



## Homes in Community Hands: Baseline Evaluation Report

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# Homes in Community Hands: Baseline Evaluation Report

April 2020



# Homes in Community Hands: Baseline Evaluation Report

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# About this report

Power to Change's Homes in Community Hands (HCH) programme provides grants to help build and refurbish affordable housing. Specifically, the programme is supporting the development of community-led housing (CLH) in England and has been allocated £7.6 million to do this. Between 2016 to 2018 £1.8 million in grants was disbursed in a vanguard phase of the programme. Between 2019 and 2021 up to £5.8 million additional funding will be made available. These funds will be predominantly targeted at five areas in England, but funding will also be available to support innovative projects anywhere in the country. The programme is being evaluated by a team of leading academics in this field. Over the course of the next three years the evaluation team will assess the impact of the HCH programme on various stakeholders and beneficiaries, whilst also capturing important learning to inform the practice of CLH enablers, CLH groups and other organisations including funders like Power to Change. This report presents findings from Year One of the evaluation, setting a baseline picture for the programme, and sharing early lessons on the formation and activity of enabling hubs.

# About the authors

**Dr Tom Archer** is a Research Fellow at the Centre for Regional, Economic and Social Research (CRESR) at Sheffield Hallam University. Tom has led numerous studies in the field of community-led housing and community ownership of assets. In recent projects he has mapped the funding landscape for community-led housing, forecast the growth of the sector, and evaluated the effectiveness of grant and finance programmes. He is currently evaluating the Nationwide Foundation's Decent Affordable Homes strategy, in addition to directing this evaluation of the Homes and Community Hands programme.

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

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

# Executive Summary

## Introduction

Across England, Community-led Housing (CLH) is growing apace. This is in part reflective of changes in the funding and finance for CLH groups, as well as the emergence and strengthening of enabling support structures. Alongside a major government grant programme – the Community Housing Fund (CHF) – Power to Change have become a key provider of funding and finance to this sector through their Homes in Community Hands (HCH) programme.

The HCH programme has three objectives which can be summarised as 1) to simplify the process of CLH development to ensure localised solutions are found to housing need 2) to create an appropriate and sustainable infrastructure of support; and 3) to develop the funding for CLH projects at any stage of development and to support access to other forms of funding and finance.

To deliver these objectives the programme will help community businesses build or refurbish affordable housing that is designed to meet local needs, as well as supporting enabler organisations. The HCH programme is aiming to offer £5.8 million in revenue funding over three years to support the development of CLH in England. The fund is targeting five sub-regional areas; Leeds City Region, Liverpool City Region, Tees Valley City Region, West of England and the West Midlands. However, additional funding is also being made available to genuinely innovative CLH projects anywhere in England. Allied with this, the HCH programme is funding a package of learning for enabler hubs (being managed by the UK Co-housing Trust). PTC aim to use this, and other learning from the programme, to collaborate with sector partners as they seek to shape future policy for CLH generally.

This report presents evidence and learning from the first year of the evaluation. It provides a baseline picture of funding and activity, as well as detailed practical lessons from the enabler hubs. It is hoped this will be applied by CLH enablers nationally to improve their planning and practices. The emergence of COVID-19 has created a major, unforeseen moderating factor which will affect the work of all grantees and stakeholders, potentially slowing or mitigating their impacts. The evaluation team will respond to this in various ways (see section 6).

## Theories of change and assessing change in practice

As part of the initial work of the evaluation a simplified picture of how the programme intends to create change was developed. This visualises the projected inputs, activities, outputs and outcomes of the programme, and aligns these with some of the broader aspired impacts of the CLH sector. This exercise has highlighted the connections between HCH and other grant funding, meaning that our assessment is focusing on the *contribution* of the former alongside other resources. In this year one report the focus falls on Power to Change's grant-making, the activities being undertaken by grantees, and on emerging and intended outputs of those receiving funding. This evidence is helping refine the theory of change in an iterative process.

Data from Power to Change's grant management systems was used to build a picture of grant making to date. As of 19<sup>th</sup> March 2020, the programme had allocated £3.88m in funding through 42 grants, with individual grants ranging in size from £21,000 to £500,000. Nearly half of all grants made have been to CLH projects, with a further quarter of the funding going to enabler hubs. The vast majority of bids to the HCH programme have been for revenue funding, though bids of over £500,000 were submitted for capital expenditure. From allocations worth £50,000 in 2016, the annual value of grants has increased each year to

£1.6m in 2019. Looking at the geographic remit of the funded enabler hubs, alongside the postcode areas that funded projects are intended to impact on, reveals a clear focus on the five HCH target areas. However, grants have also been made to organisations in the North East and South East outside of the hub areas.

A total of 28 awards were made to individual CLH projects between May 2016-March 2020, the total value of these being £1.81m. A small number of groups have received more than one grant, meaning the programme has supported 29 distinct organisations. Only 14 per cent of project grants have been made to groups outside the five target areas. Funded projects are focusing expenditure on professional services – e.g. designers/architects, solicitors, surveyors, financial planners, and planning and other consultants. This accounts for over half of their total planned expenditure. Application data suggests funded projects aim to develop over 1000 individual homes. Data was not available for four projects, so the actual number of planned homes is likely to be higher. Where information on future tenures was available (505 homes in total) the majority are likely to be made available at affordable rents. Leaving aside the long-term impacts from their work (discussed in section five) the intended outcomes of projects predominantly relate to the provision and improvement of space, for instance, as part of wider regeneration initiatives or attempts to remediate land or renovate existing properties. Projects are seeking to provide (in addition to housing) space for leisure and horticulture, striving to improve physical infrastructure and create community facilities and services. This is as anticipated by our Theory of Change.

The programme has awarded a total of £1.04m in grants to enabler hubs. A number of hubs have received multiple funding allocations, affecting the scale and range of activities undertaken as well as the outputs and outcomes secured to date. The hubs in the Leeds City Region and West of England have, as of March 2020, received three individual HCH grants; the West Midlands hub has received two grants; and the hubs developing in the Liverpool and Tees Valley City Regions just one grant each. Each hub is operating in a unique context, with different legacies in terms of the quantity and form of CLH already in their area, as well as differing levels of support from local stakeholders and more/less conducive policy environments.

For most of the hubs, the funding provided by the HCH programme constitutes only one income stream. Funding for enabling hubs is focused on paying staff costs, though some hubs are adopting models that draw more heavily on associates than employees. Hubs appear to be allocating between 3-14 per cent of budgets to communications, marketing and engagement costs, suggesting promotional activity is not a major expenditure (at least in respect of non-staff costs). There is wide variation in the numbers of groups that hubs intend to support. This may relate to how the hubs are defining 'support', with some only including those schemes that will be advised beyond the initial stage to the plan/build phases. A simple calculation of planned advisor time to groups supported suggests hubs plan to spend between 15-60 hours per group. Analysing this data reveals that these deliverables perhaps extend beyond the HCH grant and are seen more holistically as the outputs of enabling work generally. One significant planned output is the number of new homes either supported by the hub or delivered directly by it – an anticipated total of 889 units. This figure is not entirely additional to the 1000 homes being developed by projects funded through other HCH grant, and some will be supplementary. Future evaluation efforts will try to define the additionality of the hubs in terms of homes created.

In line with our Theory of Change, hub capacity to support groups is clearly increasing. More advisors are being recruited, expanding the support for local groups and projects. For example, the Liverpool City Region hub is rapidly progressing its plan to recruit new staff having only received the first tranche of HCH funding in late 2019. Data from hubs in the Tees Valley, Leeds City Region and West Midlands suggests between 4-7 advisors have undertaken or are undertaking the recognised training and accreditation for enablers.

The HCH programme has played a significant role in capitalising other CLH funds, such as CLT Fund II managed by CAF Venturesome. HCH investments through the CLT Fund II (now closed to new applicants) are contributing to important housing outputs. To date, the CLT Fund II has offered grants and loans to groups developing 243 homes, with 195 of the 243 units planned for shared ownership, and 48 for affordable rent. A significant investment has also been made in the Cohesive Communities Fund (CCF), which is managed by the National CLT Network (NCLTN). This fund aims to empower more communities to set up CLTs - and potentially other models of CLH - and to encourage existing CLH groups to engage a wider cross-section of their community. As of March 2020, 15 grants had been made by the CCF, to a range of organisations including two of the HCH funded hubs. Grantees are using the funding to undertake diverse activities, including intensive community organising and engagement in order to strengthen local involvement in specific CLH schemes. Others are seeking to use the funding to increase the capacity of community members, providing training opportunities and increase the numbers of people on project steering groups.

## Enabling CLH

### Origins and Context

The five hubs are grounded in distinct local contexts and traditions. They build on earlier support structures and alliances; secondary cooperatives in Birmingham and Liverpool the 'hatch and dispatch' self-help housing network in the Tees Valley, and coalitions of existing CLH groups in the cities of Leeds and Bristol. Geographical remits initially followed existing alliances of founder members and local authority partners, but subsequently broadened to reflect financial sustainability concerns, regional governance trends and community needs for enabling support across wider areas. Combined Authority areas now form the geography for three of the hubs, and all hubs cover at least three local authorities. All five hubs serve predominantly urban areas, distinguishing them from earlier generations of rural enabler hubs. Widening geographical remits pose significant resource, governance and accountability challenges. Relationships with adjacent hubs are also important to strengthen the wider hub network. Each hub is transitioning from initial formation to service delivery, prompting further changes in relation to governance and business models.

### Governance and Organisation

A key strategic decision faced by all hubs was whether to set up a new organisation or to host the hub within an existing organisation. Three decided to host within an existing organisation while two opted to form new community benefit societies. This led to different governance consequences and challenges and some interesting learning for others. The new organisations needed to establish governance structures and policies from scratch at the same time as planning the delivery of services. The hosted organisations needed to maintain trust and accountability for the hosting body with partners and stakeholders. Steering groups for hosted projects provided similar functions to boards in the standalone hubs. Each approach has its advantages and disadvantages, but advocates of hosting claimed it lessened workloads as well as reducing the probability of the organisation and/or project folding on grant expiry.

All hubs were initially rooted in the CLH sector with many requisite skills and connections to local stakeholders. Over time the skills and local knowledge base has broadened, and the selection of board members moved from representation of partner organisations to wider skills and experience-based criteria, and links with a wider geographical area. Another challenge has been to manage the work between volunteers, paid staff and associates and to develop transparent procedures to deal with conflicts of interest. Building the brand of the hub required care where multiple partners were involved in hub outputs. COVID 19 led to the speedy adoption of virtual board meetings, changes in engagement practice and re-profiling of project plans and development pipelines. Future evaluation of governance models will



seek to clarify composition of boards in terms of member's age, gender and ethnicity, and to explore membership and election processes.

## **Business models for enabling work**

A key challenge faced by all hubs was to achieve viability by the time of grant expiry. In addition to grant funding, hubs may generate income through fees charged for early stage advice, fees charged to completed developments, or holding and developing assets in their own right. Hubs had identified a variety of ways to deliver specialist advice and technical support to communities through the five development stages. Choices were made on the mix between directly employed staff and a pool of associate advisers, and the balance of work between early stage advice and technical support at later stages of project development. A network of associates and advisors may equip hubs to provide support for a diverse portfolio of CLH schemes but issues of consistency and quality control also need to be addressed.

Hubs were systematising their approach by developing diagnostics for group capability and support needs, work allocation models and flowcharts for mapping project progress and engagement. Hubs are beginning to design mechanisms and processes to empower communities within the enabling work, including community-led selection of enablers for each project and for groups to express their satisfaction with the support received. More sharing of information is needed on how different types of enabling support are delivered and how work is allocated and charged out.

Generating income to support financial sustainability might involve broadening the portfolio of hub activities from group support and policy influencing. Options being considered by hubs include asset acquisition and development, as well as consultancy services on the 'developer model' to assist larger development partners such as Registered Providers, Municipal Housing Trusts and commercial developers to produce genuinely community-led projects. Hubs may also develop niche products and services to, for instance, support off-site construction projects, inner urban regeneration and health and social care services.

## **Partnerships and Policy work**

All of the hubs were engaged in influencing local policy and building a climate of support from a wide range of local stakeholders; variously allocating up to 40% of hub staff and volunteer resource to this work. This built on guidance from Co-operative Council's Innovation Network and NCLTN support for local policy campaigns. The NCLTN data base on local authority CLH policies suggests that these five (predominantly urban) areas had not been at the forefront of CLH policy development prior to the establishment of the hubs; although Bristol and Leeds are individually recognised as front-runners.

Hub visits identified progress in securing formal policy commitments after the NCLTN survey. Several forms of policy support had been secured from core local authority partners. This included the development of housing and planning policies to support CLH, links to self and custom build registers and land disposal policies, council funding for enabling officer posts, and (more rarely) links to CLH in policies concerning private sector housing, empty homes and social care.

Local authorities are not singular entities, so hubs learned to work closely and comprehensively with different actors to win support. Success at the political level has not necessarily lead to effective policies on the ground. Persistence in systematic documentation and communication with councillors and officers in a number of departments - as well as engagement with a lead policy officer - were important in taking policy through the internal decision structures of Councils. Successful campaigns engaged with local authorities' own agendas to show the value of CLH in achieving wider outcomes beyond housing, for example

in reversing neighbourhood decline, building social stability into new settlements, overcoming social isolation and loneliness and linking with health and social care provision.

All of the hubs are now trying to influence more local authorities. A question for the evaluation will be the extent to which policy influence can be exerted over a wide geographical area; given the learning reported here about the extent of policy work and relationship building required to influence each individual local authority. Achieving a supportive climate for CLH in hub areas involves a wider range of stakeholders than the local authority. Housing development partners such as Registered Providers, Municipal Housing Companies, private housing developers, and land holders are particularly important if the potential of CLH is to be translated into a significant volume of new housing.

## Impacts

There is likely to be a significant time lag between grants being made and impacts being fully realised. This is a recurring issue for investors in CLH given the timescales for developing housing schemes. In this year one report we have focused on the intended impacts of grantees, to provide a detailed picture which can be used to guide data collection in future years. Power to Change specifies impact types for their funds to identify impacts on grantees, on marketplaces (in this instance the market for housing), on people and on places. In section five we use this typology to assess the intended impacts arising from the grants.

Grantees specified their primary impact area from a pre-determined list in the application process. In keeping with the tradition of CLH, 'increasing community pride and empowerment' is a prominent theme. However, the significant focus of grantees is 'better access to services', potentially reflecting their desire to improve access to housing, among other services. Assessing the impact statements of grantees reveals a wide range of anticipated benefits for specific groups arising from the housing and services they provide. These impacts relate to reduced exclusion, enhanced support for community members, improved employment and training opportunities, increased energy efficiency of housing and broader improvements to the sustainability of communities, increased integration between community members, access to home ownership, and boosting local economies in sustainable ways. One of the key tasks of the evaluation will be to explore and unpick the role of grantees in contributing to these impacts – should they arise - alongside other causal factors.

## Conclusions and implications for the research

COVID-19 is a major moderating factor on the activities of grantees, the impact of which must be understood as part of the evaluation. Future data collection will seek to explore, directly, the impact of this crisis on the grantees and how this is affecting the outputs and outcomes secured. During the next year of the evaluation the focus will shift toward standardising data collection processes, extending our qualitative research in the hub areas (with staff, associates, stakeholders, and users), on assessing the activities and change being created by the work of project grantees, and on understanding the work of grantees funded through match-funded programmes. As the evaluation progresses, the focus will shift toward measuring and understanding the emergence of outcomes and longer-term impacts, and on providing more focused learning for enablers on how best to support CLH in their area. It will be necessary to adapt the evaluation methods and timescales to function effectively in the current context of social isolation, and to match this with any reprofiling of activities by grantees.

# Introduction

Power to Change (PTC) has set a bold ambition to grow and strengthen the community business sector in England. Over the course of its ten-year lifetime it will use its endowment to increase the number of community businesses in England, catalyse the place-based impacts of these organisations, and play a wider role in advocacy for the sector. A key group of community businesses being supported by PTC are those undertaking community-led housing (CLH). These groups are - generally speaking - run by local volunteers and staff and seek to address local housing issues, notably through the provision of affordable housing. CLH takes many forms, and these initiatives can target differing outcomes and models of governance, but a set of defining characteristics has emerged in recent years. Community Led Homes, the partnership of national bodies supporting this movement, define CLH as being where:

- i. Open and meaningful community participation and consent takes place throughout the process.
- ii. The community group or organisation owns, manages or stewards the homes in whichever way they decide to.
- iii. The housing development is of true benefit for the local community, a specific group of people (an intentional community), or both. These benefits should also be legally protected in perpetuity.<sup>1</sup>

Aside from strengthening the evidence-base around CLH, and helping the national partnership make proposals to government about future funding, Power to Change have provided grant funding to a range of organisations undertaking and supporting CLH. This is provided through the Homes in Community Hands (HCH) programme, providing funding to support community led housing (CLH) in England.

