them, may require new and innovative models that deviate from standard processes.

More generally, hubs were conscious that the idea of active community participation in housing management is not always familiar to the communities they initially work with. One hub lead commented that their pipeline is primarily composed of people *'responding to conditions and contexts'* (Hub representative, Breaking Ground) as much as to a desire for community-based living, and as such hubs work carefully with emerging projects to identify desired levels of participation and engagement.

### *Health, wellbeing and employment*

Some hubs aim to achieve very particular impacts related to broader agendas. The CHTV hub chair identified that *'health and wellbeing is the fundamental foundation of what we are doing'* and had begun to develop an ambitious collaboration with a consortium of third sector organisations in Hartlepool to develop a concept of a health village. Similarly, commitments to green retrofit of empty properties sought to tackle problems of fuel poverty, while the aforementioned Cromwell House project has a very

tangible focus on the health and wellbeing of its residents, using group living and peer support for recovering alcoholics. Other hubs, such as in Leeds and Bristol, were also directly involved in projects and initiatives related to climate action that may produce broader wellbeing benefits.

A broader benefit of community-led housing in the Tees Valley was a focus on employment and training, in part as a result of the CHTV hub's origins in the self-help housing movement. A new steering group member was advising on the business plan's green retrofit stream, and had ambitions for hub projects to continue to support the employment of local young people who were marginalised from the labour market to work on the retrofit of empty properties. Similar impacts have been noted in other hub areas such as Liverpool and the case of Homebaked CLT, albeit prior to the creation of the hub.

Taken together, it is clear that some hubs and the projects that they support have significant potential to deliver a broad range of community impacts beyond housing. The following section explores this at a project level.

### **Projects supported by hubs**

While the preceding section explores impacts at a hub level, we now turn to evidence from seven local projects associated with or supported by the hubs. Interviews with project representatives provided an overview of their aims and progress to date, their connections with hubs and emerging impacts and achievements. The projects are summarised in the table below.

**Table 6: Description of hub supported projects**

<b>Project A</b>	A local group, linked to the Transition Town movement, working in partnership with an RP to develop 10 homes on a rural exception site close to a small town. They aim to provide homes at 60 to 80 per cent of market rents using sustainable building materials. An outline planning application had been completed and CHF funding secured to develop a full application.
<b>Project B</b>	A community development trust set up to combat 'studentification' in a suburban area close to a major university. They aim to develop a small number of family homes (scaled down from 20 to 10 after a competing bid for part of the council-owned site from a supermarket). They also plan to renovate other local amenity buildings. The group is working with a large RP, closely linked to a CLH hub and with a track record of supporting CLH projects. Their planning application was submitted in January 2022.
<b>Project C</b>	The latest project initiated by a charity established in 2000 to provide affordable supported accommodation for young people, and to provide training in construction and allied trades through renovation of empty properties and community buildings. The charity now manages 18 properties with 23 to 25 tenants in former mining villages. The project involved the conversion of a derelict convenience store, which had been empty for 25 years. This was converted into two homes for local young people and enabled the organisation to take on a construction apprentice. The project has been at the live stage since October 2021 and is one of the first pipeline completions by the local hub.
<b>Project D</b>	A self-help housing project for young people leaving care developed by a New Deal for Communities successor body, with a housing CIC and building refurbishment workforce. Half of the residents have been involved in the refurbishment work as volunteers or trainees. <i>The project lead told us, 'They actually worked on the property that they now live in. It gives them much more ownership of it.'</i> The project refurbished 10 dispersed empty homes between 2019 to 2022, with more to be added. The lead organisation is closely linked to a CLH hub.

<b>Project E</b>	A peer-led alcohol recovery project developed with a newly registered RP closely linked to a CLH hub. A former school building has been converted for peer support with eight residents, with a modular extension to be added to support a further six people. The project has been at the live stage for a year and was the first pipeline project completed by the hub.
<b>Project F</b>	A project led by a climate and community-oriented developer delivering new homes within a broader scheme. The project is focused on providing forms of community living and climate-friendly sustainable housing. A portion of the homes provided will be bought by the hub to provide affordable housing.
<b>Project G</b>	A project that aims to support young people transitioning out of care, enabling them to live in a supportive community context. The project is currently looking for land and wishes to develop zero carbon housing, while also tackling the loneliness experienced by people transitioning from care. The hub has provided support on financial appraisals and business planning, in addition to other forms of help.

As the table illustrates, there are a diversity of organisational types and project aims among those groups supported by hubs. Their links with the hub, and the nature of the support provided, is equally diverse. The following section discusses some of the ways in which hubs have supported these projects, before turning to some of the details of emerging project impacts.

### *Hub connections*

All seven projects were identified by the case study hubs as projects they had supported or partnered with. The projects engaged with hubs in a variety of different ways according to their needs, as well as the enabling models and approaches adopted by hubs. These cases provide evidence of the added value of hubs in enabling projects to develop financially robust and professional business plans (one case), to secure funding and make progress with planning applications (two cases), to support the delivery of affordable housing (one case) and then to reach the build and live stages (three cases). The cases also show the complexity of relationships with enabling agencies, not least because of the multiple hats worn by individuals involved in this work. Indeed, the multiple roles played by individuals as trustees, project leads and enablers is a key finding of these case studies in its own right. Support may also come from bodies other than the hubs and RPs (e.g. from membership bodies and national infrastructure organisations such as Coops UK).

Projects A, B and F had been formally supported by hubs as part of their enabling role. Projects A and B benefited from two Community-Led Homes grants for start-up and project planning and received support for these bids from a hub adviser, which was perceived by project representatives as important as *'they [the hub] understood what was important to funders'* (Hub supported project). Projects B and F received small grants from their hubs for early-stage support, including to pay for technical advice from hub associates. A representative of Project F described this support as critical to their ability to financially appraise and refine their project: *'they guided us through financial and build risks [and provided] a really sound foundation, the backbone of our business plan.'* Project F also applied for agile funding from the hub to fund the development of a website, highlighting the value of flexible early-stage funding. While Project B valued the support of a hub, they had also developed a more significant relationship with an RP, as well as benefiting from support from member organisations such as Co-ops UK, highlighting that the contribution of hubs to project support has been complementary to that from others. Nevertheless, early-stage funding was again deemed valuable: *'The money was useful and not onerous. Small amounts at the right time is a good thing'* (wMUCH supported project).

