

# 2017 TO 2018



**NATIONAL CLT NETWORK  
ANNUAL REPORT**



Reference & administrative details

The trustees of the National CLT Network herewith present their annual report and Statement of Financial Activities for the charity for the year ended 31 March 2018.

The report provides an overview of who we are and what we do. It sets out the ambitions, activities and achievements of the National CLT Network during the 2017/18 period.

Trustees:

Baroness Bakewell of Hardington Mandeville MBE (Chair of Trustees), Jo Lavis (Vice Chair), Alison Ward, David Graham MBE, Ian Crawley, Pam Johns, Stephen Hill

Accountants:

Burton Sweet, Cooper House, Lower Charlton Estate, Shepton Mallet, Somerset, BA2 5QE

Bank:

The Cooperative Bank, P.O. Box 101, 1 Balloon Street, Manchester, M60 4EP

Director:

Catherine Harrington

Charity number:

1156952

Registered Office:

CAN Mezzanine, 7-14 Great Dover Street, London, SE1 4YR

“THERE’S NEVER BEEN A BETTER TIME FOR CLTS TO SUCCEED. I’M PROUD THAT THE NATIONAL CLT NETWORK HAS CONTRIBUTED TO CREATING AN ENVIRONMENT IN WHICH CLTS CAN THRIVE.” Tom Chance, Acting Director

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OUR YEAR

INTRODUCTION FROM OUR CHAIR



The year to March 2018 was pivotal, both for the National CLT Network as an organisation and for the community led housing movement.

I think back to our momentous conference in November 2017. The close to 500 delegates packed into the hall and breakout rooms captured the spirit of the community led housing movement, recognised the huge undertakings of individuals and communities and provided a unique opportunity for people to come together and celebrate.

The scale of the event was unlike anything the movement has seen before and I'm extremely proud that the National CLT Network made it possible. It was also the first time we organised such a big event in partnership with the UK Cohousing Network and with the support of the Confederation of Co-operative Housing.

That's not to mention the announcement at the start of the conference by the Housing Minister, launching the £163 million Community Housing Fund following the design that the Network and our members have campaigned for.

Funding of this scale has not been available to community land trusts before. There has never been a better opportunity to take advantage of as the movement looks to deliver more affordable homes for local people.

Our advocacy and campaigning secured this funding. Our support programmes like the CLT Start Up Fund and the Urban CLT Project helped many groups get going, and our investment in local enabling organisations like Umbrella CLTs has created the conditions for many more groups to start and succeed. Our work in 2017-18, and that of our members, has put the movement on the cusp of major growth.

The conference's slogan was spot on. Community led housing is now providing 'hope for housing'.

I also want to take a moment to share my thanks and highlight the work of Catherine Harrington. I am pleased she was able to see her hard work pay off before going on maternity leave. She has shaped the Network and recruited a wonderful team who are just as committed in community land trusts becoming a mainstream housing option.

Community land trusts have grown in number over recent years and that's without such significant Government funding. I'm excited and intrigued to see what the future holds for the movement.

The time is now.

Cathy Bakewell

Baroness Bakewell of Hardington Mandeville MBE, Chair of Trustees

# DIRECTOR'S SNAPSHOT:

## OUR AMBITION

Throughout 2017–18 we visited CLTs that are not just providing homes, but sustaining and enriching their communities. They are proving that an alternative to the current dysfunctional housing market exists. They are a force for social good and we want to inspire and support many more.

As a national network, we provide funding, resources, training and advice for CLTs. We share their remarkable stories to inspire others. We also work closely with government, local authorities, lenders and funders to create a supportive environment for CLTs.

Our mission is to make it possible for anyone, anywhere, to be able to set up and run a CLT.

But it remains too difficult for communities to take power through CLTs. We are a small and slowly growing niche. Funding and support is fragmented. We are encouraged by parts of England and Wales where there are dozens of

CLTs within a short cycle ride of each other, supported by local Enabling Hubs and by good relationships with local authorities, housing associations and builders. They've created the local conditions in which CLTs can thrive.

Our ambition is to see community land trusts succeeding like this, on a much larger scale, across England and Wales.

In 2017–18 we finally secured the backing of government for this ambition, to launch a Community Housing Fund that would not only help deliver projects but also create a self-sustaining and growing market for community led housing. Our work has sought to bring this ambition to life.

## THE PURPOSES OF THE NATIONAL CLT NETWORK, AS SET OUT IN THE CONSTITUTION, ARE:

To promote the voluntary sector for the public benefit by providing advice, information, training, assistance with funding and other services or support that enhance the quality and work of CLTs (or prospective CLTs) which are (or will be) (i) established for exclusively charitable purposes in accordance with the law of England and Wales; and/or (ii) Voluntary Bodies (as defined below), and in particular to:

- a. relieve financial hardship by supporting the provision of affordable housing, hostels or other accommodation through CLTs;
- b. advance education and vocational training and the creation of education and employment opportunities by supporting CLTs which provide workspace, buildings and/or land for use on favourable terms;

c. promote the maintenance, improvement or provision of public amenities by supporting the work of CLTs which undertake this work for the public benefit;

d. assist in the provision of facilities for recreation or other leisure time occupation in the interests of social welfare with the object of improving the condition of life of local communities by supporting the work of CLTs who make such facilities available;

e. advance environmental protection or improvement by supporting the work of CLTs which promote the preservation and enhancement of open green spaces; and

Such other exclusively charitable purposes as may be from time to time determined by the charity trustees.

