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Faith in affordable housing

Using church land and property for affordable housing

A PRACTICAL GUIDE

Faith in Affordable Housing is a free web-based resource, which gives practical and technical information to assist churches in providing affordable housing. The guide presents nine case studies from different denominations and from urban and rural areas.

'As President of Housing Justice I am delighted to commend this initiative to all faith communities who are seeking to respond to the needs of the homeless or poorly housed. In both urban and rural areas there is evidence of spiralling hardship which can lead to the loss of a basic requisite of human dignity – shelter. As people of faith we are called to address injustice in all its forms. This research presents a practical resource for those considering a preferential option for the poor in their mission to the wider community.'

Cardinal Cormac Murphy-O'Connor

FAITH IN AFFORDABLE HOUSING

- demonstrates practical Christian concern and action in the community at a time when many young people and low-income families are experiencing great hardship
- gives practical help to churches by sharing good practice and showing what can be done
- provides solutions to some of the problems faced by churches wishing to develop affordable housing
- reconciles the dilemma faced by many churches – balancing social objectives such as valuing everyone, justice for the poor and placing morality before wealth with the pragmatic objectives of meeting the duties of trustees and maximising investment returns
- highlights options for the stewardship of church assets
- encourages churches to make the most of partnership opportunities
- provides sound advice and explains what action church property and finance personnel can take both to contribute to affordable housing and to benefit church and community.

THE NEED FOR FAITH IN AFFORDABLE HOUSING...

There is widespread acknowledgement of the need to increase dramatically the supply of affordable housing. The government's Affordable Rural Housing Commission and the Building and Social Housing Foundation have recommended that churches give careful consideration to how church land or redundant property can be used to provide affordable housing. Faith in Affordable Housing considers ways in which the churches – across all denominations – could contribute to the provision of affordable housing as well as generating income.

Churches are uniquely placed in the community and have a long history of providing housing via organisations such as the Churches National Housing Coalition, as well as through involvement in housing associations. Faith in Affordable Housing builds on this history to offer hope to those suffering from homelessness and poor housing.

Although churches often support in principle the redevelopment of church land and property for social housing, many are concerned about meeting other objectives – they have staff to pay, buildings to maintain and a mission to fulfil. Yet there is significant potential for churches to use surplus assets for those in housing need and still fulfil these aims. The development of housing not only creates social benefit but also need not detract from income generation. Indeed, it often provides the opportunity for the church to receive an income from land which would not otherwise secure planning permission.



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CONTENTS OF THE GUIDE...

SECTION 1: Preparing the ground explains what affordable housing is and why it is needed. It looks at the UK government response to this need and discusses what churches can do to help. It also clarifies charity law: that the doctrine of Christianity itself can enable the 'best value' test to be passed.

SECTION 2: Foundational issues gives an outline of policies related to land ownership from different Christian denominations, and discusses how property can be developed, including auditing, redeveloping churchyards, handling listed buildings and technical issues.

SECTION 3: Bricks and mortar details organisations and people that could assist with a project, from determining whether there is a need for affordable housing to developing properties and managing them once built.

SECTION 4: Letting in the light considers whether the proposed development is viable. It discusses: assessing need; planning considerations; valuing sites; financing schemes; and establishing tenure and occupancy.

SECTION 5: Friends nearby provides contact details for useful organisations, from homeless charities to denominational advisory and professional bodies.

SECTION 6: Good neighbours details eight illustrated case studies across different denominations from urban and rural England. It includes good practice examples of innovative ecumenical projects, new-builds on church land and conversions of old churches to modern places of worship with affordable housing.

Practical resources include: a housing health check form to help assess housing need, a checklist for action to use church assets for affordable homes and a glossary of definitions of technical terms and jargon.

CASE STUDIES

ST JAMES'S CHURCH CENTRE, ALNWICK, NORTHUMBERLAND (UNITED REFORMED CHURCH)

The old church and hall, which were in desperate need of renovation, now host nine affordable homes plus a twenty-first-century church, including facilities that meet the needs of diverse groups within the town, and provide rental income. The worship area is adaptable, includes audio-visual display facilities and constitutes an excellent conference and concert venue.



St James's church hall, now converted into 9 affordable homes



'The Sanctuary' – the new worship area

ST PAUL'S, TORRIDGE WAY, EFFORD, PLYMOUTH (CHURCH OF ENGLAND)

The old church and church hall were demolished and a new 40-flat extra care scheme for older people was built in their place. A new community building, complete with a dedicated smaller worship space for the church to use, was built on the site of the local library. In turn, a new library was developed as part of the extra care building.



The new St Paul's Church



The new worship area

AMBLESIDE, CUMBRIA, METHODIST CHURCH/HALL AND NEW ECUMENICAL PARISH CENTRE

The old Methodist church and hall were sympathetically converted into 15 affordable homes and a new ecumenical centre was built on Anglican-owned land. The new centre is used extensively by the local community – bringing additional rental income to both the Methodist and Anglican churches.



The interior and exterior of the old church have been converted sympathetically



The new ecumenical Ambleside Parish Centre

VICARAGE, FELBRIDGE, SURREY (CHURCH OF ENGLAND)

When the Parochial Church Council needed money to renovate its hall, the diocese wanted to update the parsonage, and the local authority was looking for land to provide affordable housing, a collaboration between all parties provided an ideal solution. Felbridge now has seven more affordable homes; the Parochial Church Council has useful funds towards its building project; the vicar lives in a new, purpose-built parsonage; and the diocesan glebe committee has also benefited financially.