## 1.1. The context to programme

In England CLH has a long history, its presence within the housing supply system ebbing and flowing for at least a century. The noughties saw a resurgence of interest in CLH, as new organisational and operational forms began to grow (Heywood, 2016; Mullins and Moore, 2018), as the value and limitations of CLH began to be more actively discussed (Moore and McKee, 2012). On a bedrock of long-standing housing co-operatives and tenant management organisations (TMOs), new groups began to form as community land trusts (CLTs), cohousing groups and as self-help housing initiatives. The term 'Community Led Housing' emerged as unifying concept for various forms of activity. Studies were commissioned to assess the pipeline of schemes

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

coming forward (Kear, 2017), to understand how all forms of funding should be targeted (Archer et al, 2017) and to define the key requirements of enabling support for CLH (Duncan and Lavis, 2018).

Authors of this report had, some years earlier, articulated the critical role CLH enablers might play in developing this sector (Moore and Mullins, 2013). Studies began showing what had long been known in the housing co-operative movement, that areas with strong enabling infrastructure experience more significant growth in CLH (Aird, 2009; Dayson and Paterson, 2012), and dedicated work with some of the early enabling organisations corroborated this (Moore, 2015). It has been increasingly suggested that the enabling infrastructure for CLH is an embedded and crucial part of a wider delivery system (Lang et al, 2019). This weight of evidence has led charitable funders to look beyond grant-making to local CLH projects, and to start to invest in the wider infrastructure for support (Nationwide Foundation, 2020).

With growing evidence to support their case, more funding and finance has flowed into the sector (Archer et al, 2017), supporting specific forms of CLH like CLTs (Archer et al, 2019) but also distinct geographies (Moore et al, 2018; Cornwall Council, 2020) and testing new financial products which target different barriers to development (Resonance, 2020; Big Issue invest, 2020; CAF Venturesome, 2020). The impact of persistent lobbying enabled the sector to secure commitment from the government to create a Community Housing Fund, providing revenue and capital grants to CLH groups, but also providing funding to develop the infrastructure of support. This has led to new strands of work to create an CLH enabler training and accreditation system, a new fund for start-up support for groups, a national CLH advice centre and, crucially for this evaluation, dedicated grant funding for enabler hubs. Community Housing Fund grants were allocated to hubs by early 2020, providing them with revenue support until 2021.

CHF funding for local CLH projects was constrained by the window of time in which applications could be made and allocated, as groups had to move quickly to access funding between September 2018 and the end of 2019. Revenue funding to help groups form, acquire sites/property and secure planning was significantly oversubscribed. However, the capital fund was underspent, as schemes funded with revenue support could not progress quickly enough to access it. The sector hoped that the CHF would be extended for five years, but no extension was announced in the 2020 Spring Budget.

In summary then, the HCH programme has been initiated at a time of increasing investment in CLH, by government and other parties. That is not to say demand for funding has been met, as recent analysis suggests investment has stimulated significant interest in CLH and created a large pipeline of future schemes (Archer, 2020). Furthermore, government's investment in the enabling infrastructure for CLH has run alongside that provided by HCH, and in a similar flexible structure. This has implications for what outcomes are attributable to HCH funding, and what is contribution alongside other funding (see Section 3 below). With uncertainties around the future of the CHF, this brings into focus the key role that the HCH programme is playing and could well play in future years, as government support is reduced. This raises the prospect of those developing CLH being able to access less grant funding, relying more heavily on debt finance or blended forms of funding.

A more recent set of events has also begun affecting the delivery of the programme, and the work of grantees. The coronavirus pandemic, bringing with it significant restrictions on working practices and great economic uncertainty, is likely to affect the delivery of CLH schemes and the development of related support infrastructure. The pandemic also has implications for the evaluation. Later in this report we identify the

early impacts of COVID 19 for hub organisation and governance and also for the evaluation methodology.

## **1.2. A brief introduction to the programme being evaluated**

The HCH programme has three stated objectives are:

- i. To simplify the process of community-led housing development to mobilise a movement of community-led housing projects so that people are inspired and enabled to develop successful local solutions to housing problems.
- ii. To create an appropriate and sustainable infrastructure of support for community-led housing projects and Local Authorities to access; and
- 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 is providing grants to help community businesses build or refurbish affordable housing designed to meet local needs. It is investing directly in local CLH groups to enable them to develop their organisation and their housing scheme, whilst also providing grants to enabler organisations, and others who can help CLH groups realise their schemes.

The HCH programme is aiming to offer £5.8 million in additional revenue funding from 2019 to 2021, as it seeks to support the development of community led housing in England. Some capital funds may also be available to a limited number of grantees. The fund is targeting five sub-regional areas; Leeds City Region, Liverpool City Region, Tees Valley City Region, West of England and the West Midlands. However, additional funding is also being made available to genuinely innovative CLH projects anywhere in England. Alongside such grant making funds from the HCH programme are supporting a programme of learning for enabler hubs (being managed by the UK Co-housing Trust), and PTC will engage in collaborative work with sector partners to influence future policy and funding for CLH generally.

## **1.3. Aims of this report**

This is the first report from the evaluation of that programme. Over the next three years the evaluation will assess the impact of the HCH programme on various stakeholders and beneficiaries, whilst also capturing important learning to inform the practice of CLH enablers, CLH groups and other organisations (including funders such as Power to Change). This report presents findings from Year One of the evaluation, setting a baseline picture for the programme, and sharing early lessons on the formation and activity of enabling hubs.

## **1.4. A summary of methodology**

This report draws on various data collected through the course of 2019 and to March 2020, including:

- Individual grant applications and grant management information.
- Three telephone interviews with programme contractors, other CLH funders and consultants active in supporting the sector.
- A workshop with representatives from the UK government, partners in Community Led Homes, Homes England and other sector stakeholders.

- Between 1-5 interviews with representatives active in each of the five funded enabler hubs (16 in total).
- Visits to hub areas and observations of 3 hub Board and partnership meetings.
- Data provided by the hubs on their governance, current operations and support for groups.
- Programme management and application 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.

This information has been synthesised to provide two types of content in this report, that which helps us understand the programme (its inputs, the activities funded and emerging outputs from grantees), and content that helps us learn about how hubs have developed in their local context, how they are operating, and what strengths, weaknesses, opportunities and threats they may face.

# The programme Theory of Change and Research Framework

# 2

## 2.1. Programme theory of change

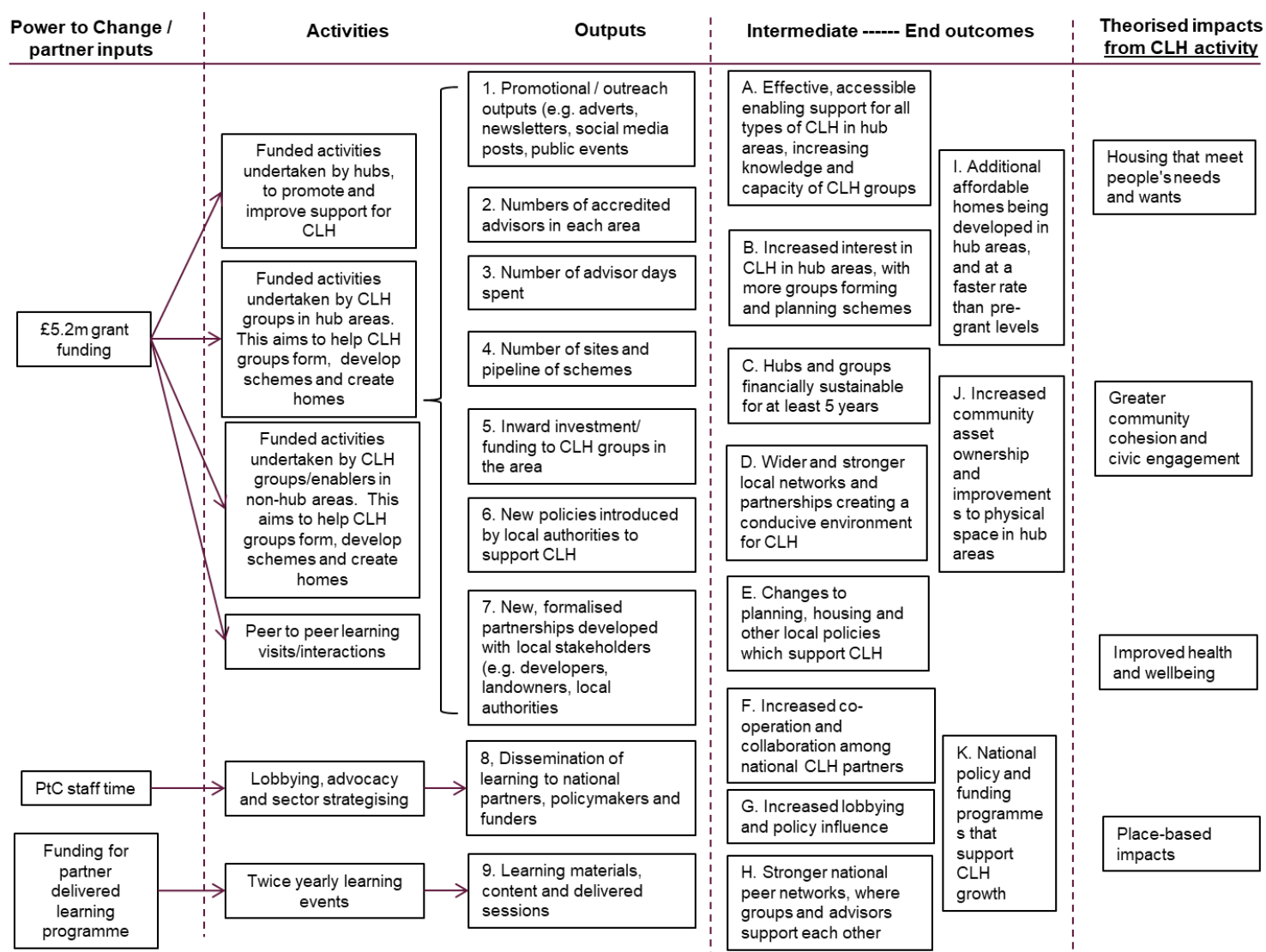
To guide the evaluation, and the implementation of the programme, the initial phase of the research focused on developing a Theory of Change for the programme. This is outlined in a separate document (Archer et al, 2020). A key component of this was a logic model that depicts the flow between programme inputs, activities undertaken, outputs generated, outcomes secured and the impacts in various forms. This model is iterative in nature, under constant review to ensure it reflects the intended changes processes and is also responsive to other moderating factors. This has become particularly important as the coronavirus pandemic has affected the activities of grantees, and we anticipate changes to the model associated with this in the coming months.

Figure 2.1 below presents this logic model. It tries to capture, primarily, the activities that will be undertaken by enabler hubs and project funding, and the largely quantitative outputs to which these activities contribute. These relate to broader outcomes which relate to both housing production, but also changes in the landscape for CLH. The impacts used are those agreed by the Community Led Homes partnership, adopted wholesale in this study to aid alignment between evaluations. Section 3 present information from existing programme data, and primary research with the enabler hubs, to explore if the programme is progressing in the manner anticipated by the logic model.

## 2.2. Moderating factors

The logic model is only one component in the Theory of Change. To understand the factors, external to the programme, that can affect change at different stages in the logic model, various moderating factors have been projected (see Appendix 1). These are categorised into those affecting enabler hubs and those affecting CLH projects. These moderating factors will inform our data collection, helping us establish the contribution or significance of these to what grantees can achieve. The notion of contribution, not attribution, is important. Both hubs and CLH groups are likely to be in receipt of multiple grants, which would make claims about the *attributing* outcomes to the HCH programme very difficult to validate. It is because of this, alongside other methodological considerations, that we think contribution analysis (Mayne, 2011; Dayson, 2017) will prove a useful approach. This seeks to compare an intervention's theory of change with the weight of evidence collected to draw robust and plausible conclusions about the contribution it has made to the outcomes that have occurred. It will seek to develop a 'contribution story' that builds up evidence about the contribution made by an intervention alongside the potential influence of other factors on an outcome.

**Figure 2.1: HCH logic model**





## The Programme: inputs, activities, outputs and outcomes

The following section explores whether the HCH programme is developing as the Theory of Change suggests. It focuses largely on grant-making through an analysis of available data on grants (inputs), the types of activities they are undertaking/planning to undertake, and the outputs and outcomes they are making/intending to make. We break this analysis down by grantee type, specifically 1) CLH projects 2) enabler hubs and 3) other funder and infrastructure bodies.

### 3.1. Programme overview

Figure 3.1, overleaf, provides an overview of grant making between May 2016 - March 2020, using data from Power to Change's grant management system<sup>2</sup>. The programme has allocated £3.88m in funding through 42 grants, with individual grants ranging in size from £21,000 to £500,000. Nearly half of all grants made have been to CLH projects, with a further quarter of the funding going to enabler hubs. Further details on grants to projects and hubs are provided in sections 3.2 and 3.3 below. The vast majority of bids to the HCH programme have been for revenue funding, though bids of over £500,000 were submitted for capital expenditure. From allocations worth £50,000 in 2016, the total value of grants has increased each year to £1.6m in 2019. For the period January-March 2020, a further £754,000 in grants has been awarded.

Figure 3.2 shows the geographic distribution of grantees, identifying the geographic remit of the funded enabler hubs, alongside the postcode area that funded projects are intended to impact on. Funding to date has centred on the five hub areas. However, grants have been made to organisations in the North East and South East outside of the hub areas.

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<sup>2</sup> Whilst some grants were classified as 'awarded' the contracts may not have been in place at the time of writing. Furthermore, several grants were awarded in March 2020 but not included in the analysis, since they were logged after the data was extracted on 19<sup>th</sup> March. These grants will be included in data for year two of the evaluation.