Projects C, D and E all had direct links to core partner organisations within the alliance that forms the basis of the CHTV hub. Projects C and D were the latest in a number of projects developed over many years using the self-help housing model, while the hub chair was also a trustee of Project C, which meant that this project benefited from regular advice, support and information. In Project D, the project organisation lead was a core member of the hub steering group and was more formally recorded as taking the hub enabler role, reflecting the dispersed network-enabling approach adopted by CHTV. The Project D lead had been a core member of CHTV from the outset and is enabling five projects in the CHTV pipeline: two to be managed by his own organisation, two by Wharton Trust, and one much larger health village project with a consortium of third sector organisations in Hartlepool. Interviewees highlighted the benefits in sharing expertise and knowledge with other hub members and connecting with local partners in Hartlepool.

Project E also reflected the dispersed network enabling model, and exemplifies the hub's extension of its boundaries beyond self-help housing to supported housing again using a peer model. The project lead is a member of the hub steering group, and is also taking the lead enabling role in working with the development and support partners to bring the project to live stage. This was the first hub pipeline project to reach the live stage. The benefits of linking with the hub were various. The project lead valued the support provided through discussion with hub partners throughout the development process. The development manager involved in progressing the project had come to the project from a public health background but this experience had led to her fuller entry into the CLH field. This project had also been the catalyst for the lead organisation to become a Registered Provider, something that was eventually achieved in 2021. The project lead is involved in enabling other pipeline projects, some to be managed by the new RP, others being developed in partnership with other CLH partners.

Project F represented a more unique relationship than some others, given the professional organisation developing the wider scheme in which the CLH homes would be sited. The first phase of this scheme was to comprise of 320 units, of which 16 affordable units would be purchased and owned by the hub for affordable housing provision. This offered an opportunity for the hub to become involved in an innovative attempt to establish a community geared towards zero carbon transitions and community living comprising lots of shared space and landscaping. The director of the developer had previously sat on the board of the enabler hub.

### ***Summarising the outcomes and impacts from supported projects***

#### *Homes for local need*

In summary, the projects interviewed all identified a range of housing-related outcomes. Much of their focus concerned housing affordability and meeting local housing needs, attempting to fill gaps in existing housing provision in localities where there was an identified shortage of affordable homes. Affordability was generally an important aim and some had ambitious target rents, such as 60 to 65 per cent of market rent in one case (relative to government definitions of affordable housing at 80 per cent of market rent).

Beyond affordable housing, many of the projects targeted specific groups to benefit from housing, such as single-family homes to counterbalance issues of 'studentification', supported housing for care leavers, opportunities for young mothers to move to self-contained accommodation, and a peer-led alcohol recovery project. While many of these initiatives were still developing, and as such the benefits they sought to bring were aspirational and hypothetical, the completion of some schemes highlights the collective potential. One had provided tenancies for ten people who were



formerly looked-after-children moving on from the care system. Reflecting on this the project lead noted, *'All of the young people are still with us, which we are very pleased about.'* The diversity of potential beneficiaries highlights that community-led housing supported by the hubs is targeted at a range of different housing needs and circumstances. One hub-supported project at an early stage described their objectives as, *'It not just being a housing project but that actually it could serve young people in the city and enhance and enrich people's lives in communities where they don't see much diversity.'*

In addition to the beneficiaries of housing, there are a diverse range of other impacts that projects are seeking to achieve, including development of high environmental standards, use of alternative build methods, and forms of design and living that contribute to zero carbon transitions. While some of these schemes remain in planning and development, should they progress there may be a range of broader impacts created by the homes that they develop beyond the provision of housing, notably on wider efforts to address climate change.

### *Community cohesion and active participation*

Many of the projects referred to community cohesion outcomes. Some of these focus on rebalancing demographic profiles by securing homes for younger people and for non-student households. Another set of community cohesion aims were about promoting good relationships between the projects and other residents in their neighbourhoods. These aims have been assisted in some cases where projects have provided positive externalities that improve neighbours' lives (e.g. the removal of an empty shop in the high street, the greening of the neighbourhood by project residents and participants through gardening activity and improvements to communal spaces and allotments). There have also been successful efforts to communicate with neighbours both before the live stage and after, when residents have sometimes become ambassadors for the project.

A central feature of CLH that differentiates it from other forms of housing provision is the opportunity for residents and communities to play an active role in projects at each stage, from group formation through to the live stage. Several of the project leads provided specific examples of the extent and benefits of participation. In one example, which was at the stage of a planning application, local residents had been highly involved, though there was also a recognition of the significant time commitment and the amount of work involved for residents that participated in the planning of the project. It was therefore recognised that while participation can bring benefits, it has to be proportionate to the desires and preferences of residents.

In another case there had been opportunities during design, building and construction phases for potential future residents to have a say on the design of the accommodation, and this was used to maximise shared spaces for peer support activities within the recovery project. Taking part in the building works gave future residents a greater sense of ownership in one self-help housing case. In another planning stage project consideration was being given on how to maximise influence on management issues of shared spaces as part of the leasing agreement with a partner RP. For residents at the live stage the scope for very high levels of participation in day-to-day decisions was exemplified by the peer recovery project, where governance was undertaken by a committee of six service users in long-term recovery.

There are other examples where the participation of future residents is unclear. This was often explained by the different approaches of different projects, where the design of developments may be defined by the lead project in a way that engenders community cohesion and interaction over time, as opposed to this being a central feature of the initial planning and design phases. In this sense, there is more of an

emphasis on community cohesion by designing places in a manner that encourages community interaction and relationship building, rather than participation in the design itself.

### *Health, wellbeing and employment*

A number of the projects made specific reference to health and wellbeing outcomes. Examples included the impact of housing management and support arrangements in strengthening residents' resilience during Covid-19, or where the employment of a housing and support worker for their properties had helped residents with mental health needs cope during the pandemic. Similarly, the potential wellbeing benefits of living in community-led housing scheme were clear for young mothers moving from shared accommodation to self-contained homes, and similar aspirations were evident for other projects in planning and developing where people could '*live alongside each other in a way that's good for our own wellbeing*', as described by a representative of a CHTV supported project. This form of supportive living was identified as a positive impact of one project studied, where residents of the recovery project benefited from a schedule of shared activities and tasks that helped to engender community self-organisation and interdependence. '*The residents engage with each other and there is a positive vibe in the house. [There is] early rising for morning meetings, breakfast together, a rota for this and other meals, a shopping rota, a cleaning rota.*' This highlights a link between active participation in the day-to-day management of a CLH project and wellbeing benefits.

