

**Calder Valley Community Land Trust Ltd**

**The Fielden Acre**

**Purchase & Repair**

**Business Plan**

**October 2020**

**Final**

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## Executive Summary

This business plan provides information about Calder Valley Community Land Trust Ltd and our proposed purchase of two residential properties that form The Fielden Acre as part of The Fielden Centre in Todmorden.

Calder Valley Community Land Trust (CVCLT) is a charitable Community Benefit Society established in 2014 and operating in the Upper Calder Valley, Calderdale, West Yorkshire. The society is member-led, has a distinct geographic area of remit and aims to develop a range of housing solutions within the locality that provide good quality housing at affordable rents and which are owned in perpetuity by the local community.

CVCLT also has the remit to own and manage other assets on behalf of the community and, following a bequest in 2016, owns The Fielden Centre in Todmorden which is leased to a local charity, the Fielden Centre Association (FCA). The FCA runs the Fielden Centre as a community venue.

CVCLT has the opportunity to purchase The Masters House and The Old School along with a two-storey meeting room and store building. The centre and houses are of some heritage significance and are Grade II listed. They sit in their own attractive grounds of approximately one acre at the far end of Centre Vale Park, Todmorden with access to the properties from Ewood Lane.

These properties are part of the Fielden Centre building and 'book-end' the Fielden Centre community hall. The proposed purchase would enable CVCLT to unify the site under community ownership. The houses are currently tenanted and CVCLT intends to retain the current tenancies at Affordable Rents and ensure that the properties are retained in community ownership and available at Affordable Rents in perpetuity. The properties are in reasonable condition, the entire set of buildings having been fully renovated between 1996 and 2006.

CVCLT seeks to raise £430,000 for the purchase and repair of the two residential properties and store/meeting room building, carry out minor repairs to The Fielden Centre and undertake maintenance of the grounds.

The society aims to raise £220,000 of these capital funds through a time-bound Community Share Offer between October 2020 and January 2021. Subscribers to the share offer will be able to purchase £1 withdrawable shares in blocks of £250 each, up to a maximum shareholding of £20,000. All subscribers will become members of the society and investment in community shares through this offer is an investment in Calder Valley Community and Trust as a whole.

We have secured £50,000 of BOOSTER Funds towards this target of £220,000 as equity investment in the community share offer.

The Community Shares will carry a target maximum interest rate of 2% with first interest payments to be made available in early 2023. Interest will only be payable when the Trustees consider the society can afford it.

CVCLT has already secured a £100,000 loan from the Community Foundation for Calderdale towards the purchase and is eligible to apply for a £110,000 grant from Homes England from the Shared Ownership and Affordable Homes Programme.

If successful with the capital raise, the society aims to purchase the properties in March 2021 and complete the identified repairs and maintenance programme within three months of the purchase.

## **Section 1. Calder Valley Community Land Trust: Our Vision and Purpose**

### **1.1 About CVCLT**

Calder Valley Community Land Trust (CVCLT) is a member-led Community Benefit Society, which has been established to help address and meet housing needs in our part of West Yorkshire. We are the means through which community-led housing can be undertaken. We see the CVCLT potentially as a valuable resource for our communities, to enable some at least of the anticipated new housing due to be built in the Upper Calder Valley between now and 2030 to be community-led. We are proud to be part of a fast-growing community-led housing network, which nationally includes at least 225 community land trusts (CLTs), and we participate in this movement through our membership of both the National CLT Network and Locality. The idea of community-led housing is about local people playing a leading and lasting role in solving local housing problems, creating genuinely affordable homes and stronger communities in ways that are difficult through current mainstream housing.

Calder Valley Community Land Trust, as an incorporated body with charitable status, is also a vehicle through which significant local buildings and community open space can be held legally and in perpetuity on behalf of the community. Our CLT has already demonstrated that the need for this role exists. It is currently the legal custodian of the Todmorden community centre, The Fielden Centre.

The Calder Valley Community Land Trust board adopted the following mission statement at its strategy 'awayday' in 2020 is to:

“Work with the people of the Calder Valley to hold property and create sustainable and affordable homes in vibrant communities“

### **1.2 Our Community**

Calder Valley Community Land Trust currently operates in the Upper Calder Valley, in the heart of the South Pennines. Our area of engagement comprises three local authority wards of Calderdale - Calder ward, Luddendenfoot ward, and Todmorden ward. These three wards contain the towns of Hebden Bridge, Mytholmroyd and Todmorden, as well as several rural villages. Whilst these three wards cover 54% of the geographical area of Calderdale MBC they only contain 17% of the population, which mostly lives in the three towns.

Both Todmorden and Hebden Bridge are former textile mill towns which experienced a major collapse in the local economies in the 1960s-1970s when most of the mills closed. Since then the valley has managed to rebuild both its local economy and local community life, the result very much of bottom-up community-led initiatives.

Calder ward has a population of just over 12,100, Todmorden ward has a population of around 12,500, whilst Luddendenfoot ward has a smaller population of 10,800. The Calder ward has a lower percentage of younger people (both aged under 16, and from 16-24) than the other two wards and CMBC as a whole. This lower figure for the 16-24 age group may be attributable to the lack of affordable housing for this age group in the area.

Looking at data on deprivation associated with barriers to housing and services, Calderdale has 10 of the most deprived areas nationally (as measured by the small areas comprising around 1,500

residents in the 10%, 20% and 30% most deprived areas nationally), of which seven are in the Upper Calder Valley. For deprivation associated with the living environment, 70 (55%) of the small areas in Calderdale are classed as deprived, of which 18 (26%) are in the Upper Calder Valley. Seven of the eight small areas in the Calder ward are in the 20% most deprived, as are five of the seven in the Luddendenfoot ward, and six of the eight in the Todmorden ward.

Since its inception in 2014, CVCLT has focused its community engagement, site search and development and membership development in these three wards. As a community land trust that has led the way locally in community-led Housing, CVCLT has been asked to consider expanding its area of operation to include all of Calderdale. The Trustees and members have resisted this, as a key to the value of the society is developing within a community that has some sense of shared identity within a geographic area that is not too disparate. The society has, however, collaborated with Calderdale MBC to develop a support and advice service to other community-led housing initiatives that are developing across Calderdale including supporting locally-led initiatives within the Upper Calder Valley.

### **1.3 The Housing Market and Housing Needs**

The community land trust has a very clear focus on housing and responding to housing need in the area and whilst the society does hold non-housing assets on behalf of the local community, the key focus is on developing housing solutions that meet genuine local need.

There is now general public awareness that the country is facing a major housing crisis. The numbers of new houses built nationally in recent years is far below the levels necessary to meet demand, and commercial developers are generally focused on a particular segment of the housing market for sale.

The market price of houses to buy is now very much higher, in terms of ratios to average income levels, than was the position a generation ago. Increasing numbers of people are having difficulties in joining the housing ladder. At the same time, in a period of low interest rates, housing is a popular investment, especially for the buy-to-let market. Whilst this may lead to more homes being available in the private rental market, it reduces the amount of affordable housing to purchase as house prices increase.

In the particular context of Calderdale, the quantity of both new homes and new affordable homes built in recent years is considerably below targets set by the government. 600 new affordable homes have been developed across Calderdale for the seven years from 2008/09 to 2014/15. In 2014-15 just 50 homes were built. A Strategic Housing Market Assessment for 2015 from Calderdale Council indicated that 527 affordable new homes are required annually over the next five years to clear the backlog of demand and meet newly arising needs (thereafter the level of need is likely to fall to 74 affordable new homes per year). The Council believes that a realistic way of addressing this shortfall would be to clear the backlog over the period of the Plan generating a need for 182 affordable homes per annum, a challenging target in the light of the achievements for the previous seven years. There has been some limited housing development by commercial developers in recent years, and a very small number of new in-fill development by two social housing providers.

A greater proportion of houses are owned outright or with loans or mortgages in the Upper Calder Valley, especially in the Luddendenfoot and Calder wards, when compared to the average for Calderdale and the Yorkshire and Humber region. Conversely, a lower proportion are rented,

especially from social landlords and the council, in the Luddendenfoot and Calder wards. This confirms our view that there is a shortage of affordable housing to rent in the towns of Hebden Bridge and Mytholmroyd in particular.

According to data provided by Calderdale Council (2015), the average house price in Hebden Bridge is £172,000, higher than those in Todmorden and Mytholmroyd. Most of the sales in Hebden Bridge over the previous year were terraced properties which on average sold for £152,000. Semi-detached properties had an average sale price of £187,000 and detached properties averaged £297,000. These house prices are higher than, for example, Leeds where the average house price is £148,000, and house purchase is therefore likely to be beyond the means of many people, particularly young people with or without families, and those on low incomes.

Calderdale MBC recognises, given the challenges for building new affordable homes, that there needs to be collaborative and innovative approaches. Well-designed homes in well-designed neighbourhoods are better places to live. Where the density is well-managed, more people can live closer to more services including shops and public transport, with clear benefits to the local economy.

## **Section 2. Origins and Motivations**

### **2.1 Building the foundations**

The idea of a community land trust for the Calder Valley was first discussed locally in late 2013, in joint discussions held between the two town partnership bodies ('town teams') of Todmorden Pride and Hebden Bridge Partnership. These are 'umbrella' bodies under community leadership which work for local economic regeneration and social cohesion. In Hebden Bridge, the creation of CVCLT directly addressed the need for more affordable housing, something identified in the Strategic Action Plan *2020 Vision* prepared by the Partnership in late 2013.

Following these early discussions, the Calder Valley Community Land Trust was formally established at public meetings held in Todmorden and Hebden Bridge in the autumn of 2014. It was incorporated as a community benefit society (under the Co-operative and Community Benefit Societies Act) in November 2014, and received formal confirmation of its charitable status from HMRC shortly afterwards.

If the initial spur was recognition locally of a significant shortage of housing (particularly affordable rental housing), and the desire to demonstrate that our communities could make a real difference in helping create new homes on our own terms and not simply on terms imposed by external developers, the Boxing Day flood of 2015 provided a salutary reminder of the importance of creating mechanisms for community resilience. The Upper Calder Valley towns of Todmorden, Hebden Bridge and particularly Mytholmroyd suffered extremely serious flooding on December 26th 2015, and the communities since then have worked hard both to restore the physical infrastructure but also to overcome the significant psychological trauma which was collectively felt at the time. The work of Calder Valley Community Land Trust is focused centrally within this broader story of community rebuilding and community sustainability.

In the period following the public launches and incorporation, the organisation focused on progressing two initial developments of affordable rental housing on land gifted to the society by Calderdale MBC through Community Asset Transfers.

#### **2.1.1 Birks Court, Walsden**

Birks Court is a small development of six bungalows, designed for independent living for older people, on land close to the centre of the village of Walsden (south of Todmorden) and developed in partnership with local almshouse provider, John Eastwood Homes (JEH). The development was completed in February 2020 and fully tenanted by March 2020. CVCLT owns four of the properties and JEH the remaining two properties.

#### **2.1.2 High Street Hebden Bridge**

High Street Hebden Bridge aims to bring back housing to an area of Hebden Bridge where terraced houses had been demolished in the 1960s. CVCLT presented a development for twenty units, made up of one-, two- and three-bedroomed flats for rent at affordable rents. The plans were submitted for planning in late 2018 and a Calderdale MBC Planning Committee in February 2019 rejected the planning application on grounds of air quality in the area and design considerations.

The scheme is currently being reworked and assessed for feasibility.

### **2.1.3 Fielden Hall**

The organisation was gifted in 2016 the freehold of the Fielden Hall community centre and land adjoining. The Fielden Hall, a grade II listed former art school, is managed on a day-to-day basis by a separate local charity, the Fielden Centre Association, on a lease from CVCLT.

### **2.1.4 Hebden Bridge Signal Box**

In late 2017, the Trustees began detailed discussions with Network Rail towards the possibility of acquiring the freehold of the Hebden Bridge Signal Box, a grade II listed building which was decommissioned in late 2018. This project is progressing well and a plan is in place for the transfer, refurbishment and letting of the building.

### **2.1.5 Accelerating Community-led Housing project**

As one of the more established CLTs in the UK, CVCLT is approached for advice by a wide range of community groups seeking to establish a CLT in their area or are considering developing a co-housing or housing co-op project. The Trustees are always willing to help and to advise where possible. With the establishment of the Community Housing Fund within Homes England in 2018, interest in and investment avenues for community-led housing increased significantly.

With Calderdale MBC's Housing Projects Team, CVCLT ran a 12-month project to support emerging community-led housing groups across Calderdale with an advice and support function funded by Homes England's Community Housing Fund. This project ran from April 2019 to March 2020.

### **2.1.6 Intensive Housing Management**

The society is currently in discussion with a local care provider to take on the housing management function of a small supported housing project in Mytholmroyd, with the care provider continuing to provide the care support to residents. If successful, this will initiate a new project, Intensive Housing Management, which CVCLT aims to develop as a facility to support a number of community-led housing projects in the area and will enable CVCLT to keep management of its own stock in-house.

A more detailed summary of the CLTs projects and assets – both complete and in development - is available at Section 6.2.

