

Community Right to Build Guidance Note 5

Funding a Community Right to Build Order

November 2012



The Community Right to Build aims to give communities direct control over the delivery of small scale, site specific local developments, but the resources available may not match the responsibility at present. Assistance with the preparation of Community Right to Build Orders is available however, and this guidance note provides some background on the funding streams currently in operation across England.

Funding your Community Right to Build Order

The question of whether Herefordshire Council will fund the community rights agenda, which includes the Community Right to Build (CRtB), recurs during meetings between the Neighbourhood Planning team and parish councils.

Whilst there is no direct financial support available from Herefordshire Council, the Localism Act (2011) established a new duty on local planning authorities to support communities doing Neighbourhood Planning and so those parish councils or community groups who wish to prepare CRtB Orders can expect to receive professional advice from a dedicated team of planners from the inception of the Order through to completion.

What are the costs of CRtB likely to be?

Inevitably, this will depend on the type of order being prepared. For example, some will seek to deliver low density sheltered housing for older people, whilst others will look to deliver new community facilities. The costs of preparing an Order will vary accordingly depending on the Neighbourhood Area itself and the complexity and scope of the development proposals.

What will Herefordshire Council pay for?

The ways within which a local planning authority fulfils its duty to support their communities to take advantage of the CRtB is matter for them to decide, though it is worth mentioning that Herefordshire Council is one of only three local planning authorities in England to have created a dedicated team to support Neighbourhood Planning at the time of writing.

In general, Herefordshire Council will have a role in ensuring development proposals meet the minimum criteria set out in the relevant regulations, supporting the independent inspection and running the referendum. We will also be able to provide support and guidance whilst you develop your Community Right to Build proposal.

A full schedule of what parish councils are

entitled to receive is set within our Service Level Agreement, which can be downloaded from the CRtB web pages.

CRtB Seed Corn Funding

As part of its commitment to helping communities deliver the development proposals they have in mind, the Government has made funding available, known as seed corn funding, to enable them to bring forward such proposals. The requirements and process for applying for that fund are set out below.

How much funding is available?

There is a pot of £17.5 million available over the next three years (2012-2015) for communities in England. Therefore it is important to get your application in before October 2014, as the Government does not anticipate that new applications will be received thereafter.

What is the funding for?

The aim of this funding is to incentivise communities to take up the CRtB and to contribute to the costs that community organisations and parish council will incur whilst preparing their submissions for CRtB Orders.

This funding will not however, fund the costs of building, land acquisition or any other costs of the development itself once the Order comes into force. However, separate programmes and schemes may be available for such costs. Advice in respect of these may be obtained from Locality

Contact details for Locality:

Tel: 0845 458 8336

Email neighbourhoodplanning@locality.org.uk

Website: www.locality.org.uk/neighbourhoodplanning

Who is running the funding programme?

The funding is being administered via the Homes and Communities Agency and overseen by the Department for Communities and Local Government (CLG). The former is the national housing and regeneration agency for England outside Greater London and further information on the Agency and the seed corn funding in particular is available on the Homes and

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Communities website:
(www.homesandcommunities.co.uk)

Who's eligible?

Anybody can apply provided that the application is on behalf of an organisation that is either a community based group or parish council. The location of this group does not matter, but before receiving any payment the group must satisfy the Homes and Communities Agency that they are an appropriate body corporate and they meet the requirements set out in the Localism Act (2011) and associate regulations. For more details please consult Guidance Note 2: Getting Started on your CRtB, Guidance Note 3: Procedures for a CRtB and Guidance Note 4: Setting Up a community group for a CRtB.

What sort of development is eligible for funding?

Most types of development can be covered by seed corn funding, however any scheme which falls within annex 1 or annex 2 of the Environmental Impact Assessment Directive (Environmental Impact Assessment: an assessment of the possible positive or negative impact a project may have on the environment, covering environmental, social or economic aspects), or is likely to have an adverse effect on the environment or on a European Site (European Sites: habitats which are protected for their importance to nature conservation) would not be eligible for inclusion in the Order. Further information about these requirements can be found in Guidance Note 6: Environmental Impact Assessments or in CLG's Environmental Impact Assessment Guide, which can be obtained via the following link:

<http://www.communities.gov.uk/publications/planningandbuilding/environmentalimpactassessment>

The funding is not restricted to housing development and can also be used to develop a variety of schemes, including those which will provide shops, businesses or facilities such as a village hall or community centre.

How do community organisations and parish councils apply for funding?

As mentioned previously there is a fixed budget of £17.5 million. Applications are invited now and the programme will remain open to receive new

applications until funding is committed or until the end of March 2015, whichever comes first. It is important to note that this is not a one-off bidding opportunity and so unsuccessful applications can be resubmitted.

N.B. It is unlikely that new applications will be received after October 2014.

Community groups and parish councils are advised to contact Locality in the first instance to discuss their application for funding. The lead contact for the Midlands region is Jane Tricker who can be contacted via email Jane.Tricker@hca.gsi.gov.uk. You may also send any questions to crtb@hca.gsi.gov.uk and an application pack is available from the Agency's website.

Sources of direct funding

It is conceivable that developers, landowners and local businesses may all be interested in sponsoring community groups and Parish Councils who are interested in CRtB and it would be worth exploring this possibility further.

But perhaps the best place to look for direct financial support is Awards for All, the small grants programme designed to help communities. All parish councils are eligible to apply to Awards for All provided their project does not exceed the value of £10,000. The project must also meet one of the following four outcomes:

- **People have better chances in life** – with better access to training and development to improve their life skills
- **Stronger communities** – with more active citizens working together to tackle their problems
- **Improved rural and urban environments** – which communities are better able to access and enjoy
- **Healthier and more active communities**

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The majority of development proposals would meet these criteria, so there is no reason why you should not apply to this fund, which is available throughout the year – even if this funding would not cover the costs of building the scheme or acquiring the land to which your CRtB Order relates, it should help with the costs of such tasks as drawing up proposals and consulting with the community.

The current success rate for accessing this fund in the West Midlands region is 57% and it has already assisted with community planning projects in Herefordshire - the Leominster Town Plan was partly funded by Awards for All.

There is other potential funding for the CRtB available and for information and advice on any of these, including Awards for All, as well as help with completing applications please contact Dave Tristram our Project Development Officer on 01432 260636 or 343932 (email: dtristram@herefordshire.gov.uk).

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Community Right to Build guidance notes available:

1. Producing a Community Right to Build Order
2. Getting started on your Community Right to Build Order
3. A guide to procedures - Community Right to Build Order
4. Setting up a community group
5. Funding a Community Right to Build Order
6. Environmental Impact Assessment
7. Glossary of terms

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