Some projects also made reference to the employment and training goals of their housing initiatives, most closely associated with the renovation of empty properties. Benefits for the workforce in terms of skills training and employment experience are integral to these projects sitting alongside the housing outcomes. In some cases there is an overlap between employment and housing outcomes, as some residents are employed on some of the building work on properties they end up living in. In one project there was also a policy to prevent the perverse impacts of housing support funding on project residents who are successful in securing employment, by adjusting rents to prevent those securing low-wage employment and losing higher-level housing allowances from having to move on.

Over the coming years, as hub-supported projects are completed, we expect to see the true diversity of impacts become clear. Far from our initial expectations, we now suspect this will be kaleidoscopic, reaching far beyond housing into an array of benefits for local people and places, and with contributions to broader issues like climate change. As these impacts emerge, they will coincide with a growing focus on 'levelling up' areas in the UK through a series of 'missions', and it will become clearer what role CLH can play in meeting these.

## The programme's contribution story

The HCH programme has supported, in varying forms and to different extents, the planned development of 4,000–5,000 homes.<sup>43</sup> While an impressive claim, to stop at this conclusion would be to neglect two critical features of the programme. Firstly, that for nearly all the supported projects and planned homes HCH funds have been complemented by various other resources (financial, human, and otherwise), making this one component in a complex process of change. And, conversely, to stop just at an analysis of planned homes would be to miss the broad and diffuse contributions the programme has made, and the varied impacts that will be felt in the coming years.

Hence, in the following section we build on the qualitative and quantitative evidence above to present a contribution story.<sup>44</sup> Using the original theory of change to map points of contribution, we explore areas where change is both evident and as yet unseen. However, we start with reflections on the emerging impacts linked to the programme, and potential impacts that may be seen in the coming years.

### 6.1. Early signs of impact, and the longer-term potential

Our original theory of change (see Figure 3) hypothesised a series of impacts connected with the programme. These aligned with the community-led housing sector's own impact categories: 1) housing that meets people's needs and wants, 2) greater community cohesion and civic engagement, and 3) improved health and wellbeing.

With previous research suggesting that CLH developments may take six to seven years to complete,<sup>45</sup> it is too early to *fully* assess the impacts connected with the programme's funding. In terms of housing-related impacts we estimate approximately 25 homes have been completed and occupied. So, while these projects are starting to deliver outcomes for residents, not least in terms of providing affordable housing, this is at a relatively small scale. As discussed in sections 3 and 5, more significant impacts have arisen through participation in the *planning* of these projects, as new skills and relationships have formed. This links to emerging impacts on community cohesion and civic engagement. In recent years, HCH funds have supported a movement to increase diversity within CLH groups and the people they serve, and case study evidence reveals how funded groups have built ambitious participative and democratic

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<sup>43</sup> This relates to 3,216–4,170 homes in hub pipelines, 604 homes in directly funded projects not receiving support from HCH funded hubs, and a further 289 homes in projects funded through the CLT Fund II or CLH Fund.

<sup>44</sup> 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).

<sup>45</sup> Archer and McCarthy (2021). *Community-led housing and the speed of development*.

processes. Through this, residents have learned, for instance, how to form and manage new CLH organisations and how to navigate planning and housing development processes. The skills and relations being formed are being used as a platform to plan future housing and regeneration projects.

There are, to date, some (limited) signs of health and wellbeing benefits directly connected to the programme. Emerging evidence suggests projects supported by hubs, particularly those providing housing for people in recovery or leaving care, are creating various wellbeing benefits. These projects highlight the link between active participation and increased wellbeing.

Beyond these realised impacts, significantly more are anticipated in the coming years. There are 11 directly funded projects, as well as an estimated 50 hub-supported projects, currently at the 'plan' stage of development (i.e. where a site has been secured and planning permission has been applied for or granted). This constitutes a set of developments that will build significant numbers of affordable homes in the coming years. We estimate that by 2026 directly supported projects, and those supported by funded hubs, will have completed hundreds (potentially thousands) of new homes, realising major affordability impacts. And, as over two thirds of funded projects are working in the 30 per cent most deprived locations, we can expect these to make the most difference in areas facing the strongest socio-economic challenges.

Alongside these housing-related impacts, supported groups are planning a kaleidoscopic range of other impacts (see sections 3 and 5). This reflects the fact that many groups supported already own and/or manage non-housing assets or are in the process of acquiring them. Going beyond housing, the coming years will see these groups make localised contributions to community cohesion and integration, the widening of civic participation and control of assets, improved wellbeing, enhanced neighbourhood spaces and facilities, increased employment and training opportunities, and reductions in the environmental impact of housing.

By way of example, projects supported by this programme have the potential to transform high streets, support vulnerable groups, tackle loneliness, create shared resources and systems to lower the cost of living, address studentification, create much needed leisure and cultural facilities, decarbonise housing, and achieve high environmental standards.

It is because of this potentiality that we would urge Power to Change and others to longitudinally track these projects to capture and measure their impacts over time. This is an issue we return to in the concluding section.

## **6.2. Understanding change and the contribution of the programme**

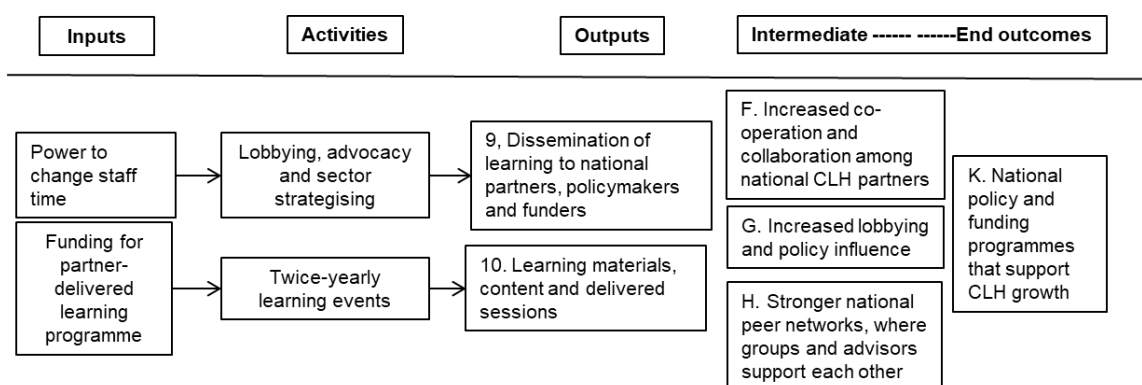
Accepting that many impacts are as yet unseen, we have dedicated significant time to understanding the activities, processes and changes taking place which make these impacts possible. Furthermore, we have tried to focus on the specific role of the HCH programme in these changes.

