

Neighbourhood Planning Guidance Note 5

Funding

April 2013 - Revised April 2015



Neighbourhood Planning gives communities both the opportunity and responsibility to decide their own futures, but the extent to which they are able to capitalise on this will depend on the financial resources at their disposal. This guidance note provides some background on the funding streams currently in operation across England and highlights the non-financial assistance available to help you prepare your Neighbourhood Development Plan in the most efficient and cost effective way.

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Funding your Neighbourhood Development Plan

Setting a budget will be an important element of the project planning for your Neighbourhood Development Plan and discovering what financial assistance and resources are available will help you set and manage this budget.

Although no direct financial support is currently available from Herefordshire Council, the Neighbourhood Planning team has been established to provide support to communities undertaking Neighbourhood Planning. Parish Councils can therefore expect to receive professional advice from a dedicated team of planners from the inception of their plans through to completion. This should reduce the need to seek external professional advice from planning consultants thus reducing costs.

What are the costs of a Neighbourhood Development Plan likely to be?

It is very difficult to generalise on the cost of producing a Neighbourhood Development Plan, as much will depend on the aspirations of individual parish councils, the level of consultation undertaken, evidence gathering and the scope and complexity of the proposed plan.

The capacity of the steering group to undertake the work themselves will have an impact on the overall costs. Inevitably, this will depend on the type of plan or order being prepared. Some will focus on specific issues, for instance density issues or housing for older people or rural diversification. Others are akin to mini-local plans and will cover all but the most complex issues.

What will the Council pay for?

Herefordshire Council is one of a minority of planning authorities in England to have created a dedicated team to support Neighbourhood Planning.

Neighbourhood Planning is a collaborative activity and the Council is a partner and can provide some of the support you need to prepare a Neighbourhood Development Plan.

In general, the Council will provide technical advice and support on a range of matters, and

will organise the key stages of the plan process. For example, the Council will arrange and pay for the independent examination of your plan and the referendum at the end of the process.

The Council has prepared a Service Level Agreement to outline the level of guidance, support and advice to each parish undertaking a Neighbourhood Development Plan can expect to receive. Once a Neighbourhood Area has been designated Parish Councils will be given the opportunity to sign their SLA and begin working with their dedicated officer. The SLA can be downloaded via this [link](#).

Can we obtain funds from Central Government?

Following the success of the Supporting Communities in Neighbourhood Planning programme - the £9.5 million fund that assisted neighbourhood planning groups between May 2013 and August 2014 - Government has announced that there will be a new round of financial support. This new programme worth £22.5 million opened on Friday 27 February 2015 and runs for three years till March 2018.

Parish councils who are preparing a Neighbourhood Development Plan or Neighbourhood Development Order are eligible to apply for a grant of up to £8,000 from this programme, irrespective of whether they have had support in the past. Groups in 'priority areas' are able to apply for a further £6,000 and technical support packages. Funds will be paid from 1 April 2015

Expression of Interest

Priority areas will typically be those with Neighbourhood Forums, situated in deprived locations, high growth areas and Neighbourhood Areas comprising 3 or more parishes or with a population of over 25,000. Locality invites Expressions of Interest from groups who feel that they fall within scope of a priority area.

How much grant funding can we apply for?

Applications for grant must be between £1,000 and £8,000. Locality, the body with overall responsibility for the programme, advises that applications with amounts outside these parameters will be rejected.

Funding

While funds will be allocated on a first come, first served basis, quality is supreme and so it is important to avoid making rushed applications; your application must demonstrate that it meets the fund criteria and your support officer will be able to provide advice and help in respect of this issue.

How many times can we apply for a grant?

Whilst up to 4 applications may be submitted per group, multiple applications are generally not encouraged. In any event, you must have spent, or have plans in place to spend your grant before you can apply for the next one.

What about timescales?

It is Government's intention that funds will be spent within 6 months of being awarded or before the end of the financial year in which they were given, whichever comes sooner. For example, if you were to apply for a grant in November 2015, you can only apply for funding to take you up to March 2016.

Any funding applications that are made outside of these dates will automatically be rejected and if a grant is not spent within 6 months of being awarded, the neighbourhood planning group concerned will have to wait until the beginning of the next financial year before making a fresh application, assuming of course they have not reached the £8,000 ceiling, in which case further applications would not be permissible.

For the avoidance of doubt, grants cannot be backdated i.e used to fund activity that happened in the past, or prior to the grant being awarded.

We have a Government grant. What can we spend it on?

The funds are managed by Groundwork UK and once you have accepted the terms of the grant and completed the necessary documentation, they will release the amount awarded within 10 working days.

Further details on exactly what the money can be spent on are included in the guide for applicants but generally include costs associated with developing your plan or order. Therefore it is

envisaged that the grant money would be spent on such items as training sessions for members of the steering group, gathering evidence, undertaking surveys, printing consultation material etc.

On completion of the planned activity you will need to provide a report about what progress you have made as a result of the funding and submit this along with invoices and receipts for any items of £1,000 or more. Any unspent funds will need to be returned.

The money cannot be spent on:

- Funding salaried posts or compensating for loss of earnings;
- Paying for volunteer time, however reimbursement of reasonable out of pocket expenses is eligible;
- Reimbursing expenditure which has already been incurred;
- Lasting assets such as computers, cameras and projectors etc;
- Any other item which is not directly associated with developing the Neighbourhood Development Plan or Neighbourhood Development Order.
- General contingency for unknown costs or cost overruns.
- Any administration costs.

Are there any alternative sources of funding?

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

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:

Funding

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

The majority of Neighbourhoods Development Plans in Herefordshire would create stronger communities and improved rural environments, so there is no reason why you should not apply to this fund, which is available throughout the year.

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 could be other potential funding for Neighbourhood Development Plans available and for information and advice on any of these, including Awards for All, as well as help with completing applications please contact TalkCommunityEnquiries@herefordshire.gov.uk.

How can we keep up to date with any funding which becomes available?

Your Neighbourhood Planning team support officer will advise you if any additional sources of funding become available.

Up to date information will also be placed on the Neighbourhood Planning web pages, and communicated through the Neighbourhood Planning Newsletter.

Funding

Neighbourhood Planning guidance notes available:

Deciding to produce a Neighbourhood Development Plan

1. Which is the right tool for your parish
2. What is a Neighbourhood Development Plan
3. Getting started
4. A guide to procedures
5. Funding

Plan Production

6. Developing a Vision and Objectives
7. Generating options
8. Writing planning policies
9. Environmental Assessment
10. Evidence base and information requirements
11. Implementation and Monitoring
12. Best practice community engagement techniques
13. Statutory consultees
14. Writing a consultation statement
15. Planning and other legislation
16. Web enabling your plan
17. Using OS based mapping
18. Glossary of planning terms

Topics

19. Sustainable Water Management in Herefordshire
20. Guide to settlement boundaries
21. Guide to site assessment and choosing allocation sites
22. Meeting your housing requirements
23. Conservation issues
24. Recreational areas
25. Renewable energy
26. Transport issues
27. Community Infrastructure Levy

Additional Guidance

28. Setting up a steering group
29. Creating a questionnaire
30. Community facilities
31. Conformity with the Local Plan (Core Strategy)
32. Examinations of Neighbourhood Development Plans
33. Guide to Neighbourhood Development Plan Referendums
34. Tourism
35. Basic Conditions
36. Your plan - Contributing to sustainable development