

Heart of Hastings Community Land Trust

FREQUENTLY ASKED QUESTIONS

COMMUNICATIONS

Q: How will the CLT communicate widely, including with people who might not normally get involved? How will we share information and keep people up to date with progress?

A: Open and growing mailing list. Mail out to WRT, CWF, WRAG and others to see if they want to be on the list. Quarterly 'pow wow' sessions. Research project will include door-knocking with the opportunity for people to join the list. Once the CLT is independent it will have a website, FB page, twitter handle, etc. We will share research findings and updates on our website.

GOVERNANCE

Q: Who is in the project team? What are their interests?

A: The project team is a small group of people who are keen and willing to take the project forwards. We have representatives of residents and businesses as well as specialists with skills and expertise to help. We would welcome someone from WRAG Business Group to join the team as long as they are able to contribute fully including commit to monthly meetings.

At present the project team comprises:

Rodney Buse. Rodney is an independent CLT specialist who lives in Guestling. He provides consultancy for charities and social enterprises and coaching in organisational effectiveness. A qualified Chartered Certified Accountant with an MBA from Cranfield, Rodney was Chief Executive of a number of businesses and Group Personnel Director of the WHSmith Group, employing 40,000 staff. He has chaired many organisations including ActionAid, was vice chair of NCVO and trustee of the Charities Aid Foundation, Charity Evaluation Services and Childhope which supports street children in the developing world. In terms of CLT experience, he chaired the Venturesome investment committee 2002-08 and is current chair of the CLT Investment committee (CAF, Tudor, Esme, Nationwide), Community Land and Finance Investment Committee (Resonance), and the Sussex CLT Umbrella Advisory Group.

Suzy Tinker. Suzy is the White Rock Trust representative on the project team. She is a local resident (Carriage Court) and volunteer. She reports back to WRT on the development of the CLT project. We hope to continue to have WRT representation even once the CLT becomes independent.

Juliet Millican. Juliet is the Academic Director of CUPP (Community University Partnership Project) at the University of Brighton. She has already helped us to secure long-term research resource – two Applied Social Science students a year to help us establish a baseline and monitor change in the area.

Jane Dodson. Jane is a Regeneration Officer at Hastings Borough Council and is currently on part-time secondment as a researcher with NESTA. She connects the CLT to the various Council teams such as housing, licensing, the new social letting agency, as well as reporting back to senior officers.

Barry Markham. Barry does not own HAS and takes no income from it but as its founder he maintains a very close relationship. He also owns about 60 properties himself, has extensive experience of landlord policy and contacts within landlord networks, and will be leading on the

development of the Good Landlords Club. As a founder partner, HAS will be contributing £5,000 towards the costs of the CLT. It is expected that they will provide direct property management services for CLT properties and a similar offer to the Good Landlords Club.

Jeff Kirby. Jeff is the CEO of Flint Development Group, developers of the Observer Building and the Convent site. Flint has taken an unusual approach developing Allan's Army, a social enterprise that gives work/life opportunities to some of the most excluded local people. They are now developing this into a much larger charity called XO that aims to purchase and renovate properties across the south coast to provide homes, work and support for, by and with ex-offenders. As a founder partner, Flint will be contributing £5,000 towards the costs of the CLT.

Jess Steele. Jess is the only member of the project team who is paid to work on the project. Her company, Jericho Road Solutions, is contracted by White Rock Trust to coordinate the project and develop the business plan for the CLT. Jess was a founder of Friends of Hastings Pier, Hastings Pier & White Rock Trust, Hastings Pier Charity, and White Rock Trust and has given nine years to voluntary work for the pier and the neighbourhood. Jericho Road works with local groups all over the country to help them take on challenging projects, specialising in ownership, fundraising, organisational development and community engagement. Jess brought together the three partners that now own Rock House (Jericho Road, Meanwhile Space and White Rock Trust). She has recently resigned as a director of WRT in order to avoid conflicts of interest and is currently undertaking a detailed and careful handover.

Q: How will the CLT be constituted? Will the board be democratically elected? How will other people continue to feed in?

A: The CLT is currently a project of the White Rock Trust but is expected to become independent early in 2016. We are currently taking legal advice and it is likely that the CLT will be a 'community benefit society' like Hastings Pier Charity as this will offer a suitable democratic structure and allow us to undertake a community share issue.

