



Keswick Community Housing Trust

Affordable Local Housing in Keswick

ANNUAL REPORT 2022



OTLEY ROAD

Keswick Community Housing Trust Limited

Registration Number: 31141R

Co-operative and Community Benefit Societies Act 2014

Registered Address

Oglethorpe & Broatch Solicitors

6 Borrowdale Road, Keswick, Cumbria CA12 5DB

Exempt Charitable Status

Ref No: XT36054

(for tax purposes under schedule 6 Finance Act 2010)

MESSAGE FROM THE CHAIR

We could have been forgiven for hoping that 2022 would have been easier as we emerged from the Covid Pandemic. Instead, we've been faced with double digit inflation and rapid rises in interest rates - unprecedented circumstances for us in our 12 year history.

We were fortunate to have the sage advice of Mike Osborne, who has worked in the finance industry for many years, to help us deal with this, and we adopted a multi-pronged attack.

We've taken steps to strengthen our income. This included:

- Raising rents by 4% from April 2023. While many housing providers have applied the Regulator permitted maximum increase of 7%, we considered that could prove too challenging in the current environment for our residents.
- For the first time ever collecting a small rent from our shared-owned residents.
- Obtaining a much better rate of interest for our cash reserves.



While we are proud to say that, mainly due to KCHT being a substantially volunteer based organisation, our costs are much lower than most other housing associations, we are reviewing these as well. We have received a number of attractive offers to retain and / or refinance our loans as a result of testing the markets and also having open discussion with our existing loan providers. We are already benefiting from an improved rate from one of our lenders while we are working our way through the wider set of options open to us.

Because of this approach, I believe we have dealt with these historic challenges in as equitable a way as possible. It is vital we continue to be prudent in managing our finances, whilst retaining our social justice ethos. I feel we have achieved this.

We are very pleased to have entered into a five year lease agreement to manage 4 new one bed flats at Otley Road on behalf of Allerdale BC. Having served on this Allocations Group and also a number of others, the demand we see for properties remains unabated, and it yet again underlines for me the great need for more social / affordable housing in the town especially as we continue to lose so many residential properties to holiday lets and second homes.

I am personally well aware that the time is approaching for myself and Peter Roberts to pass on the baton to others. The work of KCHT has been so close to both our hearts that we want as smooth a handover as possible. I feel very proud of what we have achieved over the years and I will work very hard for it to continue.

Bill Bewley

A REVIEW OF THE YEAR

SOUTHEY COURT



Homes
England

Our Southey Court development, which completed in July 2021, benefited from grant funding of £150,000 under the Homes England Affordable Homes Programme which went towards the capital costs incurred in building 4 affordable houses for rent on the site of the old Keswick Methodist church hall.

Over the summer, we were advised the development had been selected for a Compliance Audit by Homes England. The purpose of these audits is to seek confirmation that grant recipients have met Homes England's funding conditions and contractual requirements and have properly exercised their responsibilities as set out in the Capital Funding Guide.

RATING ASSESSMENT RECEIVED

"On review of the evidence provided, the outcome of the audit has shown the provider has complied with all the programme requirements and guidance. A GREEN grade has been assigned and no breaches were identified." March 2023

CALVERT WAY

We have experienced issues with the concrete sub-floors at our Calvert Way development – we are pleased to report that the building contractor Atkinsons worked with us to resolve these issues, however it was a disruptive process and we appreciate the understanding shown by our residents.

Soffit, gable and ridge vents were installed last summer to address the condensation issues experienced in the lofts. This has worked for some, but not all of the properties, and so additional felt vents and ridge vents were installed in the Spring, which we all hope will finally resolve the matter.

The formal transfer over of the Management Company should be possible in the near future, once the footpaths have been fully completed and the drainage and roads have been formally adopted.

DONATIONS & BEQUESTS

KCHT is a volunteer led organisation, and any bequests and donations we receive help us as we continue with our mission to provide affordable housing for the people of Keswick.

We were extremely appreciative to be chosen by the Executors of Christine Buchanan to receive a bequest of £10,000 in recognition of our work.

Christine recognised the challenges in securing affordable accommodation in the Lake District so that people could live in the vicinity of their employment.

A REVIEW OF THE YEAR

COPELAND MP Trudy Harrison visit Keswick Community Housing Trust

In August 2022, we were pleased to be able to show Trudy around three of our developments and to discuss, in some depth, the ongoing housing challenges experienced here in Keswick.

