



ANNUAL REPORT

2020/2021



People gathered for the Start on Site celebration at Brasted Close

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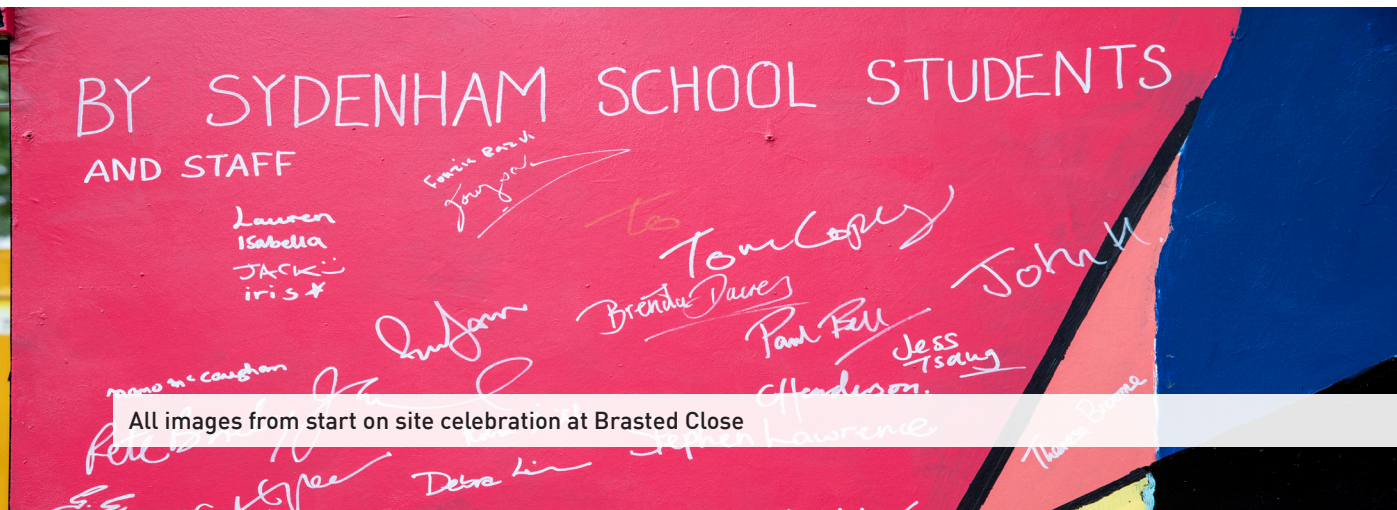
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All images from start on site celebration at Brasted Close

CHAIR'S STATEMENT

Dear members and friends of London Community Land Trust

We wanted to start by saying that we hope this finds you all well. It's a sentiment that has come to sound a bit trite over the course of the last year – thrust into the opening remarks of emails, as they ping back and forth from our bedrooms and kitchen tables, amidst lockdowns and Zoom calls, and the challenges of working from home – but we really mean it. For if the year that has just gone has taught us anything, it has taught us all once again that a secure home – in which we can all take shelter from the cruellest and most unexpected events that life may throw at us – is essential for every single one of us. We sincerely hope that yours remains full of the people that you love, fond memories where some may no longer abide, and a source of hope for you all for the year ahead.

Beyond even the reaches of a global pandemic, it has been eventful year for London CLT by any count. We were delighted to round it off recently with the ground breaking ceremony at Brasted Close, in Sydenham, Lewisham – a 100% affordable, community-designed scheme of eleven new, permanently affordable homes and our first direct development. Many leaders over many years persisted against all the odds to make this happen and we are incredibly proud of all their work, and especially that of LCLT Board Member Janet Emmanuel and Nano McCaughan who led the charge. We can't wait to move residents in next year!

Financially, we have continued to see the impact and delays inherent within a radical new housing model which looks to turn an unsustainable market on its head. And whilst significant progress has been made during the year, we are unlikely to see the full positive impact of recent actions until our new homes are sold. To that end, we want to acknowledge and applaud the ongoing goodwill of our Community Share investors. When many of us dug deep in 2016 in order to help fund our ambitious plans, we always knew it wouldn't be easy. Unavoidably, our new building works mean that London CLT is not permitted to return funds to CSO investors or to pay any interest on the shares until Brasted Close is complete and the construction finance repaid. But, whilst we must report delay, we must also reassert that the money you have invested is doing precisely what it was intended to do – it is now once again actively building community-owned, permanently affordable homes. The Board remain committed to achieving – at the very least – the return of the full investment £1 for £1 by 2025/26 in line with our initial offer document; we are on course to have built a total of 34 homes by Autumn 2022; and we continue to pursue imminent opportunities at Scylla Road in Southwark, Christchurch Road in Lambeth, Cable Street in Tower Hamlets, and exciting partnerships across Redbridge, with the prospect of more genuinely affordable homes coming out of the ground in the immediate years to come. These opportunities are the result of the incredible efforts and hard work by our community steering groups across the city, and we thank them all for being the engine through which better housing is set to come about.

As we continue to grow and evolve as an organisation, so too has our team. As many of you will know, we said a very fond farewell to longstanding colleague and first ever Chief Executive, Calum Green, at the point at which Brasted Close started onsite. I lack both the space and the eloquence here to do justice to the lasting impact of his tenacity, skill and integrity in the role. But as many of you who had the pleasure of seeing him in action will know, we will be much the poorer for his understandable decision to take up an exciting new opportunity elsewhere after 10 years at London CLT, with the last six effectively at its helm.

Or at least we would be, were it not for the ability and the confidence that our staff have continued to inspire throughout the year. In Rupesh, Hannah, Erica, Steph, JP, Michelle and Kate, we now have a formidable and incredibly capable team who we all feel confident can lead us on to greater things still. I would like to also thank each and everyone one of our Board members for their considerable efforts throughout this year, but particularly to retiring member Dr John Clifton who, after years of exceptional service and huge success in Redbridge, is standing down this year. The organisation and our city is much the stronger for all their efforts and we wish John and his family every good wish for their move to Blackpool.

This, too, will be both my first and last year as Chair of London CLT, as was always our intention. Following the departure of our founding Chairman, Paul Regan, at the AGM last year, I hope that I have managed to serve to bring both the stability and the impetus needed to help us through this time of change, and move us forward in becoming a truly multi-site, London wide organisation. We are currently recruiting for a new Chair who will drive this further still and we will report back to the membership as soon as that person is in post.

My very first day working on London CLT was Tuesday 26th August 2008 – almost 13 years ago, meaning I have now been involved with the organisation for well over the majority of my adult life. It has been an utter privilege to serve first as its founding Director, then a Board member and now Chair. But without doubt the greatest pleasure of all has been to see this organisation grow from just a roomful of people in Stratford – overlooking an empty muddy expanse, before the Olympic stadium was even built – to one which now has a life and character and soul of its own, beyond just that of any individual persons involved. That is what successful growth and change looks like, and what we hope will continue in the year ahead.

We want to wish you all the very best for the next year, wherever it may take you. Although we haven't been able to meet in person as much as we would have liked of late, our members are never far from our thoughts. So please do keep in touch with us, and feel able to agitate us, your Board, to make the change you would like to see.

And keep believing in London CLT. The best days are ahead of us still!



Dave Smith
September 2021

GROWTH & CHANGE

London CLT's mission is to see "communities creating, permanently affordable homes, and transforming neighbourhoods" and to innovate and influence the housing sector in London and beyond.

We believe that for housing to be genuinely and permanently affordable in perpetuity local people must lead as decision makers in development. We also appreciate that one group cannot change the narrative around housing alone and so we seek to affect systemic change through sharing our innovations and influencing decision makers so we can support others in the sector to build homes too.