Q: What would happen to any 'community' purchased properties if the CLT collapsed, closed or ceased to operate?

A: A community benefit society (or equivalent such as a charity or community interest company) will have a 'dissolution' clause which governs what happens to the assets in the event of closure. These must be passed to an organisation with similar objectives.

Q: What are your suggested timescales for the various stages?

A: We expect to have the initial business plan in place by Christmas 2015. This will include the theory of change, detailed proposals and preliminary financial modelling, and an agreed research approach. We will then focus on establishing the baseline and evaluation, piloting the Good Landlords Club and securing investment for the initial portfolio, including a Social Investment Bond. The speed of progress will depend on success in obtaining resources.

PARTNERS

Q: Will the CLT work with other organisations, especially the White Rock & America Ground Business Group?

A: The CLT is committed to working with other organisations and hopes to bring something special and specific through its focus on land and buildings and ability to raise significant capital. The strongest links should be with WRT (as the project sponsor and the largest membership body) and with the WRAG Business Group (representing the interests of local businesses). We hope to attend the WRAG meeting on 10th November.

Q: How is Hastings Borough Council supporting the CLT? How closely will the CLT work with the council (will the CLT stay independent, should the council take more of a lead)?

A: The council has supported the initiative through Jane Dodson's time on the project team and we have discussed in detail with senior councillors and officers.

Q: Will you work with 'existing' landlords/leaseholders to obtain property? Is there scope for feasibility funding for this?

A: Part of the CLT model is to work in partnership with others, including existing owners/leaseholders, to bring more property into use in ways that stabilise rents. We are interested in talking to anyone about potential partnership but would expect any partner to sign up to the Good Landlords Club.

THE PROPERTY MODEL

Q: Will the purchase of each property include necessary renovation and repair? How will you finance future maintenance and repair without setting abnormally high ground rents?

A: Yes, we expect to purchase a range of properties some of which will need extensive renovation, others far less. We are currently developing the financial model. Ongoing maintenance and repair will need to be funded from CLT rental income or further borrowing as for any landlord.

Q: Will all the property be for rent or would there be any available for people to buy outright or as co-equity? How will you set 'affordable' rent?

A: Currently we envisage all or most of the property being rented. However, we have discussed various co-ownership approaches and will keep these under review.

Q: How will the properties be chosen?

A: The CLT will be looking for a mixed portfolio of buildings – residential and commercial, difficult and not-so-difficult – which are capable of providing good quality residential and commercial accommodation at a viable cost in order to maintain reasonable rents.

Q: What would be the ratio of commercial to residential properties?

A: We have not yet worked out a ratio, only that we believe it is important to take action on both kinds of property.

Q: How will the properties be managed?

A: We are developing a partnership with Barry Markham from HAS Properties which means that HAS will take on management of CLT properties. This would be a marginal cost for HAS, whereas if we were to do it directly we would need to wait to be able to buy enough properties to make it viable to pay staff to manage them.

Q: What kind of businesses/tenants will the CLT want to see in the area?

A: The CLT will be community-owned, meaning there will need to be discussion at every stage about what local people want the area to be like. We are currently developing an allocation policy based on need, enthusiasm and contribution. We will learn from the emerging experience of Rock House in this field.

LOCAL ISSUES/BOUNDARIES

Q: What is the area that the CLT will focus on? Will the CLT look at redefining the areas as suggested into 'residential' and 'America Ground commercial'?

A: The project started out as the 'America Ground Community Land Trust'. This was not seen as our boundary but rather as our inspiration, because the story of the America Ground is one of battles for land ownership and control. However, the America Ground itself is small and primarily commercial, so we have chosen to rename as 'Heart of Hastings Community Land Trust'. We do not have fixed boundaries as these are generally seen as bad practice in regeneration. Instead we focus on the wider White Rock area, including the America Ground. We are happy to work with and alongside the WRAG Business Group, especially in considering 'appropriate' businesses to encourage into the area. While we respect the process that defined the White Rock boundaries as part of early neighbourhood planning, the CLT may choose to purchase or partner with properties beyond that boundary in any direction (though unlikely to be southwards!). We recognise that this little neighbourhood is important to many people who see it simply as 'the town'. Half the membership of White Rock Trust is people who don't live or work in the area but still care greatly about it. We hope that they will support efforts to protect and enhance its character.