New vicarage at Felbridge



Affordable homes at Felbridge

We are grateful to the following for permission to reproduce photographs: Revd Stephen Payne (for photographs of St Paul's Church, Efford) and Mr John Spence (for photographs of St James's Church Centre, Alnwick).

QUESTIONS & ANSWERS

As a charity we need to look for best value. We would like to consider affordable housing, but this is not one of our charitable objectives. Can this be overcome? The Charity Commission for England has made it clear that the doctrine of Christianity enables the 'best value' test to be passed. So a Christian charity may not need its written objectives to provide specifically for those in housing need, in order to provide affordable land or property to that end. The Commission confirms that if a disposal is made in furtherance of a charity's purposes, then s.36(9) of the Charities Act 1993 permits it at less than the best price reasonably obtainable. Furthermore, 'many people would understand that part of the doctrine of Christianity is the assistance of poor and needy people and therefore activities towards those ends could be seen as a means of advancing Christianity'. Church trustees can therefore be assured that the provision of affordable housing can be in the charity's interests even if it is not expressly stated in its objectives, and may therefore be adopted if the trustees feel there is a clear link with those objectives. See section 1 of the guide.

We did a scheme a long time ago and would like to do more, but doesn't the 'Bishop of Oxford ruling' prevent us? This ruling concerned the investment property of the Church Commissioners, whose remit is unique and confined to the financial assistance and housing of clergy. The ruling has no implications for any other category of Church of England property. Section 2 explains this in detail.

We have financial obligations to our clergy and church members and need to obtain as much money as we can for land and property. How do other churches manage this? It is the duty of trustees to prioritise from a range of permitted options. The guide draws attention to the provision of affordable housing as one option that is used more often than commonly realised – it details nine case studies. Affordable housing often generates income from land on which planning permission would not otherwise be obtained.

What can we do if there does not appear to be local support for an affordable housing scheme? Projects sometimes fail when a lack of information leads to rumours. It is therefore crucial to involve the community from the start and let them know if the homes are just for local people. Try to obtain the support of prominent groups, such as other local churches, community groups, and parish and district councillors. It may be useful to hold a drop-in session or to visit a similar completed scheme. This can often be less confrontational than a public meeting and enable people who do not have the confidence to speak out in front of others, to have their say and see what is proposed. It is important that prospective tenants are also given the opportunity to have their say. If you receive opposition that is solely based on 'nimbysism', you should be prepared to challenge it. Developments that have been opposed initially have won people round when up and running, as people's fears have not been realised. See section 3.

We don't have much land. Is there anything else we can do? To make a difference, it is not necessary to have a large land holding: half an acre could site four homes and make a positive impact on a small community's sustainability. In a rural area, a land audit may highlight potential small Exception Sites on the edge of settlements that would not otherwise gain planning permission. It may be possible to reuse closed or non-viable churches. Examples are provided in section 6.

We'd like to help, but don't have the time or capacity to conduct a Housing Needs Survey, consult the community, obtain planning permission and get funding. Can anyone help? If you choose to involve a housing association, it can help with all these things. If you are in a rural area, the local Rural Housing Enabler and parish council may also help with assessing needs, consultation and exploring funding. See section 3 of the guide.

We have a number of old churches which are costly to maintain and have small congregations. We want to maintain a presence, so what do you suggest? The disposal of a building does not have to mean the end of a church's presence in a community. If you have a church that is too large and expensive for its congregation, developing affordable housing may enable you to adopt a structure that fits your size and resources, meets the needs of the congregation and the community, and provides opportunities for engagement with those who don't normally attend church. It may be possible to negotiate a deal with a housing association to exchange old churches and grounds for new, with space for community activities. Alternatively, the conversion of a church for housing can include retaining part of the building for worship. See section 6 of the guide.

IT DOESN'T END HERE

To help churches respond to the Faith in Affordable Housing initiative, Housing Justice will:

- follow up publication of this guide by entering into a dialogue with churches at regional and diocesan level, to motivate and assist their action on affordable housing
- make the Charity Commission and the Office for the Scottish Charity Regulator aware of this guidance and establish links with these organisations to assist churches in obtaining guidance and support from their regulator
- develop links with a number of housing associations region by region, which can be encouraged to offer an enabling service to bring forward specific housing opportunities and establish a continuing relationship with the churches concerned
- encourage churches to renew or strengthen existing links with local housing providers
- set up a general register of housing associations that have responded positively to this initiative, so that a direct connection may be offered with churches actively in search of a suitable housing provider
- compile a growing list of good practice examples of affordable housing provision from across England.

If you would like further help or advice about an affordable housing scheme using church land or property, please contact Housing Justice.

HOUSING JUSTICE

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THE AUTHORS AND FUNDERS

The project's ecumenical partnership was led by Housing Justice – the national voice of Christian action in the field of housing and homelessness – and included representatives from the Methodist Church, the Roman Catholic Church, the Church of England and the University of Gloucestershire.

The project was funded by:



Leaflet sponsored by:



Paper copies are available at a price of £20 from: Housing Justice, 209 Old Marylebone Road, London, NW1 5QT