Hence, in the following sections we build a contribution story for the programme, looking at specific components of our theory of change. We try to trace connections between activities and outputs through to outcomes. We start by exploring the changes in, and contribution of the programme to, the national CLH infrastructure. We then look at changes in CLH enabling in the five areas receiving hub funding. We conclude by assessing changes in local conditions for CLH in those areas.

## From HCH funding, to improved national infrastructure, to increased influence

Section 2 revealed some of the ways in which Power to Change and HCH funding have supported the CLH sector's development nationally. Our theory of change hypothesised how funding for sector bodies would help stimulate learning, increase collaboration, and eventually provide the basis for greater influence over policy and funding. Of course, HCH funding would not be the only resource influencing this, but it would make a key contribution.

**Figure 11: Theory of Change component - Changes at the national infrastructure level**



As noted in section 2, Power to Change supported early efforts to foster sector collaboration, enabling national CLH bodies to make proposals to the government for a Community Housing Fund. This was ultimately successful, and Power to Change's role in this should be acknowledged. Following this, HCH funding and other grant funds have helped consolidate this national infrastructure to the extent that *'the national infrastructure [for CLH] is stronger than it ever has been'* (HCH stakeholder three). The role of HCH funding in this is key, as it has helped create a *'real step change in a five to six year period, [in relation to] networking and supporting each other through continuous learning activities'* (HCH stakeholder one).

HCH funds, and general Power to Change funding, has supported various research activity and this was deemed *'absolutely central'* by national agencies, who suggested *'we would be nowhere on lobbying without it'* (HCH stakeholder two). And by creating networks and opportunities to share learning, and by strengthening the enabling infrastructure at a sub-regional level, the HCH programme helped national bodies to develop a richer understanding of key policy and funding changes in different parts of the country.

HCH funding has also supported learning and development for enabling hubs. Dedicated peer-to-peer learning opportunities and research on hub priorities has created a *'strong learning exchange...and a mechanism to connect'* (HCH stakeholder one). And while efforts to provide direct advice and support to hubs on key organisational issues have been hampered, the HCH programme has likely done more to support the learning of hubs than any other programme.

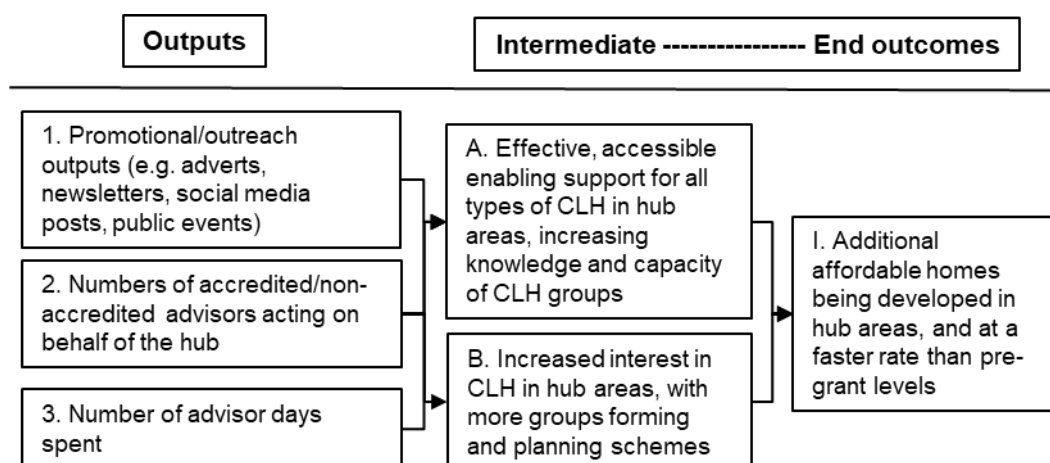
One major lesson is that despite these changes, external factors have limited the sector's ability to influence government. **Ultimately, despite having a strong national infrastructure, and collective voice, new policy and funding programmes from government have not been initiated, at least not at the scale previously seen.** This poses a major risk factor to the sector, having developed strong systems of support, a significant pipeline of homes, and strong demand for CLH in multiple areas. It highlights how, structured in its current form, CLH development is heavily contingent on grant funding.



## From hub promotion, to new enabling services, to more planned homes

Our theory of change depicted a process through which funded hubs would stimulate and support CLH groups, enabling them to plan projects and develop new homes. Increased awareness raising and direct advice would help local CLH projects come to fruition. In our moderating factors we predicted that the realisation of this change would be affected by various national and local moderating factors.

**Figure 12: Theory of Change component - Changes related to CLH enabling**



The outreach and promotional work of hubs has been central to the intermediate outcomes being realised. In the areas where hubs received HCH funding, significant time has been spent building interest and demand for CLH in local communities. Data on hub deliverables suggests that, across the five hubs, 41 events were run by hubs in 2021/22, attended by over 1,200 people. While not the only stimulant for CLH locally, this activity has been an important element of hub work, increasing the number of groups interested in, and planning, CLH projects.

Alongside this, the programme has prioritised the intermediate outcome of ‘*effective, accessible enabling support for all types of CLH in hub areas, increasing the knowledge and capacity of CLH groups.*’ Evidence in section 5 shows hub enablers have spent an increasing number of hours supporting groups over the last two years. This has generally been seen as valuable. This evidence also shows how hubs have effectively supported projects to develop financial plans, secure funding and make progress with planning applications, while helping projects reach the build and live stages. Testimony from a project revealed how their hub had guided them ‘*through financial and build risks*’ and provided ‘*the backbone of our business plan.*’

Providing such enabling support has been challenging through a global pandemic, as shown powerfully in our Year Two report. Covid-19 hindered both the time and capacity of groups to take forward their projects, but also hubs’ capacity to provide hands-on support. Despite this, hubs responded flexibly, tailoring their advice to this new context. Some hubs shifted resources to creating discrete online resources that could be used, shared and ultimately become a revenue generator. All of this enhanced the standardisation of hub support.

One objective, expressed in the intermediate outcomes, is that ‘all types’ of CLH would be supported in the hub areas. In previous years we raised concerns about the extent of cohousing projects being supported by hubs. However, in 2022 progress seems to be being made, with a step change in the numbers of housing co-operatives and cohousing groups being supported.

The training and accreditation programme for CLH advisers has been complementary here. While not directly funded by the HCH programme, it has given hubs assurance that the people supporting groups have some of the skills required. Hubs too have generally valued this, acknowledging that they *'had some skillsets that were missing'*. That is not to say hubs have all the expertise and experience needed, as interviews revealed shortages in capacity for those with housing development skills, and national stakeholders stressed the need for continued workforce development.