## **2.2 Investment Partner and Registered Provider.**

As part of our strategic development, the Trustees took the decision in 2017 that the CLT would apply for both Investment Partner (IP) and Registered Provider (RP) status with the Homes and Communities Agency (now Homes England). This enables the CLT to access grant-funding for its developments from the government's Affordable Homes Programme (SOAHP) administered by Homes England along with other housing-related funding. Calder Valley CLT achieved Registered Provider status in 2018 (RP Registration number 5050) and has successfully drawn down SOAHP funding for the Walsden development to date.

## **2.3 Membership and community engagement**

From the start, CVCLT has been clear that the CLT should operate as a membership organisation, open to all. Ultimately it is the members who control the organisation and elect the Trustees.

Membership of the organisation is open to all, and as at the society's 2020 AGM on 27<sup>th</sup> June 2020, 165 local people are members.



CVCLT membership is open to anyone over the age of 16 with a genuine interest in the work of the society on investment of a minimum of £1 as a share in the society and the society's rules also allow for corporate membership. Currently we have 165 members, mainly drawn from the local area. Members get involved as volunteers, board members and investors.

We have also gone to our community for financial help in progressing our first development, that at Walsden. Community shares are important, not only because they enable us to attract 'patient capital' on terms much more favourable than commercial lenders would offer but because – literally – they represent 'buy in' to our work by local people. Investor-members, just like all our other members, receive only one vote regardless of the size of their investment.

Members have been actively engaged in CVCLT's development of community shares as a means of generating capital investment for our projects and have been consulted on the process of developing both the Birks Lane share offer and the proposed Fielden Acre share offer. The Trustees have held a number of events to engage members directly in supporting the society through community shares and these have included:

- A consultation event for members around community shares in 2018. CVCLT launched a 'pledge' programme to gauge interest of members and the level of potential investment individual members would make. The 'pledgees' have been involved in our first share offer for Birks Court and collectively invested £69,000 in the scheme. The Fielden Acre share offer will re-engage the 'pledgees' and wider membership as a priority group for investment.
- A series of housing related seminars and workshops throughout 2018 including a specific programme around social investment and community shares. This was open to the general public, well supported by members and was a means of increasing membership, raising awareness of community shares and developing the pledge list.
- At the society's 2020 'virtual' AGM, the proposed Fielden Acre community share offer was profiled to the membership and other supporters. This has been followed up with regular updates on the proposed purchase and share offer in our monthly newsletter ensuring members and other supporters are aware of the proposed scheme well in advance of a formal launch.

CVCLT sends out a regular newsletter by e-mail, and this now goes (at their request) to 450 people and organisations.

### **2.3.1 Membership development**

The society continues to develop its membership and has seen steady increases over the past 18 months. Whilst the majority of membership is local, it is also clear by the number of subscribers to the society's regular newsletter, that there is wide interest in and support for CVCLT. Recent membership increases have coincided with the society undertaking high profile activity. The process of consultation, communication and, to some extent, opposition around the planning application process for High Street Hebden Bridge saw a real spike in interest and direct support for the CLT. Equally, a series of five seminars run by CVCLT about housing issues encouraged wider engagement with the motives and missions of the organisation and acted as a useful membership development point. The CLT will continue to use its higher profile activities to encourage engagement with our activities, encourage member involvement in those activities and recruitment of new members.

There has been an increase in membership in the first five months of 2020 of 18 new members which builds on a substantial increase in membership in 2019 when 52 new members joined the

society. There has been very little 'churn' of membership since the society's inception in 2014 with two members having left over the six-year period - one passed away and the other moved abroad.

The Trustees see the launch of a community shares issue for the purchase of The Fielden Acre in late 2020 as a critical element of our membership development process. The pioneer offer that helped finance our earlier development at Birks Court was successfully targeted towards existing supporters. The Fielden Acre offer will have a broader reach and is an opportunity to engage a wider number of people from more diverse backgrounds to become involved in the CLT as members.

With a £170,000 target for individual investors, the CLT aims to encourage an additional 376 people to become members of the society.

The share offer is open to anyone who has the means to invest and wishes to become a member of the society. Most of our members live locally in the Upper Calder Valley but the society is open to investment and for membership from people outside of our area of benefit. Anyone who invests in the society through a community shares issue automatically becomes a member.

A specific aim of the society is to recruit younger people within our community to become involved in its activities and particularly, to become members. Young people are one of the priority groups in the Upper Calder Valley in terms of housing need and the society aims to engage in working with younger people as stakeholders as it seeks to develop housing that meets the needs of younger people who are increasingly disenfranchised in relation to housing.

Importantly, as the society develops its housing portfolio, it offers its tenants and their families the opportunity to become members and have a direct say in the way in which the society operates. This is in addition to our commitment as landlords to its tenants through the society's Tenants Handbook.

## **2.4 Share Capital**

To date, CVCLT has raised £94,000 in community share capital to finalise the development of its first four independent homes in Walsden. Share capital investments were made in 2019. The society raised £69,000 from local people and £25,000 from another local charity.

This was a pioneer offer with the society going out to its membership to raise a reasonable sum in a very short time. The £69,000 investment was raised from sixteen individuals with an average investment £4,133. The target maximum interest that will be made available on these shares is 2% per annum.

Investors were offered a range of interest options including None, Half and Full. Eleven investors opted for Full, two investors opted for Half and three investors opted for None.

The one institutional shareholder made an investment on the basis of Full interest return when it is available.

Eleven investors opted to re-invest any interest and add to their shareholding and three opted for an interest pay-out if and when one becomes available.

The society forecasts making interest payments on this first subscription at the end of 2021. Subscribers may request an interest payment when these become available or add the amount of interest to their individual shareholding. The society will only pay interest on shares in any one year when it can afford to do so and the Trustees reserve the right not to make interest payments. The same principle applies to any future community shares investments in the Society.

It is too early in the cycle of this share offer for withdrawals as there is a moratorium on withdrawals in the first three years of rental activity on the project. A withdrawal will only be available when the Trustees have raised sufficient funds from further share offers to replace any requests.

The society will make a further share offer to raise additional share capital to replace the value of any proposed withdrawal of shareholdings. The society has placed a limit on the withdrawal of shares in any one year to a maximum of 5% of the value of community shares held by the society. Withdrawal will only be allowed if we receive new investment to replace the value of shares withdrawn.

As a principal, any investment in community shares is an investment in the society as a whole and forms part of the overall portfolio of community shares capital invested in the society. CVCLT expects to continue developing community shares as a form of capital investment in future projects.

This will include further investment through an open offer to repay the proposed Community Foundation for Calderdale loan as well as potential capital investments in High Street Hebden Bridge and Rose Street in Todmorden.

## 2.5 CVCLT Community Shares Portfolio

CVCLT expects to have raised £314,000 in community shares following the completion of The Fielden Acre scheme offer at the optimum level of community shares investment.

<b>Scheme</b>	<b>Investor Type</b>	<b>Amount</b>	<b>First Interest to be considered in</b>
Birks Lane	Individual	£69,000	January 2021
Birks Lane	Institutional	£25,000	January 2021
The Fielden Acre	Individual	£170,000	January 2023
The Fielden Acre	Institutional	£50,000	January 2023
<b>Total shareholding by January 2021</b>		<b>£314,000</b>	

## 2.6 Community benefit performance

Calder Valley Community Land Trust is in the process of developing tools to calculate Social Value and is reviewing systems used by other community-led housing providers and taking advice on appropriate metrics and systems.

As a Registered Provider, CVCLT is required to complete the RoSH Value for Money (VFM) metrics. The metrics are used to assess performance across the social housing sector and are reported in the annual accounts. CVCLT has been able to calculate five of the eight measures to date and will increase the range of reporting now the society is managing tenanted properties.

The table shows the results of the calculations, with a commentary on each metric.

<b>Metric</b>	<b>Description</b>	<b>Result</b>	<b>Commentary</b>
No 1	Re-investment %	100%	The total value of new housing properties in the numerator was the same as the value of tangible fixed assets (for housing) at NBV because no other properties had been acquired or work undertaken.
No 3	Gearing %	22.8%	The value of loans less bank and cash equivalent are small in value compared to the large value of the fixed (housing) assets
No 6b	Operating margin (overall) %	57.3%	Both the operating surplus and turnover are relatively low
No 7	Return on capital employed %	4.9%	The operating surplus is extremely low, with no housing rental income, whereas the value of housing assets is large.

Trustees from CVCLT have attended training on calculating social value for CLTs run by the national CLT Network. Using the materials and guidance, two Trustees have started work on assessing social value associated with the new housing development, and other schemes associated with the non-housing properties. This work will run in the summer of 2020, when the tenants will have been living in the housing scheme for 6 months, and the COVID 19 lockdown will have been partially relaxed.

There are many available tools, probably the most relevant being that released by the Housing Action Charitable Trust (HACT). It is likely that CVCLT will employ several tools including surveys targeting actual and prospective tenants and potential partners, to assist in measuring the impact and value of activities. In the longer term, it will be useful to address the social value of the housing schemes and of the non-housing properties owned and/or managed on behalf of the communities. Such activities will assist in identifying what might be the most beneficial future activities, as well as supporting future bids for grants.

The society has ensured the long-term community ownership of The Fielden Centre in Todmorden which provides a community space catering for up to 10,000 users per annum including use as a venue for community celebrations and events.

## **2.7 Financial Performance**

Shown below are the statements of comprehensive income and the balance sheets for CVCLT covering the financial years 2017, 2018 and 2019. It should be noted that the 2017 accounts were originally prepared under the Charity statement of recommended practice (SORP). CVCLT became a Registered Provider in 2018, and accounts for 2018 and 2019 were prepared under the Housing SORP. In the process of preparing the 2018 accounts, the statements of comprehensive income and balance sheets for 2017 were re-presented using the Housing SORP. Therefore, the financial statements shown here are all in accordance with the Housing SORP.

<b>Statement of Comprehensive Income</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	£	£	£
<b>Turnover</b>	55,215	47,232	47,799
Administrative expenditure	(29,591)	(50,642)	(53,734)
Other operating income	5,958	3,018	4,808
<b>Operating surplus/(deficit)</b>	31,582	(392)	(1,127)
<b>Surplus/(deficit) on ordinary activities for the year before tax</b>	31,582	(392)	(1,127)
Tax on surplus/(deficit) on ordinary activities	-	-	-
<b>Total comprehensive income for the year</b>	31,582	(392)	(1,127)

<b>Balance Sheet</b>	<b>2019</b>		<b>2018</b>		<b>2017</b>	
	£	£	£	£	£	£
<b>Fixed assets</b>						
Tangible fixed assets- housing properties		577,681		124,309		42,800
Tangible fixed assets- other		21,000		21,000		21,000
		<u>598,681</u>		<u>145,309</u>		<u>63,800</u>
<b>Current assets</b>						
Housing stock for sale	250,990					
Debtors	6,859		228		336	
Cash at bank and in hand	97,644		42,005		70,285	
		<u>355,493</u>		<u>42,233</u>		<u>70,621</u>
<b>Creditors: amounts falling due within year</b>		-				
		<u>314,952</u>		<u>-68,868</u>		<u>46,115</u>
<b>Net current assets/(liabilities)</b>		<u>40,541</u>		<u>-26,635</u>		<u>24,506</u>
<b>Total assets less current liabilities</b>		<u>639,222</u>		<u>118,674</u>		<u>88,306</u>
<b>Creditors: amounts falling due within year</b>		<u>-468,456</u>		<u>-73,543</u>		<u>-42,800</u>
<b>Total net assets/(liabilities)</b>		<u>170,766</u>		<u>45,131</u>		<u>45,506</u>
<b>Reserves</b>						
Share capital		94,147		94		77
Restricted funds		0		20,000		20,000
Unrestricted funds		<u>76,619</u>		<u>25,037</u>		<u>25,429</u>
<b>Total reserves</b>		<u>170,766</u>		<u>45,131</u>		<u>45,506</u>

In 2016, CVCLT was donated assets, land and a community facility, valued at £41,000. No asset donations were received in 2017, although significant grants were received from Big Potential and Locality, to establish the infrastructure of the organisation, including business support. £20,000 of the grants were to support the first housing development of bungalows for older people. Applying for and receiving Registered Provider status delayed accessing capital grants from Homes England for this development, and a significant part of the funding received in 2017 was carried forward to 2018. This housing scheme was finally started in 2019. Preparation on a further scheme for which the land had been donated and feasibility grants had been received in 2018 was undertaken. The scheme was submitted for planning in Summer of 2018, but was refused planning permission in early 2019. Therefore, whilst CVCLT had received significant amounts of funding towards housing schemes in 2017 and 2018, under the Housing SORP, because no housing had begun, much of this has to be shown as deferred income. Refusal of planning meant that the planning fees and part of the architect's fees associated with planning were written off as no resubmission was made within 12 months of refusal.

2019 saw the first housing development begin, and with it an increase in the value of fixed assets, as well as creditors as commercial and other loans were drawn down. The six bungalows were completed in early 2020, and two were sold to a local almshouse provider. This charity was a partner in the scheme, and had assisted with the cashflow for the development by paying for their share of the build costs as invoices were paid. This is shown in the balance sheet as housing for sale. There are also revenue funds again deferred until the schemes are completed, and which will appear in the 2020 accounts. Turnover in 2019 and operating surplus is also relatively low as no income from housing has been received.