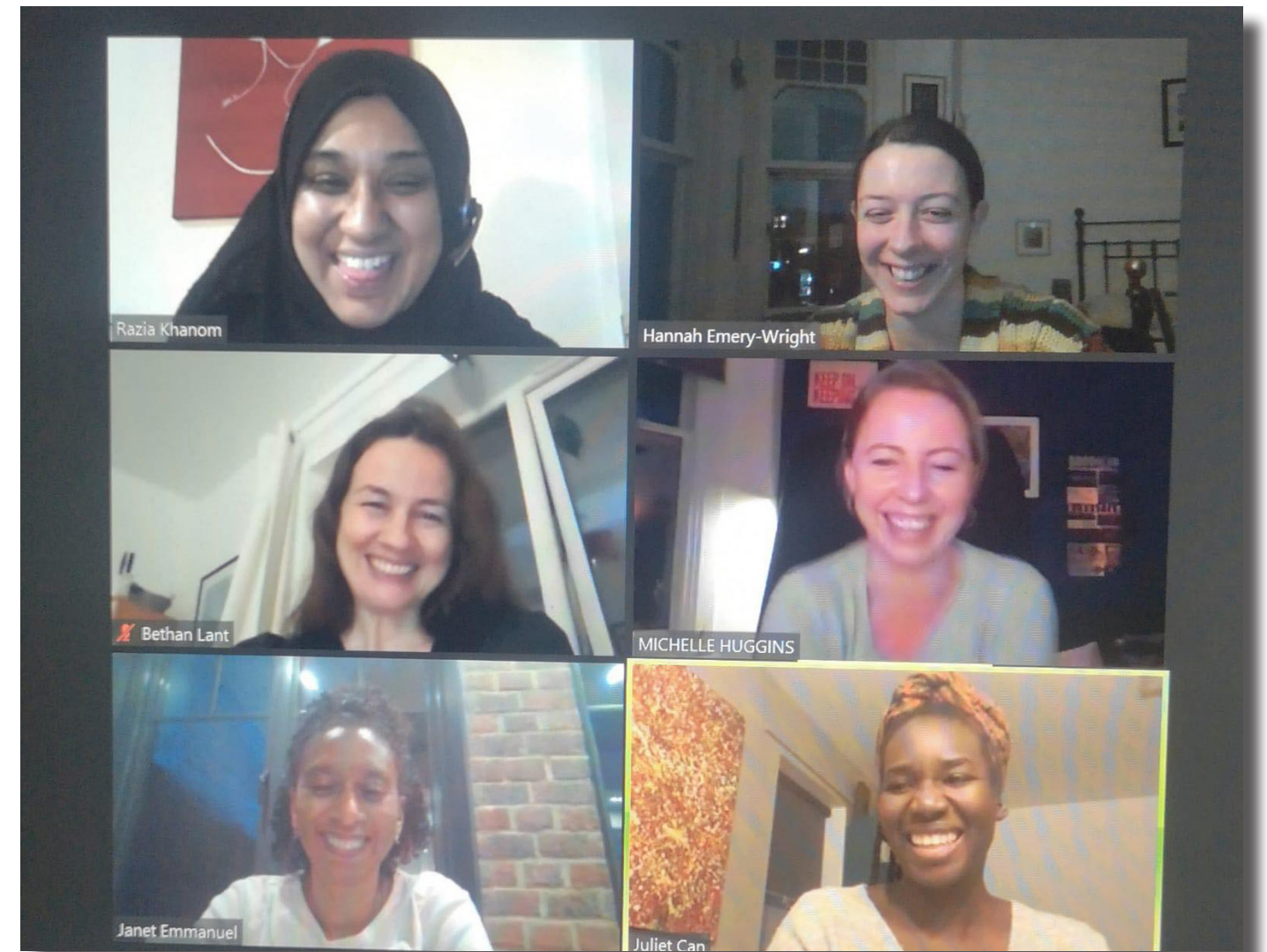
This past year has presented many challenges, especially in London CLT's work to innovate and influence local and regional policy to support the building of CLT homes. A number of these challenges come from being the first.

We are the first:

- » To build homes at a rate linked to incomes
- » To draw down funding from the Mayor of London's Community Led housing fund
- » London based CLT to allocate homes, through a dedicated allocations process

Being the first to do something means that we're faced with changing an existing system and challenging entrenched behaviours and understandings in order to move forward. This is not without considerable obstacles and setbacks but ultimately means that there is then precedent and clarity for those coming behind. With the perseverance and hard work of staff, the board and many community volunteers, many of the obstacles of being first movers have been overcome.

Through all of these challenging firsts we overcome, we pave the way not only for London CLT to grow but also for other London based CLT's and we inspire those beyond our region. Read on to hear how we worked this past year to overcome obstacles to affect systemic change and thus grow as an organisation and a movement



London CLT carried on working virtually throughout the year to achieve its goals, despite the added challenge of the pandemic.

The above image shows board members, Janet (Chair of the Brasted Close community group), Razia (Vice Chair), Juliet Can and Bethan Lant debriefing with our Communities Manager, Hannah Emery-Wright and our Project Manager for Brasted Close - Michelle Huggins, after the Brasted Close and Roof partnership meeting in February.

INNOVATION & INFLUENCE

“

London CLT have delivered the first Community Housing Fund homes to have started on site, marking an incredible achievement for the CLT, the community and the sector. London CLT are passionate and committed, doing their utmost to achieve the goal of community led homes in London. For the broader movement, London CLT are an exemplar organisation continuing to progress delivery of additional homes as they grow and become sustainable as an organisation.

”

Jessica Tsang

Senior Project Manager, Greater London Authority (GLA)

INNOVATION POLICY IN PRACTICE

Community Housing Fund

The £38 million GLA Community Housing Fund established in January 2019 followed a commitment from MHCLG (Ministry of Housing Communities and Local Government) and the GLA to support the delivery of community led housing. The purpose of the fund was to ‘unlock’ 500 new community-led homes by March 2023. The fund has now been extended to March 2024 and the Mayor advised at the Citizens Mayoral Assembly 28th April 2021, that there are now 1200 homes in the ‘pipeline’. London CLT are concerned at the evolution of the pipeline (how many homes will be delivered), the deployment of the fund to support such and establishing the necessary infrastructure for the community led housing sector to prosper in London. We have taken action with our partners at the GLA to begin addressing this.

Reviewing grant funding agreements with GLA

Working with the GLA’s Housing Team the template ‘grant funding agreement’ has been adapted to better suit the nature of community land trusts (generally small community benefit societies without significant assets). This joint work has enabled grant funding agreements for Christchurch Road, Lambeth and Scylla Road, Southwark to be completed in a nine-week period, a significant improvement on the year-plus for Cable Street. Pace across the sector must pick up for community led housing to be sustainably successful. It is hoped the new template funding agreement will not only support London CLT community projects but also help other CLTs deliver across London.

Delivering community led homes

Like many CLTs across London, London CLT has struggled to deliver homes. Everyone connected with London CLT put an enormous effort into getting Brasted Close, Lewisham ‘started on site’. To the extent we can, London CLT are seeking to share our experience of achieving this (including the many challenges) with partners at the GLA and other CLTs such as RUSS, who are also advancing community led homes in Lewisham. Limited resourcing, a function of funding, limits the work we can do and thus help we can offer. Should resource allow, a review of how London CLT can better support itself and fellow CLTs across London will be undertaken over the coming year.

Cementing relationship with GLA and the Mayor’s Office

Successful relationships require parties to hold each other to account. This can be challenging, at times uncomfortable but also positive and productive when underpinned by a shared desire and commitment to take action to make progress. There will always be difficulties; that is the nature of delivering truly affordable community led homes in London. Urgent improvement is required across the sector. However, London CLT do wish to recognise the incredible effort of the GLA Housing Team to work with us in having a go. And we hope to build upon this momentum next year.

OUR PEERS LONDON

Paving the way for peers

The innovatoin work described above helps to ease the journey for like-minded groups looking to build community led homes in London. We recognise that we are not the only organisation working on this, and that we are stronger as a group than working in silos. Where time allows London CLT shares its knowledge with peers. By going through these processes first and then seeking to share our experience with other CLTs such as RUSS who are also trying to build homes in Lewisham, we are consolidating shared knowledge for the community-led housing sector. Two of our peers based in South London have shared stories of thier own years of growth and change.



Rural Urban Sythesis Society (RUSS)

RUSS is a member-led CLT based in South London, founded in 2009 with the aim of creating sustainable community-led neighbourhoods and truly affordable homes right across London. RUSS was established to empower residents – including the design, construction and long term management of their homes.

In 2016 future residents for 12 Church Grove in Ladywell, Lewisham were allocated homes through a ballot process for 33 mixed tenure flats, with communal areas and community spaces. In 2021 the planning permission was amended for 36 flats, aiming to meet the need of a range of household incomes, with some at social rents, 2 rented flats for sharers, and shared ownership and fixed equity flats – all significantly below market rates.

This year has been hard work, but we are nearly there with our grant agreement and loans in place and the construction contract engrossed and ready for signing. None of this has been easy for a small organisation, with 2 part-time staff. RUSS has had a motto of 'learning by doing', which we have balanced with professional project management and a drive for delivery. We expect construction works to start at the beginning of October 2021, with an anticipated completion date of mid 2023.



Forest CLT

Forest CLT is Waltham Forest's Community Land Trust. Our borough is at the sharp end of rapidly rising house prices, air pollution and youth violence problems. We're a growing CLT of 200+ members determined to make positive change. We've come together to create truly affordable, sustainable homes "by the community for the community" and to forge connections within our neighbourhoods. Waltham Forest is changing rapidly to meet rising demand for homes of all kinds and many local people are trapped in insecure and expensive private rented housing. Like London CLT, we have developed an innovative way of pricing home ownership that is truly affordable to average earners in our borough, allowing people to own their own home through the CLT, as well as offering homes for social rent for those in most need.