Q: What are your thoughts on the Observer Building planning and how do you think you could intervene/affect these? The FJ Parsons buildings (Printworks, Observer Building, Rock House) are a special legacy for the area – how could the CLT help capitalise on this for the benefit of the neighbourhood?

A: This question will be discussed by the project team at its next meeting.

Q: If you weren't measuring the properties in Claremont the other day (eg Library) then do you know who was?

A: That definitely wasn't us! We don't know who it was but we'll try to find out!

GOOD LANDLORDS CLUB (GLC)

Q: What is the GLC? What would encourage landlords to become 'good landlords'/part of the scheme? How wide-ranging could it be? Does the scheme align with or is it the same as proposed licensing scheme by the Council?

A: The GLC is a membership scheme with benefits and responsibilities. We ask landlords to stabilise their rents (ie commit to avoid rent spikes), in exchange for a menu of potential benefits. These could include:

- interest-free loans for improvement works, secured with a second charge on the property, which are repaid with a 25-40% share of the value uplift.
- discounted property management and tenant finding services
- the intangible benefit of being in a 'good landlords club' rather than outside of it

These ideas are under development and we are arranging a landlords focus group to explore the potential features and benefits of the GLC further.

Q: Could the CLT support the commercial businesses? Example of Wisden's sports shop which has a Grotbuster section 215 order. Could the CLT help them with the works required?

A: If Wisden's was a member of the Good Landlords Club, we would work with them to achieve the best possible use of the premises from both social and financial perspectives and would be keen to help financially to improve the premises inside and out.

EMPTIES & DIFFICULT PROPERTIES

Q: How will the CLT engage with/put pressure on absent freeholders?

A: This is a challenging area but one in which Jericho Road specialises (see [CADO](#)). The CLT, working with the Council, will seek to obtain and maintain up to date information about ownership of all the properties within the neighbourhood.

RISKS & UNCERTAINTIES

Q: What if the market does not behave in the way you expect? Or developers move faster?

A: We cannot be sure that rents and prices will rise as much or as fast as we fear. However, the model will work anyway

Q: With the Government changing the way social housing and housing associations work and allowing tenants to buy at a discount, will you be protected from being asset-stripped if you are successful?

A: A campaign was brewing to achieve an exemption for community-led housing from the extension of Right to Buy. It appears that this won't be necessary but we will be watching very carefully.

GENERAL

Q: Some people see gentrification as a way of improving the town and that extensive community ownership could have a negative impact on investment by private landlords. The market thrives organically on rental growth. Subverting gentrification will exacerbate the problems in the town – how many individuals/organisations have purchased the Observer with good intentions only to have their aspirations curtailed by the overall downtrodden nature of the town centre?

A: We believe that neighbourhoods should be improved by, with and for the people who live there, work there and love the place. Gentrification is not the only alternative to disinvestment and decline. People will come and go but the wonderful thing about Hastings is that it has been affordable to all – it is enriched by its diversity which comes from affordability. A market that 'thrives' on continual price and rent rises is one that, eventually, destroys community. We need a housing market that provides good quality homes for all kinds of people. We do not know of any Observer purchasers, before the current ones, who had good intentions – every one of the planning applications was opposed in the town and most of them were made only to increase the capital value of the building and put it back on the market.

Q: Could the CLT scare away inward investment if the buildings it purchases remain neglected and dilapidated because of a future problem with funding?

A: If we took this approach we would never have taken on the Pier or Rock House. A committed organisation will not allow its buildings to be neglected or dilapidated because it is driven by social and community values rather than just financial return. We have shown that it is possible to raise capital funding; both the Pier and Rock House have sound business plans that will ensure they are much better kept than they were before community intervention.

Q: Does the CLT see gentrification as a negative influence on the progression of the town centre? Does the CLT understand the need for the town to grow? Is putting a break on growth and keeping rents at a low level seen as a potential problem?