### **Section 3. The Fielden Acre project**

The Fielden Acre project is a straightforward proposition for the CLT that involves the purchase of two residential properties, a store/meeting space and adjoining land from a locally-based philanthropic couple, Robin and Sarah Pennie (The Pennies).

The houses form part of a Grade II listed former Victorian school building set in grounds on the edge Centre Vale Park in Todmorden and within close proximity to the local High School and Sports Centre and within the Todmorden Conservation Area. The residential properties are themselves covered by the Grade II listing. Between 1996 and 2006, The Pennies refurbished the entire property bringing the two houses (The Masters House and The Old School) which bookend the main school hall, back into use as residential accommodation as part of this process. They also completed the refurbishment of the main school hall which now forms a well-used community venue for meetings, events, classes, weddings and other celebrations.

Part of one of the two original houses has been converted to form a store room, disabled toilets and a separate meeting room. This leaves a larger three-bedroom house (The Masters House) and a two-bedroom house (The Old School).

The whole building is set in its own grounds with ample parking to the front of the hall and both residential properties have their own gardens with private parking.

The Pennies gifted the community hall (the Fielden Centre) to Calder Valley Community Land Trust in 2016 and it forms part of the society's small portfolio of assets.

The society in turn, leases the hall (The Fielden Centre) to a local charitable association, The Fielden Centre Association, which operates the community centre as a successful local venue.

Once the residential properties are in the ownership of the CLT, the society will undertake a repair and redecoration programme to the residential properties, repairs required to the hall and store/meeting room along with external decorations to the entire building. There is a small amount of work required to trees within the site boundary and this will be undertaken as part of the repair programme.

Once the purchase is complete, Calder Valley CLT will have ownership of the entire site - The Fielden Acre - which will be in community ownership and control in perpetuity.

### **3.1 Capital requirement**

The capital requirement for the realisation of the project is £430,000. This includes the purchase of the properties, fees associated with the purchase and a budget of £30,000 for repairs to the properties, external decorations to the entire building and internal decorations to the two residential properties. A small allowance is also included for work to trees on the site.

### **3.2 Property acquisition**

The properties that will be acquired by the society are:

The Masters House  
Ewood Lane  
Todmorden  
OL14 7DD

The Old School  
Ewood Lane  
Todmorden  
OL14 7DD

The residential properties will form part of the society's portfolio of rental properties that are rented at Affordable Rents. The properties are currently tenanted and the society wishes to retain the current tenants for each property. The Trustees have undertaken checks with the current tenants to ensure that they meet with the Allocations Policy of the society and are satisfied that both tenants do so. Should the society not renew the tenancies for the existing tenants, both tenants will become technically homeless and eligible for rehousing through the society's allocation process.

There will be a slight adjustment to the rents on issuing of new tenancies to ensure that the rent levels of both properties are in line with CVCLT's commitment to provide Affordable Rents as a minimum.

### **3.3 Feasibility**

As the owner of the Fielden Centre which these properties form part of, the Trustees are familiar with the overall site. The society has undertaken a feasibility review of the properties and has commissioned the following studies to inform the proposed purchase and repairs to the properties. All reports commissioned by CVCLT have been undertaken using the society's formal Procurement Policy requiring a minimum of three written quotations.

As part of the feasibility, the society has undertaken work on a set of revenue forecasts for the properties which are included in Section 7. As a housing project in an area of housing need with existing tenants able and willing to take on new tenancies, the project has an immediate and steady income stream once purchase is complete.

In the event that either tenant wishes to move out, the CLTs recent experience of advertising and allocating four two-bedroomed properties in the Walsden area of Todmorden, indicates that there is a substantial need and demand for social rented housing in the area and a strong market for these properties. The forecasting work includes an above average amount for 'voids' to allow for short periods of no rental income each year should there be a turnover of tenants.



### **3.3.1 Valuation**

A formal valuation of the residential properties, the store/meeting room and the Fielden Centre was carried out by Commercial and Residential Property firm, Walker Singleton. The valuation has been carried out on the basis that the properties will be purchased by the society with tenants already in situ (sitting tenants). The valuations for the two residential properties and the store/meeting room total £410,150 as follows:

Masters House	£195,000
The Old School	£175,000
Store/Meeting Room	£ 40,150

### **3.3.2 Building Survey and Repair Costs**

Building Surveys were carried out for each of the four properties that make up the site by Crowleys of Halifax in February 2020. The surveys identified a relatively small number of items that require attention and provide the society with a schedule of works required to complete the maintenance of the building. Following the survey reports, the society commissioned a QS (Quantity Surveyor) report to produce an estimate of costs to undertake the repairs and to provide external decorations to the entire building and internal decorations to the residential properties.

The estimate of costs was carried out by Andrew Webster of Calvert Webster.

### **3.3.3 Tree Safety Survey**

A Tree Safety Survey was commissioned to identify any work that may be required to trees on the site which range from a small number of large, mature trees to smaller, young trees. This was carried out by JCA of Halifax in March 2020 with a re-inspection of four trees in July 2020.

The survey provides a map of the trees on the site which will be used for future annual inspections and identified a small amount of remedial work required to a number of trees that will be carried out in the near future.

### **3.4 Working capital**

The project requires a small working capital budget of £40,000 for fees, repairs and decorations which is included in the capital budget of £430,000

### **3.5 Funding mix**

The proposed funding mix for the project is relatively straightforward and entails a mix of loan, Homes England grants and Community Shares.

**3.5.1 Homes England.** CVCLT is a Registered Provider of Social Housing and an Investment Partner with Homes England (HE). Homes England is an executive non-departmental public body, sponsored by the Ministry of Housing, Communities & Local Government and manages the major housing building investment programmes on behalf of the government. CVCLT is eligible for capital grants through Homes England's Shared Ownership and Affordable Housing Programme. Homes England has provided a revenue grant of £5,830 towards the surveys and reports required for the project and CVCLT has been invited to make a capital bid for the project. This will be a grant on a 'per property' basis and the society's target is to secure £110,000 for the two properties.

**3.5.2 Community Foundation for Calderdale.** CFfC is making a loan of up to £120,000 available on an interest only basis for 5 years. After 5 years, the capital on the loan will be required to be repaid and this repayment point is factored into the Community Share Offer schedule. On current estimates, CVCLT expect to draw down £100,000 of this loan amount.

**3.5.3 Community Shares** (see 6.6 below). CVCLT will launch a community share offer with the target of securing £170,000 from individual and institutional investors. This will be matched by £50,000 from the Community Shares BOOSTER Fund which was secured in September 2021.

Should the Share Offer exceed its optimum target, funds can be used to reduce the amount of borrowing required from the Community Foundation for Calderdale.

#### **3.5.4 Capital funding table**

<b>Source</b>	<b>Target</b>	<b>Status</b>
Homes England	£110,000	In Process
Community Foundation for Calderdale	£ 100,000	Confirmed
BOOSTER Fund Community Shares	£50,000	Confirmed
CVCLT Share Offer	£170,000	In Process

#### **3.6 Share offer plan**

CVCLT proposes to launch a time-bound community share offer on 31<sup>st</sup> October 2020 to run for 12 weeks.

**Optimum Raise:** The optimum target raise for the share offer is £220,000. This includes £50,000 already secured from the BOOSTER Fund.

**Lower Target:** Should the share offer not achieve the £220,000 target, the project could still go ahead with the £50,000 from the BOOSTER Fund and £150,000 raised from the share offer - £200,000 in total. The society will use the balance of loan funds available from the Community Foundation for Calderdale - an additional £20,000 to make up for a shortfall of £20,000 on the share offer.

**Upper Target:** The project can accept amounts over and above the £220,000 target raise as any additional community shares can be used to reduce the borrowing requirement from the Community Foundation for Calderdale. The maximum share offer target has been set at £270,000 (including BOOSTER Funds). This will reduce the loan requirement from the Community Foundation for Calderdale to £50,000.

CVCLT intends to retain a minimum of £50,000 loan from the Community Foundation as this forms part of a longer-term strategy of working with the Foundation to invest its capital directly into local asset-based community projects on the basis of achieving both a social and an economic return.

The share offer will launch with a target of £220,000 and will offer shares at £1 per share with a minimum shareholding of £250 available in multiples of £250 to a maximum shareholding of £20,000 per individual investor. Shares will be offered to investors with a target maximum interest rate of 2%

and investors will be asked to opt for either No interest, Half interest or Full interest if and when it becomes available.

Investors will have the option of re-investing any interest or receiving payment of interest when it becomes due.

Institutional investors will have the opportunity to invest in community share offer and these investments will be subject to the same terms and conditions as for individual investors.

The Trustees will consider a first interest payment for the second year of the investment following the purchase of the properties. This will be discretionary and payable at the end of the year and will not be due before January 2023.

As with the Birks Court Shares, the society will manage the capital liquidity of withdrawable shares for The Fielden Acre through an initial lock to prevent withdrawal in the first 3 years following completion of the purchase of the properties.

Shares are withdrawable by selling them back to the society. CVCLT Trustees will only consider requests to withdraw shares three years after the original shares issue - by early 2024. Withdrawal is subject to 3-months notice and is at the discretion of the Trustees and withdrawals will be made in the order that requests for withdrawal have been received.

The society plans an open share offer to raise additional share capital to replace the value of any proposed withdrawal of shareholdings. The society has placed a limit on withdrawal of shares in any one year of 5% of the value of community shares held by the society. Withdrawal will only be allowed if we receive new investment to replace the value of shares withdrawn.

The Trustees strongly encourage investors to consider their investment to be a long-term commitment to the work of Calder Valley Community Land Trust and are asking investors to leave their money within the society for as long as possible.

The society also plans to fund the repayment of the Community Foundation for Calderdale 5-year interest only loan through an open community share offer that the point that the loan becomes payable (2026).

### **3.7 Share offer marketing and communication plan**

The society has developed an outline marketing and communications strategy that aims to generate wider interest locally in the work of the Community Land Trust and generate share income from local and national audiences. The Marketing & Communications work is being led by the Leeds Community Homes (LCH) team who are working closely with the CVCLT Trustees to develop and implement the plan. LCH have run their own successful community shares campaign in 2016.

The strategy is based around a story, audiences, communication channels and tools, monitoring impact and regular refreshing of marketing messages.

Local PR, marketing, communications and regional and national PR will be led by Leeds Community Homes supported by CVCLT. National marketing to targeted social investors will be undertaken by

the Ethex marketing team. LCH and Ethex will partner to agree the overall marketing and communications action plan.

### **3.7.1 Story**

The story links the importance of the heritage of the site to the future benefit of securing the overall site for the community, forever. It links the individual philanthropy of the past to the philanthropy of the crowd now to create community-owned spaces of the future.

### **3.7.2 Audiences**

The share offer is open to anyone over the age of 16 who has the means to invest at the minimum level in the project. Within this, the strategy identifies a number of key audiences that will be prioritised. Segmenting these audiences will allow the campaign to use appropriate communication tools for the different audiences.

Key audiences for the share offer are:

The local community of Todmorden: this includes identified groups who use the Fielden Centre, Todmorden Historical Society, Fielden Centre Association, Friends of the Centre Vale Park, University of the Third Age (U3A), Todmorden Rotary Club, The Town Board along with a wider public campaign amongst Todmorden residents.

CVCLT members & supporters: through CVCLT's general membership, members who have pledged to support a share issue; general supporters who subscribe to the newsletter; general public across the wider Calder Valley area.

National supporters of the community-led housing movement and social investors interested in supporting sustainable community projects.

### **3.7.3 Communication Tools**

The marketing and communications plan sets out the key tools for engaging with audiences. These will include:

- Creation of short video content

- Hashtag for the share offer #CVShares2020
- Press Releases and ongoing contacts with local newspapers, news websites, broadcast media
- Physical & e-Leaflets, posters, newsletters. Banners up in Todmorden
- Ethex share offer page with links to CVCLT website
- Zoom launch event with a Q&A with the CVCLT team; streamed via Facebook Live on their Facebook page
- Dedicated web pages on [caldervalleyclt.org.uk](http://caldervalleyclt.org.uk)
- Regular Twitter, Facebook posting from CVCLT & LCH accounts
- YouTube Channel get Ethex to share videos on their channel
- Regular updates via the CVCLT mailing list and the LCH mailing list
- Gain support for the campaign from local councillors and the Mayor
- Using CVCLT members to share the offer to help raise the profile
- Sending video/PR out to local TV, radio, with a view to getting interviews with a CVCLT spokesperson

#### **3.7.4 Monitoring Impact**

- Regular SEO review of web presence and take action
- Regular review of levels of share investments throughout the campaign
- Identification of sources of investment – local, regional or national
- Adjustments and refresh of marketing and communications activity to stimulate investment at key points in the campaign

#### **3.7.5 Programme**

The marketing and communications action plan will have three distinct phases:

- The Planning stage before the offer goes live. This will include engaging with a number of local audiences including CVCLT members and local associations prior to the launch
- The Launch. This will be a virtual launch with a small physical event (lockdown permitting) at The Fielden Centre. This will engage with local audiences including CVCLT members, Fielden Centre users, local dignitaries and local business, education and heritage organisations.
- The Delivery Phase. This is planned over an eight-week period and has specific tasks and activities allocated within each weekly period.

