



CLT Network response to More and Better Social Homes call for evidence

Introduction

The Community Land Trust Network is the official charity supporting Community Land Trusts (CLTs) in England and Wales. We are a membership body and represent 310 CLTs with over 2,200 affordable homes and other assets, and which have plans to deliver 7,000 more homes. We welcome proportionate regulation, and this opportunity to look at the big picture for the social housing system.

Although CLTs are a small route to development, they bring innovation and essential diversification to the supply of affordable housing. They often have the capacity to build or retrofit where larger or more commercial housing providers cannot - Rural Exception Sites, Community-Led Exception Sites, infill sites, heritage or derelict buildings, housing association disposals, sites that are locally controversial, small s106 obligations on larger developments, or geographically complex pieces of land.

At present, 13 CLTs or CLT Network member organisations are Registered Providers of Social Housing, with a further 2 actively applying and and 4 exploring becoming an RP (that we know of). Of those, one owns 635 homes, while the rest own an average of 35. This small size reflects both the start-up nature of many CLTs and their hyperlocal focus.

A further 144 CLT projects are partnerships with RPs, providing 642 social/affordable rent homes and with a further 1,019 in various stages of development.

We have developed our response collectively through discussions across our membership.

Question 1: Essentials for more and better homes

Please give your views on how we can further promote the essential characteristics of social landlords to deliver more and better social homes.

Overall we welcome many of the regulator's proposals in this section.

We think the Regulator could think more broadly about “better” homes. Many of these recommendations focus on financial stability and responding to tenant complaints, which we support. But these don't capture other ways of recognising and institutionalising aspects of good housing, including the messages coming currently from the Prime Minister and other ministers, including considerations such as:

- Tenant democratic involvement in decision making
- Long term stewardship of places for wider society in that place
- Local investment in communities - especially where non-community led RPs risk extracting wealth out of communities
- Nature recovery strategies
- Energy efficiency or clean energy generation
- The role of retrofitting and bringing empty homes back into use as opposed to exclusively building new

We are concerned about the requirement that being a social landlord is central to the organisation's business. The consultation frames this in reference to “the best interests of current tenants, people on waiting lists, or wider society”, but those societal interests could be met by CLT activities and assets other than social housing. The consultation implies, we think, that this is about Registered Providers being engaged in too much open market activity. But CLTs often seek to meet the needs of their tenants and others in their neighbourhood through a diversity of community assets, and with broad purposes. The statutory definition of a CLT states that they must be “established for the express purpose of furthering the social, economic and environmental interests of a local community by acquiring and managing land and other assets in order to provide a benefit to the local community”, so while being a social landlord may be part of their purposes, it needn't be their central or dominant purpose.

As an example, one CLT is a Registered Provider of Social Housing, owning 9 affordable homes, with 21 in development and planning approval for a further 20 homes. They also own other types of community assets in response to local needs and aspirations, such as 23 affordable workspaces to drive local employment opportunities, a local village hall to create a space for connection and wellbeing and a small railway signal box museum and holiday home, to engage with local heritage

We have some concerns around the need for RPs to evaluate and publish targets for the number of social homes that they will provide. While we recognise the need to ensure RPs use their assets to effectively meet the needs of their tenants and of wider society, and that in some cases RPs may be sitting on unleveraged assets and failing to do this, the context matters, particularly for CLTs with a strong focus on, and connection to, place. In a small town or village it would not be appropriate for a CLT to be actively

developing large numbers of new homes outside of their place, they should be focused on meeting the needs of their community. We hope this takes into account that CLT development projects must be sensitive and responsive to local needs within their defined village, town, city or neighbourhood - as opposed to being under pressure to meet numbers of new homes.

In general, we hope that all RPs are encouraged to develop in a way that is sensitive to the needs of communities, not simply densifying housing provision in areas that are easier to develop in, while eschewing other areas that desperately need homes to keep local people and communities together, such as rural areas.