We remain encouraged that our MPs, including Trudy, are researching ways to address the current imbalance in the housing market in property hotspots like Keswick.



"I'd like to thank Bill, Benita and Joyce for showing me around the fabulous community housing projects the Trust has been responsible for; they are rightly proud of all they have achieved as volunteers so far - and of the tremendous benefits the homes are bringing local families and individuals."

"Credit too goes to the quality of the design and workmanship that has gone into the developments; all of which have been done tastefully and sympathetically to their surroundings."



We are grateful to Keswick Town Council for their continued provision of a grant towards the costs of providing property management services, which removes a tremendous administrative burden from our KCHT volunteers.

The service is provided by Katie Bunting who acts as the main point of contact for our residents, and coordinates maintenance and statutory surveys, with support provided via our Maintenance sub-group.

This year our planned maintenance includes the exterior decoration of Banks Court and The Hopes which is scheduled for Spring 2023.

WORKING TOGETHER

WHAT CAN HAPPEN WHEN CHURCHES AND CLTs WORK TOGETHER

In May 2022, Bill Bewley was a speaker at the first formal meeting between Bishop Guli Francis-Dehqani, who is England's first Bishop for Housing and the National CLT network.

Bill was able to highlight the successful collaboration between two Keswick churches and KCHT, which ultimately enabled the realisation of our Southey Court and The Hopes developments.

We believe that the success we have seen can be replicated around the country and this was an ideal opportunity to raise the profile of what can be achieved with willing partners.



KESWICK COMMUNITY HOUSING TRUST

DELIVERING AFFORDABLE HOMES BY WORKING WITH CHURCHES



LIAISON GROUP WITH KESWICK TOWN COUNCIL



An article in the Keswick Reminder at the end of 2020 highlighted the growing proportion of homes in the CA12 area that were holiday lets or 2nd homes and the misappropriation as holiday lets of houses with a local occupancy clause. This triggered the formation of a liaison group with KTC, with Colin Thorns the driving force behind it until he chose to step back from his KCHT responsibilities last July.

We appreciate Colin's passion and commitment in establishing and running the lobby group – he left big shoes to fill, and we are grateful that Steve Harwood agreed to assume the responsibility for chairing the group, ably supported by Benita Laphorn, our Secretary.

Since its formation, the group has reviewed 22 cases of suspected breaches, half of which were found to be being used in a manner incompatible with their Local Occupancy Restrictions. Interventions have resulted in 5 sales, 2 rentals and the remaining 4 no longer being marketed as holiday lets.

Work remains to create an overview of the town to gain a better understanding of the scale of holiday lets and 2nd homes, plus those properties protected by restrictions.

HELPING OTHERS BY SHARING OUR EXPERIENCE

We have never forgotten the level of guidance, input and support that KCHT received when we were first setting up. We remain committed to paying this forward - sharing our experience and supporting other CLTs wherever feasible. Support has been provided to Central Rochdale CLT, Dentdale Community Housing Project, and Above Derwent CLT. Additionally in February we participated as an invited speaker at a seminar on handling allocations run by the NCLT.

In return, we are also keen to continue learning ourselves, regularly seeking input from other CLTs and Housing Associations as we look to enhance how we operate. We are grateful for the input received from CalderValley CLT, Above Derwent CLT, Eden Housing and Karbon Homes.

WORKING TOGETHER

OTLEY ROAD

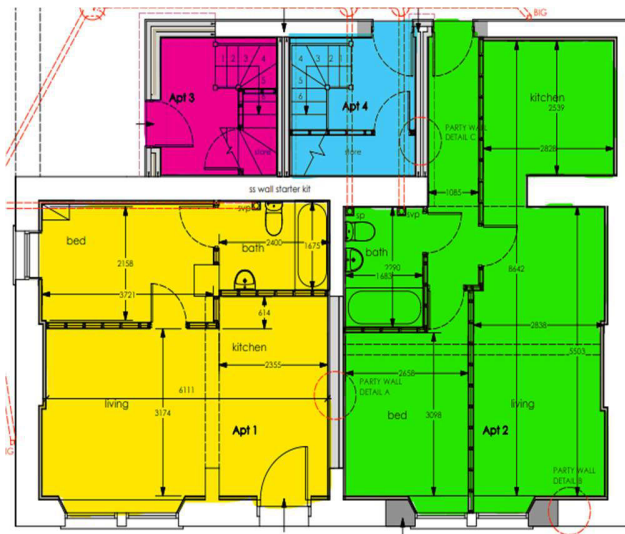
For our 2nd development at Banks Court, we had converted a disused toilet block owned by Allerdale Borough Council into 4 one-bed apartments. Due to the success of this initiative, we were approached by Allerdale Borough Council in 2018 to see if we would be interested in working together again on a further project to convert a disused Bike Shop at Otley Road into 4 1-Bed apartments.



