



Eastington Community Land Trust Ltd. (ECLT)

Forty-third Meeting of Board Members

Thursday 15th November 2018

at 7.00 pm in the Village Hall

Minutes

1. Attendance Tom Morrison (chair) (TM), Muriel Bullock (vice chair) (MB), Alan Brasier (AB), Tom Low (Secretary) (TL), Lynne Farnden (Treasurer) (LF), Martin Elliot (ME), Ann Pitcher, Ed Davies (ED).

Apologies: Paul Mannings (PM), Cllr Mark Chatterley (MC), Karl Hine, Aster (KH), Sharon Wells (SW), Cllr John Jones (JJ), Alison Loveridge (AL),

Declarations of Interest: There were none. **Questions to the Board:** There were none

2. Approval of Minutes of Board Meeting of 18th October

The minutes were unanimously approved and signed by AB.

3. Financial and Administration Report

3.1 Approval of invoices

The final cheque for Eric Cole was approved, leaving a bank balance of £1,784.32. LF commented that the coming year would see much less expenditure than the last two and so a lower level at bank was to be expected.

3.2 Progress of SDC funds from grant

TL reported that a claim for £3,300 was being contemplated, based on recent invoices. There remained about £2,500 left in the grant fund, which would mainly go towards solicitors' fees

3.3 Report on 4th quarter and Annual internal audits

MB complimented FL on a 100% clear audit on both levels.

3.4 2019 Housing Needs Survey – strategic purpose

TL described the timetable for the 2019 Housing Needs Survey (HNS) to be sent out with the Eastington News. AB suggested that the April/May edition should have a substantial article about start-on-site. ME asked if the HNS would be independent and MB confirmed that it would be run on behalf of the Parish Council by GRCC.

TM queried the Parish's ability to limit to traditional hamlets. TL confirmed that an HNS could cover as little as a block of streets (e.g. central Stroud 2016) or a large geographical area (e.g. Whitminster, Frampton, Slimbridge ten years ago).

Signed by TM, Chair.....6th December 2018

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4. Progress on S 106

4.1 Report on items outstanding with Aster

TM and TL reported that there were only 3 items outstanding:

- (a) a technical error in the Cascade (schedule 3, para 5) which KH had since agreed
- (b) removal of the indemnity clause, which TM recommended we contest
- (c) modification of the LHA cap such that it only applied to first occupations.

Board approved all three items. However, since there was considerable debate on item (c) it was agreed that the logic behind using the Regulator’s powers rather than a perpetual LHA cap should be appended to these minutes. TL to convey these instructions to Mr Curran.

ACTION: TL

4.2 Lettings implications on first releases

AB, TL, and MB had discussed the issue of Aster releasing more than 3 similar homes at one time during the phased release. This arose from the Homeseeker bidding process only allowing 3 bids at a time. Laura Stephen of SDC wanted to merge all the applicants for similar homes into a single list, in order of needs. TL reported that KH was comfortable that Aster would be happy to handle that.

4.3 Naming of streets

SDC usually ask a Parish Council for an appropriate name. MB agreed to take forward a name that suited the current landowner. TL to check.

ACTION: TL

5. Legal Matters

5.1 Signing of Conditional Contract

TM confirmed that all parties had signed the agreement but commented that we are yet to receive dated copies of the exchanged counterparts of the contracts from BPE.

ACTION: TM

5.2 Progress on funding

TL reported that he and KH had now visited Pippa Stroud of SDC, who agreed to facilitate the £450k Infrastructure Grant from Homes England. KH and TL provided all the background data needed, which KH had forwarded to Ms Stroud for her to complete the application on 20th November. This would be considered at Homes England regional meeting of 6th December and the national board on 17th December. There would then be a period of agreeing contracts, which TM agreed was a cause for concern, given past experience with SDC grants. TL to brief JJ in case action became necessary later in the process.

ACTION: TL, JJ

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6. Progress on filing Planning Application including Public Consultation

6.1 Public Consultation

TL reported that the two drop-in events were lightly attended (8 attendees at each) but that 5 new members had been registered. The presentation to the Parish Council had been well received and approved by 3 votes to nil with one abstention. This was now on the SDC website as a positive support.

6.2 Technical matters still under discussion

Updates had been circulated to Board members at end October and 14th November. A number of consultees not flagged at pre-app had now raised concerns which were being dealt with as follows:

(a) Flood/drainage issues three rounds of correspondence and telephone calls had substantially cleared the concerns of the GCC SuDS officer. Tim Trotman of EG Carter dealing.