Figure 3.1: Programme overview

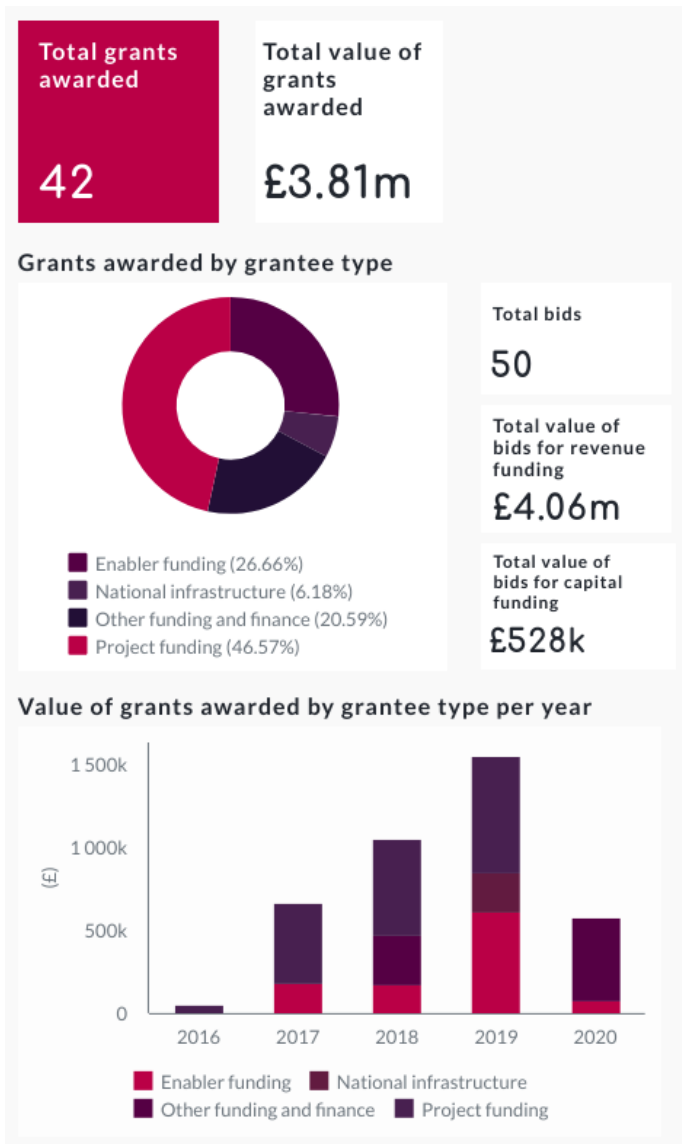
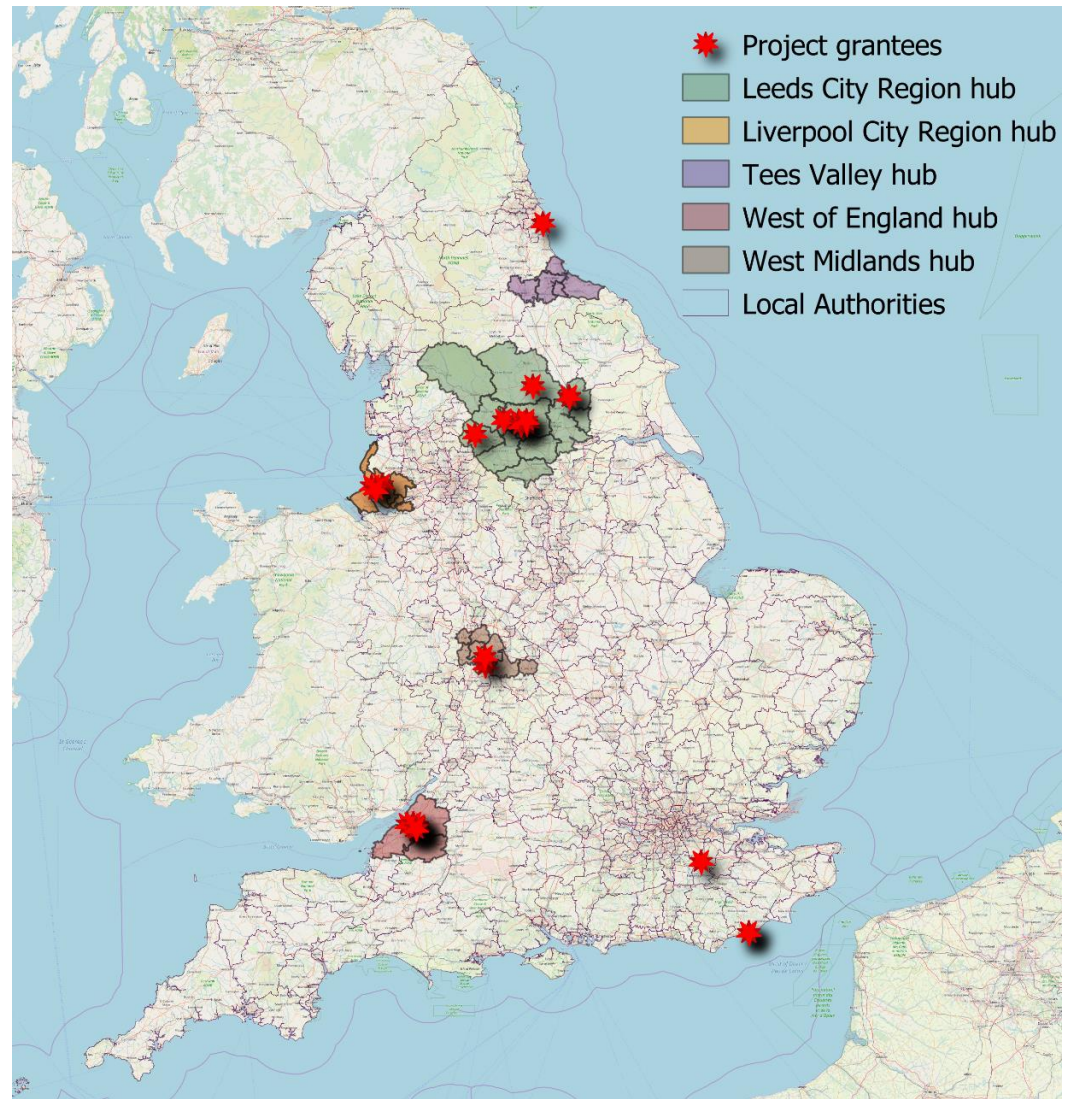


Figure 3.2: Funded hubs and projects



© OpenStreetMap contributors

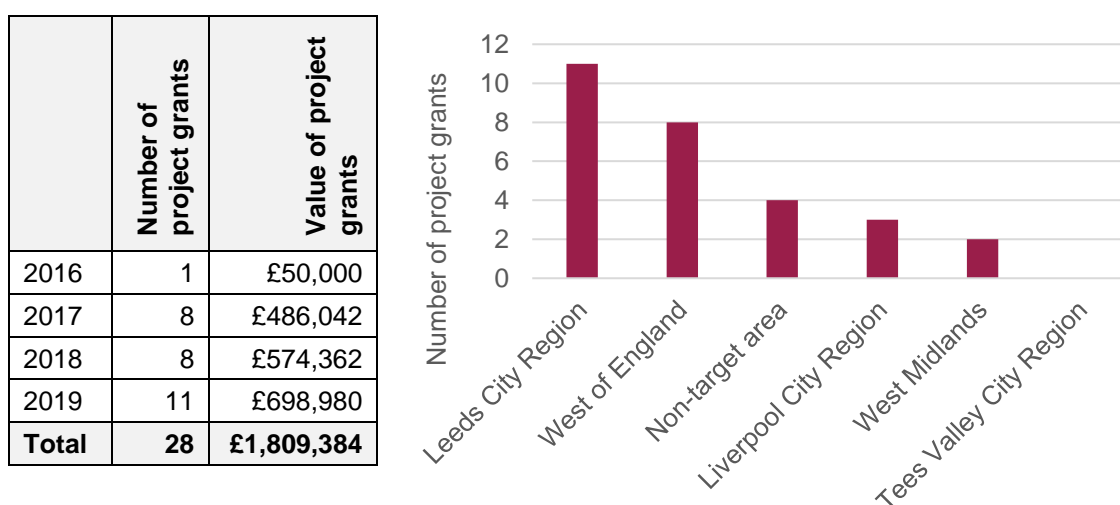
## 3.2. Project grants

### Inputs to projects

A total of 28 awards were made to individual CLH projects between May 2016-March 2020, the total value of these being £1.81m (Figure 3.3). A small number of projects have received more than one grant, meaning the programme has supported 24 distinct organisations. Not all funding has been in the form of grants. Two projects have been awarded blended finance (a grant and loan mix) with the grant element totalling £109,000<sup>3</sup>.

The majority of project grants have been made to groups operating in the five target areas, with most of these collaborating with the funded enabler hubs (Figure 3.3). Only 14 per cent of project grants have been made to groups outside the five target areas.

**Figure 3.3: Number, value and geographical distribution of project grants**



### Activities being undertaken by Projects

All projects funded by the HCH programme are seeking - as a primary activity - to bring forward new housing schemes, in the form of newly built housing and through refurbishments/changes in use to existing stock. These projects, like most CLH schemes, are evolving through a series of well understood phases; group development, site/property identification and acquisition, securing planning consent (if required), building and construction, and a 'live' phase in which the homes are inhabited. Whilst these stages help understand the CLH journey, they perhaps oversimplify the process, as the activities undertaken in these phases are often done in parallel with one another, and in non-linear ways. They also differ between new build and existing property projects and between projects developed by existing groups and new groups.

In strict evaluation terms, what we are particularly interested in is what activities are being supported by the HCH grant funding itself (acknowledging that this will only be a proportion of the tasks being carried out). For all grantees the HCH grant will only cover a proportion of costs, and hence the HCH programme makes a *contribution* to the overall project. In later years of the evaluation this issue will be explored in more detail, and with more sophisticated processes for data capture. However, for this stage of the evaluation it is important to look at activities that are planned with the use of

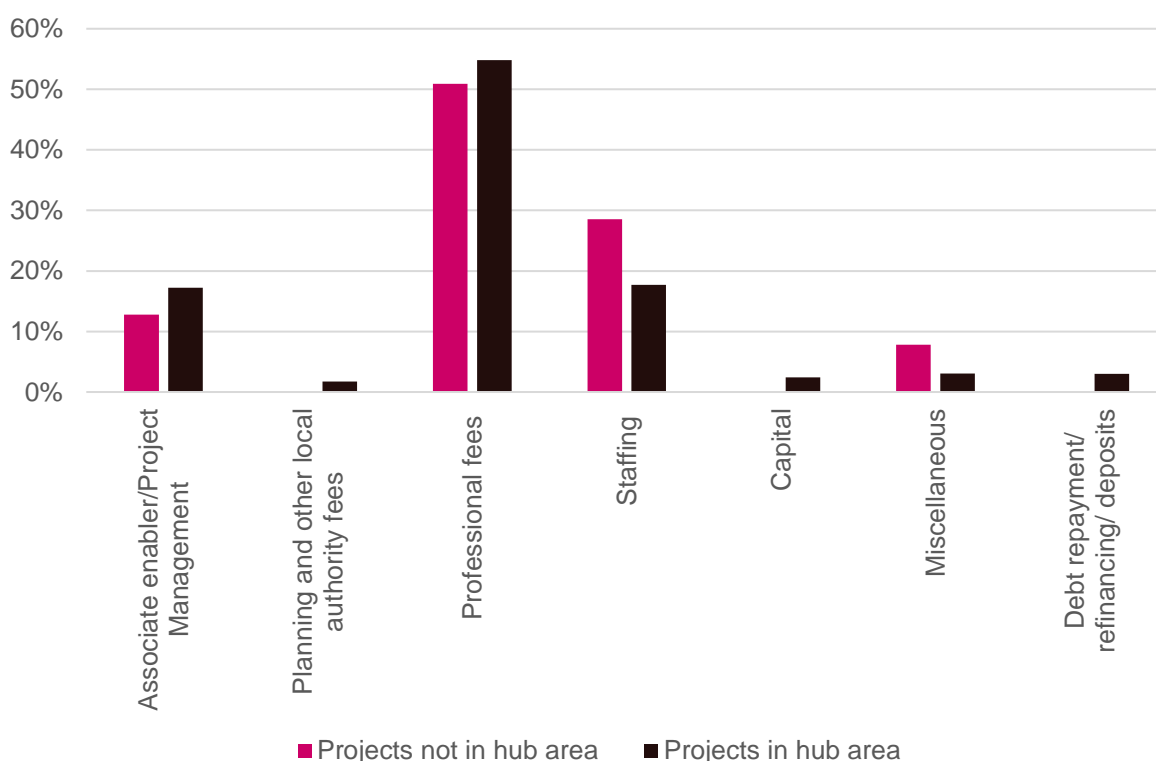
<sup>3</sup> This funding is in addition to the blended finance provided through the CLT Fund II.

HCH funding, as we start to define the relationship between programme grant-making, the activities undertaken, and the outputs and outcomes achieved.

Hence, we have analysed the budgets set out by those projects in the application process (Figure 3.4). What emerges from this analysis is a clear pattern in expenditure which is focused on meeting the costs of professional services. This relates to expenditure on designers/architects, solicitors, surveyors, financial planners, and planning and other consultants etc. This accounts for over half of the total expenditure of HCH grant by funded projects (54 per cent). Other significant expenditures relate to staffing (20 per cent of total expenditure), project management services/support from an enabler organisation (16 per cent), and miscellaneous costs (4 per cent), which includes expenditure on, for instance, meeting venues and catering, travel, recruitment, insurance and materials. It should be acknowledged that these categories overlap somewhat, and projects are resourcing the same activities in different ways (for instance, some are project managing the development process with existing staff whilst others are using contractors to do this).

Some important differences exist in the budgeting of projects operating inside and outside of the hub areas. A greater proportion of expenditure by projects in non-hub areas is going to staffing and miscellaneous items. Those projects within hub areas are (perhaps surprisingly) allocating more to enablers and other professionals than those outside these areas. This may reflect how advanced the projects are in the former, or differences in the scale/complexity of schemes. However, it may also highlight how HCH project funding is flowing to the enabler hubs in *addition* to their hub grants.

**Figure 3.4: Allocation of budgets (HCH grant only)**



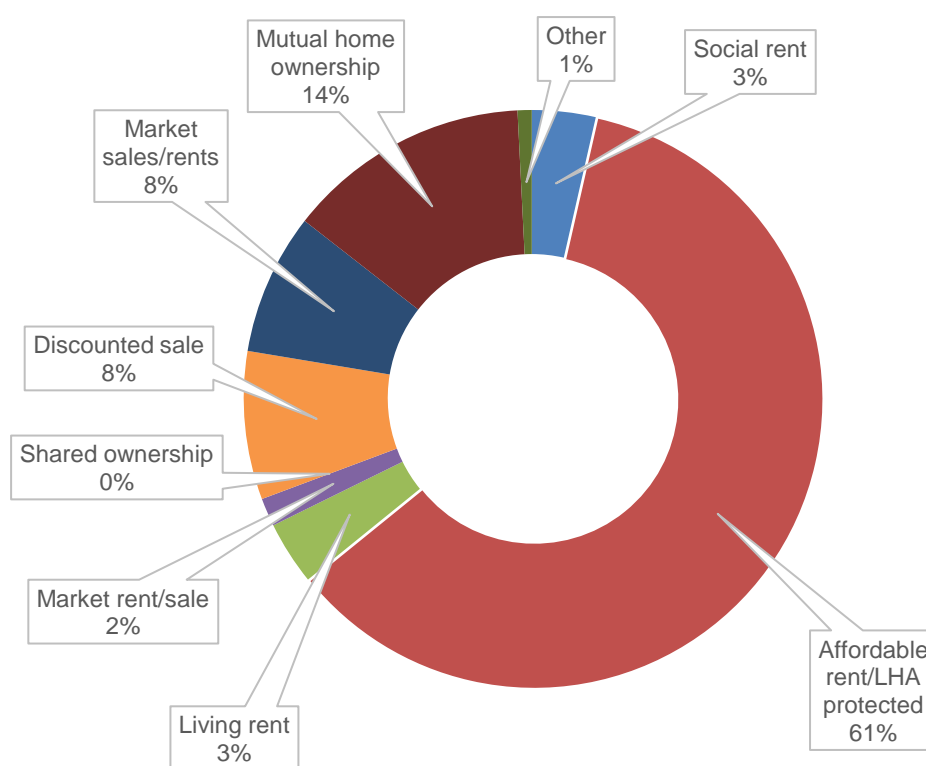
Expenditure profiles reflect the fact that, at the point of application, most projects were working on pre-development issues; developing financial plans, trying to secure a site/property, or in the process of applying for planning permission. For projects where information on development stage was available (24), only three were in the post-planning phase.

As the evaluation continues, we will explore in more detail whether these planned activities are indeed those undertaken, and what other key activities have been made possible by the funding.

### **Outputs and outcomes associated with Projects**

Grantee projects aim to develop over 1000 individual homes. For four projects data was not available on the number of homes to be developed, so the actual number of planned homes is likely to be higher. For 13 grantees the future tenures of those homes (505 in total) were identified in their applications (see Figure 3.5 below). This revealed a focus on affordable rent products. This potentially reflects the influence and role of the Community Housing Fund in supporting these schemes, and also the partnerships that are in place with housing associations.

**Figure 3.5: Tenure of future units**



In terms of their type of development project, the majority of the funded projects aim to develop new build housing. From the 15 projects providing this relevant information, a total of 652 units are planned as new build homes, and 41 for refurbishment of existing properties. Unfortunately, the intended CLH model (CLT, cohousing, cooperative etc) has not been systematically captured in this data; it is hoped that this gap can be filled in future data collection.

Aside from these housing-related outputs, grantee projects are anticipating a wider set of outputs and outcomes. Leaving aside the long-term impacts from their work, discussed in section five, the intended outcomes of projects predominantly relate to the provision and improvement of space, for instance, as part of wider regeneration initiatives or attempts to remediate land or renovate existing properties. Projects are seeking to provide (in addition to housing) space for leisure and horticulture, striving to improve physical infrastructure and create community facilities and services. This is as anticipated by Theory of Change.

In the coming year of the evaluation a more detailed picture of the work of funded projects will be developed, helping us track the outputs being delivered, how these have been realised, and the barriers preventing progress. The baseline picture presented here though suggests projects are seeking outcomes beyond housing, to improve physical spaces generally, and provide additional facilities and services.

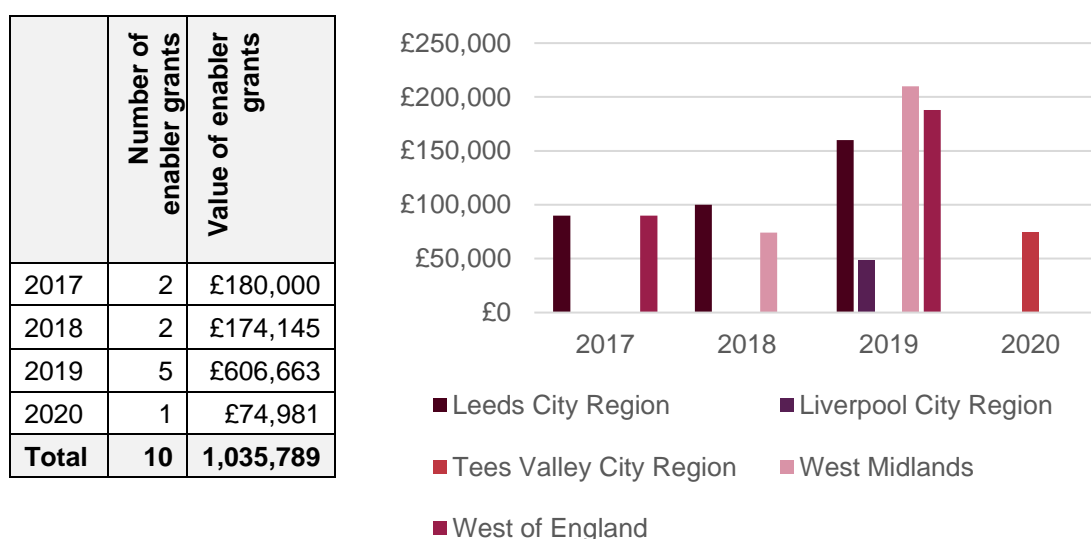
### 3.3. Enabler hub grants

#### *Inputs to enabler hubs*

The programme has awarded a total of £1.04m in grants to enabler hubs. A number of hubs have received multiple funding allocations, and this affects the scale and range of activities undertaken and outputs/outcomes secured to date. For ease of reference we refer to the hubs in this section by the geographical label given by Power to Change. In Section 4 we discuss in more detail the hubs development as individual or hosted organisations<sup>4</sup>.