This focus on providing sound enabling support has generated other intermediate outcomes in the form of *'more groups forming and planning schemes'*. There are some key signs of additionality in the hubs' work, specifically related to the HCH funding. As a HCH stakeholder noted, *'Had the Power to Change support not been there, then things would have come forward more slowly and advice would have been put in place for groups more slowly.'*

In section 5 we detail the reality of this, as hubs show a significant growth in the numbers of homes planned by projects they support — as many as 4,000 in 2022. Our difference-in-difference analysis highlighted how HCH funding has helped hubs increase their pipelines by an average 160 homes over and above what we would have expected without the funding. This specific analysis aside, changes seen in some intermediate outcomes are really the product of combined HCH and CHF funding for hubs. **We should see the HCH programme as making a major contribution to these outcomes, but not the single cause.**

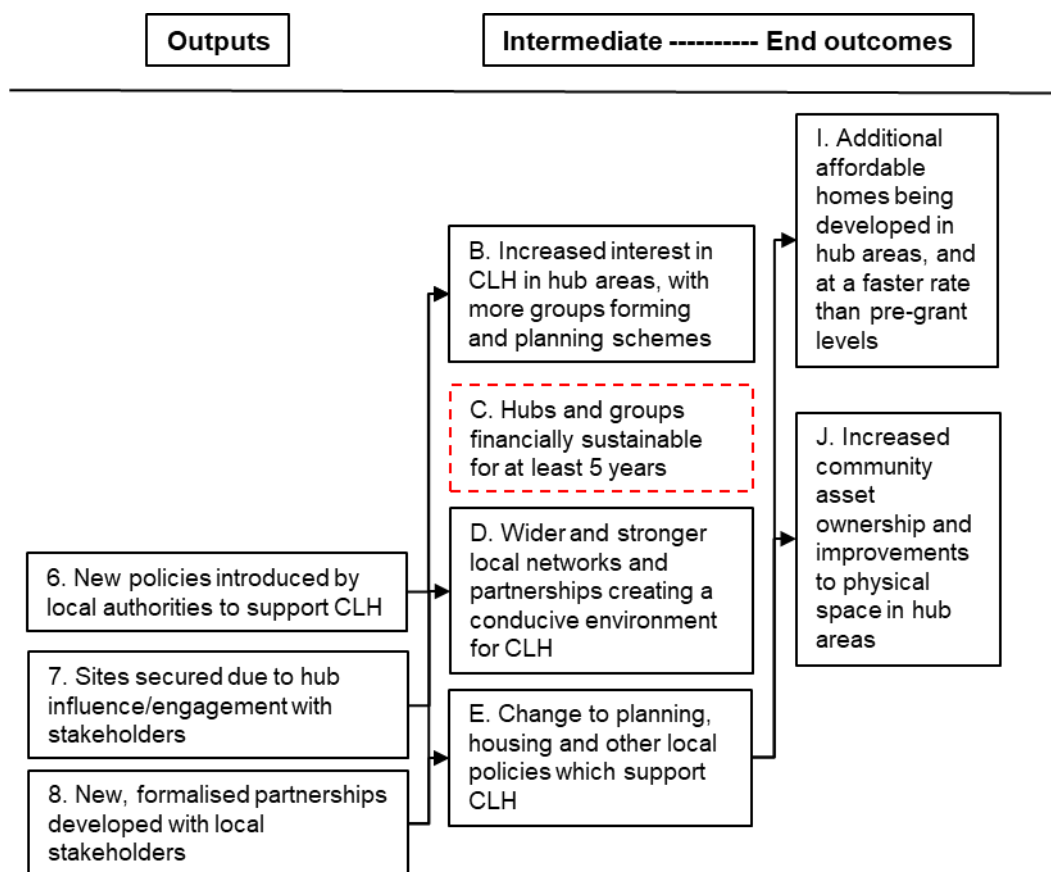
**Despite these observations on intermediate outcomes, there is increasing pessimism about whether the end outcome of additional affordable homes will be realised.** There is increasing evidence of projects stalling or being discontinued, though hubs feel better placed now to judge project likelihood. A question remains about whether the hubs can continue to provide the support needed, as discussed below.

It has become a significant challenge for hubs to establish a *'model that really works and reflects what local people want and delivers a service at the same time'* (HCH stakeholder three). This has been even more challenging within the short timescales of the HCH and CHF hub funding, and where the grant funding for CLH projects has been significantly reduced.

### ***From building local relationships and influence, to changes in local conditions, to more planned homes***

Our theory of change tried to capture the importance of work in the five areas to change local conditions for CLH. It recognised the importance of hubs and groups forming new partnerships and achieving support through local policy and funding.

**Figure 13: Theory of Change component - Changes in local conditions for CLH**



Many of the ingredients required to change local conditions were already present for hubs before HCH funding arrived. In each area there were existing CLH organisations, supportive stakeholders, levels of policy support and other relationships established. These were the basis for the development of hubs in each area. Hence, the evaluation recognises that HCH funding was really a catalyst to formalise these networks, and develop a dedicated platform to lobby for policy change and to build partnerships.

In each of the five areas, we hypothesised a series of output and outcomes related to changes in local conditions for CLH. As detailed in section 5, these changes have been pronounced if not uniform. There are dedicated land disposal policies in one area, with 11 sites offered for CLH development. In other areas there have been site-specific collaborations with local authorities who have tried to create new opportunities for CLH. In one hub area there is a dedicated CLH policy adopted by a local authority, and manifesto commitments made by political leaders to make sites available for CLH. Combined Authorities are increasingly seen as a source for funding for CLH projects and hubs, as the latter increasingly engage prominent local stakeholders - who are outside of the CLH sector - to their boards and to support their work.

Alongside this, other relations are forming. There are, in most of the five hub areas, improving relations with Registered Providers (RPs), notably in the Liverpool City Region and Tees Valley, where hubs and projects are working towards shared interests around decarbonisation and local regeneration. There are plans for creating joint staffing between hubs and RPs to explore new site opportunities. In Birmingham there has been a process emerging where RP representatives, who are active on the hub's board, are appraising and acquiring sites made available for CLH by the local authority.

