

REPRESENTATIVE BODY OF THE CHURCH IN WALES

Use of Property for Social Housing

Policy Statement

Overall

The primary objective of ownership of property by the Representative Body is to further the ministry and mission of the Church in Wales. Whilst Christian teaching is clear on the need for social justice, in legal terms the mission and ministry purposes do not automatically lead to a general power to make land available for housing for those in need.

Charity Law dictates the rules by which Charities can dispose of land, in particular the need to demonstrate that best value is achieved for the Charity in its property dealings. In general terms, this means the best monetary value that can be achieved for the Charity on the open market. Charity Commission good practice guidance recommends that a chartered surveyor be instructed to market land and handle the sale and to confirm that best value has been achieved. This monetary imperative can only be tempered if the sale can be shown to have wider benefits to the overall mission of the church. Any social housing scheme on Church land must be able to pass this test.

Church property is held by the Representative Body in trust and therefore the interests of the beneficiaries must always be upheld. Different types of property has differing types of beneficiary so one rule cannot be adopted for all Church property. The following is a basic summary:

- Churches and Churchyards are held by the Representative Body but managed by the local Parish. The receipts from capital sales and other property income are due to the Representative Body but, broadly, the Constitution provides for this to be passed to the Parish or invested for the continued upkeep of the church or churchyard (refer to Church Sales Regulations for details).
- Parsonages are held for the benefit of each diocese so that receipts from sales and other income are retained in an Improvement Fund to provide for the purchase and improvement of parsonages.
- Glebe land is held for the benefit of the Province so that receipts from sales and property income are retained centrally to provide grants for church repair.
- Investment property is held to provide for the pension scheme and other costs of the Church in Wales as a whole.

Social Housing schemes take many forms but invariably consist of a housing provider (local authority or housing association) seeking to build dwellings on land and for those dwellings to be occupied by a defined sector of society. This usually means those in housing need (homeless, low incomes etc) and who have a connection with a particular location or community through family or work. People occupy the dwellings on a variety of forms of tenure but usually these are either via a tenancy or by some form of shared equity scheme (where the occupier contributes a percentage of the equity and pays a rent for the remainder).

Circumstances when a social housing use of Church in Wales land is likely to meet the Trustee and Charity Law requirements

It is not possible to be definite about when a social housing scheme will be possible, as it will depend on individual circumstances. However, a social housing scheme for church property is likely to be possible when:

- It can be demonstrated to be the best value disposal option for the land concerned (such as Exception Sites development where only social housing is possible under planning policy)
- The arrangement for the use of the land is set up on the basis of a leasehold sale so that the Church can benefit from future reversionary value and where a greater level of control can be imposed.
- Part of a building is converted for social housing use and part remains in worship use especially where the building might otherwise close for worship. This situation clearly continues ministry whilst furthering mission by breathing new life into a community. It also removes a substantial liability from the Parish.
- It is part of a larger development of open market housing
- The development is proven to fulfil a need, which cannot be met elsewhere in the community.
- Measures are in place to prevent occupiers of the property gaining a right to buy the property (thus ensuring the Church protects its reversionary value)
- It is managed and controlled by a registered housing provider with a proven track record such as a Housing Association (self-build schemes with their inherent risks are not advisable)
- The scheme is supported by the Diocesan Board of Social Responsibility
- There are no restrictions in the title to the property, which prevent such use such as conditions set by the original donors ('reverters').

It is not necessary to meet all these circumstances for a social housing scheme to be possible but these give an overall view of how the Church in Wales can achieve such schemes on its land. The key factor must be that the disposal represents the best value to the Church in monetary and mission/ministry terms.