# KEY STATS

## 2017/18



261  
CLTS



32 NEW  
CLTS FORMED



14% INCREASE  
IN CLTS FORMED



840 CLT  
HOMES BUILT



5,810 HOMES  
PLANNED



17,000+ CLT  
MEMBERS



13 ENABLING  
HUBS



4 NEW ENABLING  
HUBS CREATED

## THE CHALLENGES

### Protecting the movement's bottom-up nature

We believe that 'small is beautiful', and that local communities should be able to shape a CLT to meet their needs. At the same time we think that CLTs can be big, bold and beautiful – whether the group is aiming to build 500+ homes, or the movement as a whole builds 1,000 homes a year instead of 100. We have continued to listen to and follow the views of our members, and prioritise capacity at the local and regional level over our own national office, so the movement remains bottom-up and grounded in local communities.

### Working with others and building partnerships

We worked increasingly closely with sister networks for cohousing, co-operatives, development trusts, self-help housing and self/custom build. We shared our vision for the sector with them, and built that vision together. We coordinated and led joint lobbying of government. We've not always seen eye-to-eye on everything, so have been mindful not to lose focus on our members and our objects.

### So much to do, so little time

Our team grew to five staff in 2017–18, but we are still a small charity with huge ambitions. We worked closely with our board to make sure we didn't lose sight of our priorities, including delivering projects like the CLT Start Up Fund and the See It and Believe It events.

## This report

This latest annual report highlights the great strides we made during the 2017/18 period. These achievements are showcased through four sections that correlate to our three strategic objectives and one supporting objective. These are:

1. To raise awareness of CLTs
2. To campaign for a more supportive policy and funding environment
3. To support CLTs and provide access to expert support
4. [Supporting objective] To establish the Network as a financially sustainable organisation

This is a very exciting period for the movement and the Network is hugely proud to play a role in it. Our work is made possible thanks to the support of our members, Umbrella CLTs and partners.



*Tom Chance*

Tom Chance, Acting Director  
at the National CLT Network



# OBJECTIVE 1: TO RAISE AWARENESS OF CLTS

CLTs are exposing the current housing market lie that affordable housing can't always be built because the numbers don't stack up. CLTs are creating a new type of value: one that is based on people, not profits.

We want community land trusts to become a mainstream housing option. But for that to happen more people need to know about the movement and understand what it involves.

## Communications strategy

In June 2017 we welcomed Beth Boorman, our new Communications Manager. This was a new post for the Network. The post was a shared role, with Beth dividing her time with tasks for the Network, UK Cohousing and CDS Co-operatives.

Her first task was to develop a joint communications strategy that considered each organisation and our desire to promote community led housing more broadly, making it easier for people to understand.

The strategy focuses on the development of an identity for the Network and creating a long-term communications vision which defines our key audiences, other stakeholders that can help community led housing to grow and where time is best spent and on what activities. This is the first time our communications and promotions have been underpinned by such a strategy.

## Expanding our digital reach

We upped our game online by improving the content we produced and sharing updates more regularly through our social media channels. This resulted in a significant uplift in website traffic which increased by **52%** when compared to the previous year. We also saw our Twitter followers grow from 2,339 to **3,191** and engagement levels improve.

## Acting as a connector

We are regularly contacted by journalists and television researchers wanting to cover CLTs. Our introductions and research have played a role in the movement being covered by the mainstream media. In 2017/18 we helped CLTs get featured on **Channel 4** (Find Me A Home, hosted by Phil Spencer – London CLT), **5 Live Investigates** and the **BBC** (The One Show). There were also long-read feature pieces on CLTs in the **Big Issue**, **The Guardian** and **The Times**.



## Other coverage

For more people to hear about and understand what a CLT is, it's vital that groups are able to work with the media to share their own stories. We have encouraged and supported our members to promote their efforts through the media for a number of years. There was a media session held at our Conference which was attended by **49 delegates**. There were at least **200 articles** produced on CLTs and the movement as a whole during 17/18.

## Speaking at high profile events

Speaking at national events is an important part of our strategy to raise awareness of community land trusts and promote them to interested audiences and potential stakeholders. During this period the Network had speaker slots at **16 events** including the **London Assembly**, the **Right to Build Expo** and the **Housing Forum's National Conference**.

## A colossal conference

Together with UK Cohousing we held the first-ever National Community Led Housing Conference in November 2017. This was the biggest gathering the UK movement has ever seen with **471 delegates** – excluding free bursaries provided by CDS Co-operatives, the Nationwide Foundation and Power to Change, this meant that **393 delegates** paid to attend the conference.

A hashtag was created to promote the conference and collate posts from the Network and attendees during the day. #CLHC2017 appeared on Twitter timelines over **530,400 times**.