The hubs in the Leeds City Region and West of England have, as of March 2020, received three individual HCH grants; the West Midlands hub has received two grants; and the hubs developing in the Liverpool and Tees Valley City Regions just one grant each. This, in part, reflects the stages of development of the hubs and their point of initiation. In evaluating their impacts it will be critical, in future years, to explore the linkages between the HCH grant for hubs and the CHF Enabler Grants. All the five hubs receiving HCH funding are also in receipt of the CHF enabler grants. The extent to which these funds are complementary, targeting distinctive objectives, or simply part of the overall revenue of hubs, will be an important issue to explore.

**Figure 3.6: Number, value and allocation of rounds of enabler grants**



**Note:** Two grants awarded to West of England in 2019

To understand the inputs to hubs we have analysed recent funding applications. The Leeds City Region hub has set out its funding requirements for 2020 and 2021. The other hubs have set out their requirement for the coming year only, which represents the third year of funding for the West of England hub), the second year of funding for

<sup>4</sup> The official names of the hubs are as follows: Community Housing Tees Valley (Tees Valley City Region), Community-led Homes West (West of England), Leeds Community Homes (Leeds City Region), Liverpool City Region hub (no official name as yet), and West Midlands Urban Community Homes (West Midlands)

the West Midlands hub, and the first year funding for the Tees Valley and Liverpool City Region hubs.

For most of the hubs, the funding provided by the HCH programme constitutes only one income stream. Analysis of their budgeting sheets (provided at the application stage) suggests the hubs are receiving other grant-funding (from sources such as the CHF Enabler Grants programme). Furthermore, the hubs are expecting to generate revenue through fees, receipts from development, share issues and other forms of debt finance. Figure 3.7 below presents this analysis, revealing differences in the scale and proportion of other resources being leveraged.

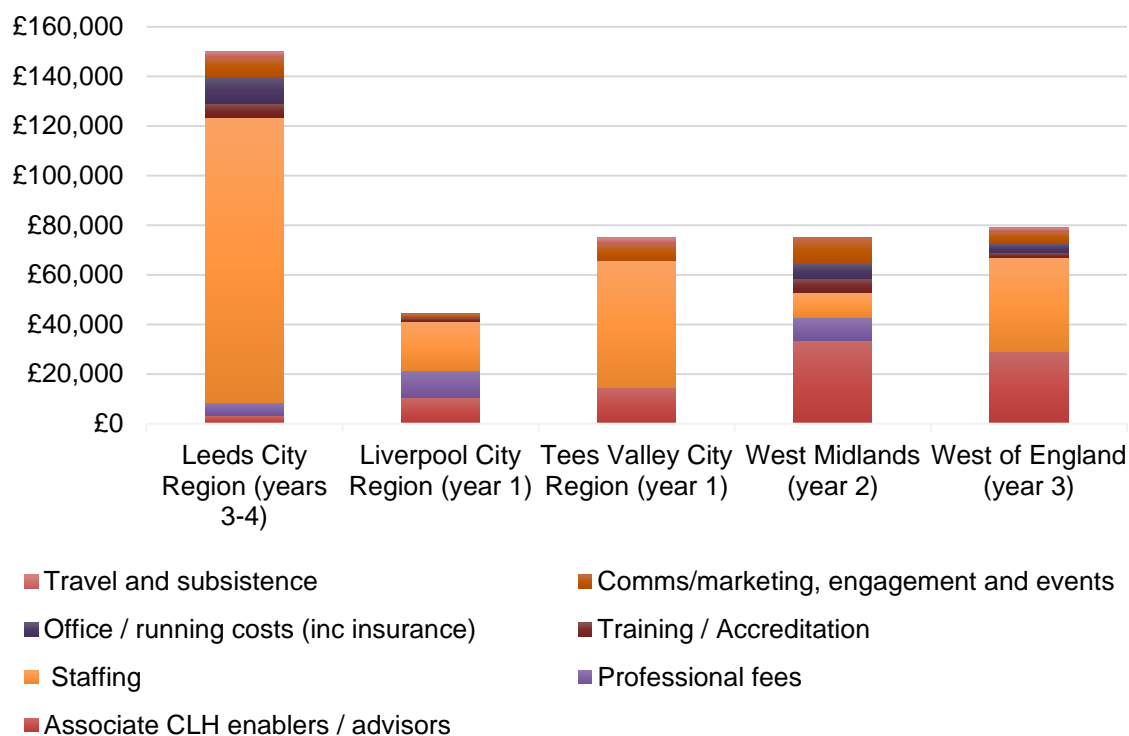
**Figure 3.7: HCH grant as proportion of all enabler resources**



### ***Activities being undertaken by Enabler Hubs***

As noted above in regard to project grants, we are particularly interested in the activities being undertaken by the hubs with the HCH grant. This is important if we are to understand the *contribution* the programme is making to overall impacts. As with project grants. We have analysed the planned expenditure of the hubs to understand what they plan to do in the coming years (Figure 3.8).

**Figure 3.8: The planned expenditure of grant funded hubs**



This analysis reveals that HCH grants will generate significant capacity in the form of staff time. For each hub these staff members will perform different functions; for all the hubs HCH funding is covering all or some of the salary of a Director or Hub manager (the exception being the West Midlands hub who initially intended to use CHF for this function). Some hubs are directly employing advisors to support groups at an early stage and, as is the case in Leeds, a part-time Development Director to offer technical support and project management for schemes. Other hubs are intending to rely more heavily on associate advisors to provide this support (see section 4 for more detailed discussion). Hubs appear to be allocating between 3-14 per cent of budgets to communications, marketing and engagement costs, suggesting promotional activity is not a major expenditure (at least in respect of non-staff costs). It should be acknowledged however that this picture, which has been constructed from their application forms, may be changing as hubs respond to emerging opportunities and challenges. For instance, primary research with WMUCH suggests they are considering changes in the allocation of HCH monies to cover more staffing costs.

It should be emphasised that these expenditures relate purely to the HCH grant, and there is evidence that significant additional resource is being used to provide enabling support and undertake other activities. For instance, whilst the Leeds City Region hub has focused its HCH grant on staffing, £130k of additional (non-HCH) resource will be expended on associates between 2020-21. This re-emphasises the fact that the HCH funding is a contributory factor in any outcomes and impacts secured (rather than directly attributable).

This analysis also fails to shed light on the extent to which HCH funding will support efforts to change local policy conditions and build partnerships, seen to be a key function of the hubs. This is explored in detail in the Section 4, and will become a key issue for data collection with hubs.



## Outputs and outcomes associated with Enabler Hubs

As context it is important understand the varying levels of CLH in each hub area. To establish this picture we have drawn on data compiled in 2017 on individual CLH schemes in the UK (World Habitat, 2017)<sup>5</sup>. Aggregating this data for each hub area gives a baseline (and a long-term, historic picture) of CLH activity before the hubs began in earnest.

**Figure 3.9: CLH schemes in hub areas in 2017**

		<b>TOTAL</b>	Cohousing	Housing co-operatives	CLTs	Self-help	TMOs	Community Anchors
Community Housing Tees Valley	<i>Projects</i>	<b>13</b>	0	1	1	7	4	
	<i>Homes</i>	<b>1151</b>	0	29	5	159	958	
Leeds Community Homes	<i>Projects</i>	<b>41</b>	12	9	5	10	5	1
	<i>Homes</i>	<b>5416</b>	32	79	2	287	5016	3
West of England	<i>Projects</i>	<b>9</b>	1	3	3	2	0	1
	<i>Homes</i>	<b>76</b>	0	34	14	28	0	0
Liverpool	<i>Projects</i>	<b>43</b>	0	32	2	5	4	
	<i>Homes</i>	<b>4277</b>	0	2154	3	52	2068	
West Midlands Urban Community Homes	<i>Projects</i>	<b>51</b>	0	26	1	6	18	2
	<i>Homes</i>	<b>6050</b>	0	4947	33	198	872	218

Source: World Habitat dataset April 2017 analysed by Evaluation Team

Figure 3.9 shows the significant variation in projects and homes in each hub area. This may reflect the momentum behind CLH locally or simply historic patterns of development. Throughout the evaluation we will refer back to this evidence to track the speed of development of CLH in each area, and what forms of CLH schemes are emerging the most.

In their applications for grant funding, grantees were asked to set out their intended outputs against a series of standardised 'deliverables' (summarised in Figure 3.9 below). There is wide variation in the numbers of groups that hubs intend to support. This may relate to how the hubs are defining 'support', with some only including those schemes that will be advised to later plan/build phases. Other hubs may be including any group that is given some enabling support. Further work in subsequent years of the evaluation will seek to define and categorise the groups being supported to get a more nuanced picture of levels/intensity of that support. A simple calculation of planned advisor time to groups supported suggests hubs plan to spend between 15-60 hours per group. Analysing this data reveals that these deliverables perhaps extend beyond the HCH grant, and are seen more holistically as the outputs of

<sup>5</sup> As we understand it, this data is based on project start-ups before 2017, but not all of these projects were still in operation in 2017. The TMOs are a very large historic type but have been subject to closures, as have some co-operatives shown in the data set.

enabling work generally. Future data collection with the hubs will try to identify the unique contribution made to their efforts by the HCH grant, whilst also developing a more precise measures to assess delivery.

One significant planned output is the number of new homes, either supported by the hub or directly delivered by it. This figure is not entirely additional to the 1000 homes being developed by funded CLH projects (since the hubs are supporting many of them) but there will be units developed that with the involvement of the hubs that are supplementary to the funded projects. Hence future evaluation efforts will try to show the additionality of the hubs in terms of homes created.

**Figure 3.10: Enabler hub deliverables (relating to most the recent grant applications in 2019/20)**

	Leeds City Region	Liverpool City Region	Tees Valley City Region	West Midlands	West of England
CLH Enabler staff employed	3	2	1.75	3	3
Promotional events	4	4	4	4	16
Promotional event attendees	200	300	60	120	150
Community groups supported	40	20	6	15	6
Local Authorities engaged at level of senior officers/cabinet members	6	6	5	7	3
Advisors appointed	12	5	2	7	8
Advisor time (hours) provided	600	490	360	800	270
Estimated homes planned/delivered by projects supported <sup>6</sup> .	700	12	25	100	52

The table above suggests there is variation in how hubs are defining their outputs, and the scale of activity and outputs in each area. The extent of involvement of the Leeds City Region hub in the 700 units planned may be very different to the involvement of the Liverpool City Region hub in the 12 units identified in their deliverables.

In the course of our data collection with the enabler hubs, we asked for basic information on the number of CLH groups they are supporting, number of advisors supporting these schemes, and the types of tenure of units being created. These discussions revealed the early stages of data collection in some cases and the need to distinguish projects actively being worked on from organisations in membership of the hub. As outlined in section four several hubs were currently working on workload planning and monitoring systems for project enabling. We would anticipate more reliable and stable data for next rounds of the evaluation. This was intended as a snap-shot before outgoing data collection systems are put in place. Looking at this data alongside interview testimony provides an initial picture of the outputs and

<sup>6</sup> This is the estimated provided at the point of application. It is likely this pipeline is changing and will change over time.

outcomes emerging from the hubs activity. There are signs from this round of data collection that these deliverables may be subject to change.

In line with our Theory of Change, hub capacity to support groups is clearly increasing. More advisors are being recruited expanding the support for local groups and projects. For example, the Liverpool City Region hub is rapidly progressing its plan to recruit new staff having only received the first tranche of HCH funding in late 2019. Data from hubs in the Tees Valley, Leeds City Region and West Midlands suggests between 4-7 advisors have undertaken or are undertaking the recognised training and accreditation for enablers.

There are signs that each hub is actively supporting a diverse set of CLH projects, which are adopting different models and approaches. Data provided by the Leeds hub, for instance, suggests they are supporting the development of schemes by one housing co-operative, six cohousing groups, three Community Land Trusts, three community anchor/development trusts, one self-help housing group and eight other groups not yet settled on a model/approach. Similarly, in the West Midlands the hub is supporting schemes by a range of co-housing, co-operative, self-help housing and community anchor organisations. The concern that hubs will simply support a dominant form of development in each area does not seem well-founded at this stage.

A number of the hubs are generating significant interest and enquiries. In the West Midlands interviewees noted how ‘the last couple of months have brought lots of requests for help’ (WMUCH Representative). Indeed the worry may be that existing resources will get stretched too thin:

*‘...another part of me thinks hang on, we’ve already got 30+ groups, we want to work with 40 by March 2021, what happens if we double the goodwill with local authorities in the next six months, are we suddenly going to get 10, 20 more groups that we just cannot work with?’ (Leeds City Region Hub Representative)*

There is as yet little sign of expanding delivery of homes or, as anticipated in our Theory of Change, that the speed of delivery is increasing. Similarly, there is little evidence to date that hubs have contributed to specific place-based changes. The coronavirus pandemic (and its consequences) are likely to provide a further limiting factor in the delivery of homes. However, there are signs of the outcome of new and strengthening partnerships on new affordable housing that would not have been built without the hubs influence. This includes sites coming forward for CLH development in the West of England, and public sites being made available to Leeds City Region hub. Some of the details of this work, and learning that can be derived, is captured in section four.

Over the coming years of the evaluation we will systematically capture information on the outputs being generated by hubs, and emerging medium-term outcomes, through a mix of quantitative data capture processes and qualitative methods.

### **3.4. Other grants to funders and infrastructure bodies**

The programme has played a significant role in blended finance offers devised and managed by CAF Venturesome. In 2017 and 2018 £349,000 was allocated for a pilot blended finance offer for the Community Land Trust Fund II (CLT Fund II)<sup>7</sup>. As of March 2020, eleven grants had been made through the CLT Fund II, totalling £349,000. Three of the eleven projects supported are located in the five HCH target areas. Building on the success of this, the HCH programme allocated a further £500,000 in

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<sup>7</sup> £109,000 of this funding was awarded directly by Power to Change, not CAF Venturesome.

2020 to support and capitalise a new CAF Venturesome fund, the Community Led Housing Fund (CLHF), which provides blended finance to cover groups' revenue and capital costs (the capital element focuses on site acquisition).

HCH investments through the CLT Fund II are contributing to important housing outputs. To date, the CLT Fund II has offered grants and loans to groups aiming to develop 243 homes. These are largely new build developments but include two projects which combine new build and existing property renovations and conversions. The projects will deliver proportionately more ownership products than other HCH investments, with 195 of the 243 units planned for shared ownership, and 48 for affordable rent. These units are planned to start-on-site before winter 2021, and hence housing related outputs may well be seen in the evaluation period.

A significant investment has also been made in the Cohesive Communities Fund (CCF), which is managed by the National CLT Network (NCLTN). HCH funding of £240,000 matched that from M&G Investments to establish this fund, which aims to empower more communities to set up CLTs - and potentially other models of CLH - and to encourage existing CLTs to engage a wider cross section of their community. As of March 2020, 15 grants had been made by the CCF, to a range of organisations including two of the HCH funded hubs. Analysis of the project applications suggests grantees are undertaking diverse activities. Some grantees are using the funding to undertake intensive community organising and engagement in order to strengthen local involvement in specific CLH schemes. Others are seeking to use the funding to increase the capacity of community members, providing training opportunities and increase the numbers of people on project steering groups. In future years of the evaluation we will work with NCLTN to analyse emerging evidence relating to any outputs and outcomes being generated through this activity.

The HCH programme has also made an additional grant of £60,000 to Finance for Sustainability Ltd, to explore the creation of a 'land and asset bank'. This was proposed as a mechanism for financing up front purchase of land and this exploratory work was co-funded with Nationwide Foundation. After the final report, Power to Change took this no further but the evaluation team will keep track on its development, as this may result in a valuable resource for the CLH sector.

### **3.5. Conclusions and reflections on the theory of change**

The analysis above provides a comprehensive picture of what funding grantees have received, what they aim to do with the grant and what they hope to secure in outputs and outcomes. The aspired impacts of grantees are covered in more detail in section five. This work provides a detailed baseline upon which future work of the evaluation can build, so as to track the journey of grantees toward their anticipated goals.