(secy note: Highways England also queried the drainage strategy on 19th November. It is felt that their concerns are misplaced and TL, KH and Tim Trotman will handle this)

(b) Pavements GCC had asked for additional pavement on the eastern side of the internal road, to service the visitor car parks. This would be conceded at little cost.

GCC had also asked for a bus shelter to be considered and tarmacking to the casual lay-by. Mr Hunter of Helix Transport is dealing with this and it is hoped that GCC will withdraw these, which are unreasonable for an expected number of only 7 journeys per day.

(c) House sizes SDC have a new standard for house sizes, which had not been issued to us previously. Bungalows, flats and 3-bed houses are fully compliant and so KH had asked Pippa Stroud to waive the new standard on the 2-bed houses. At this late stage a design and build cost of £143,000 would be involved *(secy note: Ms Stroud agreed with KH on 16th November)*

(d) Highways access KH, TL and EG Carter consultants met GCC Highways on 14th November. The meeting was very constructive and it was agreed to use a Section 278 for access over the highway verge. In the event that this was delayed in GCC legal, a Section 111 temporary permission would be issued (an admin-only shortened procedure).

The second stage of obtaining access would involve KH and TL going to see Highways England to arrange an easement across the sub-soil of the highway verge. This is a major risk item for clearance at Aster's internal board and must be cleared before they sign the 125-year lease.

ACTION: KH, TL

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7. Date of next meeting,

Agreed as December 6th 2018 at 7 pm in the Village Hall. AGM will be December 20th, 2018 also at 7 pm in the Village Hall.

Meeting closed at 8.30 pm

Tom Low, Secretary

November 2018

CIRCULATION

Board of Trustees **Webmaster:** Ed Davies **General Members attending**
Aster Group Karl Hine (KH) **Parish Council** Cllr Mark Chatterley

GLOSSARY

Anthony Collins LLP ECLT solicitors for S 106, led by Dominic Curran
BPE ECLT solicitors for main contracts, led by John Russell
FCA Financial Conduct Authority, our regulator
GCC Gloucestershire County Council
GRCC Gloucestershire Rural Community Council, an advisory body
HE Homes England, primary grant-giving body for affordable homes
PRoW Public Right of Way, of which route EEA 48 passes along inside ECLT's eastern boundary
Red Kite Solicitors to the Vendor
SDC Stroud District Council
S 106 Section 106 Legal Agreement pursuant to Planning Permission, including Local Connection
Trowers Trowers and Hamlins LLP, solicitors to Aster for funding matters in particular
TLT Solicitors to Aster Homes

Signed by TM, Chair.....6th December 2018

Appendix to minutes of 15th November 2018

How Rent Levels are controlled

1. Background

Affordable Rent is defined under the Housing Acts as being up to 80% of the local market rent for a similar home.

It has always been understood that Aster would set rents for ECLT's scheme at a lower figure, the Local Housing Allowance (LHA). This is not in dispute for the first occupations.

This paper describes how the Regulator of Social Housing manages the national setting of rent levels each year and how ECLT and tenants of this scheme can monitor Aster's performance (or any other HA in the locality).

2. How rents in ECLT's scheme relate to LHA and the private rental market

Because Eastington is in a high rent/ lower income area (defined as the districts of Stroud and Gloucester City) our rents will be set at an average of 69% of market rent. KH has supplied these figures:

Dwelling type	Open market rent	Affordable Rent (80% open market)	LHA
1 bed flat	£129.93	£103.95	£92.05
1 bed bungalow (detached)	£155.23	£124.19	£92.05
1 bed bungalow (semi)	£143.73	£114.99	£92.05
2 bed house	£164.43	£131.54	£122.36
3 bed house (80m ²)	£195.47	£156.38	£147.13
3 bed house (85m ²)	£198.93	£159.14	£147.13

The figures for open market rent are from a Red Book valuation carried out by a RICS registered valuer. These figures are from 28th August 2018. Valuations must be updated so that they are within 3 months date of the time of first lettings. Rents are calculated using 52.18 weeks/year.

When the Regulator sets the Rent Standard, it is in relation to the movement in the Open Market Rents nationally. The aim is to ensure that all 80% rents remain just that.

By starting at 69% of Open Market Rent, Aster's rents should rise (or fall) in tandem with the market, so that they remain roughly at that level.

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3. Role of the Regulator of Social Housing

The Regulator was set up under the 2008 Housing Act to direct and monitor all social housing providers, known as Regulated Providers (RPs).