#### **3.7.6 Evaluation**

This will take place briefly once the offer has closed and will provide valuable feedback to CVCLT to inform any future campaigns.

## Section 4: Financial Forecasts

This section deals with the financial forecasts for The Fielden Acre project and places them in the context of the society's overall financial forecasts.

### 4.1 The Fielden Acre Capital and Revenue Forecasts

The capital costs and sources of income for The Fielden Acre project are:

<b>Purchase and Refurbishment Costs</b>	
<b>Purchase</b>	
The Masters House	190,000
The Old School	170,000
Store/Meeting Room	30,000
Legal and Finance Fees	10,000
<b>Sub total purchase</b>	<b>400,000</b>
<b>Repairs</b>	
The Masters House	10,000
The Old School	10,000
Store/Meeting/Fielden	5,000
Grounds/Site	5,000
<b>Sub total repairs</b>	<b>30,000</b>
<b>Total costs</b>	<b>430,000</b>
<b>Capital Funds</b>	
Homes England grant	110,000
Equity: Community Shares	220,000
Community Foundation Loan (Interest only)	100,000
<b>Total</b>	<b>430,000</b>

Capital funds from Community Foundation for Calderdale have been confirmed and are subject to contract once the project progresses. A Heads of Terms has been issued. Homes England grant is subject to a standard application process and CVCLT is eligible to apply and draw funds from the Shared Ownership and Affordable Housing Programme. The Community Shares are due to be raised between November 2020 and January 2021.

On completion of purchase, the society will complete the repairs to the buildings (these are primarily external) and make arrangements with the tenants to undertake internal decorations where required. Income will be generated immediately on a monthly basis with two tenancies paying rent by monthly standing order. A small rental income from the lease of the meeting room and store to the Fielden Centre Association will be generated on a quarterly basis.

Rents on the two properties have been benchmarked against local market rents and adjusted downwards by 20% to provide an Affordable Rent for each property. Market rents have been advised by the RICS valuation of the properties and by a review of market and social rents in the locality by CVCLT.

There are no other intended sources of income in the short term from The Fielden Acre.

The costs associated with generating this income are based on industry standards for social housing and include:

**Voids.** 5% of income is set aside for voids – periods when either property is not tenanted. This is usually as the result of a change of tenancy and makes allowance for a period of a few weeks when a property has been vacated and before a new tenancy commences. The allowance of 5% is above the national average for social rented housing and allows for 5.2 weeks of voids per annum. This would allow for one change of tenancy across the two properties per year. The society is likely to make a saving on voids costs over time. However, these are factored in annually as a matter of prudence.

**Management costs.** These are the costs of outsourcing management of the properties to a third party and are based on a social housing standard of 10% of rental income. Management is likely to be carried out in-house on this scheme which has stable tenants in place and, should CVCLT progress its Intensive Housing Management scheme, this function will be provided by a paid member of staff. The sum set aside for management costs is therefore a net contributor to CVCLT running costs.

**Maintenance.** General maintenance costs are allocated on the basis of 10% per annum, as a social housing standard, and cover day to day repairs and maintenance. As part of the management of the properties, the society has drawn up a regular maintenance scheme including cyclical repair costs.

**Sinking Fund.** A sinking fund will be established in Year 1 with surpluses from income over expenditure held in reserves by CVCLT. This will develop a fund to provide for major repairs as they occur over the longer-term. A 10-year Maintenance Plan (2021-2030) is included at Appendix A.

**Insurances.** This is provision for Landlord Insurance and covers public liability and buildings insurance for the residential properties. This figure is based upon quotations by Ryburne Insurance Brokers of Hebden Bridge who manage the insurances across the society's portfolio of land and properties.

**Community Foundation for Calderdale Loan.** This is an interest only loan over a 5-year period with interest fixed at 2.5%. There is an agreement with CFC that the loan capital will be repayable after 5 years or renegotiated in advance. The cost of loan finance is serviced by The Fielden Acre revenue account.

**Community Shares and Booster Fund Shares.** The society has budgeted for a maximum annual interest of 2% on the portfolio of community shares from 2022 for The Fielden Acre investments. This will be paid out (or written back to the share account) at the start of 2023 subject to Trustee approval. The community share issue for The Fielden Acre contributes to the community shares portfolio for the society as a whole.

The project finances, once depreciation and grant amortisation is accounted for, require support from the wider organisational finances of the society. The organisational financial forecasts at Section 4.5 indicate that the society can support The Fielden Acre project.

## 4.2 Income & Expenditure – The Fielden Acre

The forecast income & expenditure account, cashflow and balance sheet for The Fielden Acre for 2020-2025 inclusive are:

<b>The Fielden Acre I&amp;E</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Income</b>						
Rents and service charges		12,960	13,219	13,484	13,753	14,028
Voids		-648	-661	-674	-688	-701
Recharges	1,068	0	0	0	0	0
Other income	25,830					
<b>Total income</b>	<b>26,898</b>	<b>12,312</b>	<b>12,558</b>	<b>12,809</b>	<b>13,066</b>	<b>13,327</b>
<b>Expenditure</b>						
General & cyclical maintenance		1,375	1,389	1,403	1,943	4,657
Buildings insurance						
<b>Repairs &amp; maintenance</b>		750	765	780	796	812
Management costs	0	2,125	2,154	2,183	2,739	5,469
Other						
<b>Management</b>		1,296	1,322	1,348	1,375	1,403
Interest on loans	1,068	0	0	0	0	0
Interest on community shares	1,068	1,296	1,322	1,348	1,375	1,403
<b>Finance</b>						
Costs of purchase		2,500	2,500	2,500	2,500	2,500
<b>Pre-purchase costs</b>			3,500	3,500	3,500	3,500
<b>Total expenditure</b>	<b>0</b>	<b>2,500</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
<b>Net surplus/deficit</b>						

Depreciation			-8,800	-8,800	-8,800	-8,800
Capital grant released			2,400	2,400	2,400	2,400
<b>Total surplus/deficit</b>		<b>6,391</b>	<b>-3,318</b>	<b>-3,122</b>	<b>-3,449</b>	<b>-5,945</b>
<b>Cumulative surplus/deficit</b>	<b>-650</b>	<b>5,741</b>	<b>2,423</b>	<b>-699</b>	<b>-4,148</b>	<b>-10,092</b>



#### 4.3 The Fielden Acre - Cashflow

Cashflow The Fielden Acre	2020	2021	2022	2023	2024	2025
<b>Balance b/f</b>	<b>10,000</b>	<b>-650</b>	<b>5,741</b>	<b>8,823</b>	<b>12,101</b>	<b>15,052</b>
<b>Income</b>						
Rent	-	12,960	13,219	13,484	13,753	14,028
Voids	-	-648	-661	-674	-688	-701
Community shares	-	220,000	-	-	-	-
Grants	15,830	120,000	-	-	-	-
Loans		100,000	-	-	-	-
Other income	1,068	-	-	-	-	-
<b>Total income</b>	<b>16,898</b>	<b>452,312</b>	<b>12,558</b>	<b>12,810</b>	<b>13,065</b>	<b>13,327</b>
<b>Expenditure</b>						
General & cyclical maintenance	-	1,375	1,389	1,403	1,943	4,657
Refurbishment and major works		35,000				
Management costs	-	2,046	2,087	2,129	2,171	2,215
Finance	-	2,500	6,000	6,000	6,000	6,000
Houses		390,000				
Other spend	27,548	5,000	-	-	-	
<b>Total expenditure</b>	<b>27,548</b>	<b>435,921</b>	<b>9,476</b>	<b>9,532</b>	<b>10,114</b>	<b>12,872</b>
Net surplus/deficit	<b>-10,650</b>	<b>6,391</b>	<b>3,082</b>	<b>3,278</b>	<b>2,951</b>	<b>455</b>
<b>Cumulative surplus/deficit</b>	<b>-650</b>	<b>5,741</b>	<b>8,823</b>	<b>12,101</b>	<b>15,052</b>	<b>15,507</b>

#### 4.4 The Fielden Acre – Balance Sheet

The Fielden Acre Balance Sheet	2020	2021	2022	2023	2024	2025
<b>Fixed assets</b>						
Housing properties		430,000	421,400	412,800	404,200	395,600
<b>Total fixed assets</b>	-	<b>430,000</b>	<b>421,400</b>	<b>412,800</b>	<b>404,200</b>	<b>395,600</b>
<b>Current assets</b>						
Cash at bank	-650	5,741	8,823	12,101	15,052	15,508
<b>Total current assets</b>	-650	5,741	8,823	12,101	15,052	15,508
<b>Current liabilities</b>	0	0	0	0	0	0
<b>Net current assets/(liabilities)</b>	<b>-650</b>	<b>5,741</b>	<b>8,823</b>	<b>12,101</b>	<b>15,052</b>	<b>15,508</b>
<b>Long term liabilities</b>						
<b>Grant</b>		110,000	107,800	105,600	103,400	101,200
<b>CFfC loan</b>		100,000	100,000	100,000	100,000	100,000
<b>Total long term liabilities</b>	-	<b>210,000</b>	<b>207,800</b>	<b>205,600</b>	<b>203,400</b>	<b>201,200</b>
<b>Total net assets/(liabilities)</b>	<b>-650</b>	<b>225,741</b>	<b>222,423</b>	<b>219,301</b>	<b>215,852</b>	<b>209,908</b>
<b>Financed by</b>						
Community shares		220,000	220,000	220,000	220,000	220,000
I&E cumulative surplus/deficit	-650	5,741	2,423	-699	-4,148	-10,092
<b>Total reserves</b>	<b>-650</b>	<b>225,741</b>	<b>222,423</b>	<b>219,301</b>	<b>215,852</b>	<b>209,908</b>

#### 4.5 Organisational finances

The society is developing a range of steady sources of income and this will expand over the next five years of the plan. These include current income streams from:

Fielden Centre Lease. The lease currently realises £3,170. Once buildings insurance, maintenance and a sinking fund allowance are accounted for, there is a net income of £650 per annum.

Birks Court, Walsden rental income. This provides a rental and service charge income from four rental properties. The costs for each property are calculated on a similar basis as The Fielden Acre costs. Current forecasts are that these will provide a net income to the society of approximately £5,000 per annum once the maximum potential cost of interest on Community Shares is accounted for in Year 2.

Future forecast income and costs is derived from:

The Fielden Acre providing a small net income. As a general principle, interest on community shares is an organisational cost and will be funded from overall CVCLT surpluses.

Intensive Housing Management. This project is forecast to generate sufficient funds to cover a part-time post and on-costs, make a £4,000 contribution to overheads and provide a net surplus of £3,600.

The Signal Box is estimated to make a net contribution to the society's accounts of £2,840 per annum.

Grant income. Whilst the society does not rely on grant income to cover the revenue costs of the organisation – these are generally reserved for development of projects – the society has been successful in reaching the second round of a Big Lottery application. If approved, subject to the Big Lottery re-opening existing programmes post COVID 19 closures, the society will be in receipt of a further £30,000 per annum for 3 years to cover overheads and increase staffing for the period. This grant is not included in current forecasts.

The Walsden bank loan of £170,000 attracts interest at 2.5% over base. This is interest-only to October 2021 and from then is on a capital and interest basis from October 2021. The Quaker Housing Trust loan (Walsden) is interest-free but repayments are required and are included in the budget.

To date, £94,000 of community share capital has been invested in the Walsden project. Some investors have voluntarily accepted either No interest or Half interest, with 2% being the maximum available. Interest will only be made available each year when the society can afford to pay interest and on approval by the Trustees.

