Case study: Brixton Green

This case study outlines how residents in Brixton formed a community group to develop new homes and create more jobs in the area.

Project name: Somerleyton Road
Location: Brixton, London
Organisations involved:
Client: Brixton Green community group
Landowner and local planning authority: Lambeth Council

The opportunity

When Lambeth Council started to prepare a masterplan to guide development for Brixton in 2008, many of the participants wanted to be more in control of the development than just commenting, especially as the site at Somerleyton Road was predominantly council-owned land. Setting themselves up as the Brixton Green Ltd, the volunteers wanted to place Brixton people at the heart of the development planning, ensuring their needs, priorities and views were driving the development and ultimately could benefit from a better connected town, more genuinely affordable homes, more jobs and an improved quality of life.

Brixton Green established themselves as a Community Benefit Society and consulted with the wider community on what they wanted to achieve. The society now has more than 1,000 members who each hold a £1 share in the society.

In 2012, Lambeth Council, the main Somerleyton Road landowner, was persuaded by Brixton Green’s robust business plan to engage and work with the community on the development. The Council and Brixton Green procured a development manager and design team to manage the project through the design, planning and construction phases.

Top tips

– Be clear about what you want to achieve from your housing / community project and how much responsibility and control over decision-making you want to retain over the long term. This will help you assess your funding options.
– Get professional advice from someone with experience of community-led projects such as the Confederation of Cooperative Housing or the Community Land Trust Network, and legal advisors with good community-led experience. Peer-to-peer learning and sharing experience with other groups is also valuable.
– Housing finance is complicated. Working with expert consultants or partner organisations can help your chance of success.
– Be sure you can demonstrate to all project partners and the local authority that the project is financially viable.
– Think about cash flow over the long term – long leases and long mortgages might allow more flexibility in the tenure and rent levels of housing to be provided.

A development brief was prepared jointly and igloo regeneration was selected as the development manager to make the brief a reality.

Planning consent has now been granted for more than 300 homes, a theatre, a chefs’ school, small business units, a nursery school, a community growing space and a variety of community facilities.
What they did

Through active engagement with the community, Brixton Green had clear objectives to work towards. These included housing that is affordable to local people, job creation and providing a diverse community. It was a priority for local people to have control over decision-making both now and in the future, but it also had to be financially viable. Demonstrating commercial viability and sustainability has been essential to being taken seriously by prospective funders.

The first step Brixton Green took was to understand the potential and limitations of the development site. This required some professional input, and the early work was provided pro-bono (that is either voluntarily or at reduced cost) by consultants who believed in the group’s vision. Further work was funded by the Greater London Authority’s Community Right to Build programme and Lambeth Council.

Brixton Green worked with the Council and its financial advisors to produce a financial model that most closely met the project aims. Recently the Confederation of Cooperative Housing, Anthony Collins Solicitors and Bates Wells Braithwaite have been providing advice on long-term stewardship, business planning and the operating costs/arrangements of governance structures.

What happens next?

The development and build costs will be funded by the Council through a loan – effectively a long mortgage over 40 years. Lambeth will retain the freehold of the site. Brixton Green is working with Lambeth to set up a robust and well-governed new community body with members from the residents, non-residential occupiers, the wider community and the Council. It will then enter into a lease for the whole site, and the rent and premium for the lease will be sufficient to cover the loan.

Visit Brixton Green’s website for further information about the group and the design process for the project.
Challenges

- Long timescales: The Brixton project has taken eight years to develop and secure agreement on financial and governance models.
- Skills: Attracting volunteers with expertise in development, design and planning is hard work and time consuming.
- Funding: Finding funding at all stages of a project is difficult. Accessing sources of development funding as a community group is challenging.
- Value: Needing to demonstrate to a council or funder that the project risks are manageable and the investment creates good value for money is a challenge.
Extensive local involvement in setting the vision and outcomes gives a clear mandate when discussing the details of viability and governance with partner organisations.

**Solutions and lessons learned**

- ‘Seedcorn funding’ was essential to get started with early feasibility work.
- Ensuring a watertight business case and evidence of the long-term sustainability of the project was important to demonstrate the credibility of the project. It has meant the group can respond robustly when its partners come up with alternative projects that challenge the original vision.
- Extensive local involvement in setting the vision and outcomes gives a clear mandate when discussing the details of viability and governance with partner organisations.
- In this instance, the Council’s role in accessing development funding was invaluable as it could source loans at lower rates of interest.
- For Brixton Green, developing a good working partnership with the council was essential. The different cultures and perspectives each partner brings can take time to understand.
- Selecting a development manager willing and able to work in collaboration with all concerned and across all aspects of the development, including decisions on viability and governance, was important.