These new opportunities have become more likely because of the funded work of hubs, and other funding for CLH. **In each area, the HCH programme has made an**

**important contribution to a new ecosystem for CLH, and these ecosystems are far more advanced than they were just a few years ago.** Despite this, the realities of such partnerships and changes in policy and support, can be difficult to handle. Some local authority-led site disposals have been based on 'best consideration' rather than prioritising social value, and some of the sites offered are far from ideal and difficult to develop. Opportunities for integration of CLH projects within wider new housing developments and harnessing their role in 'community building' have been few and largely unrealised, even where the conditions existed. Other CLH policy interventions have been overridden by other local authority priorities and policies, and even where positive CLH policies exist they have not always made a difference to the levels of support enjoyed by projects. Clearly, there is some way to go to create the most conducive conditions for CLH in these areas.

One major spectre hanging over changes in local conditions is the financial sustainability of hubs themselves. We observed a loss of capacity among hubs in 2022, which is affecting their ability to influence local policies and partnerships, in addition to reducing their capacity to provide advice and support to CLH groups. **Our theory of change hypothesised that hubs would develop to such an extent over the course of the programme that they would be sustainable for at least five years after it finished. This is an outcome that looks increasingly unlikely, though several will continue with a reduced level of resource.** Perhaps the major contribution of the HCH programme here is in helping hubs to 1) develop organisations capable of enabling CLH locally, 2) build a pipeline of homes which may (or may not) provide opportunities for revenue and capital returns in future years, and 3) strengthen local ecosystems which can change the potential and probability of CLH delivery.

## Conclusion: Applying learning from the programme

This report provides substantial evidence on the role of the HCH programme in supporting community-led housing (CLH) in England. In providing over £5m in funding and finance for CLH projects, enabling organisations and secondary funding mechanisms, the programme targeted five sub-regions (see Figure 2). However, its contribution extends far beyond this. This report has revealed - and predicted - a range of outcomes and impacts arising from the programme, using the CLH sector's own impact categories as the framework. Sections 3 and 5 of the report highlight the potential impact of additional, affordable housing on local communities, and depict growing impacts on community cohesion and civic engagement, as well as health and wellbeing.

In the coming years these impacts will expand and diversify, with significant numbers of homes either in the planning system or having received planning permission. We estimate that in four years' time funded projects, and those supported by funded hubs, will have completed hundreds of new homes, realising major affordability benefits. The majority of these outcomes will be felt in the 30 per cent most deprived locations. The coming years will also see supported groups making localised contributions to improving community relations, enhancing neighbourhood spaces and facilities, increasing employment and training opportunities, and reducing the environmental impact of housing.

Alongside these impacts, section 5 of the report reveals the important outcomes arising from the work of funded enabler hubs. Here, our analysis reveals the growing pipeline of CLH homes planned in the five target areas, and critical changes in local policy and access to development sites. This is all alongside the formation of fruitful partnerships and relationships that make CLH development more likely, and in institutional developments to support CLH delivery.

This provides the basis to explain the HCH programme's contribution (see section 6). Alongside other moderating factors, the programme has made a multifaceted contribution to the development of CLH in England, and especially in the five target areas.

Through the course of the evaluation, we have prioritised learning, sharing insights with the sector through dedicated sessions, briefings and blogs. In the final section of the report we try to mobilise this learning, and set out a series of implications and potential actions for different actors.

## 7.1. The implications of the research different actors

### *Funders and policymakers*

- Several funding programmes for CLH in England have come to an end, creating a cliff-edge effect for both CLH groups and hubs. **This could mean thousands of affordable homes may not be developed.** Projects need the right mix of flexible revenue and capital funding. To fully realise the significant impacts arising from CLH, what is needed is patience and a long-term commitment to both CLH groups and the sector infrastructure. Hubs hope to reduce reliance on grants, and are making efforts to generate and diversify revenue sources, but they need more time, and they need the groups they support to have access to the right funding and finance.
- Evidence concerning the CLH Fund, which was developed with investment from Power to Change, shows that when government funds are removed, wider confidence is hit. **The closure of the CHF, and its impact on planned CLH projects, has not been fully understood by the government, and they should revisit the decision and its impact, not least given its levelling up objectives** (see below). HCH and the associated CHF programmes were the latest examples of short-term funding support for CLH. As with earlier waves such as the Cooperative Housing Agency in the 1970s and the Empty Homes Community Grants Fund in the 2010s there has been broad evidence of social impact extending well beyond housing from these funding injections. However, longer-term and consistent support is required to build sustainable growth.
- Discussion of alternatives to CHF capital funding tend to suggest that there should be wider and easier access for CLH projects to the government's Affordable Homes Programme. However, the evidence here indicates that current funding criteria do not easily accommodate the types of projects that CLH groups aspire to create, such as mutual home ownership and retrofit of existing properties. Both our case study projects show the trade-offs emerging between environmental impact and affordability objectives, with current funding and planning processes hampering impact on the former. **There is a need for more flexible criteria that more fully recognise the varied benefits to the public purse these projects offer.** Affordable housing in perpetuity associated with sale price restrictions makes mutual home ownership more grant-efficient than shared ownership alternatives. Meanwhile green retrofit may not add to the housing stock per se but it does make a clear contribution to decarbonisation and levelling up goals by creating warmer and less energy hungry homes for some of the poorest households who live in the older housing stock.
- In showing how HCH-funded projects will have impacts far beyond housing, we should understand what happens if we fail to fund that housing component. Without housing-related funding to HCH projects there would likely be less support services for vulnerable groups (tied to accommodation), fewer improvements to high streets, less investment in green space and shared facilities, and so on. **The ripple effect of not funding housing development will be significant, since housing is often the revenue generator on which other assets can be owned and maintained. Funders do not adequately understand this.** Hence the message is to consider how they will allow and encourage community-led housing providers to access funds not specifically for housing. In practice, this could mean broadening definitions of 'community ownership' to access public funds, broadening or supplementing support for alternative tenures and housing models through national affordable housing programmes, and targeting revenue grants at mixed-use schemes where housing plays a significant role.



