

Beer Community Land Trust

Annual report for the year July 2016 to July 2017

Introduction.

Beer CLT was set up in 2013 with the aim of providing affordable housing in Beer for people with a strong connection with Beer. Our first project of 4 rental houses and 3 shared equity houses was completed in February 2015 and tenants and owners have been in residence since that date. The CLT continues to manage the letting of the first project houses but is aware of the continued need to provide affordable housing for people and families with a strong Beer connection. The CLT is therefore actively pursuing opportunities which could enable it to increase its stock of affordable housing benefitting the whole of the community of Beer.

The CLT is registered with the FCA as a Co-operative and Community Benefit Society (formerly Industrial Provident Society), with the Department for Communities and Local Government (DCLG) as a Registered Provider (RP) of social and affordable housing and with the Housing Ombudsman.

Management

The management and operation of the CLT is governed by its rules which are available on the CLT and Beer PC website. All elements of the management are overseen by the CLT board which is duly elected by the members.

The current board membership is;

- Chair; Leanne Newton (nee Phillips) member and shared equity owner
- Treasurer; Mat Bond
- Company Secretary; Adam Brewer
- Minute Secretary; Norah Jagger
- Member; Wendy Abbot
- Member Josh Harrison
- Member; Martin Richards
- Member; Mike Green
- Member; Emma Malony
- Member; Geoff Pook
- Roger Strover; member and shared equity owner
- Simon Hoare; member and tenant

The following represent the appropriate organisation

- Darren Clinch; Beer Parish Council
- Jim Knight; Devon County Council Replaced by Martin Shaw following may 17 election
- Paul Lowe; East Devon District Council
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The following is Co-opted to provide technical support

- Jim Carthy

A sub panel of the Allocation and Letting committee was established to review the tenant allocations with specific focus on housing need and qualification qualifications.

- Paul Lowe (EDDC housing manager)
- Norah Jagger
- Anna Vine

Financial Audit

Hammett Associates were reappointed at the 2016 AGM to examine and report on the accounts for the 2016/17 year. The cost for 2015/16 was £1194 incl VAT. A copy of the accounts is available at the meeting

Resolution; to accept the July 2016 accounts

Resolution; Appointment of accountants for the year 2016/17 needs to be confirmed or for board to be given delegated power to negotiate and appoint an accountant.

Internal Audit

There were no additional audits required by the regulators as we had not developed any additional housing or been in receipt of any HCA loans in the period. We continue to be registered with the HCA who certify; Beer Community Land Trust has retained continued qualification in 2016-17 as an HCA Investment Partner for the programmes and the applicable successor programmes as specified in the outcome of the original PQQ notification.

Management Board

The board has met twice since the 2016 AGM reflecting the success and easy management of the CLT now in its management role.

The board has the following management committees

- Operation and maintenance
- Allocation and letting
- Finance
- Membership, publicity, PR and fund raising
- Audit Committee responsible for corporate governance and audit

Summary terms of reference for each committee

Operation and maintenance, responsible for all technical and commercial aspects of the buildings and site, including maintaining project accounts, reporting to the main board with delegated power for financial decisions in accordance with the procurement policy.

Allocations and letting, responsible for the allocation and letting policy in conjunction with EDDC where applicable. Preparation of tenant care policy and tenant rules. The Beer CLT allocation policy will be administered by EDDC housing department and the selection panel to examine individual applications, housing need and qualifications. It will not include anyone who has a family or close relationship with any applicant.

Finance, responsible for preparation of the CLT accounts and associated corporate and HMRC reporting. Development and management of the investment share scheme.

Membership and publicity, responsible for membership records and recruitment, organisation and advertising of events, PR and fund raising. Future development of a web site.

Audit Board, responsible for ensuring compliance with the ethos of the “excellence in governance” document. Specifically this to include meeting, decision and resolution record keeping, training and preparation of the board members, recording capabilities and conducting appraisals.

Corporate Governance

- Beer CLT has adopted the “Code of Good Practice for Community Land Trusts”

The CLT has adopted two policies in addition to the rules

- An allocation policy
- A procurement policy, a schedule of all procurement decisions is maintained and reviewed at each board meeting
- It is also the process of compiling a tenant hand book

Regulatory applications

Beer CLT has Registered Provider status Registration number 4807 on 20/2/15

Finance

Full CLT accounts and Financial statement from our accountants, Hammett Associates for the year 15/16 (july) are available for examination

The draft summary of expenditure, loan account, capital value and revenue account for the period july16 to July 17 is shown below.

Current Finance status

The CLT finances followed plan for the 2016/17 year. The tax liability was restricted to the trading element (rental of properties) only, resulting in corporation tax of £3816. The initial £305,000 loan matured in June 2016 and a follow-on loan with EDDC was negotiated for £290,000 (having repaid £15,000) The new loan is £290,000 for 5 years at 3.24% interest.

The finance strategy is to pay off £50000 of the loan in 5 years from surpluses estimated at £10000 per year

Headline finance figures from cash book unaudited

Capital

Loan account	£290,000
Estimated asset value 4x rental houses 3x 20% shared equity houses	£950,000

Revenue

Cash in bank as of 12/7/16	£3253.36
Income (rent and FIT of which rent equated to £28138)	£30,348.00
Expenditure (interest £9369, tax £3816)	£16090.75
Operating surplus for year	£14293.25
Cash in bank at end of year	£17537.40

Future risks.

There are no specific risks over that of a normal landlord maintaining rental income.

Future Opportunities

The development of the old social club presents a real opportunity. To date we have had designs and schemes prepared at no cost by NDM Ltd. Based on these plans and following discussions with EDDC and the HCA regarding development loan funding and support grant we have developed a financial model similar to that used for the original development. We have also had initial discussions with planners who have not identified any specific planning reasons and indeed find support in Strategy 32 that resists the loss of community facilities. The fact that the CLT will develop community housing on a site historically used by the community will support an application.