



community land trusts



what are they?

Community land trusts (CLTs) are local, not-for-profit organisations that steward land and property democratically for their community. They're set up and run by volunteers to own and manage housing and other local assets (like pubs, green spaces, community centres, shops or workplaces) for the benefit of the community. Those benefits include affordable housing and essential services, and those things are legally protected in perpetuity. The CLT retains the freehold on the land, and rents or sells buildings to residents or businesses at affordable rates. If properties are sold, it is via long-term, renewable leases, so that residents can obtain mortgages and pass on the property to family members. The CLT retains the right to buy back the property at a fair price, that will recompense the leaseholders for the mortgage payments and improvements they've made. This way, properties are taken off the market and kept affordable.

Land is obtained by a CLT in a variety of ways. It's sometimes bought, with the help of grants or donations from government, charities or other bodies or individuals, or via community share issues; or the land might be donated (by an individual, local authority or by a developer that is required to set aside land for community benefit as part of a private development) or provided cheaply – for example, by a local authority. Sometimes a CLT can purchase land (often on the edge of settlements) relatively cheaply, because it isn't in the development zone, but then obtain planning permission that would not be granted to any other organisation (the investments will be recouped quickly from rents and leases from properties that would not otherwise have been built). The CLT then works with builders, developers, housing associations or self-builders to build homes and/or develop other community assets. The land / properties that a local CLT owns do not have to be contiguous – i.e. it can own scattered parcels of land throughout the locality. They can be urban or rural, and don't have to be new-build. Often a CLT will buy empty properties and refurbish them.

CLTs differ from housing co-ops or cohousing projects, which are owned and run by and for their members, whereas membership of a CLT is open to everyone in the local community. CLTs are legally obliged to:

- benefit a defined community
- return any surplus income to that community
- offer membership to local people
- allow members to control the CLT (usually by electing a board).

History: the roots lie in the co-op movement in the UK in the 19th century. Their ideas influenced Ebenezer Howard and his garden cities in the early 20th century, which influenced the Gandhian Bhoodan-Gramdan movement in India in the 1950s, that gifted over 1 million acres to be held in trust for landless peasants. This inspired Martin Luther King, and the first official CLTs emerged from the civil rights movement. CLTs started to take off in the US in the 1990s.

Pilot projects were run in the UK at the beginning of the 21st century. The National CLT Network was launched in 2010, and now there are hundreds of CLTs in both the US and UK, and movements have begun in other countries – notably Australia, Belgium, France and Italy, plus individual projects in Africa and Latin America.

what are the benefits?

CLTs can help stem the tide of spiralling land and property prices and keep housing affordable. Many young people can't afford homes, but more houses are being used for speculation and second/holiday homes. Population is rising faster than homes are being built, and many people are becoming homeless or living in poor conditions.

CLT rents and sale prices are based on local median income levels, rather than what the market will bear, which is driven by property speculation. So for example, the average price of a 2-bedroom flat in Tower Hamlets in 2017 was £550k, but the price from East London CLT was £181k. If we want key workers such as nurses, teachers and bus drivers to be able to afford to live in the communities they serve (especially London), then projects like this are essential.

CLTs tend to work with small, local building companies rather than huge developers (so that money stays within the community), and they take land off the market forever, so that it is no longer used as a speculative tool for private profit, but for homes and strong, vibrant communities.



Lyvennet Community Trust in Cumbria saved the Butcher's Arms by turning it into a community pub.



what can I do?

Join the CLT Network and support their campaigns – e.g. to exempt CLTs from right-to-buy legislation (which would make it impossible for CLTs to keep housing affordable in perpetuity). The CLT Network has a listing of UK CLTs, inc. some that have open days and events.

In Scotland, there are lots of community land projects that operate in exactly the same way, but aren't officially called CLTs. The umbrella organisation for Scotland is Community Land Scotland, who have listings for Scotland too.

Starting a CLT: this is a big task, but - first identify what you want to achieve in your community – maybe affordable housing, turning waste land into a park, saving a local pub or providing office or workshop space for local businesses. Talk to lots of people to make sure it's what your community really wants. You could hold a public meeting, to canvas opinions and ask for volunteers. Then get together a steering group (which will possibly turn into the board of the CLT once it's established).

Then, really, just contact the CLT Network or Community Land Scotland and ask for guidance from there. There are local CLT 'enabling hubs' in some areas that could help you set up, plus there's funding that you can access to get started – to get technical advice, produce a feasibility study and business plan, work out the best legal structure and incorporate. 'Community land trust' is not itself a legal form, which could be one of various types of not-for-profit – the most popular of which are community benefit company, community interest company (CIC) or co. ltd. by guarantee limited charity. See the CLT Network for more.



Homebaked CLT provides affordable housing, plus a bakery in the shadow of Liverpool FC's stadium. They do a brisk trade on match days.



CLTs have been suggested as a solution to gentrification or evictions in Rio de Janeiro's favelas.

NB: a CLT can't be a co-operative society because it is set up for the benefit of its community, whereas a co-op is set up for the benefit of its members.

Running a CLT: there are further sources of funding after you've set up – to investigate sites, do further planning etc. The CLT Network can guide you at every point in your development, including sources of funding. You need to constantly build support and membership locally – CLTs exist to provide benefit for the community as a whole, not just part of it. This will be helpful for planning applications, for example. Also, stay in close contact with your local authority and neighbourhood planning group if there is one (you may be able to help them achieve their aims).

Good governance is all-important, and best achieved by having a board consisting of people with a wide range of skills, including finance, planning and law, plus a knowledge of business and the local area. Membership of the CLT Network gives access to handbooks, health checks and specific advice on management and governance, plus customer care etc.

resources

- lowimpact.org/community-land-trusts – for more info, courses, links, books, inc:
- National CLT Network, *the CLT Handbook*
- Gabriel Metcalf, *Democratic by Design*
- Fiona MacKenzie, *Places of Possibility*
- communitylandtrusts.org.uk – CLT Network UK
- communitylandscotland.org.uk – community-owned land network in Scotland
- locality.org.uk – network of community-led orgs

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