This analysis also helps us reflect on the accuracy and content of logic model and broader theory of change. The logic model captures much of the intended activity, outputs and outcomes of grantees. One area that may be subject to refinement is the specificity of outputs and outcomes arising from grantee projects, given the proportion of HCH funding allocated to date. The current theory of change perhaps focused too heavily on the role of hubs in the change likely to be created. One area for more detailed data collection relates to the outcomes being made by project grantees, including the CLH model being adopted and more specifically those non-housing outcomes that may arise from changes in physical spaces and place.

There is also more to do on the moderating factors. The coronavirus pandemic is likely to have a major effect on grantee activities, and on the delivery of the evaluation. We reflect on this in more detail in the conclusion and how best to adjust for this. Other factors are also at play. With the end of the CHF in March 2020 (and with no signs as

yet that this will be extended) the funding available for CLH in England has been significantly reduced. This affects the availability of resources for individual CLH projects, and indirectly the fees that can be recovered by hubs from those projects. The effect of this on the outcomes and impacts made by grantees will need to be closely monitored in the coming years.

Finally, the current theory of change misses certain outcomes and impacts that may arise from the funding being provided to other funder and the national infrastructure bodies. The evaluation team will be devising a method to capture and analyse evidence arising from these separate funds as it emerges.

# 4

## Enabling CLH: Learning from grant funded hubs

This section presents findings from qualitative research conducted with the five hubs in the HCH programme. Sixteen interviews were conducted between January and April 2020 with hub representatives and stakeholders, including staff, founding members, board members, representatives of host organisations, and enablers in the local areas. Interviews were focused on understanding the origins and initial development of hubs, decisions taken during their formation and establishment, relationships with policy, partners, and host organisations (where applicable), governance and organisational models, as well as their finance, business and enabling models. In some cases, interviews were supplemented with observations of meetings, supporting documents, and site visits. This section is structured around four themes: 1) the origins, context and development of hubs, 2) their governance and organisational models, 3) their approach to catalysing and developing CLH projects; and 4) their partnership and policy influences. We draw on recent policy, practice and academic literatures to supplement the discussion and set this activity in its national context.

### 4.1. Origins, context and development

While each of the five hubs are relatively newly formed, their establishment is grounded in distinct local contexts and traditions of community-led housing. There are long histories of co-operative housing in Birmingham and Liverpool, including provision of enabling services through secondary co-operatives, and in Tees Valley a long history of self-help housing expanded from 1987 through a 'hatch and dispatch'<sup>8</sup> viral network. There has been variable interest in community land trusts, co-housing, self-build, tenant management organisations (TMOs) and mutual home ownership initiatives across the five hub areas; and these forms of CLH have different connections to those actively engaged in the hubs today.

This context is important as it shows that the hubs in this study originate and develop in a context where there has already been some community-led housing activity, albeit to varying degrees. The impetus for hubs typically comes from existing or new partnerships between CLH stakeholders and steering groups that form to explore the local needs and circumstances of CLH groups. The relationships and partnerships that

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<sup>8</sup> 'Hatch and Dispatch' is the term used by Community Campus 87 to describe its approach to growing the self-help sector in the Tees Valley by helping set up and supporting the governance of new organisations to form locally and by trading with them rather than simply expanding their core organisation. Over a 30 year period they had constructed a trading network of 8 self-help housing projects in the Tees Valley in this way, providing the core membership of CHTV. This hatch and dispatch model has been described in the academic literature as 'viral expansion' (Moore and Mullins, 2013).

steer initial hub development are usually between local CLH groups interested in growing the sector and organisations involved in providing enabling services for particular forms of CLH, sometimes but not always including local authorities and RPs. In Tees Valley, the hub emerged from longstanding partnerships within the self-help housing sector, while the steering group in Liverpool has brought together groups with disparate trajectories, including more recently formed CLH groups and longstanding support services such as North West Housing Services. The initial steering groups undertook research, consultation, outreach and engagement activities across their areas of benefit, which in turn informed the design of hubs, their governance and organisational models, and setting of objectives. These research processes often involved conferences and events (e.g. the Hope for Housing Conference in Birmingham in July 2018), research studies, and engagement with adjacent or overlapping CLH and community development support services. These processes reflect that hubs tend to be committed to ensuring that decisions over the constitution, organisation and development of hubs are grounded in the needs and ambitions of communities, and that various stakeholders have a voice in these processes:

*'We were very insistent that this needed to be bottom-up and as grassroots focused as it could be; to be driven by local people and driven by people that have a desire for community groups to have resources and trust to achieve the things they want in their communities'. (Liverpool Hub Representative)*

As a consequence, many of the hubs initially began with a geographical remit that reflects the location of founding members, and where a local authority partner is closely involved (e.g. Birmingham) this may initially limit the remit to a single local authority area. However, this has evolved in some hub areas through the initial phase of research, consultation and engagement and in recognition that a larger scale of operations may be needed for financial viability. Collaborations between existing CLH groups and the local authority in Birmingham led to an initial constitution as 'Birmingham Community Homes', but research and further consultation to gauge appetite for CLH amongst groups and local authorities has led to a broader focus on supporting CLH in all urban areas across the West Midlands. This has resulted in a rebrand to West Midlands Urban Community Homes (WMUCH). Similarly, the individuals involved in Leeds Community Homes initially conceived it as a vehicle to develop housing directly in the city but have since expanded its geographical remit to undertake enabling work in surrounding local authorities in West and South Yorkshire. Partnerships have been formed with enablers in North Yorkshire to complement existing skills there. Expanding its remit beyond Leeds, to what is now most of Yorkshire, is a response to the demands of communities for help and to the lack of existing enabling services, or expertise in those locations.

These decisions can also reflect natural geographies of association. Duncan and Lavis (2018) identify that a logic to the geography of enabling services is important in securing support from and building partnerships with other stakeholders such as local authorities and housing associations. This is especially key in the context of emerging regional governance structures such as Combined Authorities and Local Economic Partnerships; for instance, the Liverpool City Region has committed funding to grow its social economy (Liverpool City Region, 2019), some of which has been received by SAFE Regeneration – the current lead of the Liverpool hub – for one of its developments. Consequently, the hub based in Liverpool is beginning to align itself with the Combined Authority of the city region, which allows it to not only gauge and meet appetite for CLH in the six local authority areas of the region, but to align with policy opportunities. A similar situation is evident in Tees Valley, where the hub is operating across five local authorities within the Combined Authority area; slightly expanding the geography already covered by the founding members. In Birmingham, the decision to scale up to cover the urban parts of the West Midlands also led to a new geography based on the West Midlands Combined Authority. Policy outcomes,

at this stage, are unclear, and questions remain about whether such sub-regional, strategic bodies are the best tier to focus policy influencing work. For instance, if shaping planning policy to support CLH is the primary goal, then perhaps not.

These trends also reflect distinctive histories, networking and partnerships in the region, rather than solely a response to contemporary administrative geographies. Leeds Community Homes, who have aligned their activity with the City Region boundary, have struggled to articulate the relevance and purpose of this to their membership and other stakeholders. The organisation's share issue has helped them develop a membership base of over 275 members. However, 80 per cent of those investing were based in Leeds, creating a potential misalignment between a geographical remit set for operational reasons, and their members' priorities in terms of where the organisation invests, supports, builds and so on.

Rationales for the geography of hubs are also influenced by considerations of financial sustainability. Hubs need to cover an area large enough to generate sufficient CLH schemes that produce revenue streams, either from development or management services (Duncan and Lavis, 2018). Reliance on a small or narrow geography may leave the hub exposed to changes in policy conditions or local circumstances in their cities that affect the development of schemes and therefore the hub's income streams. Financial considerations were evident across all the hubs, though decisions over geography were carefully considered to ensure that the hubs retained an association with and logic for operating in multiple local authority areas. These were also reflective of the constitutions and areas of benefit of host organisations, such as Bristol CLT's hosting of the West of England hub:

*'It's accepted that hubs need a reasonable catchment area. The hub needs to be able to draw business and activity from a big catchment to be self-sustaining. The good fortune was that, although we'd called the CLT 'Bristol' when we set it up, we set it up with an area of benefit that covers the old administrative county of Avon, so we cast the hub across that area without any change in our core objectives.'* (Bristol CLT Representative)

As they broaden their geographical remit, there may be implications for hubs relating to staffing, skills to operate in different communities, and partnerships. The strongest partnerships and relationships for some hubs currently tend to be where the initial ideas and focus for hubs emerged, such as Bristol in the West of England and Birmingham in WMUCH. Further development of partnerships and policy is elaborated in subsequent sections.

When considering the geography of hubs, it is also important to identify potential overlaps with other hubs or enablers. Hubs do not necessarily emerge in a vacuum and some enabling work has already existed in some of the areas covered by hubs, often focused on specific forms of CLH. These issues are negotiated by the hubs in our study by, for instance, forming partnerships with adjacent hubs to share learning, experience and skills (such as in Tees Valley which is working closely with two other hubs in the North East reflecting common links to a longstanding regional CLH policy group formerly convened by Homes England), or by involving existing enabling services in stakeholder groups and the provision of the hub's enabling services. As hubs proliferate, it is clear that communication and partnership between adjacent hubs will be important to manage potential overlaps in geography, for instance between the West of England hub which includes South Gloucestershire in its area of benefit and the newly forming Gloucestershire hub.

A key contextual driver for CLH forms and support is the urban or rural nature of the areas. While five hubs studied here have core urban areas that differentiate them from the rural context that had tended to dominate earlier CLH growth in England (Moore



et al, 2018), most also had some adjacent rural areas. In Tees Valley self-help housing had been mainly an urban form, with the exception of East Cleveland Youth Housing Trust. In seeking to expand the remit of the hub to cover rural areas and exception sites, CHTV needed to develop relations with other enablers such as rural community councils.

In contrast WMUCH took a strategic decision to focus on the urban areas of the West Midlands conurbation and to form alliances with the hubs emerging in the surrounding rural areas of Herefordshire, Worcestershire and Shropshire, and feel reassured this won't impact on demand for services and potential revenue:

*'...if I think just about this local authority (Birmingham City Council) there's enough to keep you busy here, and if you multiply that with the other [urban authorities] ...I'm not worried about geographical remit.'* (WMUCH Representative)

The research with the hubs has identified an important process of transition whereby hubs begin in an initial partnership role (bringing together the key local stakeholders to progress CLH in the area), and then move into a service delivery role (employing and managing staff or associates to deliver accredited enabling services to projects). As one interviewee surmised, their organisation had progressed through three phases:

*'...there's been three phases; early days philosophising...defining values...then becoming an organisation and starting to get more organised...then...delivery, progressing the share issue and sites.'* (Leeds Community Homes Representative)

In consequence of these changes in governance function, hubs in Bristol and Leeds have also seen a turnover of board members as governance is adjusted to respond to these transitions. In Leeds, 50% of early founders have been replaced with new members. In Bristol, governance has transitioned from an initial steering group to the hub being hosted by Bristol CLT, with stakeholder and enabler working groups formed to provide input into strategic decision-making and direction of the hub.

## 4.2. Governance and organisational models

### *New Organisations or Hosted Projects?*

*'[Community-led Housing Enabler Hubs] ...can be independent organisations in their own right, but equally be part of a larger host organisation where there is an alignment of objectives between the two organisations. Hosting arrangements may be the consequence of evolution of an existing service or a new line of business.'* (Duncan and Lavis (2018, p. 13))

Our fieldwork confirmed that a key strategic decision on governance faced by all hubs was whether to set up a new organisation or to host the hub within an existing organisation. Three of the hubs initially decided on hosting with an existing organisation (i.e. with Bristol CLT in the West of England, with a longstanding self-help housing organisation in Tees Valley and with a longstanding regeneration organisation in Liverpool). In the case of Tees Valley and Liverpool this decision was to be reviewed once enabling services were set up and operating to avoid distracting attention from service development. Two of the hubs were developed as new organisations. Leeds Community Homes built on an alliance between several existing CLH groups in the city, eventually formalised when it was constituted in 2015. In Birmingham a more recent alliance formed in 2018 at the time of the Hope for Housing Conference, between CLH groups, the City Council and other stakeholders. Subsequently, in 2019, Birmingham Community Homes was constituted, and in 2020 broadened its focus and changed its name to the West Midlands Urban Community Homes (WMUCH). These strategic decisions each had a number of governance

consequences and challenges which differed between the new organisations and the hosting arrangements.

New organisations needed to develop new governance structures and policies, and this was quite a demanding agenda at the same time as beginning to develop plans for enabling services. In WMUCH a Governance sub-committee was tasked with developing an appropriate constitutional structure and policies including: Human Resources, Health and Safety, Data Protection, Financial Standing Orders, accounts and audit processes etc, working with a local solicitor experienced in CLH to develop appropriate legal agreements. In Leeds, the hub also received support from a local solicitor to develop Memorandum of Understandings to use with both groups and associates and a 'Good Governance for LCH' handbook. In both cases there has been a transition that is/has taken place to formalise the relationships and expectations of members.

Hosting arrangements reduced some of the work involved in developing new sets of policies and compliance arrangements but provided other governance challenges in maintaining trust and accountability for the hosting body, in creating a sense of ownership for partners, and involving all of the key partners in decision-making. CHTV explained the initial hosting arrangement thus:

*'By homing the hub within an established organisation structure there might be less costs in setting up new governance structures, policies etc. and more chance of long-term sustainability.'* (CHTV Hub Representative)

CHTV had also found that *'involvement of new and existing partners requires an active relationship with the steering group and wider stakeholders and ways to maintain trust and ownership of shared activities'* (CHTV Hub Representative).

In many ways steering groups for hosted projects provided similar functions to boards in the standalone hubs. In Bristol, the hosting decision required the hub to design mechanisms to harness the relationship between stakeholders and create a sense of shared ownership. This had involved staff spending a lot of time working on building a common sense of ownership, influence and platforms for knowledge sharing between the hub partners.

Another potential advantage of hosting arrangements was seen by some as avoiding the need to maintain workflow and staffing after grant expiry. This would allow operations to be structured on a lean project basis rather than committing to a whole new organisation structure, which may need to be maintained by other income streams if grants expired or other revenue could not be secured. However, alternative views were offered for new organisations which counter the issue of grant dependency. For instance, standalone hubs may shift to focus to their own development projects (rather than enabling services) if grant funding dwindled. The key distinction made by some interviewees is that by hosting with a well-established organisation, the chances of both the organisation and the project folding on grant expiry were considerably less, thereby making for greater sustainability in the medium to long term and a greater capacity to focus on core enabling and policy influencing work.

### ***Board and Steering Group Membership and Skills base***

Another governance challenge related to ensuring the membership of the governing board or steering group possessed the required skills and knowledge. All of the hubs were initially clearly rooted in the sector, with board and steering group members having considerable experience of working in, with and for CLH organisations in the area. In Liverpool the host organisation, SAFE Regeneration, have been around for 20 years in the urban policy and regeneration arena. In Leeds and Birmingham, the

initial board members were experienced individuals (from existing CLH organisations) who were also well connected with other key stakeholders such as the local authority and registered providers. However, our research suggests there is a need to broaden the skills base to include more actors from the commercial land and property sector. The WMUCH Technical Policy on Land proposed to *'pool our existing links with key stakeholders with expertise in Birmingham and Midlands on land supply [and invite] further stakeholders with the ability to increase our connections to land as members or co-optees of the Board.'* (WMCH Land Technical Report 2019, p.23-24).

Other findings in relation to governance were that most hubs were based on partnerships between existing organisations, often comprising the founder members. Some were planning to move towards a wider membership structure, most notably in Leeds where a community share issue had provided a basis for a membership structure. Processes for selection and election of board members were tending to move from representation of partner organisations to wider skills and experience-based criteria. Contested elections for board places and positions were not common as yet. Data on the age, gender and ethnicity of board members is limited. These more conventional indicators of governance will be returned to in future evaluation visits as organisations bed down and patterns become clearer.

### ***Governance of Volunteer and Partner Contributions: Conflicts of interest***

A further common governance challenge, particularly prior to the appointment of paid employees, was how to manage the work between volunteers and people paid to help establish a hub, and therefore how to manage any conflicts of interest arising. In Birmingham this involved *'Directors/members doing the 'graft' through a series of working groups, such as governance, policy and evaluation'*. This enabled the experience of member organisations to be drawn upon to develop effective policies and procedures for the hub, however it required careful management to ensure open and transparent governance.

Conflict of Interest policies were being developed by the hubs to manage the risks of board members and their organisations being seen to benefit from income generated by the hubs work. Such policies limit the proportion of Board members involved in paid work for the hub and set clear procurement criteria.

Operationally, arrangements for member organisations to contribute to service delivery were also sometimes blurred. The boundary between activity undertaken by the hubs and their associates was not always clear cut. There was some fluidity in roles as advisors support groups through contracts with the hub, but also under their own contracts direct with groups. For example, in the CHTV hub three leading partners had been supporting a range of local CLH housing projects (in health, alcohol recovery and empty homes) in their own right before joining the partnership but were committed to gradual alignment and sharing skills and experience to boost capacity across the Tees Valley.