Finally, we have some concerns around the autonomy of providers. Again, we understand the objectives, but these could clash with the way many CLTs operate. For example, one RP CLT is a subsidiary of a local charity. Some RP CLTs successfully work in partnership with housing associations to manage homes, who bring existing skills and processes to the partnership. Many non-RP CLTs partner with RP housing associations to deliver projects hyperlocally, a hugely successful model for developing social homes with local community support and leadership. In each case we believe they strike an appropriate balance between the landlord being able to exercise sufficient autonomy to deliver better homes for tenants, while also having their autonomy constrained in various ways - for examples RPs partnering with CLTs cannot dispose of the properties or change the allocations policies or tenure without the agreement of the CLT. We hope that these and other community partnerships will continue to be possible.

Question 2: Accountability for more and better homes

Please give your views on how we can further drive landlord accountability in the delivery of more and better homes.

We think that the regulator could more positively encourage RPs to partner with CLTs to deepen their accountability to local communities. The statutory definition of a CLT requires that they are owned by, controlled by, and accountable to their local community, which can include their tenants. Like other co-operative models, accountability is written into their legal structure in a way that isn't true for most RPs. What is more, this accountability relates to their objectives, and so they are transparent to, accountable to, and led by their local community in the way that they seek to deliver more and better social homes, and ensure their assets are used to maximise local wellbeing, including inclusive local growth.

To date, approximately 40 RPs have delivered social homes in partnership with CLTs. In some parts of the country this has become a significant part of the sector; for example one snapshot of Homes England pipeline data in Devon indicated that CLT/RP partnerships were contributing more than half of social housing supply at the time. The government is keen to promote this model, and will soon be publishing a major review of financing barriers for community led housing, including this model. Homes England is also positively encouraging these partnerships, asking Strategic Partners for their plans for CLH partnerships. It would be helpful if the regulator could also promote this, and ask providers how they are partnering with, and being accountable to, local communities they are developing in.

Moreover, it could ask whether providers are partnering to meet needs in places where the RP sector is currently absent or underproviding, in particular rural areas where there is an acute shortage of homes and a chronic undersupply.

Some of our CLT RP partners have reported that many of their dealings with the RSH so far have been supportive and advisory. We hope that with the increased role of regulation, the RSH will continue and increase its commitment to supporting RPs partnering with CLTs in this way.

Our network is also interested in the mentioned proposals for collaborations between experts and stakeholders to explore problems and solutions in the social housing sector, in particular how CLTs and emerging RPs might be able to learn from more established RP

This approach to partnerships could also include disposal processes, encouraging RPs not only to contribute to long-term growth in aggregate but also to support the economic and social needs of the community their homes are in. We welcome that the government is considering requiring providers to advertise disposals to the local authority and other providers. There have been a small number of cases where CLTs have been able to acquire social homes from RPs to ensure they remain in circulation for the local community. This is particularly important in rural communities where disposals too often leave no social housing in a parish, and alternative accommodation far from tenants' work, family, local school, etc. But all too often they only hear about disposals after the fact. It should become a requirement to notify other providers in the area, and for this to include non-RP providers such as CLTs and almshouses, and the regulator should work with our sector and RPs to encourage disposals that balance the financial needs of the RP with the needs of the local community.

Finally, we have welcomed positive engagement with RSH colleagues in building a better mutual understanding between community led providers and the regulator.

Question 3: Regulating for more and better homes

Please give your views on our intention to become increasingly targeted in our regulatory approach.

We largely agree with this section, but would be interested to understand how RPs CLTs, and RPs partnering with CLTs, would be perceived in relation to risk. We hope that the regulator will carefully consider and balance methods of classification as “high risk” and how the ensuing consequences or regulations can be proportionate. Our concern is that CLTs would be unfairly considered high-risk due to their relatively innovative approaches. While a couple of CLTs have had challenging starts in their first decade of operation, the risk is a product both of this start-up phase and the number of homes they own. As noted, 12 of 13 CLT RPs each own an average of 35 completed or in-development homes as of Sept 2026. So the risks are low. Proportionality must also leave room for innovation.

Moreover, new monitoring on customer standards shows a very positive picture for CLTs. According to a cross section of 13 reports over 2022-26 from 8 CLT RPs that collectively owned 857 homes at the time of reporting, only 48 complaints were made, with 6 of these 8 CLT RPs receiving one or fewer complaints. Reports shared that complaints are largely responded to quickly and in some cases were issues related to property freehold or management partners.