#### 4.6 Income & Expenditure forecasts for CVCLT

Organisation summary	2020	2021	2022	2023	2024	2025
<b>Total income</b>	<b>138,083</b>	<b>107,414</b>	<b>114,210</b>	<b>116,429</b>	<b>118,691</b>	<b>120,999</b>
Sub total expenditure	<b>109,471</b>	<b>85,571</b>	<b>92,007</b>	<b>93,279</b>	<b>95,159</b>	<b>99,216</b>
Plus depreciation less grant released	5,784	5,784	12,184	12,184	12,184	12,184
<b>Net surplus/deficit</b>	<b>22,828</b>	<b>16,059</b>	<b>10,019</b>	<b>10,966</b>	<b>11,348</b>	<b>9,599</b>
Bring forward from 2019	76,619					
<b>Cumulative surplus/deficit</b>	<b>99,447</b>	<b>115,506</b>	<b>125,525</b>	<b>136,490</b>	<b>147,839</b>	<b>157,438</b>

#### 4.7 Cashflow

Organisation Cash flows	2020	2021	2022	2023	2024	2025
<b>Operating cash flows</b>						
<b>Total receipts and income</b>	<b>48,659</b>	<b>114,081</b>	<b>111,450</b>	<b>113,659</b>	<b>115,911</b>	<b>118,208</b>
<b>Total operating costs</b>	<b>106,740</b>	<b>171,210</b>	<b>80,786</b>	<b>83,175</b>	<b>76,597</b>	<b>80,645</b>
<b>Net operating cash flow</b>	<b>(58,081)</b>	<b>(57,129)</b>	<b>30,664</b>	<b>30,484</b>	<b>39,314</b>	<b>37,563</b>
Net investment cash flows	(7,926)	(233,646)	0	0	0	0
Net financing cash flows	(1,250)	313,605	(16,940)	(17,085)	(25,674)	(25,839)
<b>Net surplus/deficit</b>	<b>(67,257)</b>	<b>22,830</b>	<b>13,724</b>	<b>13,399</b>	<b>13,640</b>	<b>11,724</b>
Opening cash balance	97,644	30,387	53,217	66,941	80,340	93,980
Closing cash balance	30,387	53,217	66,941	80,340	93,980	105,704

#### 4.8 Balance Sheet projections

<b>Organisation balance sheet</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Fixed assets	701,403	1,125,119	1,104,535	1,083,951	1,063,367	1,042,783
Cash in bank	30,387	53,217	66,940	80,339	93,979	105,705
Debtors/(Creditors)	1,640	0	0	0	0	0
Liabilities & loans	196,948	294,570	288,866	281,890	274,773	167,490
Capital Grants	342,863	454,063	442,863	431,663	420,463	409,263
<b>Assets less liabilities</b>	<b>193,619</b>	<b>429,703</b>	<b>439,747</b>	<b>450,738</b>	<b>462,111</b>	<b>571,734</b>
<b>Financed by</b>						
<b>Community shares</b>	94,000	314,000	314,000	314,000	314,000	414,000
<b>Other shares</b>	172	197	222	247	272	297
Balance P&L	99,447	115,506	125,525	136,491	147,839	157,438
	<b>193,619</b>	<b>429,703</b>	<b>439,747</b>	<b>450,738</b>	<b>462,111</b>	<b>571,735</b>

## 4.9 Organisation financial statements

These show the following schemes:

1. Walsden, comprising 4 bungalows, partly funded by grants from Homes England (£240,000) and Calderdale MBC (£40,000), a loan (£25,000) and a grant (£20,000) from Quaker Housing Trust, a commercial bank loan (£170,000) and pioneer community shares of £94,000. We built 6 bungalows, 2 of which were bought from us by John Eastwood Homes (JEH), a local almshouse provider. JEH assisted with the cash flow by contributing to the cost of the build over the life of the build, which was spread over 2 years. Funding was therefore also received over the two years (2019-2020), and the scheme was completed in 2020. The bungalows are let at affordable rents, with a management charge.
2. Fielden Hall is owned by CVCLT and used by a local community association which pays rent. The value in the assets is lower than the market value, as accepted by our accountants.
3. The Fielden Acre comprises the purchase of two houses which bookend Fielden Hall. The cost of purchase of the houses is £390,000 to which is added refurbishment (£30,000) and the costs of purchase (£10,000). Funding will come from a Homes England grant (£110,000), a loan from the Community Foundation for Calderdale (£100,000, up to a maximum of £120,000 if there is a shortfall in community shares), Community Shares (£170,000 plus £50,000 matched via BOOSTER Fund). Homes England gave a small revenue grant for payment of surveys and legal costs (£4,830) and revenue grants for community shares marketing, business planning and overheads of £10,000 came from Booster fund and £10,000 from REACH.
4. The Signal Box scheme has been delayed due to Covid-19 issues in funding. CVCLT will lease from Network Rail a decommissioned grade II signal box, will refurbish it and use for holiday lets. Funding for the refurbishment will come from the National Lottery Heritage Fund, and the Railway Heritage Fund. A small grant (£4,500) for the feasibility work has been given by Hebden Royd Town Council.
5. The High Street scheme has also been delayed. Funding for design, surveys and planning had been obtained from Homes England in 2018 (which has been capitalised), and a further revenue grant of £48,540 has been given in 2020 to address planning issues. Given the uncertainty around the size of the scheme and the type of housing, no estimates of build costs, nor funding options have been included. Financial feasibility has also to be established.
6. The Intensive Housing Management (IHM) Scheme comprises the lease of a property currently used for housing vulnerable adults. CVCLT will charge rent and will provide enhanced housing management thus receiving enhanced benefits. No assets are involved, and the income and expenditure is shown only in the I&E and cashflows.
7. Core activities are the organisational overheads, plus development. Income currently comes from rent, a Covid-19 grant, and unspent grants from previous years. In future years, organisational surpluses will support these activities, plus small grant income.

### 4.9.1 Cash flow

1. 2020 saw a large opening cash balance due to grants having been received in 2019 for Walsden being spent on build and fees invoices in early 2020, but for work undertaken both in 2019 and 2020.
2. Rental income (and spend) increases significantly in 2021 as IHM and The Fielden Acre come on line.

3. Spend rises in 2021 as the IHM and The Fielden Acre come on line, but also as refurbishment on the Signal Box scheme is undertaken.
4. Investment cash flows comprises the balance of the Walsden scheme and in 2021, the purchase of The Fielden Acre, matched by property grants as shown in the net investment cash flows in 2020 and 2021.
5. The increase in 2021 for the financing of cash flows is due to the community shares and loans for The Fielden Acre, offset by loans repayments and interest paid for Walsden.

#### **4.9.2 I&E**

1. Income in 2020 comprises rent from Walsden, Fielden Hall, and office share, and grants. The largest spend in 2020 is for the feasibility work on High Street offsetting the grant
2. Income and spend for IHM come on stream in 2021, and rent for The Fielden Acre.
3. Income for core activities is very small comprising small grants and a share of the Fielden Hall rent.
4. The I&E net surplus steadily increases, whereas the cash flow sees greater fluctuation.

#### **4.9.3 Balance sheet**

1. The baseline used is the 2019 accounts closing balance sheet.
2. The value of assets rises in 2020 as the Walsden bungalows are completed, and in 2021 as The Fielden Acre are purchased. Thereafter the value of fixed assets declines as Walsden bungalows and The Fielden Acre depreciate.
3. Liabilities and loans comprise the loans for Walsden in 2020, and increase in 2021 as the loan for The Fielden Acre comes in. Thereafter their value decreases as repayments are made on the Walsden loan.
4. Capital grants in 2020 comprise grants for Walsden and capitalised grant for High Street. The grants increase in 2021 as The Fielden Acre grant comes in. Thereafter their value decreases in line with capital depreciation.
5. Community shares in 2020 are from the Pioneer Share Offer for Walsden and, from 2021, comprises the shares for The Fielden Acre.
6. Other shares are membership shares at £1 per member.

#### **4.9.4 Major repairs**

1. The organisation's cumulative surpluses provide reserves for the long-term management and maintenance of the societies assets. The houses are Grade II listed properties and are likely to require higher levels of long-term maintenance than new, non-heritage buildings. At 15% of value of the properties (value at 2020 - £370,000), the society will require £55,500 for repair extraordinary costs over a 10-year period. Taking account of £20,750 of work that will be undertaken in 2021 funded through the purchase and repair of the properties, the society has sufficient cumulated reserves to fund future repair work over and above the budgeted annual and cyclical maintenance  
A Management and Maintenance Plan is attached at Appendix A.

## **Section 5. The Organisation**

### **5.1 Structure**

Calder Valley Community Land Trust was established as a community benefit society (using model rules for societies with charitable status prepared by Co-operatives UK). The first Trustees took the decision to incorporate under the Co-operative and Community Benefit Societies Act, rather than as a charitable organisation registered under the Companies Act, because of the scope it provided for potential community share issues. (The community share issue anticipated for mid-2018 has been part of Trustee thinking from the early days of the organisation).

As a community benefit society, charitable status is recognised by HMRC rather than the Charity Commission. Our exempt charity registration number is EW35609

Our organisation is member-led, with members exercising their powers at General Meetings.

The Board of Trustees is elected from the membership and there is the provision for up to two Board members to be co-opted during the year. Elections take place each year with one-third of the Board standing down each year. Board members can be re-elected.

### **5.2 Rules**

The objects of the CVCLT are exclusively charitable under English charitable law and are:

- To promote for the benefit of the public the conservation protection and improvement of the physical and natural environment
- To carry on for the benefit of the community the business of providing housing and of associated amenities for persons in necessitous circumstances upon terms appropriate to their means

The society has the powers to borrow providing that the amount outstanding at any one time does not exceed £10million and it has the power to mortgage and charge any of its properties.

The society's borrowing and interest payable in relation to investment by individuals is governed by the rules and interest shall not exceed 5% per annum or 2% above the Co-operative Bank's base rate.

### **5.3 Governance**

Trustees meet monthly for board meetings. Board meetings are structured with agendas and papers sent to Trustees in advance; all meetings are formally minuted. Trustees also hold an annual 'awayday', designed as an opportunity for strategic planning.

All Trustees have access to the password-protected intranet, a discrete section of the organisation's main website, where board papers, minutes and other internal documentation can be accessed.

The annual general meeting for members is held each year in the Spring/Early Summer at which Trustees report on the year completed and present the annual accounts. The organisation's accounts are available on the public website (as well as on the national Mutuals Register). The CLT produces an Annual Report. Regular newsletters are sent to members, supporters and other partner organisations.

The Trustees have adopted a significant set of policies and procedures covering Board of Trustees Code of Conduct, Terms of Reference for the Board and the Audit & Risk Committee, Safeguarding,



Procurement, Financial Procedures & Standing Orders, Policy on Secured Loans, Sustainability Policy and, more recently, an Allocations and Lettings Policy along with a Tenants' Handbook.

The Board established an Audit & Risk Committee in 2018 as a standing committee of the society. Three Trustees sit on this committee which meets three times per year as a minimum.

The Trustees work to a risk map, which is reviewed at the Audit & Risk Committee and at the Board on a regular basis.

All Trustees contribute their time and skills voluntarily and it is clearly understood by all trustees that personal benefit or gain cannot be sought through CLT work. Calder Valley Community Land Trust has adopted the Charities Governance Code, and compliance with the code is reported each year together with the annual accounts.

Projects are overseen by Task Groups, membership of each is drawn from the Trustees. At present three task groups operate: The High Street Hebden Bridge project; a Fielden Acre and Community Shares Task Group; Housing Management Task Group. Task groups meet regularly and minutes from task groups meetings are taken and stored in a secure area of the intranet. In addition, the Signal Box project is overseen by an external group (Friends of Hebden Bridge Station) supported by CVCLT Trustees.

The board regularly reviews the skills and knowledge at board level (including perceived skills gaps) and has gradually recruited a very skilled and capable board spanning multiple professional disciplines. The board believes it is strongly represented in terms of: housing sector experience, financial management, charity and voluntary sector management, marketing, relevant professional skills (architect, surveyor, civil engineer), and experience of the oversight of significantly sized construction projects.

#### **5.4 Board and advisor competencies**

The board's officers are Simon Brearley (Chair), Andrew Bibby (Secretary) and Karin Lowson (Treasurer).

**Simon Brearley** is a chartered surveyor by profession. He has chaired the CLT since its inception, and is also the Chair of the Todmorden community-led regeneration body (the 'town team') Todmorden Pride. Simon brings to the CLT both his professional experience and his strong local knowledge.

**Andrew Bibby** is a business journalist, whose work has appeared in (among other national papers) The Guardian, The Financial Times and The Independent. A former small business adviser, he specialises in writing on social enterprise and cooperative business. He is a former Trustee of two national charities. He also led (2008-2012) the community-led initiative which saw Hebden Bridge Town Hall passed into the hands of a charitable trust. As part of this role, he oversaw a £3m new-build on vacant land at the rear of the Town Hall, and was responsible for the successful £1.2m ERDF grant application for this development. Andrew has been secretary since CVCLT's inception. Andrew, as secretary, has among other things responsibility for the smooth operation of CVCLT's governance, ensuring agendas and papers are issued in good time and maintaining the organisation's minutes record.

**Karin Lowson** has been the society's Treasurer since January 2018. She has worked as a chartered accountant (CIPFA – Chartered Institute of Public Finance and Accountancy) and has more than

twenty years' experience working in the NHS, in fields of research, information, business planning and finance. She was Finance Director for an NHS Trust for 7 years, with responsibility for finance, information, business planning and contracting, followed by 15 years as a Project Director at the University of York as a research health economist. Her skills at business planning and the writing of business plans are particularly valuable to the board.

Karin also liaises with the CLT's accountants who provide all accountancy services including production of accounts, audit facilities, filing of VAT returns and general advice are Third Sector Accountancy.

**The other board members are:**

**Maggie Smallwood** is a former researcher at the University of York. As well as her research work, she has in recent years been the Business Development Manager for the Centre for Low Carbon Futures, for the York Environmental Sustainability Institute, and the Biorenewables Development Centre. She headed BioVale, an initiative to create innovation clusters in Yorkshire for the bioeconomy. Maggie also brings to the board significant experience of policy development and strategic planning.