## CAMPAIGNING FOR THE MOVEMENT

# OBJECTIVE 2: TO CAMPAIGN FOR A MORE SUPPORTIVE POLICY & FUNDING ENVIRONMENT

For many years much of our work has focused on making sure our members' voices are heard at the highest level and we can claim many campaign successes: the Community Housing Fund, a discretion for CLTs from the Voluntary Right to Buy and a full exemption from the 1% social rent cuts. The 2017/18 period was no exception. In fact, our main priority for 2017/18 was making sure year two of the Community Housing Fund went ahead.

## COMMUNITY HOUSING FUND

**Success: Lobbying win with the Fund secured**

### About

The Community Housing Fund was announced as a five-year fund worth £300m during the 2016 Spring Budget. It is the biggest investment the sector has seen in over 30 years and will help to propel the movement forwards as it looks to become a mainstream housing option. We have spent a considerable amount of time calling for funding of this sort and are committed to fighting for its continuation.

### What happened

With no word from Government in April when year two of the Fund was due to launch and the snap election bringing further delays, we developed a letter writing campaign and turned to our members knowing our collective voice was powerful and had proven significant in previous campaigns. We know at least **49 groups** contacted their MP asking them to lobby the Housing Minister on their behalf.

The letters our members sent to the Ministry of Housing, Communities and Local Government were pivotal. And together with our own lobbying, we were able to secure the then Housing Minister, Alok Sharma MP as keynote speaker at the National Community Led Housing Conference where he announced that the Community Housing Fund would continue to the design we asked for.

## LEASEHOLD REFORMS

**Success: Government state they are exploring the need to exempt CLTs from the reforms**

### About

In July 2017 the Government launched a consultation on the unfair practices in the leasehold market along with their intention to ban the sale of new leasehold houses.

### What happened

The Government's leasehold proposals were totally unexpected, as were the unintended consequences for CLTs. Many CLTs either use or plan to use leasehold responsibly to sell new-build houses at discounted market prices. A blanket ban would be catastrophic for the movement and would also undermine the Government's Community Housing Fund.



### The future

We would like to see the Community Housing Fund becoming a long-term source of funding for the community led housing sector.

To prove the value of the Fund, Government want to see at least 1,600 additional homes being built thanks to the Fund, which currently runs until March 2020. We think this is very possible and will campaign for the Government to keep to its word.

We produced a joint response to the consultation together with UK Cohousing calling for a full exemption for community led housing groups from the proposals. This was shared with our members as we encouraged them to submit their own responses that described their own projects and why leasehold would be critical to many of their success and survival.

In January 2018 after the consultation had closed, the Government announced that the responses it received had been overwhelmingly supportive of its proposed reforms, but stated some exemptions may be necessary to which they referred to community land trusts specifically.

### The future

We will continue to press on this point and ensure CLTs are exempt from this policy and feel positive that this will happen.



# LABOUR SOCIAL HOUSING REVIEW

## About

The Labour Party launched a review of its social housing policies and issued a call to housing professionals for evidence in December 2017.

## What happened

We continued to engage the official opposition, meeting individual MPs and a roundtable of Labour MPs that are also in the Co-operative Party. Many of these MPs supported our lobbying campaign on the Community Housing Fund and leasehold reform.

In January 2018 we made a joint submission with the UK Cohousing Network to the Labour Party's Social Housing Review. We highlighted the ability of CLTs and cohousing groups to build and renovate social housing lose and with wider benefits to their local communities. Our submission also pressed the party to support our asks on the Community Housing Fund, leasehold reform and the Voluntary Right to Buy.

## The future

We were pleased to see that the party backed the Community Housing Fund in its Housing Green Paper published at the start of 2018/19.

# LOCAL GOVERNMENT RECOGNITION

## About

Local councils, combined authorities and mayors were also on our agenda for the year, working to create more supportive planning and funding policies.

## What happened

Our Director sat as a Commissioner on the Co-operative Councils' Innovation Network commission to uncover and understand good practice in local authorities supporting community led housing. The final report which made the case for CLTs and other forms of community led housing was



published in March, quickly followed by a detailed technical toolkit that we helped to review.

London has been a particular highlight. After many years of discussions the Greater London Authority began to take a range of exciting steps towards supporting community led housing with our involvement and support. New policies in the draft London Plan and the newly adopted London Housing Strategy provide some of the strongest support for CLTs anywhere in the country, including an ambitious target to deliver at least 1,000 community led homes, to be identified by 2021. The Mayor granted £250,000 to help set up a new Enabling Hub for the capital, released two small sites ringfenced for CLTs and granted more than £500,000 to help community led projects in Enfield and Lewisham.

## The future

Continuing to strengthen and build new relationships with local authorities is a crucial part of our work as we seek to achieve a better policy environment for CLTs to thrive throughout England and Wales.

# NATIONWIDE FOUNDATION INVESTMENT

## About

The Nationwide Foundation believe that community led housing can increase the supply of homes that meet the needs of local people. In February 2017 they announced they were investing £1million in community led housing to help the sector to grow.

## What happened

As part of Nationwide Foundation's larger £1million investment we, along with the Confederation of Co-operative Housing and UK Cohousing, were awarded £180,899 (for two years).

The grant will help us to strengthen the national infrastructure needed to scale up the community led housing sector. The money is being used to build a single community led housing website, making it much easier for existing groups and potential groups to find information about the movement and technical resources to help inform a project's development. The money is also funding the creation of a standardised training and accreditation programme for advisers and the development of the network of Enabling Hubs.

