



## Somerset Co-operative Community Land Trust Social Impact Report 2019

### The mission

Our mission statement in our rules is:

*to provide sustainable, affordable housing; and*

*to provide workspace for community enterprises in Somerset;*

*promoting co-operative principles and equality of opportunity for the benefit of the community,*

Social accounts should use these aims and objectives to identify measurable indicators of progress.

Indicators should be re-used from year to year, each year providing a baseline against which the next can be measured.

### Unique objectives

#### Provision of housing

The measurements for this target are the quantity and value of property acquired, the rate at which additional accommodation is developed there, the time taken to release it to tenants and the organisational capacity for further acquisitions.

Year end:	Units let:	Units being prepared:	Units awaiting PP:	Land being acquired (min units):
2016	4	0	0	0
2017	4	0	0	6
2018	4	1	7	10
2019	5	0	8	20

In 2019 we were seeking land for further units, and by the end of the year we were in negotiations for an Option Agreement for a site in Wiveliscombe for up to 20-24 1 bed homes and two community business units.

In 2017, our voids were a healthy 3.1% - we improved this further in 2018 to 2.4%. 2019's figure of 21% is a big disappointment in the light of that, and we have to accept that our management of repairs, our ability to select reliable tenants, and

our ability to take possession of flats when there are breaches of tenancy have all been found wanting. At the start of 2020 many of these issues had still not been resolved.

#### Provision of workspace for community enterprises

2019 saw a big change in our provision of workspace; at number 10, the team of development workers expanded from one and a half to five full time equivalent. Next door at 11A, we gained new premises, and while it is not community enterprise precisely we are pleased to be supporting a newly established locally owned business.

Credit Union enquiries had matched 2018 and 2017's totals by September – however, at this point the inward focus of activity meant that this was hard to sustain and record. We estimate a final total of 50.

Organisations being incubated in the shop fell slight to five: two transport mutals, a co-op development consortium, an urban farming co-op and Taunton's Polish Association.

Year end:	Work space let (m2):	Work space in progress:	Awaiting PP:	Land being acquired (m2):
2016	75	0	0	0
2017	75	0	0	60
2018	75	60	20	250
2019	75	0	20	370

The land acquisition for workspace is entirely in Wiveliscombe, where we have the opportunity to develop new workspace on the Exmoor Ales site and may also acquire some small business units at the Greenhouse.

#### Sustainability of housing

As we have moved to a single Ecotricity tariff for no 10, and we are not responsible for 11A, it is getting harder to evaluate energy consumption. We can still approach it from the other direction: how many units have we built in excess of minimum standards, or improved?



In 2019, we made significant improvements to the energy efficiency of the flat at 11A, and took important steps to planning conservation and generation into the design of the eight new flats. We also began upgrading the secondary glazing to make it more durable and effective, with double glazed units now being used inside the old sash windows (which we are repairing and repainting to extend their life).

In addition, the solar panels in the temporary installation at no 10 continued to contribute electricity to the communal facilities (now including a washing machine and tumble dryer).

**Lifestyle changes, including transport and recycling:** recycling on East Reach remains patchy, and improvement will be one of the goals of the new development. Transport options have not progressed (other than our incubation of GO-OP, noted above) – the development in Wiveliscombe may force us to look harder at this.

**Supply chain:** the environmental impact of purchasing has not been substantial, perhaps because our purchasing has consisted largely of professional services and maintenance. We continue to use the Co-op Bank (though it now is only supporting co-ops, having abandoned co-operative ownership itself) and of course SCS CIC for a range of management tasks; Ecotricity are supplying gas and electricity, and while they are not a mutual they have a strong ethical policy; and Midcounties Co-op supplies low-carbon internet to most of our properties.

**Gardening:** in the autumn the gardening project ceased due to potential ground contamination revealed in a site survey. In addition, we lost a number of chickens in distressing circumstances, because security against predators was inadequate.

### **Affordability of housing**

We remain affordable, in the sense of setting rents no higher than the highest of either housing benefit or 80% of market rents; but this significantly more expensive than in previous years. By the end of the year we did rethink the rent for our larger flat at 10 East Reach, which has never really justified a full 2 bedroom rent.