**Richard Henderson's** background is the private sector, in particular the financial services sector. His career has been largely spent working for large service companies, designing and developing business propositions from the idea stage, then running projects to deliver and communicate them. He has a particular interest in environmentally sustainable and healthy architecture. Richard's experience in project design and planning is particularly valuable.

**Melvin Coleman** has been a Director & Treasurer of the Incredible Edible network since 2011 and was formerly Treasurer of Incredible Edible Todmorden. He has taken responsibility for registering and protecting the trade mark as well as maintaining the accounts. A graduate in law and a retired Chartered Accountant, his career has taken him from North Sea oil to publishing and thence into the not for profit sector, finally as UK Finance Director of Amnesty International. His current responsibilities include chairing Amnesty's international charity. His voluntary sector activities previously included Treasurer of Liberty, helping found and run the country's first publicly funded law centre, the Public Law Project and the Business & Human Rights Resource Centre. Melvin chairs the Board of Trustees' internal Audit Committee.

**Kala Wild** grew up in Hebden Bridge. She has fifteen years' experience in the voluntary sector locally, including for Calderdale Council, and now works in Accrington for a domestic violence service where she is supporting the development of Harv Housing, a community interest company providing safe house accommodation for women and children fleeing domestic violence.

**John Berry**, a physicist by training, has a long history of living in, and working for, housing co-operatives in London. He was Chair of Solon Co-operative Housing Services in the 1980s, and has also held positions with Birchfield House Co-op. Now retired, he is active in local organisations and is also at present learning modern Greek.

**Cathy Wheatcroft.** Cathy is the newest member of the CVCLT Board, is originally from Hebden Bridge and brings important skills and experience in the housing and construction industries. Cathy is a Quantity Surveyor by profession, has practiced in the industry at a senior level within the private,

local authority and third sector and has been a Construction Lecturer at Leeds College of Building. Cathy is currently the Housing Development Manager for Halifax Women's Centre.

#### **5.4.1 Advisors**

CVCLT works with a small number of trusted advisors including:

**David Nugent** is a qualified architect who is now executive director of Canopy Housing, based in Leeds. Canopy is the award-winning organisation which provides affordable housing for the homeless or those in housing need. David brings to the CLT both his background as an architect and his experience in housing stock management. Having previously been a Trustee of CVCLT, David continues to provide pro bono support to the society as a member of the Hebden Bridge High Street Task Group.

**Marc Collett** is a consultant specialising in regeneration, heritage and community-led housing. He has worked with the society since its inception and provides support across a number of projects on an ad-hoc basis. Marc has undertaken Community Shares Practitioner training with Co-operatives UK and is a panel member of Community Led Homes investment programme.

**Sam Wilson.** The society has retained the services of Sam Wilson of Bauman Lyons Architects (BLA) who has been the Principal Architect on the High Street development.

#### **5.5 Business plan development**

This business plan has been developed by Marc Collett, Projects Advisor to CVCLT with significant input from Trustees, Andrew Bibby, Maggie Smallwood, Melvin Coleman and Karin Lawson (Treasurer).

#### **5.6 Partners and stakeholders**

Calder Valley Community Land Trust operates on the basis that it can meet its charitable objectives more effectively and efficiently by working in close partnership with other organisations.

These include the local authority, Calderdale MBC. Following discussions which first began before incorporation in early 2014, CVCLT has built up a strong relationship with the members and officers of Calderdale Council.

This partnership has been demonstrated by two Calderdale Council Cabinet decisions to pass unused land at nil cost into the ownership of the CLT. The first, in late 2015, related to the freehold transfer of a plot of unused development land at Walsden, allowing us to progress our first development of independent living bungalows. A year later a second Cabinet decision agreed to the freehold transfer of the land at High Street (Stoney Lane), Hebden Bridge, facilitating the progress of our second development. In both cases, the terms of the transfer commit the CLT to using the land for affordable housing.

The CLT has also welcomed support from the two town councils, Todmorden Town Council and Hebden Royd Town Council, both of which made small grants to the CLT at an early stage of its development.

The CLT also welcomes close working partnerships with two small local charities. The Fielden Centre Association has been successfully managing the Fielden Hall in Todmorden for approaching twenty years, and its role (unchanged following the freehold transfer of the building to the CLT) is

recognised as a vital one by the CLT in ensuring that the community facilities are well used and well looked after.

John Eastwood Homes is a Todmorden-based almshouse charity, which already has twelve independent living flats and bungalows in Walsden. The CLT's Walsden development has been planned in close collaboration with the John Eastwood Homes trustees; two of the six units which the CLT developed at Birks Court have been acquired by John Eastwood Homes. John Eastwood Homes will also provide property management services for the CLT's four remaining units.

CLT Trustees also acknowledge the helpful relationship they have built up with staff at the Homes England. CVCLT works in partnership with:

- Calderdale MBC
- Homes England
- Community Foundation for Calderdale
- Hebden Royd Town Council
- Todmorden Town Council
- John Eastwood Homes
- National CLT Network
- Locality
- Efficiency North
- Other local Housing Associations including Together Housing and Connect Housing.

## **Section 6. Our Business Model**

### **6.1 Longer-term goals**

This business plan is a 5-year plan for The Fielden Acre and also places the purchase and repair of these properties within the context of the society's wider activities and financial forecasts.

The proposed addition of these assets to the society's portfolio is a simple, stand-alone sustainable element of the business and will contribute to the wider sustainability of the society.

The society's current sources of revenue are the lease on The Fielden Centre and rents being generated by the Birks Court development in Walsden. These are supplemented by a number of ad hoc grants that enable the society to continue its development of projects and schemes. The society does not employ staff and its current revenue streams cover the costs of running the properties, provide for management and maintenance costs and create a sinking fund to cover longer-term cyclical maintenance and repairs. The surpluses generated by the two income generating schemes cover the overhead costs of the society – insurances, office rents, meetings and room hires, accountancy and bookkeeping and banking costs.

In the medium term, the society aims to continue to develop new projects (see 6.2 Business Activities) and from projects generate additional surpluses that will enable the society to make provision for a housing management and administration to support the society's activities.

The longer-term goals of the society are to continue to develop good quality, low impact housing, owned by and for the local community and available for rent at Affordable Rents or lower, where practical. The society will continue to act as a repository for local community assets where appropriate and will act to ensure that these are maintained for community benefit in perpetuity.

Having undertaken its first development of six new properties – four of which are owned by CVCLT – the society recognises that the process of building development and the cashflow demands that this brings are often difficult for a small society with no staff and little financial reserves. The Trustees have taken a decision to seek to develop housing projects in partnership with more established organisations (usually small housing associations) that can provide a level of expertise and cashflow to facilitate development.

### **6.2 Business activities**

The society's current and planned activities are:

#### **6.2.1 Housing Developments**

CVCLT has recently completed its first development, is actively working on a second project for which a funding packages is being put together, and a third scheme is being re-evaluated following the initial refusal by CMBC of planning permission. This third project, together with a fourth which is at a very early stage, would be developed in partnership with other providers of social housing.

The four ongoing projects, and the recently completed housing project:

#### ***Birks Court, Walsden***

This scheme of 6 bungalows for older people, on the outskirts of Todmorden, was completed in March 2020. It was developed in conjunction with a partner, John Eastwood Homes (JEH), a local almshouse provider, which bought two of the bungalows. This partnership enabled the management

of risk through support with the cash flow, and the expertise of JEH Trustees with architectural and engineering expertise. Cost overruns were in part managed by the sharing of the costs with JEH (taking two-sixths), investment through community shares, and internal funds.

This was a £897,000 capital project funded through a mix of Homes England grant, Local Authority s106 grant, Quaker Housing Trust loan and grant, a commercial loan from Unity Trust Bank, John Eastwood Homes investment and a Community Shares raise.

The four properties owned by CVCLT are forecast to generate a small surplus of approximately £5,000 per annum.

### ***The Fielden Acre, Todmorden***

CVCLT owns the community hall and car park on the Fielden Hall site, and the Fielden Hall is leased to a local community association which pays rent to CVCLT. CVCLT is seeking to purchase the two houses that bookend the Hall, and the remaining land on the site with the objective of refurbishing and improving the houses for affordable rent. In the longer term, the intention is to convert existing storage and meeting rooms into a small property for affordable rent, and develop the site with additional affordable housing.

The project is forecast as a £430,000 capital cost funded through Homes England, Community Foundation for Calderdale and a Community Shares issue. There is a forecast surplus over the first five years of operation of £15,508.

### ***High Street, Hebden Bridge***

This development was identified in the very early meetings between CVCLT and CMBC officers, shortly after the establishment of the CVCLT. The site at High Street (of approximately 0.4 hectares) is close to the centre of Hebden Bridge and the CMBC Cabinet agreed in November 2016 to the transfer of the land at nil cost to CVCLT. CVCLT Trustees believe that new development in the town should be wherever possible on brownfield sites or on those previously used for housing, rather than green field sites, and this site meets those criteria. However, the site is steep and challenging and unlikely to be considered for new housing by commercial developers.

Following detailed feasibility work and local consultation, a scheme for 20 homes went before planning committee in February 2019. Unfortunately, the application was rejected and rather than simply re-present a slightly modified scheme the society has won a revenue grant from Homes England to rework the scheme in detail.

### ***Rose Street, Todmorden***

This is potentially a major project for CVCLT, involving new-build affordable homes. It is on a central site in Todmorden, and the residential homes (our interest) would form part of a larger public realm redevelopment, including a new public square and new commercial buildings.

This will therefore be a project which we undertake in a close working partnership with Calderdale MBC, which owns the land. CMBC's Cabinet approved a paper in March 2020 to this effect. Given that the architects are currently considering the construction of up to 38 new homes, CVCLT is likely to look for a partner.

The timescale for progressing this remains primarily with the council, as lead partner. There is pressure here on the council to progress quickly, because of the potential to access Town Fund grant finance from the government.

### **6.2.2 Intensive Housing Management Scheme**

CVCLT has been in discussion for about a year with a care company operating in the Upper Calder Valley, which owns a property used as a home for vulnerable adults. The home offers supported living to 6 residents who stay for around 3 months to 2 years before moving on to independent supported housing. The company is interested in leasing this property to CVCLT in order to remove potential conflict of interest between the landlord and care provision function. Such an arrangement would also reduce costs for CMBC who currently have to pay the housing benefit of £70 per week from their own resources rather than drawing down enhanced housing benefit of around £200 per week from central government.

Leasing the property appears to offer a low-risk opportunity to secure regular income for the CVCLT. Usually acquisition of property requires up-front capital investment and often significant development risk.

If negotiations continue as projected, CVCLT will commence management of the property from early 2021. In addition to covering all management costs, the project will contribute up to £4,000 to the society's overheads and generate an annual surplus of £3,600.

### **6.2.3 Community Buildings**

#### ***Fielden Hall***

Fielden Hall, a grade 2 listed building in Todmorden was gifted by the previous owners to CVCLT, to manage on behalf of the community. It is leased to the Fielden Community Association (FCA) who receive an income from the range of activities held in the Hall, including weddings, and who pay CVCLT rent for the use of the facilities. A small proportion of this rent contributes to the CVCLT overheads, whilst the remainder is used for maintenance and a sinking fund. The FCA also pay for the buildings insurance. This currently contributes a small surplus of £650 per annum to the society.

#### ***Hebden Bridge Railway Station Signal Box***

The grade II listed signal box at Hebden Bridge Station was decommissioned in 2018 by Network Rail following the upgrading of the signalling along the Calder Valley Rail network. CVCLT has been in negotiation with Network Rail seeking to take over the signal box on a long lease for the community. An important aspect of Hebden Bridge's economy is tourism, and many visitors particularly walkers arrive at Hebden Bridge by train and alight at the grade II listed railway station, which has recently been improved. The signal box is an important part of the Railway Station site.

The Signal Box Project, whilst led by CVCLT, is a partnership with a newly established group set up to save the Signal Box and the long-established Friends of Hebden Bridge Station.

Tourism plays an important role in the economy of the Upper Calder Valley and there is a shortage of holiday accommodation in the area. Research has indicated that the Signal Box would be popular as a holiday let with walkers and those using public transport, as well as with those who enjoy heritage railways.

A detailed business plan for the project was drawn up by the CVCLT Signal Box Task Group, and approved at a Trustee Board in August 2019. The business plan assumes that the renovated Hebden Bridge Signal Box is regularly open to the public (a likely condition for any Heritage grant funding), and generates a regular income stream through its adaptation as quirky overnight accommodation for up to two people.

The projected capital cost of the project is £95,040 to be funded from the Railway Heritage Fund, National Lottery Heritage Fund and other local grants. The project is forecast to generate a surplus of £2,840 per annum.

### **6.3 Market opportunities**

CVCLT operates at both a strategic level and is responsive to opportunities that are presented to the Trustees from a range of different sources.

At a strategic level, the society works closely with the Calderdale MBC Regeneration team and Housing Projects team. This has enabled the society to generate a good partnership working relationship with officers and elected members and has facilitated the community asset transfer of two sites from the local authority and positioned CVCLT as the preferred community housing partners for the Rose Street site.