*'It will be important to build the brand of the hub by recording all contributions as hub outputs while recognising that some delivery will be through partner organisations.'* (CHTV Steering Group Member)

One question arising for this evaluation relates to attribution: what outcomes from which projects can be attributed to hub support?

### ***Maintaining Governance and Services during COVID 19 Outbreak***

The lockdown after 23<sup>rd</sup> March 2020 has posed considerable challenges to the governance and operations of the hubs, given the importance of social contacts in

connecting with partners and groups and providing 1-2-1 support. Like other organisations, hubs have begun to use video conferencing software such as Zoom to maintain governance and to hold virtual board and working group meetings (e.g. WMUCH April 3<sup>rd</sup> Governance Working Group, April 7<sup>th</sup> Board). Enabling Services are undergoing reconfiguration to include a larger element of online support to mitigate the absence of face to face meetings and events. Like other parts of the construction industry, the build pipeline is likely to slip considerably until it becomes possible for normal construction site activity to resume. Several hubs are currently involved in reprofiling their grant funded project plans, for example to focus on internal policy and process development while opportunities for engagement requiring social contact were on hold. This will also have implications for the profile of our evaluation activities.

### **4.3. Catalysing and developing schemes (business/enabling models)**

Approaches to catalysing and developing schemes are integral to the design, delivery and financial sustainability of hubs. Archer et al (2018) identify five broad stages involved in the process for delivering CLH: group formation; site identification and acquisition; planning, designing and financing schemes; building schemes; and long-term management and maintenance. Hubs will either provide support for communities at these stages or support communities in 'buying in' support from others, such as independent enablers or partners such as housing associations. The extent of the hub's involvement at each stage is also influenced by the type of CLH they are supporting; for instance secondaries that support co-operatives (such as Birmingham Cooperative Housing Services) often have a role in supporting ongoing governance, management and maintenance, while contemporary models of CLH such as community land trusts and co-housing have required significant support at earlier stages of development.

One of the key purposes of hubs currently is to raise awareness of community-led housing and to provide skills and expertise to support communities that wish to develop schemes. Hubs are perceived as having a key role in scaling-up community-led housing, as their role helps to fill gaps in skills and capacity that may exist within communities (Moore and Mullins, 2013). In addition, the impartial advice given by hubs to groups at an early stage has been identified as critical to supporting communities in their decisions as to whether and how to proceed with CLH. However, the role of hubs is also dependent on ensuring there is sufficient revenue in place to fund the staff or individuals providing groups with enabling services (Duncan and Lavis, 2018). Hubs may generate income through a variety of ways, including fees charged for early stage advice, fees charged to completed developments, or holding assets in their own right to generate revenues (Moore and Mullins; 2013; Moore, 2015). It has been identified that hubs may need a stable source of grant funding for at least four years to achieve financial sustainability (Archer, Kear and Harrington, 2018).

These considerations are prevalent in all five of our study areas. Each hub is considering and exploring appropriate business and enabling models which are intended to enable them to develop a sustainable approach to supporting community-led housing.

#### ***Stimulating interest, organising services and delivering enabling work***

Hubs recognise their key role in stimulating local interest in CLH, and this comes from both a desire to see more affordable, quality homes built, but also as a means to generate revenue to sustain enabling services. Some hubs see themselves as central to promoting and sowing the seeds for future CLH growth. For one of the funded hubs this was seen as critical, with the HCH grant helping them:

*'...start building a movement...with consistent messaging...there are still lots of people who don't know about it and we need to create a bigger noise.'* (WMUCH Representative)

The scale of interest in CLH in Leeds, and ongoing investment in enabling support, appears to be creating a virtuous circle of demand for services. But how should enablers (even those with a larger staff base) capitalise on this demand? A key part of the solution for Leeds is to increase back office staff to free up advisors (particularly development specialists) to increase their project time.

A key function of hubs is to deliver specialist advice and technical support to communities through the five development stages. The ways in which this work is organised and undertaken varies according to the nature of the hub and their size. Leeds Community Homes employs seven members of staff, including three administrators who can handle communications and admin, while others have smaller teams tasked with the day-to-day management and operation of hubs. Smaller direct staff teams are planned in WMUCH and CHTV with the enabling service to be developed through a pool of trained and accredited associates.

Early stage support across hubs is delivered not only by employed staff but by networks of advisors and associates who are contracted out by the hub on day rates to deliver enabling work. This approach has the advantage of broadening the hub's capacity beyond its salaried employees, as well as ensuring the hub is linked into existing networks of enabling support for CLH, which may often focus on specific types and models, therefore extending the hub's expertise. It may also help match groups to the right associate based on their current tasks and requirements, *'using the right associates at the right stages'* (WMUCH Representative). There is an important point here for the evaluation, prompting us to capture more specific data on what hub funding covers in terms of enabling support, what is charged to those supported, when and for what purpose associates are used, and who pays for their time.

In WMUCH the organisation of enabling work is being developed in partnership with existing providers e.g. Birmingham Co-Operative Housing Services, a secondary coop from the 1980s now sits within Accord Housing Association, and has a long tradition of supporting co-operative and CLH development both within and outside the association, while other hub members have capacity to support new projects. Utilising partners' systems for managing scheme development, and their technical knowledge, has continued while the hub recruits its own core staff and develops its enabling approach.

In the West of England the hub has convened an enabler working group comprising approximately 10-12 enablers that will have the opportunity to receive work contracted by the hub according to their expertise. While this may also be advantageous in ensuring co-ordination and avoiding confusion over the availability of enabling services, it may also result in some fluidity of roles and a lack of clarity as to which developments or identifiers of progress can be attributed to the hub, as enablers work simultaneously on supporting groups through the hub and through their own organisations or consultancy roles. Recording hub contributions to CLH activity is seen as key to building the 'brand' and reputation of hubs as reliable and supportive sources of CLH support.

Drawing on a broader network of associates and advisors may also ensure the hubs are better equipped to provide support for a diverse portfolio of CLH schemes. The hubs are required to provide support for all types of CLH. While some of the hubs have emerged from strong partnership working and track records in delivering particular types of CLH, interviews highlighted a diversification of activity, such as in Tees Valley. Here there has been substantial use of CLH to bring empty homes back into use, but

business models are now being developed to explore opportunities such as new-build development linked to health and social care agendas and retrofitting of existing stock. As noted earlier, even where hubs may have originated in urban settings, there is a commitment to and interest in exploring opportunities for rural development, broadening the geographical scope of the hub to simultaneously meet extant needs of communities in those areas and ensuring the hub is well placed to take advantage of a range of development opportunities.

Data provided by WMUCH suggests that, despite the City's legacy and member interest in housing co-operatives, TMOs and community associations, other forms of CLH are emerging and are being supported, including co-housing groups and CLTs. Broadening the scope of hubs beyond the particular contexts, background and expertise of their founding members and organisations may therefore support the diversification of revenue streams, though some hubs acknowledged that currently their staff and enablers may have particular expertise in some areas rather than others (for instance, in urban development rather than rural).

When organising their enabling work, a consistent theme amongst hubs is their interest in ensuring consistency and quality of technical support and advice by devising systems and processes for enabling. A key challenge for hubs is to exercise some quality control over the advice that is given to groups as enabling work expands. Funding from Power to Change was seen as important to these developments, which can demand significant time and resource to develop. This was particularly evident in Leeds and Tees Valley, where both hubs are systematising their approach to enabling work. This includes diagnostics for different kinds of support needs and the creation of template flowcharts with milestones that highlight the progress of groups. Developing these standardised processes and documents is seen as key to increasing the efficiency of service delivery, but these developments takes time. As one interviewee noted:

*'we've developed blueprints about...what questions to ask and when...and template documents...but it's taken two years...The ability to have a road map, stage to stage, makes a massive difference.'* (Leeds Community Homes Representative)

WMUCH has devised an evaluation framework which proposes feedback mechanisms to enable groups to express their satisfaction with the support received, and to enable the hub to plan future support in ways that maximise client satisfaction and project completion. In addition, wMUCH has also commissioned dedicated CLH training through the Confederation of Co-Operative Housing (CCH) with the aim of creating a quality threshold for advice.

A particular challenge of enabling work is the extent to which provision of specialist support and advice conflicts with bottom-up decision-making and empowerment (Moore and Mullins, 2013). In this context, it is especially interesting that hubs are beginning to design mechanisms and processes that empower communities within the enabling work. In the West of England, one idea is that there will be community-led selection of enablers for each project, where groups are actively involved in choosing who they'd like to work with from a suite of options rather than being allocated a specific advisor. In Tees Valley, the hub is planning to develop forms of peer learning, such as master classes that share experience and knowledge on CLH between groups, to be followed up with individual project support by advisers. This draws on the host organisation's earlier experience in organising peer learning between credit unions.

## **Income Generation**

Generating income to support financial sustainability is a key challenge for hubs, hence the identified need for grant funding in their formative years (Archer et al, 2018). Hubs have been using this time not only to fulfil support functions for communities, build partnerships and influence policy, but also to identify ways in which income can be generated to sustain these activities beyond the initial phase of grant funding.

A significant amount of hub activity has been focused on early stage work with CLH groups, as they act as a gateway for emerging groups and support them with decisions and processes around formation, incorporation, and community development. For example, in Leeds, 14 of the 22 groups currently actively supported by the hub are at the initial 'concept' and 'group' stage. While this may not be surprising given that the rationale for creating hubs is precisely to encourage and respond to emerging needs and interests within communities, it also confronts hubs with some challenges. There is growing demand at the early speculative stages of CLH, which can place strong demands on staff time and capacity but not necessarily result in income-earning opportunities. Hubs were not necessarily of the view that communities should pay for the initial scoping and enquiry stage, with most hubs considering that this support would be capitalised further into projects by fees charged to completed developments or project grant funding. There were however some concerns that the ability to charge on completion of developments was confined to new build projects with less opportunity to cross-subsidise early stage advice in self-help, existing stock or tenant management projects.

Hubs also perceived the core hub grants, including those received from Power to Change, as important in supporting activities that are difficult to cross-subsidise. However, as awareness of the hub's role and reputation grows, these demands may intensify. As one interviewee commented, "*there's a lot of speculative and long-term investment*" which creates a risk that hubs spend "*a lot of time nurturing some that don't come to fruition.*" (Leeds Community Homes Representative). How to balance the provision of this support with income-generating activities may be a key dilemma for hubs as they aim to transition from grant funding to other revenue models. Furthermore, a key issue to explore in future years of this evaluation will be the extent to which hubs can be sustained by enabling services in their own right, or whether there is a need for hubs to diversify their activities and services to generate additional income.

The indications are that hubs are considering a range of forms of income generation and are not intending to rely exclusively on enabling work to financially sustain themselves. In the West of England, there are efforts underway to diversify the range of services that are offered, including the acquisition of specialist financial feasibility software which can be used by groups for a fee. This diversification of income sources also varies according to the hub's business models and the ways it intends to organise its enabling services. The WMUCH hub is intended to act as a 'match maker', introducing CLH groups to enablers and professionals who will then be contracted independently with a commission paid to the hub.

Hubs are also considering which stages of support should be charged and the most appropriate way to do this, such as capitalising fees so they are paid on development of the scheme. Other ideas include hubs securing planning gain contributions from local authorities that could be funnelled into enabling support, and in providing services to commercial developers trying to deliver Section 106 affordable housing contributions. Some hubs are also considering working with the 'developer model' to assist larger development partners such as Registered Providers, Municipal Housing Trusts and commercial developers to produce genuinely community-led projects as part of their wider portfolio for a fee income. Services might include involving future

residents in design, preparing them for management responsibilities and developing accountable governance structures for the live stage. The model provided by the Wales Cooperative Agency and CCH provides a fruitful exemplar for developing CLH projects at scale in this way. These are currently speculative ideas that are being researched and negotiated.

### ***Asset acquisition and development***

Another potential source of income for hubs is through the acquisition and development of assets. There has been variable practice in other CLH hub areas to date. The hub in Cornwall has historically developed its own housing as well as supporting development through community groups, while other hubs have focused solely on enabling models.

Use of assets as the basis for future income streams is most prevalent in Leeds City Region hub. Interviewees considered when and how these opportunities might emerge in a broader suite of development options. The approach taken will depend on the demands of local stakeholders, the site and other factors:

*'...I guess there's different tiers of potential income from a scheme, the best ones I suppose are the ones where you end up owning and managing the properties, but then it might be that you just part-own or help it, or fund-hold or land-hold or whatever. We have [for instance] offered to groups help with the management [of homes] through our partners.'* (Leeds Community Homes Representative)

The above quote in part reflects the organisation's origins as an alliance between CLH groups before its development as a hub. It also reflects the view that the hub needs to develop and own its own assets in order to be sustainable. Such models come with responsibilities and key skills and knowledge requirements. It also creates a potential tension in identifying sites for both hub schemes and group schemes, though in Leeds the hub's own projects are being developed on sites where there is no existing group, and they are trying to develop local capacity so a community-led organisation can take the housing on once complete. The extent to which development of housing and assets is balanced with or prioritised over enabling work is a key consideration for future phases of this study, but the revenues from this could potentially cashflow some of the future enabling work.

Acquisition or development of assets is something debated in other hub areas but as of yet has not been formalised or pursued. The West of England hub is hosted within Bristol CLT, which is a Registered Provider and has developed its own schemes. This means that it would be theoretically possible for the host organisation to hold assets on behalf of the hub, whether this be housing or land that could be leased out to other organisations for a ground rent. In Tees Valley, one of the partner organisations is in the process of becoming a Registered Provider, which in turn could mean the hub has a close relationship with a developer that is particularly supportive of CLH. This could open-up possibilities for a developer-led model sitting within the hub and the potential to funnel some revenue into the hub to support running costs. As noted in the West of England, some hubs are hosted or led by organisations that have a track record in development. This is also the case in Liverpool, where the emerging hub is led by SAFE Regeneration, an organisation that has engaged in extensive community-led development and regeneration in the city in the years preceding the hub's formation. While these activities in Liverpool are currently distinct, it highlights that some hubs have underlying experience and expertise to not only advise on development but to potentially undertake this themselves.



#### 4.4. Partnerships and policy to grow community-led housing

In the national discussion about the role and operation of hubs there has been variable emphasis on the appropriate balance between enabling work with groups and policy influencing work with local stakeholders. Duncan and Lavis (2018) paid relatively little emphasis on policy influencing as a core hub function, although they did discuss working with national and local partners, and recognised that:

*‘Local political support needs to be nurtured and encouraged. It needs to include politicians within the community, but also those that have influence and shape strategic direction and policy’ (Duncan and Lavis 2018, p.32).*

Similarly, at the national stakeholder workshop for this project in 2019 there was a view that hub resources should focus mainly on enabling work with groups rather than broader work on policy. This is despite the importance attached to policy development by national bodies such as the Cooperative Councils Innovation Network (CCIN) and the National Community Land Trust Network (NCLTN), both of whom have developed resources for local campaign and policy influencing work. Without local advocacy it is unlikely that good practice will spread beyond a core group of highly committed authorities.

The CCIN report *‘Community Led Housing - a key role for local authorities’* published in January 2018 provides 12 detailed case studies and further examples of the wide variety of ways in which local authorities can positively support CLH to achieve wider goals. This report was also important in suggesting a template of ways in which local authorities can write and implement policies for CLH, work with groups and partners to support delivery, and define the resource that can be invested to enable projects. To support local campaigning by CLTs, the NCLTN published a [database of local authority CLH policies](#) in May 2019 based on Freedom of Information (FOI) requests to all councils in England in December 2018. This database now provides a potential baseline against which work by the hubs with local authorities might be assessed.

The data suggests that one in three authorities gave grants or loans to CLH groups, and 208 public sites had been sold or leased to such groups. The database also includes an overall assessment of the level of commitment shown by authorities to CLH in their area (graded high medium or low). This metric, based on interpretation by the NCLTN, suggests 7 per cent of authorities show high levels of commitment, 19 per cent medium levels and 74 per cent low levels of support (Figure 4.1). This was the situation in early 2019, but as discussed below the picture is changing.

The data also provides a picture of whether authorities have ‘supportive CLH policies’ in place, for instance, those relating to asset transfers or specified support for CLH in housing strategy or planning documents. As Figure 4.2 shows, overall 14 per cent (40 of the 279 authorities that responded) had policies that may support the growth of CLH in their area.

**Figure 4.1: Commitment levels to CLH among local authorities (as of March 2019)**

	Nationally		Tees Valley hub		Leeds City Region hub		West of England hub		Liverpool City Region hub		West Midlands hub	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
High	19	7	0	0	2	25	1	33	0	0	0	0
Medium	54	19	2	40	4	50	0	0	1	17	0	0
Low	206	74	2	40	2	25	2	67	5	83	4	67

Not known	68	24	1	20	0	0	0	0	0	0	2	33
<b>Total respondents</b>	<b>279</b>	<b>100</b>	<b>5</b>	<b>100</b>	<b>8</b>	<b>100</b>	<b>3</b>	<b>10</b>	<b>6</b>	<b>100</b>	<b>6</b>	<b>100</b>

Source: NCLTN Partnerships Database © March 2019. Analysis for hub areas by Evaluation Team April 2020.