A: We welcome the first wave of gentrification, in which there is minimal displacement and the 'gentrifiers' tend to have a strong interest in the neighbourhood and a tolerance of diversity. From direct experience and extensive academic studies, however, later waves tend to sterilise places by forcing out less affluent people and changing the character of the neighbourhood.

Gentrification is not growth – it does not in itself create new spaces or jobs for people that need them. The only ‘growth’ gentrification achieves is in capital and the return on capital.

Q: What are the benefits for residents, businesses and landlords, and how are they measured?

A: The benefits fall into two categories – the protection of existing community and the ability to attract particular types of residents, businesses and landlords in the future. We want to support residents and businesses that otherwise might be displaced – artists, small businesses, working people on low-medium wages. And we want to see landlords that care about the place they own property. Impacts and benefits will be measured against a baseline to be established by the proposed research project.

Q: Will rents/number of properties influence market value (keep it low for everyone)? Are you competing with first time buyers?

A: Since we are aiming to achieve ownership of 50 properties in an area of around 1,350 residences and maybe 240 businesses (so around 3%), the overall impact on the rest of the market is likely to be minimal. We are not trying to change the rest of the market – just to make sure that there remain in perpetuity some places to live and work for those who would not afford it otherwise. The CLT would inevitably compete with other prospective buyers. However, it usually turns out that buyers who want to live in a house are willing to pay more for it than developers – either private or socially driven.

Q: Do you think that the CLT could attract interest from outside? Are you in touch with examples elsewhere?

A: We believe that there will be national interest in the model – from politicians, practitioners and other communities. WRT is a member of Locality, the CLT has joined the National CLT Network, Jericho Road is supporting neighbourhood groups across the country and Rodney Buse has many contacts in the field, so we can draw on experience from a wide range of efforts elsewhere. We are gathering this material into a ‘wiki’ of case studies.

Q: Why aren't you helping the very poorest who are in the most need?

A: Dealing with homelessness and providing social housing for those most in need are matters for the state and housing associations. The CLT’s aim is to protect and enhance the neighbourhood by achieving affordable places to live and work for those who are just above the safety net but would be displaced if rents rise.

Q: Will the CLT use positive discrimination in relation to types of uses in order to retain the integrity and build up the identity of the area?

A: The CLT will be community-owned and therefore there will be ongoing discussion about the uses that will most benefit the area.

Q: Is capping rent realistic for tenants that need to move elsewhere (once they are used to certain costs it could be a rude awakening)? Will capped rents breed complacency?

A: Some people suggest that affordable rents are a ‘trap’, citing scenarios: that a land trust tenant does really well financially but stays in their cheaper housing, or that someone who needs affordable housing but for some reason has to leave the land trust would find it difficult. We see the first scenario as unlikely – generally people who do well choose to move into larger, quieter, or more rural locations. Anyone who wants to stay and continues to contribute to the land trust and the neighbourhood would be welcome. In the second scenario, someone with a below-market rent threshold will find it difficult wherever there is a scarcity of affordable housing – that is not a reason to avoid providing affordable housing at all.

Q: Are ‘contingencies’ going to force changes in vision? For example: fast-rising rate of inflation; hidden motives of buyers; ‘irresistible’ forces (eg Café Nero)?

A: We are currently identifying the PESTLE (political economic social technological legal and environmental) context for the project. Many things may emerge that can help or hinder our ability to intervene, whether the intervention achieves the outcome, and whether the outcome achieves the desired impact. However, none of these need to force a change in vision, only in implementation.

Q: If the project succeeds it will have a positive effect on the Claremont area long term but will perversely help in a small way to move the area forwards – what safeguards do you anticipate putting in place?

A: This is a hard one! It is true that all efforts to improve the neighbourhood could court gentrification because once the 'barriers' (of poverty and perception) are out of the way,

INFORMATION

Q: What is average earnings in Hastings?

A: £414.40 pw (59th out of 64 cities, Centre for Cities 2015 report). Fallen by 1% 2012-2014

Q: Can you commission a study, or is one being done, to understand who is moving to Hastings and why?

A: We are developing a research project in partnership with the Applied Social Science degree at the University of Brighton Hastings Campus. This will consider both existing residents and newcomers, as well as aiming to reveal and monitor ownership in the area.