- Linked to this, the position and role of CLH in the broader objective of 'levelling up' is poorly understood and articulated. Whilst the Levelling Up White Paper highlights a desire to support 'community-led activity', it does not specifically recognise how community control of housing is a mechanism for 'levelling up'. **Clearly, the research presented here shows the real potential of CLH in helping meet some of the government's levelling up 'missions', not least in terms of wellbeing, living standards, housing and pride in place.**<sup>46</sup> Funders could support the national infrastructure organisations to properly understand and promote the potential of CLH here, so the sector can demonstrate its role in this ongoing policy agenda.
- **Funders will often prioritise direct grants to CLH groups, but our research has shown – with reference to significant quantitative and qualitative evidence - that investing in sub-regional enabling infrastructure can be just as important.** This can affect changes not only in the number of groups forming and homes planned, but also changes in local policy, access to sites and wider relationships with other actors. But this infrastructure is not yet on a sustainable footing, and the gains made could be lost without more support.
- Such is the nature of CLH projects - often taking over six years to complete - the impacts of many funded projects have not yet been realised. Power to Change are committed to tracking HCH projects over time to address this. **We propose light-touch research activity on an annual basis, with a sample of funded projects, to capture qualitative and quantitative data on impacts.** As part of the current evaluation, we drafted a framework for capturing perceptions of CLH beneficiaries and comparing these to the perceptions of residents in other forms of housing. This would make use of national surveys such as the Community Life Survey and English Housing Survey. Such an approach would provide a robust understanding of the patterns of impacts created by CLH *over time*, and how that differs from other tenures and forms of housing provision.

### ***National sector infrastructure***

- In the absence of dedicated funding there is a need to open-up and maximise access to other funds. **The national CLH infrastructure organisations could seek to directly influence combined authorities and other devolved powers, and position CLH in terms of Levelling Up funding and the Shared Prosperity Fund, ensuring the broad impact of CLH is accounted for in future DLUC funding programmes.**
- **Given the position of hubs and pessimism about future development seen in this research, there is scope to develop a clearer sense of effective models for delivery and for sustainability.** The national infrastructure bodies have a role here in guiding and directing hubs and groups toward approaches that have a higher probability of success and long-term sustainability.
- This report provides insights into the effectiveness of collaborative governance models, with hubs being directly involved in developing schemes and becoming registered providers of housing. In some hub areas larger organisations can catalyse CLH locally, leading on-site acquisition, funding, and development, while creating the local structures for future management. **The concept of local ecosystems of support put forward in this report could provide the basis for developing a new generation of infrastructure building on hub progress to date.**

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<sup>46</sup> See [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1052046/Executive\\_Summary.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052046/Executive_Summary.pdf)

- The sector is still missing the opportunity to standardise approaches to impact measurement, which would provide the basis for improved influence with the audience above. **Some hubs have developed their own approaches, building on a variety of impact measurement tools developed in recent years.**<sup>47</sup> However, these need further refinement and consolidation and, crucially, wider adoption and standardisation so impact data can be aggregated.

### *Local infrastructure*

- **Local enabling organisations will need to find connections between housing and other social, economic and environmental actions, in order to maximise opportunities for funding.** We have seen examples of this, as hub-supported projects have accessed funding through the Towns Fund, or for climate action projects. If funders begin to understand the relationship between housing and other forms of community ownership and local development, this could be a productive development, and hubs can leverage the evidence here and elsewhere to emphasise the broad impacts that CLH generates.
- Without dedicated grant funding, very few hubs appear financially sustainable at the moment. **In the absence of future funds, hubs will need to continue to create new revenue generation opportunities, e.g. through work with partners, through direct involvement in housing development, through direct access to public grants and finance, and through provision of housing management and stock maintenance services for live stage projects in the sector (along the lines of the proposed CHTV community gateway model), and by wider consultancy and advisory services such as green energy audits.**
- There is an opportunity to maximise the impact of the resources developed through the HCH programme. For instance, the HCH programme has helped create online training modules for CLH groups, standard health check questionnaires, knowledge and written material for RP registration, and model legal documents. **With a modest investment in system maintenance, ongoing communication and information sharing platforms such as Base Camp, we can keep supporting local ecosystems for CLH support.**

### *Local authorities and registered providers*

- Local authorities and other partners do not, in general, understand the potential contribution of CLH. To understand the implications of not developing homes planned by CLH groups, consider Leeds Community Homes' pipeline. This contains approximately 400 planned homes, the vast majority of which will be affordable. Across the Leeds housing market area, as defined by the recent SHMA,<sup>48</sup> there is a requirement of 946 affordable homes per annum to 2033. Failing to support the planned 400 CLH homes would cut off an important housing supply mechanism. And yet, **small investments of funds by local agencies may provide the revenue required to bring these projects to fruition. Local agencies may want to reassess risk/reward in these scenarios.**
- **HCH projects and hubs show signs of robust relations with RPs, with some being founder members of hubs, and others acting collaboratively with them to bring sites forward for CLH. The lessons and opportunities arising from these examples need to be better understood by the wider social housing sector.** This shows how working with CLH groups can help RPs meet

<sup>47</sup> See <https://www.communityledhomes.org.uk/sites/default/files/resources/files/2020-11/clt-impact-tool-v6.pdf>

<sup>48</sup> See [https://www.leeds.gov.uk/docs/Leeds%202017%20SHMA%20Final%20Report%20Sept%202017%20\(V2\).pdf](https://www.leeds.gov.uk/docs/Leeds%202017%20SHMA%20Final%20Report%20Sept%202017%20(V2).pdf)

their development objectives, provide workflow for RP architects and off-site manufacturing factories, help secure long-term revenue through housing management opportunities, while also securing more diffuse community benefits than they might otherwise have achieved.

- **Local authorities can catalyse more CLH by changing their approach to land disposals, prioritising social value over financial returns.** This research has shown how CLH hubs and projects have developed positive relationships with local authorities, which has led to tangible opportunities for site acquisition and project development. In particular, the CLH West hub funded through HCH has worked with Bristol City Council to develop land disposal policies that encourage greater consideration of forms of social value, which CLH projects are well placed to contribute to. This policy has helped to overcome barriers experienced elsewhere in the country, where public sector bodies seek to secure the highest possible financial return from land sales. The identification and ring-fencing of development sites for community-led housing has created a favourable environment for the development of CLH in Bristol.
- **For local and combined authorities and RPs there are additional potential benefits from including sites for CLH groups within major planned developments.** The community-building role of outward-facing CLH projects could play an important role in stabilising new mixed tenure communities. These benefits would provide a further rationale for social value transfers at an early stage in proposed mega-projects. A good example of this is provided by the Vienna urban extension areas of Seestadt Aspern, where several sites were pre-allocated to cooperatives and cohousing groups. In contrast, our HCH case studies found only later stage allocation of sites to CLH projects with little integration with the larger development and best consideration sell-offs of small, isolated plots that were not part of municipal company development plans for new communities.