Over the last year our membership has grown and become more diverse. We've run a calendar of community activities including a film screening, nature trail, talks and members' meetups. We have scoured the borough for potential land and we're now engaged with Waltham Forest Council in identifying the site of the borough's first Community Land Trust. We have also recently bid for our first site through the GLA's Small Sites programme. Our pilot project will host a mix of CLT homes for local residents, community space and shared outdoor space, all built to the highest standards of sustainability using the One Planet Living framework.

Everyone who lives, works or volunteers in Waltham Forest is welcome to join us! forestclt.org

OUR PEERS EUROPE

CONTRIBUTING TO THE EUROPEAN CLT MOVEMENT THROUGH THE SHICC PROJECT

London CLT continues to be part of the SHICC project which commenced in 2017 with six original partners across England, France and Belgium, and in 2020 was extended with an additional year of funding and expanded to include four new partners from Germany, the Netherlands, Scotland and Ireland. As well as the project funding London CLT and other existing European CLTs’ direct activities, the project also has funded a number of joint activities to support the development of new CLTs in the North West Europe region.

CLT Brussels

2020 was an important year for Community Land Trust Brussels. Firstly, because two new housing projects were put into operation. As a result, our portfolio grew from 10 homes to 49 occupied homes and two community spaces, spread over three projects in different Brussels neighbourhoods. At the same time, construction continued on two other projects, which will be completed in the summer of 2021.

With another 4 projects in the planning stage, our housing stock is growing steadily. As a result, we have also started to place other emphases in our community work. At the moment, we are paying a lot of attention to strengthening the communities within our housing projects. The Covid crisis made it a difficult year to bring people together. Nevertheless, we were able to start some successful initiatives such as bicycle lessons, cooking activities and a conversation table to strengthen language skills. Furthermore, we organised a participatory budget with our members for the first time.

On an institutional level, 2020 was also important. Up to now, we already benefited from the support of the Brussels Region, but we were not yet officially recognised. In 2020, we worked closely with the legislator on a specific regional law for the recognition of CLTs, which was approved in 2021. This strengthens our position. We also continued to work strongly on disseminating the CLT model. In addition to our role in the European SHICC project, we helped the City of Leuven set up a Community Land Trust and supported partner organisations in Wallonia to create favourable conditions to start new CLTs.

Geert De Pauw, CLTB

South of Scotland Community Housing

South of Scotland Community Housing (Sosch) welcomed many changes in 2020-2021. We underwent a strategic review in November that rebranded us from Dumfries and Galloway Small Communities Housing Trust to Sosch, representing our growing service to communities across the region.

Our support to the Midsteeple Quarter, Scotland’s pilot High Street regeneration project in Dumfries, has seen five buildings come into community ownership as of summer 2021. Phase One of the works commenced in spring, beginning with partial demolition of ‘The Oven’ in preparation for its redevelopment into housing, office, and studio space later this year.

Sosch recently welcomed changes within the Scottish Government’s Housing agenda, including the introduction of a £325 million place-based investment programme accessible to mixed-use regeneration schemes and a commitment to explore an urban variant of the Rural Housing Fund. It has been an eventful year and Sosch will continue to pursue growth within Scotland’s community-led housing movement.

Annabel Pidgeon, SOSCH



Image of the inauguration of one of CLT Brussels new projects, Arc-en-Ciel in the Molenbeek borough

BUILDING RELATIONSHIPS

MORTGAGES

London CLT's efforts to campaign for land and build homes could not happen were it not for the lenders who are willing to provide mortgages on our sites. This is a particularly brave stance as our product (linking house prices to median wages), has not been offered before in the UK so there is no precedent and no mainstream lending mechanism to facilitate this.

With allies like Ecology Building Society, closely followed by Nationwide Building Society we have been/will be able to access mortgages for 34 CLT homes. Parity Trust has also shown interest and been involved in discussions surrounding affordability via London CLT's 'Affordability Panel' that met twice in 2020/21 to discuss how issues of affordability might be addressed.



As part of our commitment to support affordable and community-led housing, Ecology was very keen to pioneer an innovative solution to provide mortgages for homes in London that will be permanently affordable. London CLT's unique approach at St Clements in Tower Hamlets, benchmarking resale covenants to the local average wage index is a mould-breaking step away from traditional Open Market Value mortgages and delivers a much more sustainable solution for buyers, whilst ensuring homes are for the people that really need them, not property investors looking to make a quick profit.

By working again with London CLT at Brasted Close in Lewisham, we are taking the concept to a new London Borough, and this time, lending on properties that have been designed and developed by the Trust. Once again, the homes will meet a high standard of energy efficiency, proving that affordable homes can be delivered to meet the challenges of climate change and fuel poverty as well as delivering comfortable, healthy buildings.

As a mutually owned organisation ourselves, the concept of community led housing, owned by the community is central to our ethos.

We very much look forward to seeing Brasted Close, and future London CLT projects continue to blaze a trail in the capital, where affordable housing is in such short supply.

The affordability panel set up by London CLT offers an opportunity to share knowledge with other ethical lenders and seek to tackle the challenges of attracting more lenders to support affordable projects that do not conform to standard covenants. To make real lasting change, we need to attract buy in from a wider pool of mortgage lenders and have professionals better understand the benefits of the model, and seek to educate them on what the perceived risks actually are. We hope that by demonstrating these models are not only possible in theory, but work in practice, we hope our participation will encourage greater confidence in London CLT's approach, and help the concept to spread elsewhere in the Community Led Housing sector.

Jon Lee, Ecology Building Society



At the core of our existence as a building society, Nationwide is here to help people find a place to call home for themselves and their families. Although home ownership is a key aspiration for the majority, it seems further out of reach than ever to many, due to long-standing issues in the housing market concerning the affordability of homes that people want to live in.

The need for more affordable housing solutions is clear, particularly in areas like London where house price growth has far outstripped income growth.

Supporting the London CLT in their ambition to provide decent, secure, and permanently affordable homes at their Brasted Close site, means supporting people that would otherwise be priced out of owning a home in their local community.

As a leading mortgage provider, it's great for Nationwide to be involved in the Affordability Panel, facilitating conversations on how innovative housing models, like that offered by the London CLT, can expand and support more borrowers now and in future into genuinely affordable homes. The panel has so far helped to recognise the benefits and challenges these models bring and we look forward to further supporting this work.

Henry Jordan, Nationwide Building Society



Parity Trust have been a huge supporter of the work London CLT have been doing for affordable housing, since their first venture at St Clements. We are keen to see Brasted Close become reality and have been in dialogue with London CLT on this and their other projects.

We are a member of the Affordability Panel, which discusses ways in which to help communities access the housing market.

Parity Trust are the only fully regulated charity in the country for mortgage lending, so it is in our mission to seek alternative ways and support innovation to ensure all have the option of a secure home.

This panel debates these issues and discusses ways of helping the most vulnerable in society and to provide a fair and affordable option to people seeking to apply to one of London CLT projects.

London CLT's work is increasingly important, as the disparity of wages to house prices is so wide in the capital. Alternative tenures and types of property maybe the only way some families can become homeowners. Parity Trust is therefore keen to assist in any way we can to help these aspirations come to fruition.

SJ Hunt, Chief Executive, Parity Trust

BUILDING RELATIONSHIPS INVESTORS

Building relationships with social investors is key to London CLT’s work, at this early stage in our development it is vital to have support from those who share our vision and are willing to take a risk to make it happen.



Big Issue Invest is an early supporter of London CLT. Its vision for affordable homes in perpetuity is one that chimes with the Big Issue mission to build a world that works for everyone... now and for future generations. Access to affordable housing is a massive issue, particularly in London, and we think that the London CLT model is part of the solution.

We first invested in London CLT as part of its Community Share Offer in 2016, and more recently we helped them obtain bridging funds in relation to the completion of homes at St Clements. With support from the GLA (our funder), we are now delighted to provide development finance for their first ‘self-managed’ project at Brasted Close.

There are many challenges to operating a volunteer-led community organisation whilst developing new housing. That includes working with multiple finance partners, delivering the highest possible quality of homes AND keeping the costs as low as possible for the end user.

It is remarkable how London CLT has managed to overcome all these challenges to date, sometimes against all odds. They have truly become a beacon for others treading this path, and I hope they can share some of their lessons.

We will continue to support London CLT where we can, so that they can create many more affordable homes in the Capital for generations to come.

Glenn Arradon
Investment Director, Big Issue Invest



The security of a home where you can put down roots lets people pursue opportunities and build a better life for themselves and their families. However, the significant number of households facing unaffordable housing has been driven by the growing numbers of households in the private rented sector.

JRF’s social investment in London CLT has helped support its work addressing this challenge by empowering communities to secure land for community-led housing to boost the supply of local affordable homes.

Jonathan Levy
Joseph Rowntree Foundation



We are excited to announce a new relationship with Guys and St Thomas. They will be supporting London CLT to test the health benefits of affordable home ownership on people at risk of developing long-term health conditions.