## The future

Community led housing groups, technical advisers and the public will be able to benefit from this series of activities in 2018/19.

# POWER TO CHANGE INVESTMENT

## About

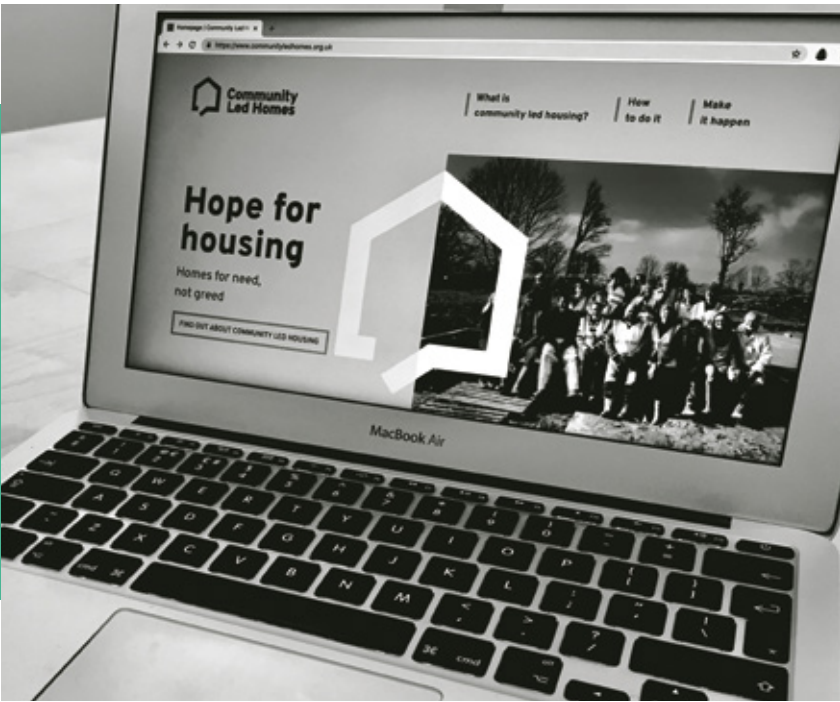
Power to Change has also supported the development of the community led housing movement for some time, recognising it as one solution to the affordability crisis.

## What happened

We were asked by Power to Change to compile a research paper on the different stages of a community led housing project the funding that was available at each stage and any gaps that existed. This research revealed notable shortcomings in funding and how stronger support systems at a local level could be helpful. Power to Change also funded two workshops with the intention of creating and strengthening Enabling Hubs across the country. The workshops took on a peer-to-peer learning format and training was provided by four established Hubs: CLT East, East Midlands Community Led Housing, Sussex Community Housing Hub and Wessex Community Assets. The sessions were attended by Bristol CLT, Birmingham Community Homes, Leeds Community Homes and Community Led Housing London.

## The future

This work will develop further with more funding being made available to support groups and Enabling Hubs in specific areas across England.







## HELPING CLTS TO THRIVE

# OBJECTIVE 3: TO SUPPORT CLTS & PROVIDE ACCESS TO EXPERT SUPPORT

We believe in CLTs and their potential to turn the housing market on its head. But while positive feelings are certainly a good thing – they're not enough.

For CLTs to thrive they need to have access to quality advice, examples of good practice and the best technical and hands-on support available. This is what we strive to provide our members with and over the years we've developed a successful approach to do this.

## START UP FUND

### About

Created in 2014, our Start Up Fund is a three-stage process which provides small grants and time with an experienced technical adviser.

This funding enables groups to explore the CLT approach and develop ideas through to an investment-ready proposal.

### What happened

#### Stage one: 28 groups supported

A day of idea scoping with a technical advisor worth £500.

#### Stage two: 27 groups supported

Two further days with an adviser on organisational structure, developing a business plan and finding land.

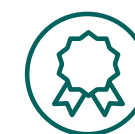
#### Stage three: 18 groups supported

A grant of up to £4,000 to help a CLT get investment-ready.

*"We were two mothers with no experience of CLTs, and no idea where to start. The Start Up Fund gave us the opportunity to meet with experienced advisers who answered our questions and gave us advice on how to set up and the next steps to take. Without the Start Up Fund, we probably would have given up and the CLT would have remained a dream."*

Harrogate Affordable Homes CLT

#### 2017/18 IN NUMBERS:



73 GRANTS  
GIVEN



£95,633  
AWARDED



49 DAYS OF  
SUPPORT

## URBAN CLT PROJECT

### About

The Urban CLT Project was a three-year grant programme launched in 2014, thanks to the Oak Foundation, with an aim to spark the growth of urban CLTs. With CLTs developing and succeeding predominantly in rural areas, this fund was designed to help 19 urban CLTs overcome some of the unique barriers they facing in their locality through the awards of £10,000 each.

### What happened

As the Urban CLT Project drew to a close, a final peer-to-peer gathering was held providing an opportunity to share knowledge and reflect on the programme.

#### Specialist themes covered:

- Governance and membership
- Fundraising and business planning
- Selling, letting and managing homes

An independent evaluation of the programme was conducted by a team of academics and stated that it had "helped to build a credible and resilient movement of urban community land trusts". The full report can be found on our website.