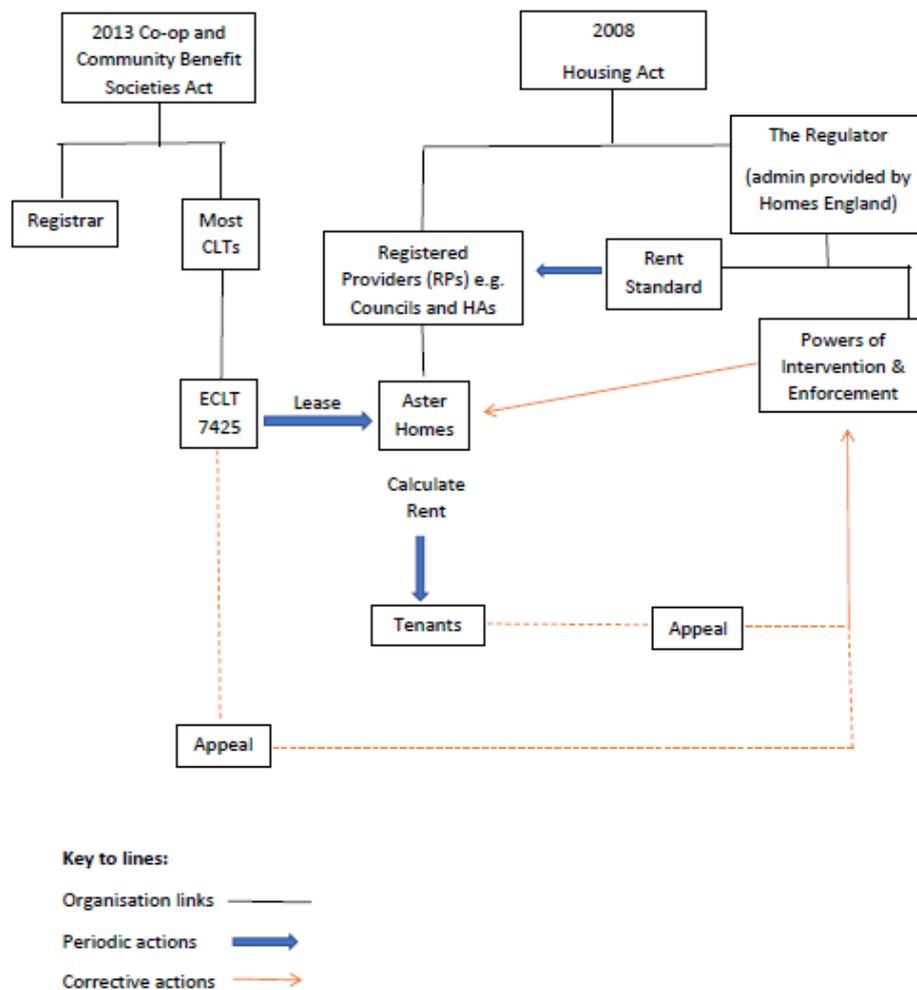
An RP can be a local council (like Stroud) a Housing Association (like Aster, Two Rivers etc) or minor bodies like some CLTs (e.g. Bristol CLT) who choose to manage their own housing stock.

The Regulator sets an annual Rent Standard above which RPs cannot increase their rents. Currently, the Rent Standard is Consumer Price Index plus one per cent (CPI + 1%). When this is reviewed in three years' time, Government will decide upon a new Rent Standard and the Regulator will issue that to all RPs.

The Regulator has Powers of Intervention and Enforcement to act if an RP is believed to have unlawfully increased rents. This can be triggered by any interested party appealing to the Regulator.

ECLT will have two Tenant Trustees on the Board who will be able to flag up any suspicion of an illegal rent change. *(secy note, at time of writing we await Helen Bone's clarification of whether ECLT, a tenant or both are allowed to record an appeal)*

Regulatory Framework for Social Housing



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4. Definition of Affordable Rent in Section 106

As a result of the above national rent management/monitoring process being in place, Board agreed on 15th November 2018 to limit the LHA cap to the first occupations.

Because ECLT has agreed that all tenants will start on a 12-month assured starter tenancy, the definition in the S 106 will confirm that the LHA cap is carried forward to the Lifetime Assured Tenancy to which a satisfactory tenant would move, as well.

TL has consulted both Pippa Stroud of SDC (who signs off on all S 106s) and Helen Bone of Homes England (who is steering our £2 million grant applications) that there is no need for an LHA cap beyond first occupancy.

ECLTs specialist S 106 solicitor, Dominic Curran also concurs with this judgement.

Tom Low

Secretary ECLT

November 2018

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