WHY WE SUPPORT LONDON CLT

The places that we grow up, live and work impact how healthy we are. Urban areas, like inner-city London, have some of the most extreme health outcomes. At Impact on Urban Health, we want to change this.

People’s finances, housing and work can all drive health inequity and contribute to up to fifteen fewer healthy years. Those that are from a Black, Asian or from a minoritised ethnic group are likely to be more at risk.

Precarious, insecure housing can increase people’s risk of developing a mental health condition, and overcrowded, unhealthy homes can lead to respiratory and cardiovascular illnesses. We know that stable tenancies can protect people from developing long-term health conditions, and the most stable housing arrangement is home ownership.

By supporting London Community Land Trust to develop a health and wellbeing strategy for their housing projects and strengthening community-led decision making, we can help secure people living on low incomes a route into accessible home ownership, and narrow the health inequality gap.

Sham Rajyaguru
Guys and St Thomas’ Foundation

IMPORTANCE TO LONDON CLT COMMUNITY MEMBERS

As someone who has lived in Lambeth my whole life and been forced to move many times into different temporary accommodations as a kid,

I’ve seen the impact that insecure housing can have on families and people’s mental and physical health, a problem that has only been exacerbated by the recent pandemic.

Our steering group is deeply embedded in the local community, and we saw first-hand the impact that the pandemic had on those of us living in overcrowded, poor-quality homes.

Before the pandemic, at Christchurch Road, I remember door knocking around the local estates to inform people of our campaign and to get them to form our steering group. We knocked on one of the doors and a pregnant lady greeted us, once we told her about our campaign she broke down in tears. She was a nurse, heavily pregnant, and she was living with her parents and her partner in a tiny flat. I remember the emotion she had when she heard that a development like this was happening and the sense of hope that it had given her and her family. Claire and her dad joined the steering group and became very active members.

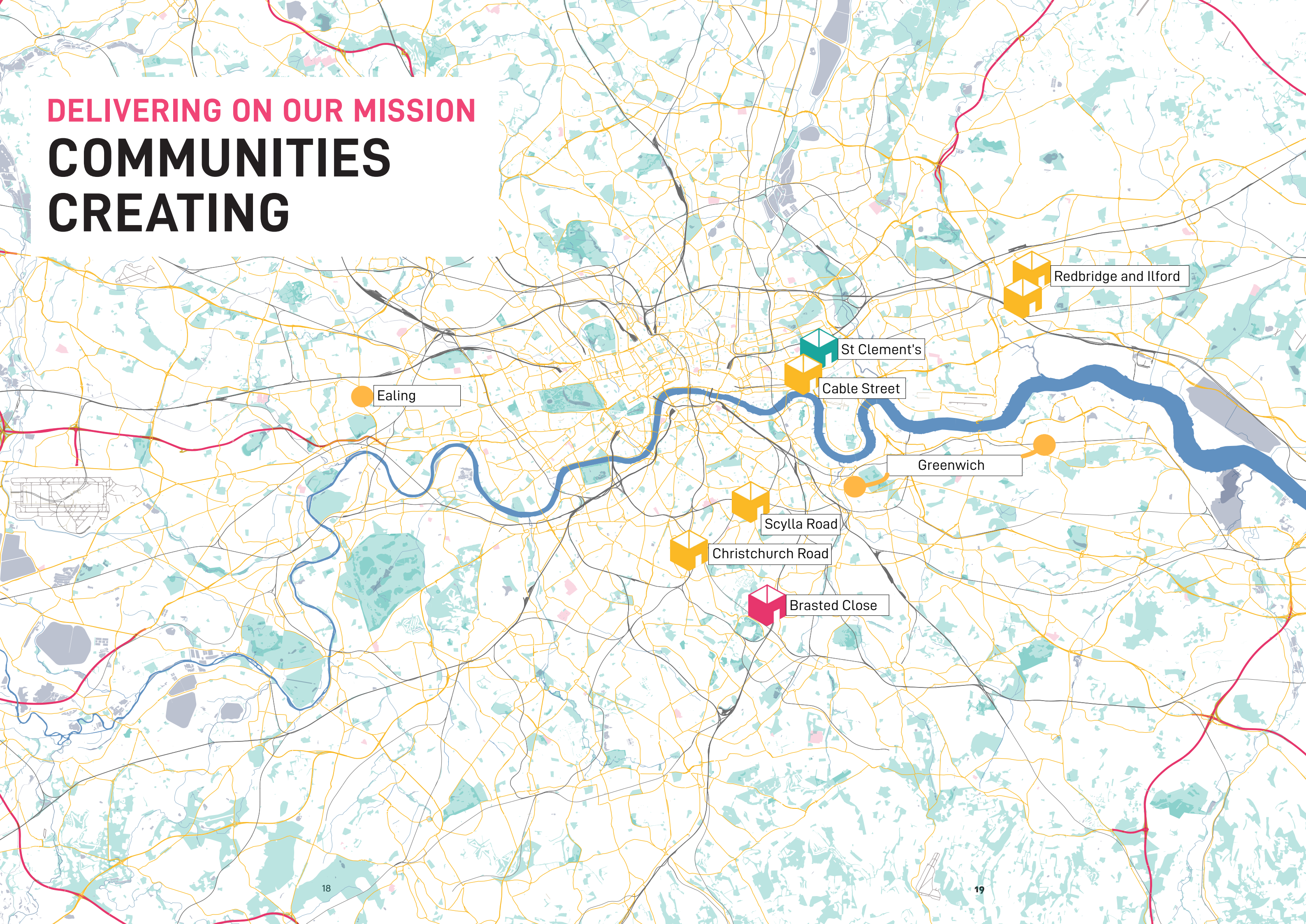
The need for quality, genuinely and permanently affordable homes has never been clearer, and the positive impact that these have on the long-term health outcomes of those living in them has never been more important. The partnership between London CLT and Guys and St Thomas’ is an extremely exciting piece of work that sees accessible home ownership as a health intervention. We hope that the lessons learnt through this partnership will go on to help future housing projects consider the health of their residents in their design.

John Paul Ennis
Lambeth Community Campaigner/London CLT staff

DELIVERING ON OUR MISSION

COMMUNITIES

CREATING



Ealing

St Clement's

Cable Street

Redbridge and Ilford

Greenwich

Scylla Road

Christchurch Road

Brasted Close

COMMUNITIES CREATING SOUTHWARK

SCYLLA ROAD COMMUNITY STEERING GROUP



Scylla Road Community Steering Group meeting for the first time in a long time in summer 2021

The Scylla Road Community Steering Group finished 2020 and started 2021 tentatively. While we had the exciting news of an in principle offer of land from Southwark Council, we were in the middle of the pandemic and were not sure how to make this news public without being about to knock on our neighbours' doors and speak to them face to face. We wanted to make sure the message about our site was a positive, community-owned one, that included anyone who wanted to be involved, and didn't spark any negative reactions.

How did we overcome this challenge? The short answer is we didn't. We waited. And a small, core team continued to meet on Zoom in the meantime. Which is why we wanted to use this opportunity in London CLT's annual report to highlight the less glamorous, but essential work that those most committed members do. There are moments in the process of getting a CLT delivered that are a grind. This grind makes possible the moments of magic that we all enjoy so much. And, with lockdown easing, our patience is paying off. We have gone public about the site, with many friends and neighbours in support. Our last meeting had 12 people, from all walks of life. We now have momentum. What next? Formal funding and land agreements with the GLA and Southwark Council will be completed over the summer and early autumn. So hopefully no more patient waiting in 2021/22 – we want this year will be one full of action!

Words by Calum Green (member of Scylla Road Community Steering Group) on behalf of Scylla Road Steering Group

COMMUNITIES CREATING REDBRIDGE & ILFORD

REDBRIDGE COMMUNITY STEERING GROUP

Redbridge and Ilford Citizens have remained committed to deliver the 250 CLT homes with Redbridge Living. Facilitating and supporting public consultation meetings on Clements Road and Loxford Lane developments throughout the pandemic. Since meeting with Cllr Jas in November 2020 we asked for the council representatives to work with us to identify a suitable way to engage across all levels of the project. The commitment of our alliances has been the strength to keep momentum throughout the years, now more than ever. We would like to recognise John and Naomi Clifton for their leadership in our alliance and commitment to the CLT campaign, we look to build on the foundation they've paved.

One main challenge we have faced is aligning our need for true genuine partnership where community voices is recognised and valued. The nature of the project is unique in many ways, but we hope that through genuine partnership we believe the Redbridge CLT project will be a demonstration of cooperative partnership in building affordable homes with the council and community groups. Cllr Jas Athwal has remained consistent in his support, including his agreement that Redbridge Living work in Partnership with Redbridge & Ilford Citizens to deliver community led affordable homes in Redbridge. Despite the pandemic we're happy to have supported the planning permission of 2 sites and a third later this year, with new members joining and strengthening our campaign.