*"The funding we received through the Urban CLT Project was instrumental in helping us to get to the point where we were ready to start work on our first development."*

Oxfordshire CLT

#### 2017/18 IN NUMBERS:



1 PEER - PEER  
SESSION



13 CLTs  
REPRESENTED



72 HOMES  
COMPLETED



1 INDEPENDENT  
EVALUATION



# SEE IT & BELIEVE IT

## About

Returning in 2017 thanks to funding from the Tudor Trust, our See It and Believe It tour showcased successful community land trust schemes in Bristol and Stretham, near Ely.

These special events provide the ultimate all-access experience of a CLT in action. They are full day events which feature a site tour, presentations from people in the movement and workshops which inform and inspire new and burgeoning groups.

## What happened

### Bristol | September 2017

Our Bristol See It and Believe It focused on finance and self-build. Attendees heard from some of the organisations that had helped to fund Bristol CLT's Fishponds Road project and the ins and outs of a self-build/self-finish project.

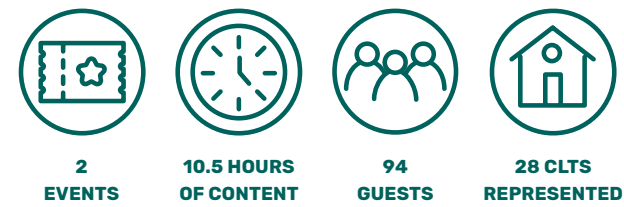
The day started onsite at Bristol CLT and gave attendees the opportunity to talk to residents and hear their experiences. This galvanised the group and provided a tangible reference point for the remainder of the day.

### Stretham | March 2018

The theme for this event was effective partnerships, with a particular focus on local authorities and housing associations. The CLT movement has grown rapidly in the east of England and this has been helped largely due to the backing from local authorities and the combined authority.

The day included a tour of Stretham and Wilburton CLT's Manor Farm project (phase one) and workshops on funding opportunities and partnership building.

### 2017/18 IN NUMBERS:



# CONSULTANCY

## About

While much of our work focuses directly on community land trusts and Enabling Hubs we also provide support to councils which want to better understand the movement and how best to use any funding that was awarded through year one of the Community Housing Fund in order to support local community led housing groups.

## What happened

Through our in-depth workshops we have helped to kickstart new Enabling Hubs in Hampshire and Kent. Hubs are also in development in Cumbria and Thames Valley in part thanks to this work.

### 2017/18 IN NUMBERS:



# NATIONAL COMMUNITY LED HOUSING CONFERENCE

## About

Delivered in collaboration with UK Cohousing, the first-ever National Community Led Housing Conference took place on 27 November 2017. The programme was designed to celebrate community led housing, discuss the future of the movement and include workshops where community led housing groups could learn practical skills to propel their projects forward.

## What happened

As the community led housing movement grows many groups are creating bespoke projects that are a hybrid of the different community led housing approaches. With interest and delivery in the movement increasing it felt right to put on a spectacular event that demonstrated the credibility of the movement and its potential.

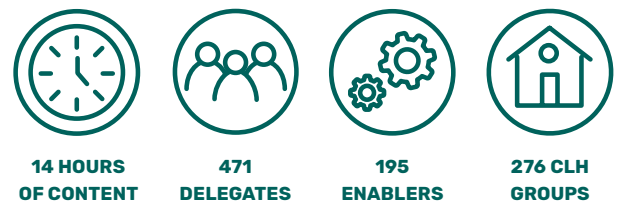
There were a real mix of guests. Rightly so, community led housing groups made up the majority of delegates, but it was really encouraging to see that 41% of delegates came from an enabling profession – be that a community led housing hub, local authority, housing association or funder.

Having the then Housing Minister, Alok Sharma MP, announce the continuation of the multimillion Community Housing Fund was fantastic and set the tone for the rest of the day.

### Specialist themes covered:

- Early-stage funding
- Partnering with housing associations
- Governance and development finance
- Finding land
- Consensus decision making
- How councils can support community led housing
- Low impact living
- Media relations

### 2017/18 IN NUMBERS:





# SUPPORTING OBJECTIVE: TO ESTABLISH THE NETWORK AS A FINANCIALLY SUSTAINABLE ORGANISATION

We have an ambitious strategy to turn the National CLT Network into a strong and sustainable social business. We want to become less reliant on grant for our core work, and to generate income through activities that also help CLTs to succeed.

Starting to develop our new business initiatives, and bedding in our expanded team, were the two major priorities for the year under this objective.

## KEY ACHIEVEMENTS

We set an ambitious target for the year of £50,134, compared to £24,599 of income generated in 2016/17. Despite some challenges we managed to substantially exceed the total, and to outperform across three out of four financially sustainable initiatives.

Our membership growth was strong, increasing our income by 50% year-on-year. This was reflected in the size of our national conference, which helped attract a huge increase in sponsorship. Much of that income was taken up with costs in running the conference, and some was shared with our co-organisers the UK Cohousing Network, but the net income to the charity still exceeded our target.

We also rolled out our new consulting business plan. This aimed to charge for advice and services that we provided to sector funders, local authorities and businesses interested in community led housing. We thereby earned income for the charity while pursuing our objects to support and promote CLTs and the provision of affordable housing.