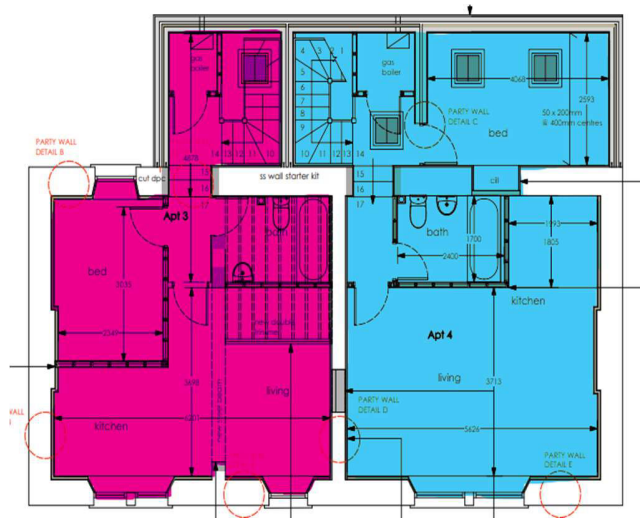
At the time we were in the early stages of progressing our Southey Court development, and so reluctantly had to turn down this opportunity - we are a volunteer led organisation and to be involved in two developments at the same time where we would have been responsible for overseeing the build delivery would have stretched our resources too thinly.

Allerdale chose to run the project themselves, however required a Regulated Provider of Social Housing to look after the management of the apartments once they were completed and ready for occupation. In preparation for this, they approached 5 Housing Association last July, who all covered the Keswick area. KCHT was chosen and we have recently entered into a 5 year lease to deliver this service.

GROUND FLOOR PLANS



1ST FLOOR PLANS



"I am so so happy! I am over the moon! Thank you so much, I am so grateful that I have a home. Thank you again words can't describe how happy I am"

The apartments are in the final stages of completion and should be ready for occupation in early May. We therefore advertised them for rental, and could have filled them many times over as we received in 21 applications.

We completed the allocations process in early April, and are now preparing to welcome 4 very excited residents into their new homes

USING OUR VOICE

DEVELOPING A TOURIST ACCOMMODATION REGISTRATION SCHEME IN ENGLAND



While KCHT is proud of the 40 homes we have provided, we also feel a responsibility to lobby for action to address issues contributing to the lack of affordable housing.

In September 2022 KCHT submitted a response to the government's call for evidence on the benefits and challenges presented by the rise in short-term and holiday letting seen in England over the last 10 – 15 years. We highlighted that the volume of properties being used as second homes or holiday cottages has created a dysfunctional property market in Keswick, with a chronic shortage of long term rental properties, and inflated prices for houses not protected by a local occupancy restriction.

We acknowledged the value that the tourism industry and holiday homes business brings to the local economy, however identified that the uncontrolled growth in properties switching away from being a primary residence had additional consequences:

- Holiday let owners could avoid paying either council tax or small business rates, therefore making no contribution to the cost of providing local services.
- Older residents saw the erosion of their neighbourhood social support network.
- Businesses struggled to fill vacancies, especially in the accommodation and food services industries, due to the costs associated with a daily commute to Keswick
- Young people and growing families were having to move away in order to secure appropriate accommodation, even though their family, friends, work and social life remain back in Keswick
- Damage to the social glue of a community over time - having insufficient people with an interest to support local community groups and volunteering services or to become community representatives on Parish and Town councils, all chip away at the healthy functioning of a balanced community.

KCHT is supportive of a fixed term licensing approach, with costs being picked up by the tourism industry, and sufficient funding allocated to local authorities to support the cost of implementation, monitoring and enforcement activity. While at the outset it may be necessary to grant licenses to all existing holiday, the renewal mechanism could facilitate the longer-term re-balancing of the housing stock within the community.

LOSS OF HOMES

Keswick's Housing Stock has increased by 80 since 2013 – most protected by local occupancy restrictions.

During this time the number of residential properties used as holiday lets or guest houses has grown by 280 to 641, representing 24.75% of the housing stock.