Words by Samantha Nakirya with input from Bernadette Harris and Jennifer Bowen

COMMUNITIES CREATING LEWISHAM

BRASTED CLOSE STEERING GROUP

As an Assistant Headteacher at Sydenham School, South East London, a school rooted in the local community, I see first hand the mental health and well-being pressures faced by families and members of staff with regard to the lack of affordable housing. Much has been made quite rightly of the great sacrifice keyworkers have made during this pandemic and yet every year we lose excellent people who are essential to the function of this great city due to the lack of genuinely affordable homes. Young families who were once able to rely on the physical and mental support of their parents now have to move far away to afford their first home. This is one of the many reasons why community land trust homes matter.

I have been involved in the Brasted Close project from its inception in 2014. It was in response to an impassioned plea as part of our listening campaign from our community, to do something about the desperate need for truly affordable housing in the Lewisham area. For seven years we have been campaigning, beginning with our members trawling for suitable sites to build on, car parks, derelict land; and attending countless meetings with housing officials championing CLTs. Once we were gifted the land, we had to galvanize members across our institutions to ensure our voices were heard at Lewisham Council's planning permission meeting.

Once permissions was granted, we set about involving the community at every stage of the process. The community were involved in selecting and meeting the architects and approved the conceptual designs, they selected and met with the builders, they were able to discuss their hopes and fears for the new development. We have had over 50 engagement interactions taking into consideration all the newsletters distributed and discussions on doorsteps. We are currently working with the Steering group on devising and implementing the allocations procedure.

This process however, has not been without its challenges, long waits for the decision-making process to come though, difficulties with regard to the geography of the site and waiting for funds to come through.

On the 22 June we celebrated and marked the building stage of this project with Deputy Mayor for Housing, London, Deputy Mayor of Lewisham and many other people directly involved in the project. The fact that the 22nd was Windrush Day was appropriate given that housing was a real issue for the new arrivals from the Caribbean.

This development of 11 genuinely affordable homes is an important milestone for London Community Land Trust, as it will not only showcase our independence, professionalism and expertise in building homes; it will set the precedent for all those homes we want to build in the future all over London, as well as providing hope for all those people wanting to live and work in their community.

Words by Janet Emmanuel - Chair of Brasted Close Steering Group.



Janet Emmanuel speaking at the Brasted Close start on site event!

COMMUNITIES CREATING GREENWICH

GREENWICH COMMUNITY STEERING GROUP

A lot of water has flowed under the bridge since Nathanael Hitch, on behalf of Greenwich Citizens Housing (GCH), collected the South London Citizens' award for Action Team of the Year on 21st January 2020.

Only a month before GCH had held its first action – an open-air gathering to meet local residents at a prospective CLT site in Kidbrooke. Those were heady days, having formed over the previous year and bonded over a series of training workshops.

Of course, along then came Covid, and plans for further actions at other prospective sites had to be put on hold, but that didn't stop GCH learning, working, and planning. We worked hard on our internal organisation, and formalised our relationships with Greenwich Citizens and London CLT. In addition, we strengthened our links with Greenwich Council. We believe this significantly influenced the Council's decision to release two sites in the borough for CLTs, one in Abbey Wood, and the other in Kidbrooke – the very site of our action back in December 2019.

Now GCH is working hard with London CLT in anticipation of submitting a bid for both Greenwich sites when the Council initiates its tendering process. Online meetings have been held with an ad hoc group of Abbey Wood residents, and a Welcome and CLT Training Session is scheduled to be held in Abbey Wood on 11th September. 2022 looks like it's going to be a very busy year!

Words by Kim Hitch (Chair of Greenwich Citizens) on behalf of Greenwich Citizens

COMMUNITIES CREATING EALING

EALING COMMUNITY STEERING GROUP

The Ealing CLT campaign sprung from a group of local people who wanted more safe, warm, affordable homes in Ealing – houses that would be truly affordable for people in the area. The churches of Christ the Saviour and St Barnabas, Ealing are member institutions of West London Citizens. Through engaging in one-to-ones, the Ealing housing team heard stories of challenges related to housing in their borough – from street homelessness, rogue landlords, those who could not afford to rent let alone buy a home in the area they grew up in. As a result of that listening, they forged links with other local institutions to collectively run a housing campaign.

"We held a housing accountability assembly ahead of the May 2018 local elections attended by over 200 local people. Together we won the commitment for an Ealing CLT".

Since then, they have been working with Ealing Council and London CLT and have identified land to build 50 permanently affordable homes and have been working with Create Streets to help plan and discuss people's priorities for housing.

Other positive outcomes include the introduction of Rights for Renters workshops providing advice on dealing with rogue landlords; the extension of Selective Landlord Licensing; and 30% affordable housing requirement in all new building developments in the borough.

"Participating in the housing campaign has been deeply rewarding. We can influence those in power to make the changes that are needed. We are giving local people a voice. We look forward to working with Ealing Council to deliver the much needed truly affordable homes"

Words by Jackie Ashmenall on behalf of Ealing Community Steering Group





Community campaigners in front of the Cable Street site

COMMUNITIES CREATING TOWER HAMLETS

CABLE STREET COMMUNITY STEERING GROUP

Over the past year we have been continuing our work at Cable Street to bring much needed CLT homes to our community. We held an issues workshop in February this year and then a community consultation at the End of March where about 30 people attended to discuss the site. A key development over the past year has been the opportunity to open a pocket park on site. Network Rail are going to be giving our community steering group some funding to open a pocket park and we are currently in the process of discussing the details surrounding that opportunity. We are also thinking about putting a Mural around the site hoardings which can portray the sites history and showcase the long history of social justice in the community. As our work continues, we're looking at how we can influence wider affordable housing in the local area, including looking at potential next sites. It's an exciting time for our campaign and we can't wait to see what the next year brings.

Words by Miriam Brittenden, member of Cable Street steering group

COMMUNITIES CREATING LAMBETH

CHRISTCHURCH ROAD COMMUNITY STEERING GROUP

In the last year we have been on a somewhat of a rollercoaster ride. We have faced a number of set-backs and faced the possibility of our project not coming forward. Nonetheless, we have remained firm in our resolve and ploughed forward. We have diligently met regularly throughout the pandemic and sought every avenue available to ensure we can move forward.

With the support of London CLT we have met with partners and stakeholders to impress the urgency of our project. We have gone as far as making freedom of information requests to get a wider view of how our project can come forward. We have joined forces with other steering groups to highlight how important these projects are to us and the sheer impact they have on our community and their needs. We have collectively enjoyed successful results in doing so.

Our steering group is a testament to what our community stands for and what we aim to achieve. We represent the different demographics in Lambeth and as a community we have influenced changes with our partners to ensure we have impact in our neighbourhood.

Words from Razia Khanom, member of Christchurch Road steering group and Vice Chair London CLT



Razia speaking at the 2019 AGM

JP, Lambeth community member (and now member of London CLT staff), speaking at a community briefing in 2018

DELIVERING ON OUR MISSION

PERMANENTLY AFFORDABLE HOMES

5 years have passed since we allocated the first 23 homes at our pilot site at St Clements, together with a development partner. From late September 2021, for the first time as direct developers we will be allocating 11 more CLT homes. Crucial to getting to this point, was ensuring that before we started construction, we would be able to offer the new residents genuinely affordable homes.

As part of making sure we could meet this goal, we established the affordability panel, (see pages 14-15) to discuss and plan for scaling our model as well as to ensure we addressed any potential barriers to meeting our ambitions in terms of securing mortgages for our residents. For London CLT, there are a few key elements, to what makes the homes genuinely affordable.

Linked to local incomes

The price of homes is linked to local earnings, ensuring that people are no longer priced out of the neighbourhood they grew up in. Local earnings' are taken as the average of median incomes using data published by the Office for National Statistics in November each year for the respective borough.

Not cause financial stress

Residents should be able to afford to buy one of our homes without overstressing their finances, and at the same time be unable to buy something on the open market. We consider overstressing to be spending more than a third of household income on housing costs.

Remain affordable

Homes remain affordable, by being resold at rates continually linked to local earnings. I.e. CLT homes increase in price directly in relation to any increase in the average of the median income.



**2016 ST CLEMENTS
23 HOMES**

1 bed = £130,000	~ONE THIRD Open Market Value
2 bed = £182,000	
3 bed = £235,000	



**2021 BRASTED CLOSE
11 HOMES**

1 bed = £215,000	~ONE HALF Open Market Value
2 bed = £272,500	

DELIVERING ON OUR MISSION

TRANSFORMING

NEIGHBOURHOODS

London CLT is also concerned with what happens beyond just bricks and mortar. Part of a desire to innovate and exemplify a different vision of housing relates to supporting local people to have control over where they live. Our desire to transform neighbourhoods takes the form of supporting our residents to establish Resident Management Companies, or community spaces or to contribute to the local area in the ways they want to.