As the primary community-led housing organisation in the Upper Calder Valley, CVCLT adds value to the Local Authority's drive to develop new housing solutions in an area of continuing housing need.

At a responsive level, the CLT has been able to position itself as a valuable holder of community assets and has developed strong working relationships with other organisations as well as philanthropic individuals in the area. This has resulted directly in the transfer of Fielden Centre into community ownership, the opportunity to purchase residential properties as a preferred purchaser and the potential owner of the Signal Box as a long-term community asset.

These relationships, CVCLT's developing track record as a responsible custodian of community assets, the society's status as a Registered Provider of Social Housing ensure that there will continue to be opportunities to develop the social business of the society.

### **6.5 Competitive advantage**

As a Registered Provider and Investment Partner of Homes England, the society is able to access significant capital grants to facilitate capital developments. The emergence of a Community Housing Fund within Homes England over the past 18-months places CVCLT in a strong position to continue to build its portfolio of community owned homes. This in turn will enable the society to build a long-term sustainable community business providing homes, managing community assets and generating employment within the local community.

As a Community Land Trust, CVCLT has an advantage over larger providers of social housing (primarily Housing Associations) as the society's properties are not subject to Right To Buy legislation which enables the investment of grants, debt finances and community shares into CVCLT's assets on the clear basis that these will remain community controlled assets in long-term.

The upsurge in support for community-led housing providers – and particularly the support from CVCLT's Local Authority, places the society in a unique position to take advantage of local development sites and partnership arrangements for small housing and multi-use developments.



## **6.6 Benchmarking**

Calder Valley Community Land Trust collaborates with a range of other community-led housing providers regionally and across the UK and is an active member of community-led housing in Calderdale, across the Leeds City Region and through national networks. The society is able to benchmark its housing development projects through a number of sources including the following:

### **6.6.1 Collaborations with Calderdale MBC, local Housing Associations and Homes England**

CVCLT works closely with Calderdale Housing Projects team through individual projects and through regular quarterly meetings with Housing team members. The society takes advice from the Housing team on a range of housing related matters including housing need, housing allocations policy and planning matters. The society also engages with a small number of senior staff at Housing Associations and other housing providers locally including Together Housing Connect Housing and Canopy to and takes advice on issues ranging across housing management, site development and construction methods. These relationships enable the CLT to benchmark its work in a range of areas against industry (social housing) norms. Trustees meet regularly with Homes England staff including HE's lead on Community Housing.

### **6.6.2 Regional Networks**

CVCLT is part of the Leeds City Region community housing hub led by Leeds Community Homes and works with the hub and its advisors on a number of community-led housing issues. The society is also a member of Efficiency North. Efficiency North is a specialist housing development procurement agency operating on behalf of its members - local authority, housing associations and community housing providers in the Yorkshire & Humberside region. This provides the society with direct access to building procurement advice and support including detail input into building methodologies, cost management and tendering of large projects.

### **6.6.3 National Networks**

Nationally, CVCLT is a member of the National Community Land Trust Network (NCLTN) and has access, through this network, to a wide range of partner CLTs through which the society exchanges information and advice on community housing related issues. We are also a member of Locality, the national development trust network that has a strong community housing element to its work with members.

### **6.6.4 Regulation**

As a Registered Provider of Social Housing, the society is required by the regulator to meet specific standards around finance, audit and governance as well as demonstrating arrangements for meeting the Regulatory Standards (Value for Money; Tenant involvement and empowerment, Home, Tenancy, Neighbourhood and community standards)

Through these networks, partnerships and through the working with teams of design and building professionals, the society benchmarks its activity in terms of procurement, design, capital and revenue costs, allocations, housing and buildings management as well as governance, finance and regulatory standards.

## **Section 7. Operations**

### **7.1 Premises**

CVCLT operates from a small office base at Hebden Bridge Town Hall in an office shared with two other community and co-operative organisations. This is sufficient to meet the current and medium-term needs of the organisation. The office lease at Hebden Bridge Town Hall, itself a community owned asset, provides the society with a secure office base, good quality broadband/wifi along with access to free meeting room and events space.

### **7.2 Equipment**

The society's operations are currently underpinned by a group of committed Trustees and Members with occasional support from external freelance contractors. In this respect, the society's equipment requirements are minimal. Office printing and photocopying facilities are provided as an additional cost as part of the office lease. Across the next five years of the society's business plan, this will change and at the point that the society starts to employ staff, it will invest in additional equipment to meet staff needs.

### **7.3 Staffing**

The society does not currently employ staff and manages its operation through a Board of Trustees who play both a strategic and operational role. The society has employed Marc Collett/Burns Collett and other consultants on a series of freelance contracts over the past 3 years to deliver specific pieces of work for the society.

CVCLT does have an ambition to employ one or two members of staff over the next 5-year period and currently has a second-round Big Lottery grant application pending. If successful, this will enable the society to employ one member of staff to undertake a range of administration functions currently carried out by Trustees and develop sustainable sources of income to support this post in the long term. The society is also developing a proposal with a local care provider to take on the housing management role of a supported housing project. This will provide sufficient income to employ a half-time Housing Management Officer who will have responsibility for the supported housing project and capacity to take on other housing management functions for the society.

### **7.4 Equalities and diversity**

The society's Equalities and Diversity Policy is summarised in this section and a full version of the policy is available on the website at [www.caldervalleyclt.org.uk/communityshares](http://www.caldervalleyclt.org.uk/communityshares)

#### **7.4.1 Our commitment**

Calder Valley Community Land Trust Ltd is a community benefit society, with membership open to all those who support our aims, without discrimination.

We commit to working for equality in society. We welcome the fact that our community is diverse, and we commit to striving to ensure that our membership and our activities reflect this diversity.

We recognise that some individuals and groups in society suffer discrimination, on the grounds of age, gender, sexual orientation, gender assignment; race, colour, nationality or ethnic or national origin; disability; and marital status, cultural and socio-economic background. We commit to working to ensure that we do not engage in direct or indirect discrimination on these grounds.

We understand that the Trustees have primary responsibility in ensuring that our equality and diversity statement is fully adhered to, and that the organisation meets all its legal obligations under equality legislation.

#### **7.4.2 The legal framework**

The society's policy recognises and reinforces the legal frameworks around equalities and addresses different forms of discrimination including direct and indirect discrimination, harassment and third-party harassment, associative and perceptive discrimination, victimisation and failure to make reasonable adjustments.

The policy covers equal opportunities in employment and in relation to suppliers. Importantly, as a housing provider, the society's policy covers equal opportunities for tenants and this is enshrined in the society's Allocations Policy and the Tenants' Handbook.

#### **7.4.3 Training**

We will provide information and guidance to our Trustees and to our staff on equality and diversity issues. In particular, we will ensure that those involved in recruitment or other decision making where equal opportunities issues are likely to arise understand their responsibilities and their obligation to avoid the risk of discrimination.

#### **7.4.4 Monitoring and review**

This policy will be monitored and where appropriate reviewed by the Board of Trustees at regular intervals, not less than once every twelve months. The current policy was last reviewed in 2019 and due for review in 2020.

This policy will also be reviewed at the board meeting when the Trustees first make the decision to take on responsibilities as an employer and employ staff.

#### **7.4.5 Diversity Audit**

CVCLT Trustees wish to ensure that the organisation reaches out and addresses the needs of the widest possible cross section of the community. Additionally, it is recognised that the Board of Trustees may not be representative of this community: Trustees are recruited for the skills and expertise, and give up a significant amount of time, unpaid, to direct and manage an increasingly complex organisation. Therefore, those in the community who can live in or be supported by CVCLT homes or activities, may be unable or unwilling to be more actively involved. Recognising this limitation, an Expert Panel has been established to enable those individuals who may wish to assist the CVCLT, and who have expertise and experience in a variety of fields, but who have limited time.

CVCLT seeks to engage with the community in a myriad of ways currently including regular newsletters for members, and events and consultations, and new and relevant initiatives will be developed. The Community-Led Housing Project, funded by Homes England and CMBC, and managed by CVCLT sought to engage with a wide range of organisations across Calderdale and increased knowledge and shared good practice, whilst raising the profile of CVCLT and its activities. Sadly, funding was only found for one year.

One activity, which is being undertaken by CVCLT, which will add to the knowledge base, and hence can highlight those areas of the community where increased contact would be valuable, is a diversity audit. This initiative seeks to identify:

- The profile of the population across the three wards which comprise the Upper Calder Valley, including housing need, areas of deprivation and demography;
- The profile of the Trustees in respect of housing, employment and demography.

Tools used are: the 2011 census for the three wards, relevant publications including from CMBC, and a survey. The results from the audit, and implications for ways of engaging with the community in order to increase diversity will be reported to an upcoming Board of Trustees.

#### **7.4.6 Access by trustees to this policy**

The Secretary ensures that the latest version of this policy is made available to all Trustees, on the organisation's internal intranet. Printed copies will also be made available to all Trustees, on request.

## **Section 8: Risks**

### **8.1 Risk Management**

CVCLT undertakes risk management through a detailed Risk Register which is overseen in detail by the Audit & Risk Committee. This is a requirement of the Regulator of Social Housing and a duty that the Audit & Risk Committee reports on annually to the Regulator.

Risk is managed through a series of 'Risk Maps'. Each Task Group is required to draw up a Risk Map for the specific project or aspect of the organisation that the group leads on. Regularly (at least quarterly but were practical, every two months), Task Groups review and update the Risk Map. Organisational level risks from these are fed into an Organisational Risk Map which in turn is reviewed and updated by the Audit & Risk Committee. Task Group and Organisational level risks are reviewed quarterly by the full Board of Trustees and recommendations made to the Audit & Risk Committee and to Task Groups.

Our financial modelling associated with the planned developments also contain financial stress analysis, which test the risks we face in bidding for and raising funds for developments, and in ensuring that the cash flow and subsequent income streams are robust.

The Risk Map is accessible at all times by Trustees, via the password protected intranet.

#### **8.1 Risk Register (Organisational)**

The Risk Register is available at [www.caldervalleyclt.org.uk/communityshares](http://www.caldervalleyclt.org.uk/communityshares). The organisation is currently carrying one 'red' risk (Cashflow) and five 'amber' risks. These are monitored and reported on regularly with mitigation identified for each risk.

#### **8.2 Risk Register (Fielden Acre)**

The Fielden Acre project is managed through the wider Fielden Centre Task Group with specific risks identified in relation to the purchase of and future management of the properties.

Significant areas of risk have been mitigated – particularly repair costs and tree safety - through a recently commissioned buildings survey and tree safety survey both of which put in place the foundation for a regular process for the management of the repair of the buildings and site.

Areas of risk associated with the potential purchase of the residential properties by CVCLT include relationships with the managing association (Fielden Hall Association) and with the tenants. These relationships have been managed over the past few months through careful communication between CVCLT, the owners, FCA and the tenants. CVCLT has been able to assure tenants that they will have security should CVCLT proceed with the purchase.

The single biggest risk to the project at present is raising sufficient capital to purchase the properties. Of the three sources of capital finance, an interest only loan for up to £120,000 has been secured and a BOOSTER Fund equity investment of £50,000 has been confirmed.

### **8.2.1 Homes England Grant**

CVCLT is a Registered Provider of Social Housing and is entitled to apply for and receive grants from Homes England to develop affordable housing. We have been in close contact with Homes England over the past 5 years around this and previous development and have successfully raised Homes England capital grant in 2018/2019.

The level of grant we have applied for is within accepted levels of grant for housing purchase and developments by community-led housing organisations and the society is confident that, should Homes England still have funds available, the application will be successful at this level.

In the unlikely event that the society is unsuccessful in achieving this level of grant or no grant at all, the purchase is unlikely to go ahead and the society's Receiving Agent, Ethex, will refund any investments made at no charge.

### **8.2.2 Community Shares**

The Community Shares funding is the least well known quantity at this stage. However, the society has been successful in raising funds very rapidly for the Walsden Project, in 2019. In 2018, the Trustees undertook a survey of known supporters and secured significant pledges of financial support for a large community shares fund on another project and has an identified core of supporters willing to invest in community shares at a range of levels. The project has had revenue support through the Booster Fund and secured £50,000 of equity match from the Fund which is very advantageous to securing a public offer.

Through its own reserves, a Booster Fund revenue grant and a REACH investment readiness grant, CVCLT has the funds available to launch and manage a share offer. The society also has an excess of loan agreed by CFfC which will provide a balancing fund should the optimum share target of £220,000 not be reached.

### **8.2.3 Future Loan Repayments**

The Fielden Acre project is supported by the Community Foundation for Calderdale which has made an interest only loan available to the project at 2.5% interest. The capital is repayable after 5 years (2026). The society has the option to renegotiate the loan with CFfC prior to 2026 and extend the interest only period or repay the capital in full. The society's contingency for this is to raise an additional £100,000 in community shares equity in 2025 to repay the loan.

### **8.2.4 Property Purchase**

The risks associated with acquiring the properties are relatively low as once funds are secured, the process is a straightforward purchase and transfer of deeds. There are none of the risks associated with a new build project as with the Birks Court, Walsden project and the properties are already tenanted with tenants that have a good track record of looking after the properties and paying regular rent.

