

# Innovative Built Solutions for Churches:

SCOPING REPORT



**The Archbishop of Canterbury's  
Commission on Housing,  
Church and Community**

# Introduction

This scoping report, following on from the 'Building Community' report 2019, considers six categories of development approach in providing additional affordable homes by churches, using church land and property. For each category examples are given as well as comment on the feasibility, ability to scale and community impact of each. It should be noted that these are not exhaustive however, and in the course of researching this report many more examples and learning points were identified though not fully explored.

Key learning points as identified to this stage have been summarised. Those that were generous in sharing time with us, as well as those that wanted to but were not able to at this time, hold a wealth of still-to-be-shared additional wisdom that would benefit from further exploration as time allows. Recommendations as to the possible next phase of this work are identified and it is hoped give the necessary guidance as to the appropriate next steps to be taken.

## The Categories

### Use of air rights over church car parks

Housing can be developed over car parks, using the air rights to build and retaining access to and ownership of the land by the church.

ZedPods ([zedpods.com](http://zedpods.com)) are an example that offer landowners, such as churches, the opportunity to develop accommodation over car park spaces whilst retaining both ownership of the land and full access to the car parking facilities. ZedPods are also able to finance the project up front which may be attractive for project owners that do not have ready access to initiation funding. Air rights for minimum 30 years required, depending on scale and rent levels. Opportunities to deliver accommodation for key workers and units can be made available for church use. At the end of the lease, units may be removed or could be purchased by the church

Feasibility – requires car park land that is suitable to build on, in a context that allows some height without infringing on buildings close by. Can be more efficient in its construction than traditional build which will be attractive to those looking for prompt solutions.

Ability to scale – is funded by the construction company initially so avoids the issue of development funding needing to be secured by individual churches.

Community Impact – this would depend on the use of the accommodation. It can be used as needed so could solely focus on those most in need or allow for a balanced community that encourages community development and interdependence.

## Micro-housing

Small homes can be developed that are focused on shorter term accommodation (5 to 15 years for example) and respond to the need of people who are not yet able to access the private rented or ownership sector of housing but do not require supported accommodation.

Y:Cube ([y-cube](#)), The Gap House ([the-gap-house](#)) and Launch Pad ([LaunchPad](#)) are all examples of micro-housing that can be easily applied to church land. These products also all make use of MMC (modern methods of construction) where the accommodation is built out to a certain extent in a factory setting and brought to site fully or part pre-built.

Feasibility – The housing products are already designed and so suit projects well that wish to avoid a long process of design, and also are quick to deliver on site because the build of each unit is completed off site – minimizing disruption on location.

Ability to scale – viable developments can be achieved on relatively small pockets of land. Due to the nature of the build, using the MMC approach, this can also suit land that may not be suitable for traditional build.

Community Impact – as with using air rights to build over car parks, this depends on how the accommodation is used on completion. However, these products also have the ability to allow people looking to develop skills in the construction industry to work on the construction in the factories and there have been examples of MMC being constructed with the involvement of college students too.

## Community Land Trusts

Churches based in communities are in a good position to bring people together to create affordable housing for ownership that is protected as affordable in perpetuity. The model is a membership approach and encourages high levels of commitment and ownership of the development.

There are many examples of CLT projects, and the approach is growing considerably in recent times. RUSS (Rural Urban Synthesis Society) are based in South London and are developing a scheme of 33 homes for the local community in Lewisham. While this scheme is not explicitly linked to a church the approach could easily be adopted in that context.

Feasibility – this model relies on the community coming together and driving the development process and so assessment of the feasibility of any given project is rather more complex than with alternative approaches.

Ability to scale – CLTs are unique to their context and community, by the nature of their design. As a result, it is the approach that can scale rather than the style of accommodation. Organisations such as RUSS are doing work around helping community groups learn from their experience and look to make the process more efficient and manage risk.

Community Impact – This approach requires a high level of community involvement and is driven by community groups. There can be high levels of ownership experienced by those

involved and while this can be greater complexity to the process the model presents as high on this scale.