The work also contributed to our business plan goals for the year, with work to help Enabling Hubs start in cities like Bristol and Leeds, and to support local authorities that want to work with their communities to bring forward more CLTs in their area.

TARGET  
GENERATED  
INCOME  
**£50,134**

ACTUAL  
GENERATED  
INCOME  
**£72,924**

**“We beat our income target  
by 50%, raising triple what  
we generated in 2016/17”**

**Membership: £29,249  
Sponsorship: £20,500  
Consultancy: £23,175**

## Putting in place new initiatives

We also began work on a number of initiatives that were not intending to generate an income in 2017/18, but which we hope will bear fruit in future years.

We had hoped to begin a pilot of a mortgage brokerage service for residents of CLTs using various means to ensure homes are affordable in perpetuity. Depending on the approach the CLT takes, there can be very few banks and building societies willing to lend to prospective buyers. Our brokering service is intended to help lenders enter the market, and to help buyers access a more competitive market.

However, our discussions with potential brokerage partners led us to enlisting the help of three mortgage industry experts to better engage the industry. They undertook research into the current state of lending and the barriers for our sector, and made a range of useful recommendations to help us improve the range of choice for buyers. They also produced guidance for groups and lenders, and a database of lenders for groups to talk to when developing their projects. This was all undertaken with the financial support of CDS Co-operatives, and in 2018/19 has helped us to restart negotiations on a pilot.

In November 2017 we agreed a partnership with Crowdfunder. We have delivered workshops on these sources of 'community finance' and hope to help more CLTs take advantage of the opportunities, while gaining a small introduction fee for the Network.

## Collaborations in the sector

Since 2016/17 we have worked increasingly closely with our sister networks for cohousing, housing co-operatives, development trusts, self-help housing and self/custom build. To grow and expand significantly, the sector needs a clear and coherent voice that will only come about through more collaboration.

We also believe there may be scope to reduce duplication and costs, and so improve the sustainability of the national sector bodies, through collaboration. We experimented with a shared services agreement with CDS Co-operatives and the UK Cohousing Network in 2017/18, covering back-office areas such as office space and administration as well as joint projects with communications, advocacy and events. At the end of the year we agreed to continue the agreement with the UK Cohousing Network.

We also secured funding from the Esmée Fairburn Foundation to explore possible joint working arrangements with the UK Cohousing Network and the Confederation of Co-operative Housing. This enabled us to enlist expert governance and business planning support, as well as engage our members with a series of gatherings that kicked off in the spring of 2018.

## HOW NATIONAL CLT NETWORK ACTIVITIES ACHIEVE PUBLIC BENEFIT

Our three core strategic objectives are focused on providing advice, information and support to enable CLTs to provide homes, assets or services for the benefit of the public.

**Objective 1:** Our work to raise awareness and promote CLTs informs other people to the possibility that they could also set up a CLT in their area to address housing and other issues that their community is facing.

**Objective 2:** Our advocacy campaigning work is helping to create a more supportive policy, funding and regulatory environment for CLTs to deliver homes and other assets across the country.

**Objective 3:** The information, guidance, advice and support that we provide directly to CLTs, as well as the financial assistance that enables groups to access expert technical support makes it possible for ordinary people to set up and run CLTs that will deliver for the public benefit.

The Board of Trustees has considered the Charity Commission's guidance on public benefit and can confirm that this was referred to when reviewing the National CLT Network's goals, objectives and activities and in planning future activities.

## STRUCTURE, GOVERNANCE & MANAGEMENT

The National CLT Network CIO is a registered Charitable Incorporated Organisation, number 115695. The governing document is the National CLT Network CIO constitution.

New trustees of the National CLT Network are elected by Members at the Annual General Meeting on a one-member-one-vote basis, or are appointed by the existing Board of Trustees, and serve for three years. The Constitution provides for a minimum of three trustees to a maximum of nine trustees, of which no more than three can be non-members. All trustees give up their time freely and no trustee remuneration is paid.

In 2017/18 the National CLT Network had seven trustees. We intend to recruit two additional trustees to address any skills gaps in the future.

# FINANCIAL REVIEW

### Unrestricted income

The National CLT Network ended 2017/18 with a total unrestricted income of £202,279 and a total expenditure of £163,782, resulting in a net surplus of £38,497. This was a remarkable turnaround on our start-of-year forecast for a deficit of £41,736, which was primarily achieved by significantly exceeding our target income through our financial strategy.

Considering the reserves brought forward from 2016/17, the National CLT Network ended 2016/17 with a total of £129,833 unrestricted reserves. A deficit of £75,830 is forecast in 2018/19. We will therefore need to use a large proportion of the reserves to cover the deficit forecast ending the year with reserves of £54,003.

### Restricted income

The National CLT Network received a total of £268,638 of grant income and £26,611 of general income in 2017/18 that it then disbursed to CLTs and Umbrella CLTs, less management fees and expenses. This is set out in more detail in the Statement of Financial Activities.

The Urban CLT Project ended the year with a balance of £3,475. This was carried forward to pay the academic team undertaking the final evaluation of the project, as agreed with the Oak Foundation.