### *CLH groups*

- **As the funding landscape for CLH remains challenging, CLH groups may need to consider diversification beyond housing.** While widening the opportunities for funding, this may also help secure wider community benefits. However, it may also increase the complexity of projects if a variety of community assets and usages are proposed. Nonetheless, this potential diversification can be harnessed and supported by local enabling hubs.
- **Groups should choose development partners carefully on a values basis.** RPs have a variety of motivations for engaging (or not) with CLH projects. The chances of success are increased by working with the right partner for the right reasons. Case studies show the benefits of such collaborative partnership working in managing the inevitable challenges and trade-offs that come up in complex and long-term housing development projects. However, this can often be outside of a group's control if they operate in an area where there are no supportive RPs. It is here where the significance of local hubs becomes apparent, and how they can secure access to finance, funding and expertise.
- Our evaluation has shown the extent and impact of long lead-in times for development, and how this can affect engagement by those supporting CLH or wishing to access CLH homes in future. Strong democratic processes are key to addressing barriers and challenges along the road, as shown by our case studies. **Groups need to consider how engagement can be retained, how decision-making structures and processes should best function, and how to manage the ebbs and flows of involvement over several years of planning and development.** Our case studies show some important lessons in this regard, relating to both structure and process.

- **Getting support from partners is likely to rest on them understanding what impact your project will have. It is therefore prudent to predict and assess your impact and to promote this as persuasively as possible.** There are existing tools you can use for this, and the exercise need not be labour intensive. General evidence on the value for money of CLH,<sup>49</sup> the social value of CLH,<sup>50</sup> the cost/benefit of community ownership,<sup>51</sup> or specific impacts of CLH on health<sup>52</sup> and loneliness<sup>53</sup> can also underpin messages about the reasons for supporting CLH.

In conclusion, the evaluation has revealed some of the real and potential impacts of CLH. It has shown how a funding programme, when complemented by other resources and factors, can increase the scale and diversity of those impacts. However, it has also shown the fragility of CLH in a changing funding environment, and the potential for swathes of planned projects to go unrealised. Action by a variety of funders, stakeholders, enablers and CLH groups themselves will be required if this outcome is to be avoided.

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<sup>49</sup> <https://www.communityledhomes.org.uk/resource/housing-community-community>

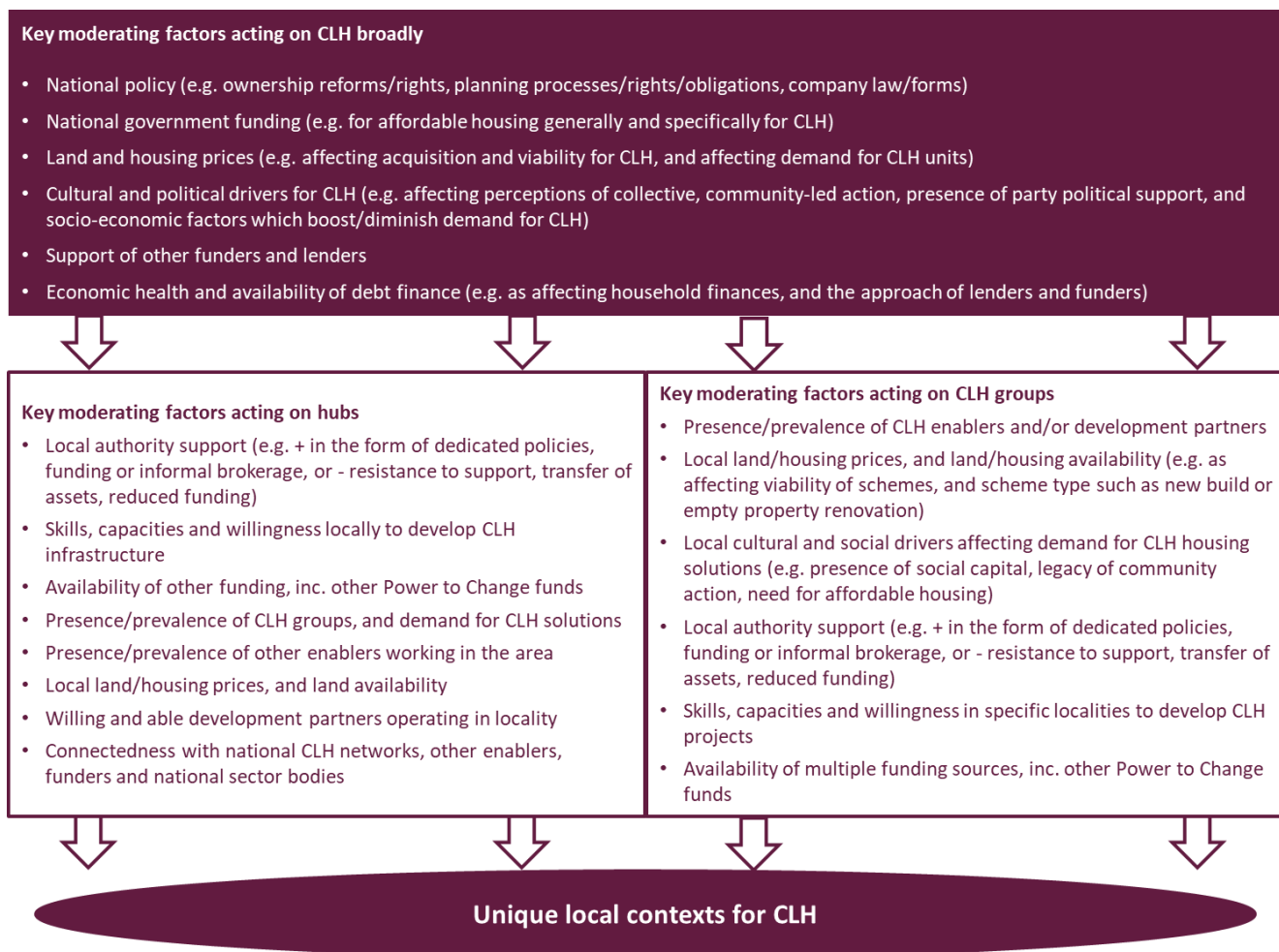
<sup>50</sup> <http://www.caldervalleyclt.org.uk/docs/socialvalue.pdf>

<sup>51</sup> <https://www.powertochange.org.uk/wp-content/uploads/2019/07/Assets-Report-DIGITAL-1.pdf>

<sup>52</sup> <https://www.uwe.ac.uk/research/centres-and-groups/spe/projects/community-led-housing>

<sup>53</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1035018/Loneliness\\_research\\_-\\_Those\\_little\\_connections\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1035018/Loneliness_research_-_Those_little_connections_.pdf)

# Appendix 1: Moderating factors affecting the programme





# Appendix 2: Programme theory of change

