

Dominic Raab MP
Minister of State for Housing
Ministry of Housing, Communities and Local Government
2 Marsham Street
London, SW1P 4DF

2nd February 2018

Dear Dominic Raab MP,

Congratulations on your recent appointment as Minister of State for Housing. We are writing to raise three matters regarding your government's Community Housing Fund.

You have argued passionately about the need for strong local democratic control of services. Community-led housing is a growing movement of local people delivering homes that their communities need. It demonstrates a unique ability to mobilise popular support for new homes, provides additional supply, helps people get a foot on the housing ladder and enables older people to downsize.

This was recognised when the Government committed to relaunch the £300m Community Housing Fund ('the Fund') at our Conference in November 2017. The Fund will transform the community-led housing sector over the next three years and deliver at least 10,000 additional homes.

To maximise the delivery of homes from this investment, three measures are required.

First, we urge that Cohousing groups and Community Land Trusts (CLTs) are exempted from any ban on leasehold and ground rents. The Government has recognised that an exemption may be required for CLTs, which use leasehold to preserve the affordability of homes. This must extend to Cohousing, which uses leasehold to the same end and for the community ownership and management of shared spaces. In addition, CLTs and cohousing groups must have the freedom to charge reasonable ground rents. A ban on both would significantly restrict the supply of homes supported by the Fund.

Second, we ask you to raise the Fund with the mortgage industry. The Fund will support the delivery of thousands of affordable homes for which there is currently insufficient consumer choice in the mortgage market. We are working to bring more lenders on board, and would welcome your support on this matter.

Third, we ask that a statement on record is made that CLTs are not part of the Voluntary Right to Buy, which undermines their core purpose – to preserve the affordability of rented CLT homes. Government has recognised the issue by providing discretion for properties 'held in a CLT', but this leaves uncertainty that has restricted support from private landowners and communities and so risks impeding supply that might be helped by the Fund.

We would welcome hosting you at a community-led housing project. If that would be of interest please contact the Director of the National CLT Network, Catherine Harrington on catherine@communitylandtrusts.org.uk or 020 3096 7791.



Baroness Bakewell of Hardington Mandeville MBE
Chair
National CLT Network



Stephen Hill
Chair
UK Cohousing Network