The CLT Start-up Fund also has an underspend. In this and the previous financial year we agreed some changes to the structure of the Fund to better achieve its objectives, and these have put it on track to spend down the grant income by the close of the Fund in March 2020.

Our work began on the Sustainable Housing for Inclusive and Cohesive Cities project, funded by North West Europe Interreg. We will claim back expenditure in arrears, so the project closed with a negative balance.

### Reserves Policy

The trustees have considered the following factors when setting a reserves policy:

- The organisation's risk register
- Contractual obligations to staff in terms of parental rights, sickness pay and redundancy provisions;
- The organisation's obligation to maintain a safe and clean working environment;
- Equipment is essential for the organisation's work.

For 2017/18 the trustees have continued with the existing policy of reserves of maintaining three month's unrestricted running costs. This has been exceeded in 2016/17 and, as per the forecasts, will also be exceeded in 2017/18.

## National CLT Network CIO

### Independent Examiner's Report to the Trustees of National CLT Network CIO Year ended 31 March 2018

I report to the trustees on my examination of the financial statements of National CLT Network CIO ('the charity') for the year ended 31 March 2018.

#### Responsibilities and basis of report

As the trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**N D Harris BA CTA ATT BURTON SWEET**  
**Chartered accountants & Business Advisers, Cooper House,**  
**Lower Charlton Estate, Shepton Mallet, Somerset, BA4 5QE**

29th June 2018

## Statement of Financial Activities

31 March 2018

	2018		2017
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
<b>Income and endowments</b>			
Membership fees	29,249	–	29,249
Charitable activities	173,030	295,249	468,279
Investment income	–	–	118
Total income	202,279	295,249	497,528
<b>Expenditure</b>			
Grants & bursaries	–	98,686	98,686
Other expenditure on charitable activities	163,782	138,046	301,828
Total expenditure	163,782	236,732	400,513
<b>Net income/(expenditure) and net movement in funds</b>	38,497	58,517	97,015
<b>Reconciliation of funds</b>			
Total funds brought forward	91,336	73,802	165,138
Total funds carried forward	129,833	132,319	262,152

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

## Statement of Financial Position

31 March 2018

	2018	2017
	£	£
<b>Fixed assets</b>		
Tangible fixed assets	1,567	1,306
<b>Current assets</b>		
Debtors	40,011	21,125
Cash at bank and in hand	275,327	169,407
	315,338	190,532
Creditors: amounts falling due within one year	54,753	26,701
Net current assets	260,585	163,831
Total assets less current liabilities	262,152	165,137
<b>Funds of the charity</b>		
Restricted funds	132,319	73,801
Unrestricted funds	129,833	91,336
Total charity funds	262,152	165,137

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements. These financial statements were approved by the board of trustees and authorised for issue on **13th September 2018**, and are signed on behalf of the board by:



Baroness Bakewell of Hardington, Mandeville MBE, Chair of Trustees

The notes on pages 21 to 27 form part of these financial statements



Statement of Cash Flows
Year ended 31 March 2018

	2018	2017
	£	£
Cash flows from operating activities:		
Net income/(expenditure)	97,015	(41,334)
Adjustments for:		
Depreciation of tangible fixed assets	777	696
Other interest receivable and similar income	-	(118)
Changes in:		
Trade and other debtors	(18,886)	27,397
Trade and other creditors	28,052	(49,318)
Cash generated from operations	106,958	(62,677)
Interest received	-	118
Net cash from/(used in) operating activities	106,958	(62,559)
Cash flows from investing activities:		
Purchase of tangible assets	(1,038)	(28)
Net cash used in investing activities	(1,038)	(28)
Net increase/(decrease) in cash and cash equivalents	105,920	(62,587)
Cash and cash equivalents at beginning of year	169,407	231,997
Cash and cash equivalents at end of year	275,327	169,410

The notes on pages 21 to 27 form part of these financial statements

Notes to the Financial Statements
Year ended 31 March 2018

1. General information

The charity is a charitable incorporated organisation, a registered charity in England & Wales. The address of the registered office is 7–14 Great Dover Street, London, SE1 4YR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Notes to the Financial Statements (continued)  
Year ended 31 March 2018

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office equipment – 25% reducing balance

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Notes to the Financial Statements (continued)  
Year ended 31 March 2018

4. Charitable activities

Current year	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Grant income	96,330	268,638	364,968
General income	20,652	26,611	47,263
Sponsorship	20,500	–	20,500
Resource sales	384	–	384
Delegate fees	35,164	–	35,164
	173,030	295,249	468,279

Previous year	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Grant income – current year	123,256	64,606	187,862
General income	14,498	23,877	38,375
Sponsorship	–	–	–
Resource sales	269	–	269
Delegate fees	–	–	–
	138,023	88,483	226,506

Current year unrestricted grant income received in the year ended 31 March 2018 includes:

Esmee Fairbairn Foundation	£45,995 (£29,375 core grant and £16,620 for a joint project to explore closer collaboration with Confederation of Cooperative Housing and UK Cohousing)
The Tudor Trust	£50,335 (£47,000 core grant and £3,335 Development Grant to support development of staff structure and recruitment)

General income consists of consultancy income, which in part was then sub-contracted to partners.

An analysis of restricted income is set out in Note 12.