**Figure 4.2: Number and percentage of local authorities with supportive policies for CLH (as of March 2019)**

	Nationally		Tees Valley hub		Leeds City Region hub		West of England hub		Liverpool City Region hub		West Midlands hub	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Local authorities with supportive CLH policies	40	14	0	0	2	25	1	33	0	0	1	17
<b>Total respondents</b>	<b>279</b>	<b>100</b>	<b>5</b>	<b>100</b>	<b>8</b>	<b>100</b>	<b>3</b>	<b>10</b>	<b>6</b>	<b>100</b>	<b>6</b>	<b>100</b>

Source: NCLTN Partnerships Database © March 2019. Analysis for hub areas by Evaluation Team April 2020.

It should be noted that this data represents a retrospective picture having been gathered and report in early 2019. It is presented here to provide a baseline and comparison. In general, these results indicate that these five predominantly urban areas were not been at the forefront of CLH policy development prior to the establishment of the hubs. The exceptions were Bristol where the local authority was an early contributor to efforts to develop a CLT through the provision of sites and wider support, and in Leeds where the largest number of hub local authorities had a medium or high support rating. Only Bristol, Leeds, Harrogate and Coventry in the hub areas are shown by the NCLTN database as having supportive policies. Policies have subsequently developed; for instance in 2020 Birmingham City Council adopted a community-led homes policy and has representatives on the enabler hub's board.

However, the database has a number of limitations in setting a baseline for this evaluation. Four authorities had no results in the database and several authorities which had relevant policies before December 2018 are not reported as such. For example, the survey appears to have excluded TMOs and asset transfers to self-help housing in the calculations, which are known to have operated in several of the listed authorities before 2019. It is also quite limited in its recognition of the role of Neighbourhood Plans and Community Right to Bid as policy levers. Nevertheless, it will be useful for this evaluation to update and extend the table to show progress in the range of policy influencing with hub authorities over the course of the HCH programme.

### ***The role and impact of policy influencing work in the five hubs***

CLH policy statements can provide excellent leverage for group work requiring local authority support in relation to sites, planning permission, and funding. One hub interviewee from WMUCH noted that '*CLH policy is ...symbolic ...it shows it's an important issue for the Council to dedicate time to ...[and] will open doors internally.*' In time it is hoped that, as CLH schemes are developed, the policy can be used to strengthen proposals in the planning process. However, such policies are variable in scope, coverage and the extent to which they are backed by the resources required for policy implementation.

Updates from the hub visits identified progress in securing formal policy commitments after the NCLTN survey. Several forms of policy support had been secured from core local authority partners, often related to the location of the hub's founding members or historic development of CLH, but progress had been more limited with newer partner authorities. The areas of aspired policy influence varied between dedicated CLH policies, housing and planning specific policies (including neighbourhood plans and section 106 agreements), self and custom build register and sites policies, social housing (including allocations policies), infrastructure, council enabling officer posts, and (more rarely) private sector housing, empty homes and social care policies.

It is important to note that supportiveness of policies may or may not reflect influencing work by hubs and may build on earlier positive work by both local authorities and CLH advocates. The West of England and Leeds hubs currently provide the most successful examples of supportive and productive local authority relations across the five hubs. This reflects a longer history of positive engagement prior to the establishment of the hubs and the presence of strong champions within these local authorities.

The West of England Hub has enjoyed a very positive influencing relationship with Bristol City Council. There is a lot of local policy development, some of which predated the hub's formation, some of which can be attributed to the original hub steering group. The key features include: a dedicated CLH employee within Bristol City Council, allocation of land specifically for CLH within Bristol City Council's draft local plan, asset disposal policies, including bidding processes that incorporate measures of social value to channel these sites to CLH (and self-build). The first two Bristol CLT projects had owed much to the local authority's support, particularly in relation to securing sites (He, B, 2020).

Leeds CLH groups have enjoyed a relatively positive long-term relationship with Leeds City Council, and that is now being built on by the hub. Evidence of close working with the City Council includes successful negotiation of long term peppercorn leases for empty homes projects from the early 2000s, innovative funding for repairs including a fund based on recycled Right to Buy (RtB) receipts and early examples of the use of prudential borrowing by the authority to fund neighbourhood based CLH housing projects. These innovations had been possible through support from champions within the local authority officer and councillor structure (especially in relation to private sector housing). The hub had been able to build on this track record to negotiate the use of RtB receipts to cover proportion of build costs, collaborative development of publicly owned sites that housing associations do not want to develop.

In Birmingham the CCIN template was used by the embryonic hub to frame a set of policy recommendations to Birmingham City Council in the Hope for Housing Conference report (November 2018). This led to agreeing this in principle with lead Cabinet members for Housing and Planning, lobbying and developing relations with council officers, and eventually the anticipated policy statement in May 2020. This statement will cover a range of areas that may equip CLH groups with strategic and practical support related to planning processes, asset disposal and acquisition, and decision-making and governance. The initial hub steering group also established a Policy and Evaluation workstream in summer 2018, an outcome of which is a draft evaluation framework through which hub effectiveness can be judged. This includes monitoring the take-up of policy recommendations, assessing the impact of networking on access to sites and development opportunities, and monitoring the impact and reach of communications.

## ***The Policy Influencing Process***

The initial visits to hubs revealed the importance attached to policy influencing in order to strengthen enabling work. Most hubs had engaged with at least one local authority to encourage and advise on supportive policies. Two hubs estimated the amount of time staff and volunteers were spending on policy and influencing work, judged to 40% of hub time in CHTV and 20% in WMUCH.

A more subtle picture of the process of influencing local authority policy emerged from the visits. It is clear that forming relationships within different areas and levels of the local authority is important to creating beneficial change. In Bristol, positive support from the Mayor and Housing Cabinet lead had provided the hub's founding steering group with opportunities to influence policy statements that subsequently influenced formal policy within the City Council. This contrasts with Birmingham, where interviewees highlighted the difficulties of engaging with the most influential actors and the challenge of addressing competing objectives and interests within the local authority itself:

*'Local authorities are not singular entities – [they can be] silos not working together. We try to support the City Council from inside; helping those inside to advocate.'* (WMUCH Hub Representative)

A variety of tactics were utilised to secure Council support for a detailed CLH policy statement following an earlier manifesto commitment, including systematic documentation and communication with councillors and officers in a number of departments and engagement with a lead policy officer who took the policy through the internal decision structures of the Council. It is clear that hubs may have to work closely and comprehensively with different actors within local authorities if support is to be won.

In the Tees Valley hub, framing CLH support in ways that reflect broad policy aims beyond housing has been crucial:

*'Our approach now emphasises outcomes that CLH can deliver for local authorities beyond empty homes and housing. This includes projects relating to health and social care (in Hartlepool and Redcar), disability (in Darlington) and town centre regeneration (in Middlesbrough).'* (CHTV Hub Representative)

The Tees Valley hub has also pursued opportunities such as the consultation over the [Stockton Supplementary Planning Document on Housing](#), submitting evidence about the wider benefits of CLH and connections with other policy agendas. Their response to this consultation included requests to extend reference to community-led housing in the document beyond self-build and custom-build and to consider a separate Supplementary Planning Document specifically for advice and guidance on planning for community-led housing. This approach recognises the need to engage with a local authority's own agendas and show the value of CLH in achieving wider outcomes beyond housing, particularly in relation to reversing neighbourhood decline, as well as building social stability into new settlements, overcoming social isolation and loneliness and linking with health and social care services. Such an approach can highlight the broad benefits of CLH beyond housing and build a convincing case for policy support.

## ***Widening of local authority coverage for policy influencing work***

The expansion of geographical areas of coverage of the hubs, noted earlier, was proving challenging in relation to policy advocacy and influence. Hubs were generally now covering several local authority areas and were trying to replicate influencing

success with one core local authority partner (Leeds, Bristol, Birmingham) with a wider range of adjacent local authorities. For example, WMUCH were finding that neighbouring authorities such as Sandwell were interested in what Birmingham City were doing and what they can learn from this.

A specific aim of the Power to Change funding in the West of England hub was to build similar relationships to that enjoyed with Bristol City Council with other authorities in the hub's area of benefit. The hub is making progress on policy development with some local authorities, though also faces challenges in other areas where there are negative attitudes towards housing development or little awareness of CLH. Progress may inevitably be quicker in some authorities than others according to the receptiveness of local authority officers and elected members, as well as the broader housing and planning context.

While similar policy support was being aimed for, the need to undertake locally targeted work with councillors, officers and other local stakeholders to overcome competing agendas and build relationships was clear. This required specific inputs from hub funding and work programmes but was expected to generate significant benefits in creating a climate and opportunities for group enabling work.

The Tees Valley hub is a member of the North East Community-Led Development Network, which includes neighbouring CLH hubs and groups. In March 2018 the Network developed a regional community-led housing strategy including a number of 'policy asks' of the Combined Authority and five local authorities, utilising the findings of the CCIN (2018) report. This process contributed to the development of the hub and collaborative working across both local authority and hub boundaries is continuing.

### ***Building partnerships for development and funding***

While interview responses focused on local authority relationships in some detail, a wider range of stakeholders were identified as important partners to be influenced. These include housing development partners such as Registered Providers, Municipal Housing Companies, private housing developers, and land holders.

Registered Providers (RPs) continue to perform a pivotal gatekeeper role for local projects seeking to access grant support from Homes England, necessitating hubs to build relationships with local RPs. Several hubs included community-oriented RPs and IPs amongst their core members, including Accord and Pioneer in Birmingham, United Communities in Bristol, GIPSIL in Leeds, and Redcar and Cleveland Voluntary Development Agency in Tees Valley. Many of these relationships pre-date the hub; for instance United Communities provide office space for Bristol CLT and the West of England hub, but this relationship is a product of their historic partnership working with CLH projects in the local areas.

WMUCH had identified the 'developer model' as a key focus for a future technical report. It had begun to develop a relationship with Birmingham Municipal Housing Trust (BMHT) and was seeking to secure access to a share of sites developed by BMHT to be managed under community led models (beginning with a joint initiative at Castle Vale with Pioneer Group one of the hub partner RPs). BMHT is also working with Witton Lodge Community Association to redevelop an allotment site in Wyrley Birch as part of a wider neighbourhood regeneration programme. Another RP member (Accord) have been supporting new CLH start-ups both externally and as a delivery model for their own affordable housing programme. The Local Homes off-site construction facility within Accord is expected to provide an important asset for this work, enabling projects to be involved in design. Close relationships and partnerships with such developer organisations appear essential if the potential of CLH is to be translated into a significant volume schemes in the area.

Meanwhile, the West of England hub is open to a variety of delivery models: *“We as the hub are agnostic. We sit in this position to advise people [regarding community-led housing], we’re not here to judge how people do that. If they want to work with an RP that’s fine, if they want to go on their own that’s fine too. The point is we’re there to support and have relationships with everybody and essentially it’s about housing people with needs.”* (West of England Hub Representative). What has emerged from detailed research with the hubs is the sheer plurality of development routes and approaches being developed.

#### **4.5. Section conclusions**

A key element of our evaluation is to work with hubs funded by Power to Change to understand and support learning from their development. For this baseline report we have focused on understanding choices and decisions made in the initial formation and development of hubs, exploring ways in which hubs support groups through enabling work and policy influencing, and understanding the design of governance and business models that support their function and sustainability. Later in the evaluation we will be producing ‘learning briefs’ picking up new insights and knowledge from the hubs as they develop further. In this way the evaluation will contribute to wider learning across the sector, feeding into regular networking events and the action learning project led by UK Cohousing Trust.

Although the findings presented in this chapter have been organised around four distinct themes, it is clear that the issues concerned are interconnected. Decisions taken over the geographical remit of the hubs were in the earlier days of CLH understood to be influenced by natural geographies and existing CLH activity. While this is a driver for the hubs discussed here, it is also clear that the emerging geography of regional governance has influenced decisions over the remit of hubs, as well as drives to cover broad areas that can increase hub activity and contribute to financial sustainability. These decisions, however, also impact on other hub activities, including the ease, logistics and scale of enabling work with groups, the demands of influencing multiple local authorities, and the design of governance and decision-making structures that incorporate a range of stakeholders.

There is also variance in the constitution, governance and activities of hubs. Some hubs have taken the decision to work as standalone organisations, while others are hosted within existing organisations with complementary interests and remits. In turn, these decisions have had implications for the governance of hubs, the ways in which decisions are taken, and the prioritisation of different activities, ranging from enabling work to the acquisition and development of assets to support income generation. The formation of hubs is often driven by pre-existing partnerships and local circumstances, and hub structures are designed to reflect this. Each hub involved in this study exhibits a range of locally specific decisions, characteristics and relationships which has influenced the design of models for governance, enabling work, and financial sustainability. There is considerable scope for adaptation of these unique hub models based on shared learning between hubs, but attempts to impose standard structures and methods would risk undermining the ways in which hubs reflect their local contexts. This highlights that there is no singular or uniform model of CLH hub.

It is also clear that this diversity is reflected in the activities of the hubs. There are a range of innovative developments and partnerships emerging as a consequence of local opportunities and influencing. Significant policy developments are evident in Bristol which provides a vision of how local policy makers can change the conditions for CLH. In the Tees Valley important connections are being made with health and social care agendas and new community-led models for inner urban renewal, which go beyond the traditional understanding of what CLH does. In the West Midlands links with RPs, the Local Homes factory and a Municipal Housing Trust is offering real

potential for 'developer models' of CLH. In the Leeds City Region funding has enabled the hub to increase staff capacity with associated increases in demand for services. Interestingly this is being managed alongside projects to acquire and develop assets on behalf of communities, or for future management by the hub. Knowledge and experience in the field of housing is critical to this, and the hub based in Liverpool is showing how hubs hosted by organisations established in the fields of housing and regeneration can pool expertise with more recently formed community-led housing projects. While beyond the scope of this report to evaluate these developments given their early stage, the diversity of hubs in their design, governance and activities provides an interesting platform for future stages of this study.

## Programme impact

With the majority of HCH funding only being allocated in the 18 months prior to this report, it is perhaps too early to make assessments of the impact grantees are having, not least because many of these impacts are multi-faceted and likely to be lagging effects of activities and outputs and outcomes. The timetable for the evaluation also means that, to date, engagement with project grantees has been limited. What is required at this stage, in keeping with the baseline-setting focus of this report, is a deeper understanding of the *intended* impacts of grantees. This will enable the research team to assess whether these impacts are realised in forthcoming years, and the extent to which intended impacts are adjusted to take account of emerging learning and unanticipated events (such as COVID 19) and what other unintended impacts may be emerging. The theory of change used in this evaluation adopts the broad impact areas being used by the wider CLH partnership to assess its work around the Community Housing Fund. These impacts relate to; housing that meet people's needs and wants, greater community cohesion and civic engagement, and improved health and wellbeing.

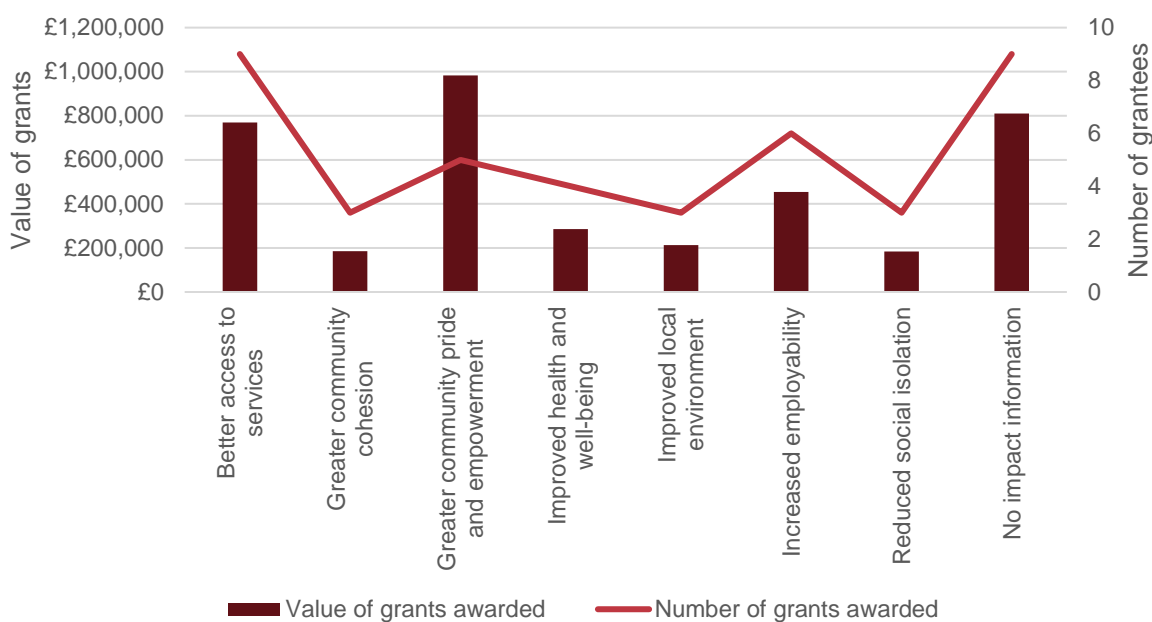
The section begins some brief analysis of intended 'primary impacts' identified by grantees in their application forms. Following this we present a synthesised picture of the aspired impacts of grantees, structured around the dimensions of impact used by Power to Change to show impact on; grantees, the marketplace (for housing), on people, and on places.