## Guardian services

Where buildings such as vicarages, offices or churches are empty for a period, they can be used as short-term accommodation that is low-cost for the tenant and also provide security for the building and lower costs of managing that building.

Low Guardian, Live-In Guardians, VPS Guardians and Property Guardians all provide guardian services to owners of empty properties. These schemes do not provide a direct income from the lease of the property, but add value by avoiding alternative management costs and risks involved in empty properties.

Feasibility – where there are empty properties, this approach is straight forward to apply and requires little to no funding to deliver. It is also easy to exit the arrangement and the asset is retained by the property owner during the use.

Ability to scale – this is not a long-term solution but where buildings are empty and perhaps longer term plans for alternative use are developed, this approach is simple to scale.

Community Impact – the approach is not one in which community development opportunities are high, mainly due to the nature of the use and term of tenure. However, there are benefits to local communities in terms of managing empty buildings that might otherwise be of local concern.

## Conversion of property

From time to time, church properties that were once needed by the church are no longer required – such as vicarages, halls, offices and main church building. Conversion into accommodation allows use of these assets in a way that can provide affordable housing as well as bring a financial income into the church and deliver ongoing sustainability for the location.

Joel Project converted their church hall into a night shelter and alongside that converted office space into two move-on studios for those ready to leave the shelter environment but still preparing for the private rented sector. Cornerstone Place are working with two property owners currently to convert their vacant spaces and provide affordable accommodation as well as providing the funding to do so with a lease model that allows the property owner to gain an income from the lease as well as buy back their property in a relatively short period of time. NACCOM provide support to groups that wish to convert large family homes into shared housing (Houses of Multiple Occupation) for the use of refugees and asylum seekers. They have a funding guide to support this and are currently creating a Housing Tool Kit for the same.

Feasibility – there are a number of issues to be considered with this model, very much dependent on the property. The length of time which the property will not be in use by the

church is also to be considered, and there are models of conversion that allow temporary use and return to direct use of the church in time.

Ability to scale – organisations such as Cornerstone Place and NACCOM offer various approaches to this model and demonstrate an ability to scale the concept. What properties are frequently available for conversion are not known at this time, however the tools to respond are there. The target properties for this kind of approach are those for which a longer-term solution is desired than those for which guardian services might be suitable. The solutions could also be used in combination.

Community Impact – the model is often used to provide accommodation to those struggling most to secure it otherwise but can be used in a variety of ways. It also allows community members to get directly involved in the scheme depending on where skills and energy lie. Conversion is frequently a more cost-effective way to deliver new homes, so makes affordable living that much more achievable.

## Small-scale developments in partnership with Registered Providers

Churches either selling land or entering into joint ventures with Registered Housing Providers or housing developers to secure a land value as well as deliver affordable housing and in some circumstances additional church facilities and accommodation.

Green Pastures are working in partnership with St Marks' Church, Barking, The Berkley Foundation and London Borough of Barking & Dagenham (LBBD) and completed on 59 new homes in Spring 2016 in one of the most deprived boroughs in England. Of these, 56 units are affordable homes provided by LBBD and Green Pastures retained 3 units that they are using in partnership with St Marks church to house church workers and the needy. The church also received a brand new facility including a community kitchen and a multi-purpose hall.

Feasibility – Initial design massing appraisals on identified site along with church requirements will inform viability. Schemes like this typically small in scale (6 to 20) though some sites such as this example can deliver large number of units. Feasibility report will also require some planning input to assess local planning authority requirements and consider local planning constraints.

Ability to scale – Each scheme is very site specific however partner such as Green Pastures have good experience and looking at more partner opportunities with churches. The partner organization will likely require some upfront fees to cover the feasibility stage which can be ascertained early on

Community Impact – Significant opportunity to deliver affordable housing though nominations controlled by the relevant local authority. Such developments may make additional community contributions through new church facilities or cash contribution to the church for investment into their facilities.