John Denham Building

Over the last 4 years residents in and around St. Clements have come together to try and secure the Grade II listed John Denham Building at St. Clements for community use. In 2019 through a series of negotiations and actions with the GLA and Tower Hamlets Council £1.2million was agreed for use towards purchase and fit out. However since then the developers have refused to accept less than £1.2m for the purchase of the building, meaning there are no funds remaining for fit out, so the building would not be fit for purpose. Unfortunately, due to Covid-19, in the past year there has been little community input into this campaign and the community focus has shifted to the management company. However, historically the John Denham Building has been an important symbol of community access and ownership for the site and will continue to be so as the developers withdraw and the neighbourhood takes over.

Brasted Close

Meetings with the Community Steering Group at Brasted Close to prepare for allocations raised separate concerns and preferences from local neighbours beyond those that London CLT had initially proposed for discussion. Neighbours at Carlton Terrace overlooking the Brasted Close site pointed out that there has been a bare and empty patch of concrete behind their houses for some time which is space that could be landscaped and used as a shared communal area. They are in the process of making the case to London CLT about how and why this will benefit them. This is an example of a small contribution, that is locally led, that can be easily addressed to leave the neighbourhood better as a result! London CLT spends a large amount of time fighting for change, but we are also committed to dynamically delivering quick wins.

Resident Management Company (RMC) at St Clements

At St. Clements we have had a rare and complicated context in which to support the development of a Resident Management Company, which will represent not just our 23 families but all the 252 households on site, including private leaseholders and social rented tenants.

Through European funding from SHICC we have been able to fund a concerted effort to support residents to establish a Resident Management Company over a 6-month period (March – Sept 2021). This enabled us to hire 2 consultants to work with residents to set up a steering group and series of topical working groups, in addition to other training and outreach workshops and events.

Trying to prepare for handover of such a complex site has been a fraught process given uncertainty over how and when the developers will hand over the site to the newly established Ricardo Community Foundation (a charity made up of local stakeholders to receive the freehold of St. Clements). However, given our longterm commitment to St. Clements we are in a fortunate position to work with residents to equip them for the large task of site management and ownership. With great power, comes great responsibility.

There is much work to be done, but the shadow RMC (it will not come into full light until site handover) is due to hold its first AGM in September where they will vote on the business plan and priorities for the coming year. There is a group of committed residents across the tenures committed to seeing St. Clements Site Management Limited be a success.

“ Setting up the Resident Management Company and taking full ownership of the future of St Clements is one of the most exciting and most daunting undertakings in my 8 years living in London. Thanks to CLT funding we have this tremendous opportunity to set an example of good stewardship, diverse collaborative and equitable management, involving a whole range of viewpoints, interests, while learning on the (voluntary) job. Being involved in this process is as rewarding and fulfilling as it is demanding and time consuming. However, a bunch of committed and determined amateurs taking on a big developer and years of mismanagement to self-govern an inner-city estate - this is big!!! ”

Gunther, CLT Resident

GOVERNANCE



End of the AGM photo looking at little different in 2020 (right) compared to 2019



BOARD'S REPORT ON THE AFFAIRS OF THE SOCIETY

Board's Report on the Affairs of the Society

The Board is delighted to present these Annual Report and Accounts for approval by the wider membership of LCLT. We're proud to be entrusted with the Governance of this dynamic, inclusive and effective organisation. Elsewhere in this Annual Report you can read about the great strides LCLT has taken over the last year in its campaigning, its social impact and of course, in bringing forward new genuinely and permanently affordable housing.

These achievements would have been impossible without the dedicated input of our staff and members – often working in the most difficult conditions as London faced the Covid-19 pandemic. To everyone who has contributed over the past year in whatever way: Thank you!

Governance Review

In December, the Board commissioned an external review of LCLT's Governance. The review found that LCLT has a committed, intelligent and cohesive board which takes its responsibilities seriously, but that with the transition from an organisation which mostly campaigns for housing, to one that actually builds and provides homes for Londoners, we need a tighter and more accountable structure and style. In light of this, the Board is taking steps to implement some specific recommendations arising from the review. These include:

- Reconstituting the Board's subcommittees to be more responsive and dynamic;
- Keeping a better eye on the Board's performance and needs, through regular skills audits and appraisals;
- Seeking a new Chair via an external recruitment exercise, open to non-members of LCLT who share our values;
- Improving Board induction and training, especially on Risk Management;
- Reviewing our suite of Policies.

In addition, the Board will seek approval through a vote of the 2021 AGM for two more changes. These are:

- Reducing the size of the Board, in order to increase our accountability and agility;
- Limiting the time anyone can be a member of the Board to 9 years in any 12 year period.

Diversity in the LCLT Board

The Board undertook a survey of its members to gauge our diversity against a number of measures, and will publish our findings on the LCLT website. We're proud to note that we're a diverse Board with good representation of the different and overlapping communities we represent, though we have further to go in some areas. The Board's Governance Subcommittee is currently looking at how to improve our approach to Diversity, Equality and Inclusion.

Leadership

Our Executive Director, Calum Green moved on from LCLT in July to take up a new role. We'd like to record our thanks and appreciation for Calum's outstanding achievements during his 6 years as a member of staff.

The Board is currently taking stock of how best to replace Calum in a way that preserves and develops our vision of community-led, permanently affordable housing.

Following the retirement of our founding Chair, Paul Regan, Dave Smith has generously stepped into the role on an interim basis. Dave's cool-headed, attentive approach has been essential to making sure all voices on the Board are heard equally, and to helping us make good decisions over the last year.

This Summer we also revived the role of Vice-chair, and were delighted to appoint Razia Khanom.

Our First Direct-Development Homes

With work starting in Brasted Close (see page 20), LCLT began directly developing affordable homes for the first time. This is an immensely exciting moment for all of us, but it also brings a new level of responsibility. In order to ensure we always adhere to best practice and are legally compliant with all our responsibilities, the Board has undertaken specialist training on Health and Safety in construction, as well as approving a new Health and Safety Policy and a new Anti-bribery Policy.

Finances

Our Treasurer's report gives detailed information on the finances of LCLT. We're confident that London CLT is a going concern. We take our commitment to our Community Share Holders especially seriously, and will continue to work hard towards fully repaying their investments.



John Hayward
Secretary

STATEMENT OF THE VALUES AND OBJECTIVES OF THE SOCIETY

London CLT’s mission is to see communities creating permanently affordable homes and transforming neighbourhoods. London CLT is not for profit. London CLT’s rules state:

London CLT is a community land trust formed for the benefit of the community. Its objects shall be to carry on for the benefit of the community of London the business of acquiring, holding, developing and leasing land and property for permanently affordable housing and asset-based community development and the business of securing the maintenance, improvement and creation of:

- amenities for the community; and
- the wellbeing of those who live and work in the community; and
- to enable people to build thriving, inclusive communities through the democratic ownership and stewardship of land and other assets.

London CLT shall seek in the delivery of its objects to acquire and retain interests in land and property within the area of the community and to actively manage such ownership to:

- retain asset value for the benefit of the community;
- maximise asset value for the benefit of the community; and
- recycle any gains made in dealing with the assets for the benefit of the community.

The Board has also confirmed that London CLT’s mission as an organisation is:

Communities creating permanently affordable homes
and transforming neighbourhoods



John Hayward
Secretary

STATEMENT OF THE CURRENT OBLIGATIONS OF BOARD MEMBERS TO THE BOARD AND THE SOCIETY

All Board members are paid-up members of London CLT and have no financial obligations to London CLT. They must declare their interests in all other bodies and remove themselves from discussions about matters in relation to which they have a conflict.

Every current Board member has signed the following commitments:

1. Regularly attend Board meetings, AGMs and other important related meetings.
2. Make serious commitment to participate actively in committee work.
3. Volunteer for and willingly accept assignments and complete them thoroughly and on time.
4. Stay informed about Society matters, prepare well for each meeting, and review and comment upon minutes and reports.
5. Get to know other Board members and build a collegial working relationship that contributes to consensus.
6. Be an active participant in the Board’s annual evaluation and planning efforts.
7. Participate in fundraising for the Society.
8. Be willing to actively and responsibly promote the Society in the media and in public.