### 5.1. Primary impact areas

Figure 5.1 below sets out the broader areas of impact areas by grantees. In keeping with the tradition of CLH, increasing community pride and empowerment is a prominent theme in terms of the value of grants targeting this. However, the significant focus of grantees in terms of the value and number of grantees targeting this is 'better access to services.' The analysis below suggests that in choosing this option, grantees were focusing on access to housing and associated facilities that are the product of their housing schemes.



**Figure 5.1: Categories of impacts anticipated by grantees**



Understanding these broad impact areas demands, however, a deeper analysis of narrative provided by grantees about the nature and extent of those impacts.

## 5.2. Impacts on grantees

At the project level, grantees impact statements focus very little attention on the impact of the grant on their organisations. Perhaps more than project grantees, the enabler hubs recognise the importance of the funding to developing a sustainable business model. Leeds Community Homes, in response to questions about what they hope to achieve with the grant, state their desire to make 'Significant progress toward developing a sustainable business model (80 per cent non-grant dependency)'. Using our Theory of Change we may class this as more of an intermediate outcome than an impact, and in future years the evaluation will explore this issue of improving or worsening financial sustainability.

## 5.3. Impacts on the marketplace (for housing)

Both projects and enablers funded as part of this programme will seek to demonstrate how CLH can diversify supply in the wider housing system, proving the viability of a range products, at different affordability levels, as well as diverse forms of development. Grantees are innovating through self-build schemes, retrofitting projects and testing Modern Methods of Construction (MMC). Through these varied approaches, projects aim to expand across the social and affordable housing market, through both ownership or rental models (with a dominance of affordable rentals). Hence, it is hoped, CLH be a hotbed for innovation in construction methods and housing products in order to meet people's needs and wants.

## 5.4. Impacts for people

### *Reducing exclusion*

Giving priority to local housing needs, and people living locally (or with a local connection) is one of the most consistent intended impacts, although how local need is determined will likely vary. For some projects, CLH is being pursued to create local

communities that are more inclusive and reflective of local needs. This means targeting beneficiaries at certain income levels, ages, with specific support needs, or of a range of ethnicities. One of the important features of a number of HCH funded projects is their desire to help those facing exclusion from housing through local housing registers and Choice Based Lettings systems (Preece et al, 2020). The majority of projects are underpinned by the aim of providing housing at affordable rent levels, with a minority providing mixed or affordable ownership schemes, primarily situated in areas where average income levels are low.

The projects and enablers highlight particular beneficiaries as their focus, and these include: young people; older people; people from minority ethnic backgrounds; people who have been homeless; and long-term unemployed people. For those on low incomes 'live-work' schemes are planned, and projects are seeking to create schemes with an 'intergenerational mix'. Projects are also planning schemes which will help people living with physical and learning disabilities or poor mental health; and people who require support to live independently.

### ***Support needs***

Crucially, one of the funded projects expressed their intention to give people in those latter two categories the opportunity to lay roots and to not be continuously moved on. People living in supported housing have typically had very little choice about the housing available to them, are only eligible for housing for a limited period of time (anything between 6-24 months), and are often segregated from wider communities by being placed in housing for people with specific needs. The potential for CLH to create residential stability and integration between communities of different interests and experiences is clear. How those housing projects will remain connected with the relevant sources of public and voluntary sector support to maintain residential stability will need ongoing attention.

### ***Employment and training***

Certain forms of CLH have, historically, supported employment and skills training particularly the self-help housing sector. Support for these models through the HCH programme may have important impacts for people who have been homeless or long-term unemployed. Around 10 of the funded projects are explicitly based on this model, with some creating ongoing social enterprise opportunities for non-residents in relation to newly built or co-located community facilities, and landscaping or grounds maintenance. These schemes are not only intended to contribute to interests and skills in particular trades (including MMC, which is an emerging and important skills base), but to develop confidence and build relationships with others after periods of difficulty. Residential criteria based on participation in building or renovation work can be a limiting factor, although CLH schemes based on this model have been running successfully for many years.

CLH also supports employment and training opportunities by offering housing at below market-rent or at local housing allowance (LHA) levels, with some self-build and 'live-work' schemes subsidising rent for people in full-time training or employment. It is not clear exactly how each of these funded projects function in relation to local rent and housing benefit (LHA) levels but this will be a crucial factor to ensure the sustainability of these housing schemes for their intended beneficiaries- especially given the increasingly precarious economic context. These impacts appear to cut across current impact categories used in this study, and by the Community Led Homes partnership. As a result, there is the potential to miss a critical set of impacts in terms of employment, skills and improving the financial position of certain households.

## ***Produce and energy sustainability***

Other skills and training opportunities aimed at a cross-section of beneficiaries include growing produce and cultivating land, with projects offering community gardens and social enterprises for residents and other people in the local community. These projects have identified sustainability not only as an attractive prospect for residents, but as a means to create a stronger stake in housing and communities. Similarly, a number of projects have identified sustainable and renewable energy as something that is valued and creates value for beneficiaries, as well as reducing fuel poverty, with two projects seeking to create a community energy companies. Again, these impacts cut across existing impact categories, representing both civic engagement, but also beneficial impacts on household finances, health and wellbeing, and reducing carbon emissions.

## **5.5. Impacts for places**

### ***Sustainable communities***

Almost all of the projects and enablers identified the potential for people to establish and maintain stability and fixity to place as one of the primary benefits of their housing projects. Many of the projects highlighted issues with residential churn in areas with larger proportions of council housing and issues with crime or other environmental problems. Others stated issues with residential retention where young people in particular are leaving communities where employment opportunities are scarce, or where generational divides have stifled economic development and prevented generations of families from remaining in places.

### ***Community integration***

The integration of communities through CLH is a consistent aim for the projects funded by the HCH programme. This aim will be realised in a number of ways. Firstly, several projects explicitly state that the build or development will be designed in collaboration 'with the community', which might include both communities of beneficiaries as well as people living in the wider community. Through dialogue between internal and external stakeholders, any local preconceptions of CLH as being exclusive or undesirable can be challenged. A number of projects also aim to foster integration between residents and people living in the locality through shared facilities and resources within the housing site. This includes building new facilities, such as community gardens, community centres, kitchens and meeting spaces- all to be used as part initiatives for skills and training, well-being and day to day communication.

Linked to this is the aim of reducing social isolation, a specific aim for some of the funded projects. Some of the projects will include the co-location of local services such as physical and mental health centres, shops and other local businesses, youth services and other schemes targeted at particular beneficiaries. Hence, CLH is being linked in quite direct ways to improvements in health and wellbeing.

### ***Ownership and aspiration***

By involving residents in the design, build and management of local facilities, several of these projects have also sought to create ownership and investment in places which have long been in decline. This may not only give people a greater stake in their wider community, but also tackles historic issues with crime, anti-social behaviour and other environmental issues that have resulted in residential churn, poor local reputation and disinvestment. Successful CLH projects could reduce residential churn by offering housing options for people to move onto without leaving a community altogether.

A number of projects are based on the renovation or refurbishment of buildings which have stood at the centre of dilapidated and problematic areas. Through the design of housing and communal areas, renovation, and community investment, some of the funded projects aim to reduce criminal activity as well as fear of crime in those areas. Many of the projects stressed the importance of these factors in improving physical and mental well-being, which is particularly important for people with age-related and other mobility issues.

### ***Boosting local economies in sustainable ways***

In addition, many of these projects have outlined how they will stimulate local economies by bringing residents back to local areas which in turn impacts local businesses, and specifically using local supply chains in developments. Some of the projects have placed the regeneration of local businesses at the centre of their plans. Economic benefits are often outlined alongside broader sustainability themes, for instance, reducing problems with local traffic and fuel emissions, as the need for communities to travel away from localities for employment is reduced through additional local employment and better public transport connections. The latter is of course dependent on factors beyond the control of these projects but there is an opportunity for successful CLH projects to contribute to these local efforts.

It is also clear that CLH has a role to play in increasing community investment and awareness of environments through shared community gardens, allotments, and in one case a shared site with a forest school. Several projects have committed to providing training in horticulture for young people and adults, which creates the potential for further investment and learning opportunities after the completion of each project. Again, there are questions around the resources required to maintain that training.

Many of the funded projects have stressed the immediate impact they have had by preventing large commercial enterprises or market rent housing developers from monopolising development sites. By harnessing social investment, these projects intend to secure housing for their various beneficiaries- whilst also creating opportunities to draw in private finance in ways that will support and sustain those communities, rather than exclusively meeting the needs of residents in more expensive developments.

## **5.6. Implications for study**

The analysis highlights both the range of intended impacts for grant funded projects, but also ambition. Many of these impacts are dependent on a multitude of moderating factors and beyond the control of grantees themselves. One of the key tasks of the evaluation will be to explore and unpick the role of grantees in contributing to those impacts, alongside other critical factors.

Furthermore, the evaluation will develop specific measures and data collection processes to capture impacts that may be missed in the broad impact categories used in the Theory of Change and broader CLH partnership. In particular, we will seek to capture impacts being secured relating to employment and skills, and place-based impacts. Grantees impact statements highlight the aspiration to affect change beyond housing, and we will develop systems to collect data on this, and explore the connections between grantees and other organisations/initiatives seeking change across a range on domains in those places.

# Conclusions

## The impact of the coronavirus pandemic

This report provides insights into grants provided by the HCH programme, along with the activities, outputs, outcomes and impacts that are targeted by grantees. Furthermore, the report shares important learning from enabler hubs receiving grants through the programme. This learning is of value to other enablers nationally and the CLH sector as a whole. The picture presented here is constructed from a range of data in application forms, budgeting sheets and interviews with hubs and stakeholders, collected over a relatively long time period. It provides a baseline on which to build the evaluation over time.

Whilst rich in depth, however, the picture presented here is of a world before the coronavirus pandemic began in earnest. Writing about the potential impacts of grantees seems a hazardous occupation when the social and economic certainties of recent times seem so far away. And yet, housing is still needed, places still need improving, and communities can still be strengthened by the types of outcomes CLH is known to deliver. What is required then is not a set of questions about the continuing validity of the programme, but about its potential impact given rapid change in the contexts in which grantees are working. These changes are affecting their practical action, such as the need for social interaction, but also their financial viability, as the economic effects of the pandemic unravel. In considering the future we might consider whether CLH will be boosted by the new bonds being formed within communities, through a strengthened ethos of mutual aid, and growing concerns over the security and affordability of housing which may create opportunities for alternatives. Or perhaps CLH will be hampered by restrictions on communications, supply chains, working practices and a shifted focus in policy making.

The advent of the coronavirus necessitates that the evaluation takes seriously the short to medium term impact of this significant factor. Future data collection will seek to explore, directly, the impact of this crisis on the grantees activities and the result of this. This factor also necessitates reviewing the methods employed in the evaluation. In the coming months the evaluation team were due to begin engaging with project grantees, filling some the gaps in knowledge identified above. We had intended to conduct face to face interviewing with grantee representatives, in addition to further fieldwork in the enabler hub areas. This approach is now subject to review, and it is likely the evaluation will adjust the timings and methods of data collection for at least the coming nine months. The timeline of evaluation will need to account for restrictions imposed on the social and economic activities of grantees, which are currently being reprofiled. In time, what we hope the evaluation can show is how grantees have responded to a significant and unforeseen moderating factor affecting their work, and how this may have strengthened or hindered their ability to achieve their objectives.

## Key learning from the baseline setting process

Section 3 and 5 of this report give important details on the focus of funds flowing from the HCH programme to grantees, and how that funding is targeting specific changes and longer-term impacts. The Theory of Change developed for the HCH programme captures (in simplified form) much of these intentions and related processes, but there are areas where the evaluation must fill certain unanticipated gaps. These relate to the apparent range and scale of change that may be created by funded projects (who have received a greater proportion of the HCH funding than initially envisaged by the evaluation team). These changes will likely occur in specific neighbourhoods and streets but contributing to wider changes in place. Furthermore, the funding being distributed to other funders and infrastructure bodies was not truly understood until this baseline was developed, and it is clear the outcomes and impacts of this funding also need to be fully explored. Finally, the interlinkages with other key grant programmes has been shown to be significant. The Community Housing Fund acts a key external factor in at least two ways; firstly, in providing significant funds to enabler hubs and projects developed prior to March 2020; secondly, in not being extended beyond this term, the availability of revenue for predevelopment work on projects, and capital for development is significantly reduced. This impacts on both the viability of CLH projects, and indirectly on an income stream which it was hoped would help finance the hubs. The CLH sector is active in lobbying for the CHF to be extended in forthcoming spending reviews, and the outcome of this may have a significant bearing on the future impacts of projects and enablers. There is an opportunity within evaluation to explore the differences, complementarity and usage of the HCH grant and CHF enabler grant alongside each other. Through this we begin to understand their unique contributions.

## Key learning on enabling forms and practices

Section 4 provides a rich set of learning on the current development of the enabler hubs. It is clear that a diverse set of operational approaches and financial models are being developed in different contexts. We might conceptualise and distil some the learning presented above in the form of decisions which each hub is having to make.

Firstly, each hub is facing the fluid issue of how to set their geographical remit. Should hubs focus their services and activities in a small number of local authorities in order be locally rooted, maximise influence with local stakeholders, and provide more intensive support? Or should they set a wider geographical remit to respond to the communities from which requests emerge, and to increase potential revenue (a key issue if hubs are to become financially independent). The lessons from the HCH funded hubs is that a series of alignments are needed to ensure revenue is maximised, but not at the expense of operational efficacy or failing to meet the demands of members and stakeholders. A question for the evaluation will be the extent to which policy influence can be exerted over a wide geographical area; given the learning reported here about the extent of policy work and relationship building required to influence each individual local authority.

Secondly, the hubs are approaching staffing in different ways. Should the hubs attempt to remain lean (with a limited staff base) in order to protect against the effects of short-term funding and to maximise the network of active enablers? Or should they grow the staff base to control quality, costs and intensity of support that can be provided, recruiting staff to specialist roles? This issue remains unresolved, but key questions emerge that are specific to local contexts. Can each hub recruit experienced staff to salaried roles, given their local labour market? Can sufficient funds and other income be generated to fund a big staff base? And is there a critical mass of projects required before enablers need to be employed, rather than contracted? Alternatively,

can a consistent, quality controlled and responsive enabling service be developed through a network of accredited advisers?

Thirdly, the activities planned by hubs have been seen to be varied. There are stark differences in the significance hubs are attaching to policy influencing work versus enabling support for groups. Some hubs have made policy influencing the focus of recent work, targeting specific policy developments alongside nurturing relationships with key officers and politicians. This can be resource-intensive, not least if hubs are also lobbying a range of local stakeholders such as landowners and property developers. Other hubs are squarely focusing the bulk of their time on work with CLH groups, to bring through as many projects as possible. The right course of action in each context is likely to be a function of the potential change in policy that can be achieved, the significance of policy as a constraint or enabler of CLH locally, and the extent to which CLH can grow without any policy influencing work being required. A key distinction has also emerged between policy influence and influence on resource allocations. Some hubs are gaining traction in political terms, including at tiers of regional governance, but not in access to funding. Others have built relations but are not yet seeing improved access to land or changes policy that can directly influence the planning and delivery of schemes. Others are gaining access to local authority funds and sites, but showing little sign of shifts in the policy environment for CLH, which may suggest more piecemeal development. For one (the West of England hub) significant progress has been made in both local policy and access to resources, and it will be important to track the significance of this in the coming years.

### **The next phase of the evaluation**

During the next year of the evaluation the focus will shift toward standardising data collection process, extending our qualitative research within the hub areas (with staff, associates, stakeholders, and users), on assessing the activities and change being created by the work of project grantees, and on understanding the work of grantees funded through match-funded programmes. As the evaluation progress, the focus will shift toward measuring and understanding the emergence of outcomes and longer-term impacts, and on providing more focused learning for enablers on how best to support CLH in their area. As noted above it will be necessary to adapt evaluation methods and timescales to function effectively in the current context of social isolation and to match this with any reprofiling of activities by grantees.

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## Appendix 1: Moderating factors affecting the programme