# Key Learning Points (to date)

## The starting point

- Shared understanding as to the catalyst for any project – thoughts around why we are doing this and then how can we get the best possible outcome. Often projects are started from a point of crisis (financial situation of church) but sometimes also from a desire to respond to community need first, and both can be addressed through this process
- Clarity needed on the legal standpoint of any proposed project – from planning to charity commission and covenants to tenure of accommodation on completion plus ability of charity to borrow and/or own assets
- Power analysis and decision-making – leadership needs to be of common mind, relationship with local authority needs to be strong and there needs to be a good understanding of who has the ultimate power to say no to any proposal before the process starts
- Clarity around who is driving the proposal, but also some succession planning in case that person needs to pass the project over for any reason
- Agreement between key driving parties around the framing of the narrative for the project. Keeping the story clear, people engaged and supportive and reassured during the process.

## Desired outcomes

Successful projects can deliver a number of outcomes. Consideration needs to be given as to what those should be. Thought needs to be given to:

- Social impact – who will access the accommodation and what other impact can be made in the process, such as apprenticeships
- Time available for delivery
- Length of use of asset for accommodation – can range from very short term (1 year) to complete disposal with a wide range of options between
- Control over accommodation – ongoing sole ownership, through to partnership approaches and complete disposal of responsibility and control
- Ongoing relationship with local community and broader local authority strategies

## Funding

Often a barrier to projects getting beyond the initial ideas phase, funding is essential to be able to deliver housing projects. Early funding is required to cover the costs of viability checks and feasibility studies. This increases as plans are prepared for the pre-application and full planning application process. At this point, this can be a challenge to secure as this also represents the point at which the risk of failure of a project is highest.

Funders that have been identified as part of the scoping exercise include:

- Social minded banks such as Triodos and Charity Bank
- Big Issue Invest
- Homes England
- Greater London Authority
- LandAid

## Governance in development

The framework for governance around any development project is critical and provides best value and assurance when properly considered early on in the process. Consideration should include:

- Legal context
- Financial situation and opportunities
- Communication with stakeholders
- Roles and responsibilities
- Record keeping
- Risk mapping and reporting

## Working in partnership

In the process of researching projects for this report, in every category there were potential partner organisations that were both aware of the opportunity that working with churches could bring to the impact that hope for and expressing desire to do so, though often finding it a somewhat complex relationship to navigate. There is an awareness that factors such as charity status, covenants, listed building status and a decision-making hierarchy that is not always easy to understand can be barriers to developing relationships for joint working that could be successfully managed with the right guidance at an appropriate point.

# Recommendations

## Investment

With funding to support the next phase of this work, it is recommended that the next steps be to:

- support a number of projects to understand the options that they have for developing affordable housing and assess the viability of these
- create a guide for churches that wish to explore their options and inform thinking around projects that look to deliver affordable housing

## Support

As part of the next phase, professional support will be offered to 5 churches wishing to assess the viability of the schemes that they have in mind and guide their early steps in the process including how to gain financial support for subsequent stages. This is critical as the early stages of any development scheme have the highest risk of failure and are the most challenging to secure funding to deliver. In addition, to facilitate collaboration by encouraging churches and individuals to share learning, experience and expertise to support new developments. There appears to be little taking place at the moment however there is a willingness to support.

## Criteria

The criteria to be met by any churches wishing to apply for support in assessing viability of schemes looking to develop affordable housing will be outlined in the online guide, giving full explanation of each criteria and how to identify it.

## Entry Process

A process for churches to apply for support to be created, embedded in the online guide. This will include self-assessment against criteria identified in the guide, though with the understanding that the process of receiving support may bring a greater understanding of the meeting of criteria for progression, and so may change the viability ongoing.

## Guide

A guide to be created online that offers specific guidance for both churches wishing to consider development of affordable housing and potential partner organisations looking to work with churches to develop the same. The guide will include a flowchart of options, linking to examples of projects delivered as well as key learning points at various stages along the way. There will also be an option to link to recommended partners that would be useful at milestones along the journey.