John Hayward
Secretary

BOARD MEMBERS

Directors on the Board, *including skills, qualities and experience*

Bethan Lant	Reappointed September 2018 <i>Resident of St Clement's; Community and political campaigning</i>
Juliet Can	Reappointed September 2019 <i>Resident of St Clement's; Business and arts space</i>
Daniel Granberg	Reappointed September 2019 <i>Resident of St Clement's; Financial risks analysis</i>
Marcel Reinard	Appointed September 2019 <i>Resident of St Clement's; Creative and film direction and project</i>
John Clifton	Appointed September 2018 <i>Local connection to community, Redbridge; Community organising and</i>
Janet Emmanuel	Reappointed September 2018 <i>Community leadership; Local connection to community, Lewisham</i>
Razia Khanom Vice Chair	Appointed September 2019 <i>Community leadership; Local connection to community, Lambeth</i>
John Hayward Secretary	Reappointed September 2019 <i>Database and membership. Non-profit governance and operations</i>
Dave Smith Chair	Reappointed September 2017 <i>Public relations strategy; Housing industry experience and relationships</i>
Theresa Broome Treasurer	Appointed December 2018 (Resigned March 21, Reappointed April 21).
Daniel Wilson-Dodd	Reappointed September 2019 <i>Experience in analysing and structuring social investments</i>
Robin Smith	Appointed September 2020 <i>Development , Housing, Executive Management expertise</i>

Co-optees - Andy Schofield (co-optee with social enterprise and impact measurement expertise)

We would particularly like to encourage people with the following expertise and experience to apply to be on London CLT's board:

- Development Management
- Senior Leadership and Governance
- Experience in Resident Management



Dave Smith
Chair of the Board

POLICY FOR ADMITTING NEW MEMBERS

London CLT currently has around 3,500 members who are organised into three classes of membership:

- Resident members**
- Community members**
- Stakeholder members**

Resident members

At the 2018 AGM the members adopted the following guidelines:

1. All buyers of the Society's homes will be required to apply for membership of the Society and will become members in the Resident class.
2. The Society will encourage its residents to consider standing for Board membership.
3. Members of the Society who are shown as being in the Resident class may change to Community class members or remain as Resident class members hoping to gain a home in a future project of the Society, but members of the Resident class will only be entitled to stand for membership of the Board if they are resident in one of the Society's completed homes.
4. Applicants for the Resident class of membership will be asked to specify the completed project in which they are resident or the project areas in which they would be interested in acquiring a home from the Society.

Those of the Society's actual residents who are not elected to the Board will be encouraged to feed into Board discussions through site-specific sub-committees.

Community members

Consist of local residents, community workers (including teachers and church workers) and business people local to London CLT's campaign areas and project sites who see a need for affordable housing in their area and are interested in the quality of site development and any community facilities, both in terms of the initial design and planning process and in terms of the ongoing maintenance and management.

On membership of the Community class:

1. All new applicants for membership of the Community class shall state whether they live or work in a specified project area of the Society.
2. No members of the Community class shall be resident in any of the Society's homes.

Stakeholder members

Consist of guardians of the public interest in London CLT’s work. They are representatives of society as a whole, people who see the “bigger picture” as a result of their profession or post, and include institutional funders of London CLT, public officials, non-profit providers of housing and social services, academics, solicitors, accountants.

On membership of the Stakeholder class:

- 1. All new applicants for membership of the Stakeholder class shall state whether they are representatives of institutional funders of the Society, public officials, non-profit providers of housing and social services or describe their profession or role that means they can be presumed to speak for the public interest.
- 2. No members of the Stakeholder class shall be resident in any of the Society’s homes.

General membership:

- 1. Each class appoints 5 Board members from amongst its membership.
- 2. All members (in whichever class of membership) must subscribe to one £1 membership share. If there is a community share issue under rule C36 then the prospectus for such issue of shares shall refer to this admission policy.

Member recruitment

The Board welcomes new members in both existing and new project areas, and supports membership drives by local groups.

Change of membership class

The Society has a separate policy for the transition of members from one membership class to another.



John Hayward
Secretary

FINANCES

TREASURER'S REPORT

2021 proved to be another challenging year for London CLT as the Society continued to manage the difficulties associated with developing affordable homes with limited resources. Nonetheless the year ended on a high note with the start on site at Brasted Close on 31st March 2021. The Brasted Close project will provide London's first directly delivered Community Land Trust homes from the GLA's 2018 Community Housing Fund.

The financial report for the year to 31 March 2020 highlighted the impact of delays in progressing our pipeline sites and this theme continued into 2021. Significant progress has been made during the year but a positive financial impact will not be reflected until 2022/23 when sales of the Brasted Close homes are scheduled to take place.

Income of £412,352 (2020: £262,551) reflects the sale of the final home at the St Clements site (£198,646) together with Income of £65,843 (2020 £:80,311) from the SHICC (Sustainable Housing for Inclusive and Cohesive Cities) research project and grant and other funding of £147,863. The gross surplus was £180,336 (2020: £105,028).

The government grants receivable reflect the Covid-19 subsidy received from the government for interest on our CBIL loan of £21,346. This loan was provided by Social investment Business FM Limited (SIB) and was used to support London CLT during the disruption caused by Covid-19 particularly relating to the Brasted Close project.

The sundry income of £5,003 reflects income from St Clements residents' administration fees including fees from onward sales of properties.

Administrative expenses increased from £335,046 in 2020 to £379,131 in 2021. Wages and social security costs reduced from £193,443 to £146,635 as staff numbers were kept to a minimum during a period of uncertainty concerning the Trust's future direction. Consultancy costs increased from £40,858 to £150,814 reflecting specialist development consultancy services and advice required to progress the Brasted Close project, the London CLT development pipeline and to review the organisation's governance and strategic direction.

Overall, the operating deficit reduced from £224,055 in 2020 to £190,808 in 2021.

Audit, Risk and Development SubCommittee

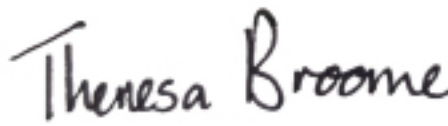
Following a governance review, the Finance & Risk subcommittee was formally amalgamated with the Development subcommittee in July 2021. Prior to this there were 5 joint subcommittee meetings in the year. All meetings were held online. Significant elements of the agenda were common to both Finance & Risk and Development particularly dealing with the development and financial aspects of proceeding with the Brasted Close project and the appointment of the Main Contractor. It was felt to be more efficient to amalgamate the sub committees. The members who served during the year were Theresa Broome, Daniel Granberg, Robin Smith and Daniel Wilson- Dodd and Rupesh Varsani. The Committee continues to monitor the development and financial projections of London CLT.

Plans for the future

The positive impact of the start of construction activity at Brasted Close cannot be underestimated and has energised the Board and Staff to continue fighting to produce a sustainable pipeline of permanently affordable homes. In the second half of 2021/22 there will be a strong focus on progressing the feasibility studies for Cable Street, Christchurch Road, Scylla Road and Redbridge projects supported by grant funding from the GLA and other sources. In addition, London CLT will be signing an agreement with Impact on Urban Health (Guy's & St Thomas' Foundation) to fund a series of exciting research projects based on past, existing and future projects.

London CLT were delighted to be the first Community Land Trust to receive construction finance (funding) from Big Issue Invest in June 2021 for the Brasted Close development. Big Issue Invest has recognised the ground-breaking nature of the project in providing a £2.5 million facility. The Board wish to recognise Big Issue Invest's considerable support in making this happen and hope that this collaboration will be the first of many such investments.

Cashflow continues to remain challenging and needing to be tightly controlled but the Board is confident that, based on a review of its financial projections, London CLT is a going concern. London CLT remain focused on securing funding to continue to progress the sites for homes and minimising delays in assessing the feasibility of the sites presented to us.



Theresa Broome
Treasurer

COMMUNITY SHARE OFFER UPDATE

The Board acknowledges the goodwill of our Community Share Offer Investors. The original investments were made in 2016 to help fund an ambitious plan to bring forward 184 homes across seven sites over a 10-year period. To date, LCLT are predicted to deliver 34 homes by Autumn 2022. There are two major disparities between the original invitation to investors and the situation now.

London CLT has been unable to access land/homes at the Olympic Park to date and there is no indication from London Legacy Development Corporation (LLDC) that either land or homes will be made available despite promises made in the lead up to the London 2012 Olympics.

The second major impediment has been the very slow progress in bringing projects to site. Community Land Trust homes are a completely new way of providing genuinely and permanently affordable homes with no existing precedents to work to. Collectively there has been a sector-wide failure by all parties to progress funding agreements, planning permissions, grants and projects in a timely manner. London CLT has worked closely with the GLA and other partners to remedy the processes and unlock further funding in future but this does not remove the cost of the past delay and its impact on cashflow.

In addition to the cashflow considerations outlined above, it is a condition of the Construction Finance for Brasted Close that London CLT is not permitted to return funds to CSO investors or to pay any interest on the shares until the homes at Brasted Close have been completed and sold and the construction finance repaid. The sales are scheduled to complete by late summer 2022.

The Board remain committed to working to achieve the return of the full investment £1 for £1 by 2025/26 in line with the offer document. Realistically, this is most likely to be achieved through a series of partial repayments over time. At the time of this Annual Report, the Board expects the Society will return 50p in the £ of investor capital at the completion of Brasted Close. The Board will update this forecast each year at the AGM.