In 2013 this proportion was 14.22%.

HOMES ENGLAND AFFORDABLE HOUSING PROGRAMME GRANT FUNDING CONDITIONS

KCHT has benefited from grant funding under the Homes England Affordable Housing Programme towards the capital costs of all 4 of our developments. We recently became aware that a change in 2016, to make it easier for people to get mortgages on shared owned properties, had restricted grant funding for shared owned properties with an s106 local occupancy restriction to developments in a 'Rural' area i.e. having a population of under 3000.

This is in conflict with the LDNPA approach – which uses s106s within the planning conditions for new developments, to ensure the properties are protected in perpetuity for use as the primary home for people with a link to the locality – meaning KCHT would no longer be able to secure grant funding towards the costs of new shared ownership properties.

Trudy Harrison, MP and the National Community Land Trust Network have agreed to join us in lobbying for an amendment to the guidelines, that would extend the exemption currently in place for rural sites to include all communities within the boundaries of a National Park or Area of Outstanding Natural Beauty.

OUR DEVELOPMENTS

KCHT was formed in 2010 by a small band of enthusiastic amateurs, who have achieved amazing success while learning on the job. Our developments provide affordable homes for 40 households, with minimal turnover of residents. During 2022 two houses on Calvert Way became available to rent and one house at Southey Court.

THE HOPES (December 2013)

10 three bed homes (6 rental: 4 shared owned)

St John's Church generously agreed to make a plot of land available at a price that enabled us to provide genuinely affordable homes. The Hopes was a new build with KCHT responsible for contracting the architects and building company. Each home has a garden, and designated parking.



BANKS COURT (September 2015)

Single people struggle to find suitable rental accommodation in Keswick. We were able to convert a disused block of public toilets off Station Street into 4 small, one bed modern apartments after Allerdale Borough Council generously agreed to hand over the property for just £1.



CALVERT WAY (March 2018)

22 homes (11 rental: 11 shared owned)

22 properties consisting of 4 four-bed, 14 three bed and 4 two bed homes, all with gardens and parking spaces. The houses are evenly distributed between affordable rental and shared ownership.



SOUTHEY COURT (July 2021)

4 homes

Our most recent development was made possible by Keswick Methodist Church providing us with their old church hall at a favourable price which enabled us to create a small development of 3 three-bed and 1 two-bed homes for affordable rent.



OUR BOARD

SUB GROUPS

FUTURE SITES

Lead – Bill Bewley



Bill Bewley
Chair



Peter Toes
Vice Chair



Peter Roberts
Treasurer



Benita Laphorn
Secretary

MAINTENANCE

Lead – Peter Toes



Katie Bunting
Property Manager



Jo Brand



Allan Daniels



Vic Gibson

KTC LIAISON GROUP

Coordinator – Benita Laphorn



Andrew Stephenson



Joyce Swainbank



Andrew Thoburn



David Whipps

CHANGES TO THE BOARD

During 2022, we bid farewell to several Board Members.

We are grateful for the contributions made to KCHT by Sue Roberts, Colin Thorns and Rebecca Greenwell.

Wendy Bewley and Mike Osborne have also decided that our AGM in April 2023 is the right time for them both to step back – though Mike has agreed to continue providing support and advice on an adhoc basis.

We appreciate the time they have given to KCHT over the years, and wish them both a well-earned rest.

The Board meets as a Working Group on a monthly basis to discuss, review and work through matters of interest to the functioning of KCHT. On occasion, additional single item meetings are scheduled to allow for in depth discussions.

All our meetings are held using a hybrid meeting format as this provides the flexibility for individuals to choose whether to attend in person or via zoom.

Where decisions are reached that require a formal Board Resolution, these are circulated separately by email for confirmation by the Board Members. Board decisions were recorded via email on 5 occasions during 2022.

In addition, several sub-groups have been established to focus on key areas and report to the Working Group meetings.

OUR MISSION STATEMENT

1. To set up a Community Land Trust to contribute to the stock of affordable houses for local people primarily in Keswick and immediate neighborhoods.
2. To work with providers of affordable housing; statutory authorities; advisory and voluntary bodies; builders and local businesses; local groups and individuals who support the cause.
3. To consult with and represent the wider community and those in need of affordable housing.
4. To secure a formula to permanently protect the Trust's affordable housing so that it cannot be lost to the commercial market.
5. To include sustainability in the design and building of affordable housing (encouraged by the Lake District National Park Planning Authority).