### **8.2.5 Unexpected Building Costs**

The properties are Victorian, Grade II listed buildings. Over the past 20 years, the entire building has been fully renovated to a good standard including fitting of a new roof, refurbishment of heritage windows, drainage works, and fitting of modern heating, hot water and electrical systems. As part of the purchase, CVCLT is generating funds to undertake a range of repairs that a 2020 Building Survey has identified and has in place a 10-year Maintenance Plan which should ensure that a managed maintenance programme will prevent undue deterioration of the building and raise any repair issues before they become major repairs.

The society will fund general repairs and maintenance through annual repair costs covered by income and the reserves policy of the society provides sufficient cumulative reserves to cover longer-term building repairs on the basis of 15% of the value of the properties over the period of the plan. The society will also have recourse to heritage and other grant funds to support the longer-term maintenance of the heritage elements of the building should they be required. As a last resort, CVCLT will raise additional funds for major building works through further community shares issues or through social investment funders. The buildings will be fully insured.

### **8.3 Risks to capital**

Once capital funds are secured, the interest only loan from the Community Foundation for Calderdale is subject to a charge against the properties as security.

The Community Shares portfolio is subject to interest payments for investors only when the Trustees consider the society is in a position to make interest payments. This is a core part of the contract with community shares subscribers. There is a reasonably secure income stream from rents which more than covers the costs of running the properties and makes provision for interest on loans and share interest payments.

The withdrawal of a percentage of shares will be permissible in line with the share offer and at the discretion of the Trustees. This is estimated to be 5% of the value of shares in the society following an initial 3-year lock with replacement shares being sought through an Open Offer. This is an area of risk for the society and one that the Task Group will continue to work on in the period before any withdrawals are permissible to build up a core of supporters able and willing to support the project in the future.

The business plan will allow for a small mortgage to be taken on one of the properties should it be required to provide a fund to replace withdrawal of shares. However, the Trustees would prefer to replace share withdrawals by new shares investment.

The increase in membership (over the past 18 months and forecast through the share offer) will provide a platform for attracting additional community shares investment when it is required.

### **8.4 Insurances**

The society manages its insurances through a local broker, Ryburne Brokers & Co. of 28 Market Street, Hebden Bridge, West Yorkshire, HX7 6AA. Ryburne Brokers are authorised and regulated by the Financial Conduct Authority (FCA), FCA number 118746.

Current insurance includes:

- Landlords insurance including buildings insurance and public liability insurance for the Birks Lane, Walsden properties and for the Fielden Centre

- Land and Public Liability Insurance for the High Street Hebden Bridge land

Once The Fielden Acre transfers to CVCLT, the society will extend its Landlord's insurance to cover the residential properties.

The society will take out Employer's Insurance once a Housing Management Officer is appointed.

### 8.5 Implementation plan for The Fielden Acre

The implementation plan for The Fielden Acre Purchase & Repair is:

Activity	Target Date	Progress
Surveys and Valuations	August 2020	Complete
CFFC Loan	July 2020	Agreed in principle/Legal documentation to complete
Business Plan and Share Offer Plan	August 2020	Complete
Shares Mark Application	August 2020	In progress
BOOSTER Fund application	September 2020	In progress
Marketing Consultancy Appointed	August 2020	Complete
Marketing & Comms Action plan finalised	August 2020	Following Marketing appointment
Production of final Business Plan and Share Offer document	October 2020	Complete
Application to Homes England	October 2020	Complete
Launch Community Share Offer	31st October 2020	In progress
Prepare legal documentation for purchase	October 2020	To progress
Close Community Share offer	January 2021	To progress
Tender building and decorations work	February 2021	Works identified
Draw Funds	March 2021	To progress
Complete purchase Implement new tenancy agreements	March 2021	To progress



Undertake repairs and decorations	March-May 2021	To progress
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## 8.6 Monitoring & Evaluation

Monitoring and evaluation of the business plan takes place through the structure of the society with implementation of the project specific element of the plan (The Fielden Acre Purchase & Repair) being managed at Task Group level by a small group of three Trustees. They will be supported through the implementation of the community share offer and the purchase and repair process by a freelance project manager (Marc Collett, Burns Collett) and by a Marketing Team (Leeds Community Homes).

The process of handling applications and payment for shares will be through the Ethex ethical investment platform which will also support the wider marketing of the offer.

The financial performance of the project will be monitored by the Treasurer and by the Audit and Risk Committee of the society. The Treasurer, Chair of the Audit & Risk Committee and Chair of the Fielden Task Group will report regularly (monthly for the Treasurer, bi-monthly for the Task Group Chair and quarterly for the Audit Committee Chair) to the Board of Trustees that meets monthly.

The society makes annual returns to the Regulator of Social Housing and this Fielden Acre scheme will be subject to continuing monitoring by Homes England.

Calder Valley Community Land Trust is in the process of developing tools to calculate Social Value and is reviewing systems used by other community-led housing providers and taking advice on appropriate metrics and systems including HACT's work on calculating social value for Community-led Housing

/END

12<sup>th</sup> October 2020

## Appendices

### Appendix A. Maintenance Plan 2020-2030

#### The Fielden Acre (The Masters House; The Old School)

#### Maintenance Plan

##### Section 1 - Occasional and regular tasks

Ref	Building Element	Maintenance Task	Responsibility	Frequency	Annual Cost
<b>1.1</b>	<b>Roofs</b>				
1.1.1	Roof areas generally	Inspect roof areas from the ground and report any loss or damage to the roof coverings	Unskilled /voluntary	after stormy weather and at least annually	£0.00
1.1.2	Slate and tile roofs	Inspect for cracked, displaced and broken slates. Replace to match	Roofing contractor	annually	£100.00
1.1.3	Ridge tiles	Inspect bedding and jointing between tiles. Re-bed and re-point as necessary	Roofing contractor	annually	£150.00
1.1.4	Lead weatherings and flashings	Inspect condition and make minor repairs e.g. dress back clips, make good mortar fillets	Roofing contractor	annually	£100.00
				Total Roofs	£350.00

Ref	Building Element	Maintenance Task	Responsibility	Frequency	Annual Cost
<b>1.2 Rainwater disposal</b>					
1.2.1	Rainwater goods generally	Inspect from the ground and report any loss or damage	Caretaker/voluntary	i. after stormy weather ii annually	£0.00
1.2.2	Rainwater goods	Clear rainwater goods of debris and ensure all hoppers are clear. Rod if necessary.	Roofing contractor	Annually per year	£100.00
1.2.3	Rainwater goods	Inspect rainwater goods for cracks and leaks. Report .	Caretaker/voluntary	Annually	£0.00
1.2.4	Gutters	Clear gutters of vegetation and debris	Roofing contractor	Annually	£100.00
1.2.5	Gutters	Inspect for cracks and open joints. Report and seal	Caretaker/voluntary	Annually	£0.00
1.2.6	Ground gullies	Clear of all vegetation and debris	Caretaker/voluntary	Weekly	£0.00
1.2.7	Below ground drains	Lift gratings to gullies and rod if required.	Caretaker/voluntary	Twice per year	£0.00
Total Rainwater Goods					£200.00

Ref	Building Element	Maintenance Task	Responsibility	Frequency	Annual Cost
<b>1.3 External walls</b>					
1.3.1	External walls generally	Inspect external walls from the ground and report any damage and signs of movement	Caretaker/ voluntary	after stormy weather and at least annually	£0.00
1.3.2	External walls, copings and parapets	Remove any vegetation, ivy etc	contractor	annually	£75.00
1.3.3	Ventilation	Ensure that ventilation grilles, air bricks, louvres etc. are free from obstruction - all low level	Unskilled /voluntary	twice per year	£0.00
1.3.4	Windows	Inspect windows and make essential minor repairs to glazing	Caretaker/ voluntary	annually	£0.00
1.3.5	Doors and windows	Check operation of hinges, bolts and locks and lubricate as necessary. Check security of locks	Caretaker/ voluntary	twice per year	£0.00
1.3.6	Foliage and large trees	Check trees and large shrubs. Report any dead branches and signs of ill health, or root damage to the building or below ground drainage	Arborial Contractor	annually	£200.00
1.3.7	Foliage and large trees	Undertake any high level maintenance to mature trees	Arborial Contractor	annually	£200.00
Total External Walls					£475.00

Ref	Building Element	Maintenance Task	Responsibility	Frequency	Annual Cost
<b>1.4 Internal</b>					
1.4.1	Internal spaces generally	Inspect roof voids and internal spaces, particularly below gutters. Report on any evidence of roof or gutter leaks	Caretaker/voluntary	during and after stormy weather and at least annually	£0.00
1.4.2	Internal structure and fabric	Inspect internal structure and fabric including roof timbers and report on any signs of structural movement or of damp and fungal growth	Caretaker/voluntary	annually	£0.00
1.4.3	Roof and floor voids	Inspect for signs of vermin and remove.	Caretaker/voluntary	annually	£0.00
Total Internal					£0.00
Ref	Building Element	Maintenance Task	Responsibility	Frequency	Annual Cost
<b>1.5 Building services</b>					
1.5.1	Heating systems	Service the heating system and update the service schedule. Complete gas safe inspection	Approved code of practice engineer	annually	£300.00
1.5.2	Water	Ensure that all exposed water pipes are protected against frost	Unskilled /voluntary	annually	£50.00
Total building services					£350.00
<b>1.6</b>	<b>Total annual cost for occasional and regular tasks</b>				<b>£1,375.00</b>

NOTE: All tasks to be undertaken as part of overall site inspections and maintenance including Fielden Hall and meeting rooms

**Section 2 - Cyclical tasks**

Ref	Building Element	Maintenance Task	Responsibility	Frequency	Cost	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>2.1 Rainwater disposal</b>															
2.1.1	Rainwater disposal	Repaint	contractor	5 years	£1,500					✓					✓
2.1.2	Timber fascia boards	Repaint	contractor	5 years	£1,000					✓					✓
<b>2.2 External walls</b>															
2.2.2	Doors and window frames	Repaint	contractor	5 years	£600					✓					✓
<b>2.3 Building services</b>															
2.3.1	Wiring and electrical installations	Inspect all installations	electrical contractor with NICEIC	5 years	£500					✓					✓
<b>2.4 Total cost per year for cyclical tasks</b>															
										£3,226				£3,390	

**Section 3 - Major Works**

Ref	Building Element	Maintenance Task	Responsibility	Frequency	Cost	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>3.1 Decorations</b>															
3.1.1	Internal Decorations (2 Houses)	Repaint	contractor	7 years	£7,700	£7,700							£8,470		
3.1.2	External Decorations (2 Houses)	Repaint	contractor	7 years	£3,500	£3,500							£3,850		
<b>3.2 External Roofs/Valleys/Chimneys/Rainwater Goods</b>															
3.2.1	Roofs, valleys chimneys	Repairs	contractor	ad hoc	£2,350	£2,350									
3.2.2	Walls	Repairs	contractor	ad hoc	£300	£300									
3.2.3	Rainwater goods	Repairs	contractor	ad hoc	£920	£920									
3.2.4	External joinery	Repairs	contractor	ad hoc	£350	£350									
3.2.5	Walls and carparking	repairs	contractor	ad hoc	£400	£400									
3.3.6	Tree management	Pruning	contractor	ad hoc	£500	£500									
<b>3.3 Internal</b>															
3.3.1	Plasterwork	Repairs	contractor	ad hoc	£275	£275									
3.3.2	Dampness	Extractor fans	contractor	ad hoc	£400	£400									
3.3.3	Internal joinery	Repairs	contractor	ad hoc	£250	£250									
3.3.4	Roofspace	Insulation	contractor	ad hoc	£955	£955									

<b>3.4</b>	<b>Building services</b>												
3.4.1	Wiring and electrical installations	Service	contractor	See 2. Cyclical	£250	£250							
3.4.2	Heating Hotwater	Service	contractor	See 2. Cyclical	£200	£200							
<b>3.5</b>	<b>Work to Store/Meeting</b>												
3.5.1	Repairs	Repairs	contractor	ad hoc	£2,400	£2,400							
<b>3.5</b>	<b>Other Major Repairs</b>												
3.5.1	Other Major Repairs	Repair or replace	contractor	ad hoc	£10,000	£0							
<b>3.6</b>	<b>Total cost per year for cyclical tasks</b>					<b>£20,750</b>						<b>£12,320</b>	

1. All tasks to be undertaken as part of overall site inspections and maintenance including Fielden Hall and meeting rooms
2. A 1% annual inflation figure has been added to all figures in Section 2
3. All maintenance and repair items identified in Crowley's 2020 Buildings Survey and JCA Tree Safety Survey carried out on purchase (2020/2021) as part of the capital works.  
This includes external decorations, internal decorations, building repairs, systems inspections, arborial work
4. All future internal decorations required on re-letting to be undertaken from the Sinking Fund (reserves)
5. Any ad hoc or major repairs to be undertaken from the Sinking Fund (reserves)
6. No further major repair items (other than decorations) forecast before Year 10 years following additional refurbishment work in 2021. All systems, roofing, windows, external masonry has been fully refurbished in the past 15 years and well maintained since.