Subject to the completion of further sites that are in pipeline, the Society will be able to return further capital in subsequent years. We thank our investors for their continued patience and note that, despite our progress not looking precisely as we had initially envisaged, your money is succeeding in building permanently affordable homes across London.

LONDON CITIZENS' CLT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

LONDON CITIZENS' CLT LIMITED

INFORMATION

Board members	D Smith	
	J Emmanuel	
	J Hayward	
	M Reinard	
	K Khanom	
	J Clifton	
	T Broome	
	B Lant	
	D Granberg	
	J Can	
	D Wilson-Dodd	
	R G Smith	(Appointed 22 September 2020)
Secretary	J Hayward	
Registered number	30238R	
Registered office	136 Cavell Street London E1 2JA United Kingdom	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	

LONDON CITIZENS' CLT LIMITED

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LONDON CITIZENS' CLT LIMITED

BOARD MEMBERS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The board members present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the society continued to be that of the preparation and provision of affordable housing.

Board members

The board members who held office during the year and up to the date of signature are as follows:

P Regan	(Resigned 22 September 2020)
D Smith	
J Emmanuel	
J Hayward	
M Bolton	(Resigned 22 September 2020)
S Gorman	(Resigned 22 September 2020)
R Varsani	(Resigned 18 March 2021)
M Reinard	
K Khanom	
J Clifton	
T Broome	
B Lant	
D Granberg	
J Can	
D Wilson-Dodd	
R G Smith	(Appointed 22 September 2020)

T Broome resigned on 23 March 2021, but was reappointed on 15 April 2021.

Statement of disclosure to auditor

So far as each person who was a board member at the date of approving this report is aware, there is no relevant audit information of which the society's auditor is unaware. Additionally, the board members individually have taken all the necessary steps that they ought to have taken as board members in order to make themselves aware of all relevant audit information and to establish that the society's auditor is aware of that information.

On behalf of the board



R G Smith

Board member

Date: 28/9/2021



T Broome

Board member

Date: 28/9/2021

LONDON CITIZENS' CLT LIMITED

BOARD MEMBERS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The board members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the board members to prepare financial statements for each financial year. Under that law the board members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The board members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the society and of the income and expenditure of the society for that period.

In preparing these financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The board members are responsible for keeping proper accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LONDON CITIZENS' CLT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LONDON CITIZENS' CLT LIMITED

Opinion

We have audited the financial statements of London Citizens' CLT Limited (the 'society') for the year ended 31 March 2021 which comprise the income and expenditure account, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The board members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- proper accounting records and returns have not been kept or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

LONDON CITIZENS' CLT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LONDON CITIZENS' CLT LIMITED

Responsibilities of board members

As explained more fully in the board members' responsibilities statement, the board members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the board members are responsible for assessing the society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board members either intend to liquidate the society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the society has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The society did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the society. We determined that the following were most relevant: FRS 102, Co-operative and Community Benefit Societies Act 2014.
- We considered the incentives and opportunities that exist in the society, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the society, together with the discussions held with the society at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing revenue and expenses, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

LONDON CITIZENS' CLT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LONDON CITIZENS' CLT LIMITED

Use of our report

This report is made solely to the society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

5 October 2021

LONDON CITIZENS' CLT LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Income		412,352	262,551
Cost of sales		(232,016)	(157,523)
Gross surplus		180,336	105,028
Administrative expenses		(379,131)	(335,046)
Other operating income		26,349	5,963
Operating deficit		(172,446)	(224,055)
Interest payable and similar expenses		(18,362)	-
Deficit before taxation		(190,808)	(224,055)
Tax on deficit	3	12,011	1,794
Deficit for the financial year		(178,797)	(222,261)

LONDON CITIZENS' CLT LIMITED

BALANCE SHEET


AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Stocks		552,334		385,768	
Debtors falling due after more than one year	5	1,920		2,140	
Debtors falling due within one year	5	160,811		21,945	
Cash at bank and in hand		585,092		121,194	
		<u>1,300,157</u>		<u>531,047</u>	
Creditors: amounts falling due within one year	6	<u>(918,561)</u>		<u>(209,531)</u>	
Net current assets			381,596		321,516
Creditors: amounts falling due after more than one year	7		(238,725)		-
Provisions for liabilities			(162)		(162)
Net assets			<u>142,709</u>		<u>321,354</u>
Reserves					
Called up share capital	9	492,812		492,660	
Income and expenditure account		<u>(350,103)</u>		<u>(171,306)</u>	
Members' funds		<u>142,709</u>		<u>321,354</u>	

The financial statements were approved by the board members and authorised for issue on 29/4/2021 and are signed on its behalf by:


J Hayward
Secretary


R G Smith
Board member


T Broome
Board member

Registered No. 30238R

LONDON CITIZENS' CLT LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Income and expenditure £	Total £
Balance at 1 April 2019		492,270	50,955	543,225
Year ended 31 March 2020:				
Loss and total comprehensive income for the year		-	(222,261)	(222,261)
Issue of share capital	9	390	-	390
Balance at 31 March 2020		<u>492,660</u>	<u>(171,306)</u>	<u>321,354</u>
Year ended 31 March 2021:				
Loss and total comprehensive income for the year		-	(178,797)	(178,797)
Issue of share capital	9	152	-	152
Balance at 31 March 2021		<u>492,812</u>	<u>(350,103)</u>	<u>142,709</u>

LONDON CITIZENS' CLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

London Citizens' CLT Limited is a Community Benefit Society registered under the Co-operative and Community Benefit Societies Act 2014, limited by shares and incorporated in England and Wales.

The registered office address is 136 Cavell Street, London, E1 2JA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Co-operative and Community Benefit Societies Act 2014. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The board members have considered the effect of the Covid-19 outbreak. The board members recognise that the outbreak has caused disruption and delays to ongoing development projects which has had a negative cash-flow impact. However, having considered the availability of grant funding and government-backed loans to support the society until the development projects are completed, the board members are confident that the society has adequate resources so it can continue in operation for a period of at least twelve months from the date of approval of these financial statements. Thus the board continues to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the society cannot reclaim it.

All income and expenditure relates to continuing operations.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Office equipment	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.5 Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on the normal level of activity. Provisions are made for any foreseeable losses where appropriate. Work in progress includes finished properties held for resale.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

LONDON CITIZENS' CLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Financial instruments

The society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the society becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the society after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.11 Government grants

Government grants, which include the amounts received from the Coronavirus Business Interruption Loan Scheme that cover interest and fees payable to the lender, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

LONDON CITIZENS' CLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Employees

The average monthly number of persons (including board members) employed by the society during the year was 5 (2020 - 7).

	2021 Number	2020 Number
Total	5	7

3 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	(12,011)	(1,794)

The tax credit in the current year is as a result of losses carried back.

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2020 and 31 March 2021	2,869
Depreciation and impairment	
At 1 April 2020 and 31 March 2021	2,869
Carrying amount	
At 31 March 2021	-
At 31 March 2020	-

5 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	-	432
Corporation tax recoverable	13,806	1,794
Other debtors	4,354	19,190
Prepayments and accrued income	142,651	529
	160,811	21,945

LONDON CITIZENS' CLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Debtors

(Continued)

	2021 £	2020 £
Amounts falling due after more than one year:		
Other debtors	1,920	2,140
Total debtors	162,731	24,085

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Other loans	128,291	-
Trade creditors	49,547	49,541
Taxation and social security	873	1,012
Other creditors	296,988	49,908
Accruals and deferred income	442,862	109,070
	918,561	209,531

7 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other loans	238,725	-

8 Loans and overdrafts

	2021 £	2020 £
Other loans	367,016	-
Payable within one year	128,291	-
Payable after one year	238,725	-

A Coronavirus Business Interruption loan was obtained in June 2020. The loan is secured over the assets of the society and bears interest at a fixed rate of 6.5%. The loan is repayable in 24 consecutive monthly instalments commencing 13 months after the borrowing date.

LONDON CITIZENS' CLT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Called up share capital

	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Class A membership shares of £1 each	4,046	3,894	4,046	3,894
Class B membership shares of £1 each	488,766	488,766	488,766	488,766
	<u>492,812</u>	<u>492,660</u>	<u>492,812</u>	<u>492,660</u>

Class A membership shares

Each 'A' class share has the nominal value of £1. One share held by each member shall be a "membership share" and is non-withdrawable. They carry no right of interest, dividend or bonus and offer one vote per share.

Class B withdrawable shares

'B' class withdrawable shares represent investments of at least £1 issued via a community share offer. They carry no right of interest, dividend or bonus. Repayments of the initial investment is available from year four and the Board Members can suspend the right to withdraw the shares at any time.

10 Related party transactions

During the year, three board members were paid a total of £110,015 (2020 - £9,000) for their consultancy services.



ANNUAL REPORT & ACCOUNTS

2021