Free services such as the wifi internet connection and food from the garden, as well as somewhat lower than usual heating bills, do help redress the balance somewhat. Further steps towards co-housing included shared laundry facilities, but we are proceeding slowly here in order to ensure that shared services are properly looked after and supported.

### **Promoting equality of opportunity**

Minority groups (LBGT+, ethnic minority, disabled) accounted for a startling 100% of tenants housed in 2018, which went down to 75% in 2019 but still indicates our ability to help those facing disadvantage.

In terms of leadership, the board at the end of the year was one third minorities and one third women; a little up from previous years – however, there is concern that this may not be sustained in 2020.

## **Co-operative objectives**

### **Building membership**

Category:	End 2017	End 2018	End 2019
Tenant	7	7	9
Community	44	51	80
Investor	67	78	136

Community membership continued to improve in 2019 through the share offer that closed at the start of the year, and we are pleased to see greater take-up of membership in Somerset.

Still there remains a lot of room for progress, with East Taunton and Wiveliscombe residents still forming a minority; we are not really succeeding in reaching our most local stakeholders and we could do with understanding better why that is.

### **Consulting with and empowering members**

Only one newsletter were circulated to members – somewhat below our target level, and poor compared to previous years. However, that did attract good attendance at an annual general meeting, which contributed to consultations on the new flats.

### **Creating common wealth**

The first annual profit in our history is a great step forward, but this is about more than our balance sheet. As a body that holds land in perpetuity, the financial value of our assets is of less significance than the value for communities that we find in them, and the extent to which we avoid liabilities.

An example of this is our work to make the air raid shelter at 10 East Reach the focus of community pride and awareness – a long term project – and our ability to locate potential in a development site in Wiveliscombe that on the face of it seemed unprepossessing. This matters because we will always struggle to acquire sites that wealthier developers desire.

### **Autonomy and independence**

The key indicators of autonomy will be contracts entered into, and concentration of investment. At the end of 2019, the largest investor held 4.7% of all investment, a reduction from 8.7% the previous year. This reflects the growing number of shareholders and shares issued through successful share offers.

As we have developed plans for Wiveliscombe, we have stressed subsidiarity and our desire to empower local people by keeping decision making close to the community most affected.

### **Education**

Our website, newsletters and shop front all stressed our co-operative values and identity; in Co-operatives fortnight we supported some public events, but we issued only one press releases in the course of the year – less than in previous years.

### **Supporting the co-operative movement**

We maintained our membership of Co-operatives UK and Co-operatives SW. We are members of SCS and participated in its governance at its AGM – Alan Debenham, our Chair, has now joined its board.

We continue to use the Co-op Bank (though it now is only supporting co-ops, having abandoned co-operative ownership itself) and of course SCS CIC for a range of management tasks. Midcounties Co-op supplies low-carbon internet to most of our properties, and by learning from other co-ops procurement we have begun to use the architecture services of Cave Co-op, and legal services from Stephens Scown, an employee-owned firm of solicitors.

Our close relationship with Somerset Community Credit Union continues, but we need to do more work with them to ensure that this is scalable.

### **Evaluating social and environmental impacts**

We have strengthened our standing as a body working for the local community and continue to work for sustainable development locally. We have hosted several community group's meetings at East Reach in the course of the year, but we could improve the quality of this service – and it has begun to clash with other uses of the shop.

## **Conclusions**

There are some clear areas for consolidation:

- our property 'pipeline' is effective and needs to be sustained long term
- our ability to serve need in the community and engage with people facing disadvantage is demonstrated, but remains fragile
- community enterprise does seem to have benefited from our workspace, and we are trading more with other co-ops, but we need to be more imaginative to sustain this progress

At the same time, we can also see point of weakness were progress has been poor or even reversed:

- communication and participation with members, especially community members, did not keep pace with other advances
- voids and arrears were far too high, and tenants who are still with us are sometimes frustrated by a seeming inability to resolve problems decisively
- our properties remain largely tied to an unsustainable pattern of energy use and transportation, putting tenants and the community at risk of further 'carbon shocks'

Although at the end of 2019, the coming pandemic was barely registering as an issue – the first reports of illness in China had only just surfaced – these issues of resilience and support capacity have only become more critical in the following year.