Notes to the Financial Statements (continued)  
Year ended 31 March 2018

5. Expenditure on charitable (excluding grants and bursaries paid)

Current year	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Meeting costs	175	-	175
Postage & couriers	-	33	33
Publications & materials	3,345	103	3,448
D&O insurance	6,067	-	6,067
Software and licences	707	-	707
Services – Legal & consultancy	8,411	13,567	21,978
Events	35,302	1,377	36,679
Depreciation	777	-	777
Staff costs	61,501	93,300	154,801
Staff travel, accommodation & subsistence	2,093	1,520	3,613
Website development, hosting & maintenance	307	103	410
Research	-	5,800	5,800
Overheads	45,097	22,243	67,340
	163,782	138,046	301,828

Previous year	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Governance & meeting costs	1,738	107	1,845
Office rent & services	11,428	-	11,428
Publications & materials	2,991	170	3,161
Insurance, including D&O insurance	6,216	-	6,216
Printing, postage & stationery	1,607	-	1,607
Legal & professional & consultancy support	24,783	19,200	43,983
Events	993	5,911	6,904
Depreciation	696	-	696
Staff costs	80,303	24,343	104,646
Travel & subsistence	1,358	1,246	2,604
Website development & maintenance	839	211	1,050
Overheads cross charged	(9,330)	9,330	-
	123,623	60,516	184,140

Notes to the Financial Statements (continued)  
Year ended 31 March 2018

6. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018	2017
	£	£
Wages and salaries	168,226	88,438
Social security costs	17,660	8,632
Employer contributions to pension plans	9,916	810
Other employee benefits	1,983	1,196
	197,785	99,076

The average head count of employees during the year was 5 (2017: 2.5).

No employee received employee benefits of more than £60,000 during the years ended 31 March 2017 and 2018.

7. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Trustee are reimbursed for reasonable travel expenses.

8. Tangible fixed assets

	Equipment	Total
	£	£
Cost		
At 1 April 2017	3,962	3,962
Additions	1,038	1,038
At 31 March 2018	5,000	5,000
Depreciation		
At 1 April 2017	2,656	2,656
Charge for the year	777	777
At 31 March 2018	3,433	3,433
Carrying amount		
At 31 March 2018	1,567	1,567
At 31 March 2017	1,306	1,306

Notes to the Financial Statements (continued)  
Year ended 31 March 2018

9. Debtors

	2018	2017
	£	£
Trade debtors	40,011	21,125

10. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	-	3,864
Social security and other taxes	5,188	2,532
Deferred grant income	38,022	12,475
Other creditors	11,543	7,830
	54,753	26,701

11. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,916 (2017: £810). The 2016/17 charge was reduced by contributions refunded to former employees in prior years and charged as additional salary prior to leaving which are therefore no longer payable to the pension company.

12. Analysis of charitable funds

Unrestricted funds				
	At 1 April 2017	Income	Expenditure	At 31 March 2018
	£	£	£	£
General funds	91,336	202,279	(163,782)	129,833

Of the total funds to carry over to 2018/19, £70,000 will be directed into a designated Development Fund to address our forecasted deficit in 2018/19.

Restricted funds

The charity has received grants for the Start-up Fund and Umbrella Fund, which it disburses to CLTs and Umbrella CLTs on behalf of the grant providers. The charity received a fee for managing these projects. The balance is held within the bank account at the year-end for disbursement in future periods.

The charity received a grant for the See it and Believe it programme, to hold peer learning events, a grant from the Nationwide Foundation for the work it is delivering to develop the national infrastructure for community-led housing and an advance payment from the EU North West Europe Interreg programme for the Social Housing for Inclusive and Cohesive Cities (SHICC) project.

In addition, in 2017/18 the charity provided communication and administrative services to the UK Cohousing Network and communication and event services to CDS Cooperatives, for which it received a fee.

Notes to the Financial Statements (continued)  
Year ended 31 March 2018

12. Analysis of charitable funds (continued)

Restricted funds						
	Opening balance at 1 April 2017	Grants received	Grants & bursaries paid	Activities, salaries & overhead contribution	Transfers	Closing balance at 31 March 2018
	£	£	£	£	£	£
Urban CLT Project (The Oak Foundation)	28,012	-	(392)	(24,145)	-	3,475
CLT Start-Up Fund (Esmee Fairbairn Foundation, The Tudor Trust, Nationwide Foundation)	32,433	154,534	(74,115)	(28,769)	-	84,083
See It & Believe It (The Tudor Trust)	445	16,172	(177)	(5,940)	-	10,500
Umbrella Fund (The Tudor Trust)	13,161	24,000	(24,000)	(7,610)	-	5,551
SHICC (North West Europe Interreg)	-	3,340	-	(7,498)	-	(4,068)
CLH Infrastructure project (Nationwide Foundation)	-	52,144	-	(19,177)	-	33,027
UK Cohousing	(249)	18,530	-	(18,530)	-	(249)
CDS Co-Operatives	-	26,439	-	(26,439)	-	-
	73,801	295,249	(98,684)	(138,048)	-	132,319

13. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£	£
Tangible fixed assets	1,567	-	1,567	1,306
Current assets	128,266	132,319	260,585	163,831
Net assets	129,833	132,319	262,152	165,137