

# **BROMSGROVE DISTRICT COUNCIL**

## **New Homes Bonus Community Grants Scheme 2016/17 Explanatory Notes**



**Bromsgrove**  
District Council  
[www.bromsgrove.gov.uk](http://www.bromsgrove.gov.uk)

## **CONTENTS**

1. Introduction – where does the NHB fund come from?
2. Who can apply for a grant?
3. What are the criteria for awarding a grant?
4. The Council's Strategic Purposes.
5. Who determines grant applications?
6. How grants are paid and any conditions attached to them.
7. What happens if a bid isn't successful?
8. The Grant Application Process Timetable.
9. Contacts and where to find more information.
10. Supporting Documentation

## **1. Introduction - Where does the New Home Bonus come from?**

The New Homes Bonus is paid annually by the government as an incentive to communities and councils to welcome new housing. At present, for a period of six years following the year the house was built, the council receives a grant that is payable on those new homes plus any homes that were empty and have been brought into use. As part of the announcement on the Financial Settlement 2016/17-2019/20, the Government has confirmed that there will be changes to the New Homes Bonus Scheme which will reduce the available funding for future years. There is a commitment to retain the funding for 2016/17 as originally anticipated but a number of changes are included in a consultation document that is to be responded to by mid-March 2016. This includes reducing the scheme payments from 6 to 4 years, withdrawing homes that are built following an appeal and setting a baseline for growth that Councils will have to exceed before funding is granted. All of the changes will have a significant impact on Bromsgrove Council and therefore any scheme for allocation will have to be closely monitored to address the impact of change in funding streams.

At present, the New Homes Bonus is announced alongside our annual financial settlement. In two tier areas, like Worcestershire, the bonus is shared between the District Council and the county council (80% / 20%). The District Council therefore receives 80% of the total New Homes Bonus. This may also change as part of the final scheme following consultation.

At present, the grant is not ring fenced and therefore the Council is free to decide how to use the grant. There has been encouragement from Central Government for the funding to be utilised within communities however this does not form any legislative requirement.

For the financial year 2016/17 the Council has once again decided to make part of the New Homes Bonus available for a New Homes Bonus Community Grants Scheme.

Bromsgrove District Council has agreed that the allocation available for the scheme is to be £101,000 (25% to be based on the District Council grant which will be received in 2016/17 which is attributed solely to the increase in funding from that received in 2015/16). No allocation will be made from the New Homes Bonus that is being paid for previous years. However, £23,840 remains unallocated from the 2015/16 scheme and as agreed, will be added to the 2016/17 allocation, giving a total of £124,840.

Funding this year has been allocated to each Ward (see appendix A) and that allocation has been calculated as follows:

£124,840 divided by the total number of new houses completed in 2014/15, 228 giving a figure of £547.54 (rounded up to £548) per house. The number of new

houses completed in each Ward was then multiplied by that figure to give an allocation per Ward. The 2014/15 completed houses has been used as the basis due to the fact that this is the most recent full year of information. It is appreciated that this does not take into account properties that were empty and have been brought back into use or show a reduction for properties that are now empty.

This Scheme will run for 12 months and be reviewed as part of the budget process for the financial year 2017/18.

## **2. Who Can Apply for a Grant?**

The funding is available for communities that have been affected by growth. These are detailed in Appendix 1 to these guidance notes together with the amount allocated to each Ward.

The New Homes Bonus Community Grants Scheme is intended for not-for-profit groups, such as voluntary organisations, residents' groups, community groups and associations including Parish Councils within those areas affected. Organisations outside the District may also apply where they are delivering projects/activities that benefit the District.

Grants will not be paid to individuals.

You will need to provide full details of your organisation when completing the application form. This form will also need to be signed by your local Ward Councillor to show that you have his/her support for your project.

## **3. What are the Criteria for Awarding a Grant?**

Projects should be substantial and sustainable and provide a legacy for the areas in which they are located whilst also being in line with the Council's strategic purposes (detailed at section 4 of these explanatory notes). The key element of these criteria is ensuring that funded projects complement the Council's long term strategic priorities.

Each organisation may bid for the maximum allocation for its particular Ward (as per Appendix A). Applications in excess of £3.5k will need to provide a more detailed application and will need to provide supporting documentation including a business plan. Councillors will not usually consider more than one application from the same organisation within the 12 month period unless they are clearly for separate projects.

Priority will be given to applications according to the following criteria:

- Meet at least one of the Council's strategic purposes (see section 4 for full details.)
- The impact of growth on the relevant area
- Proposals demonstrate the basis of need or demand as well as the benefits
- Projects must be sustainable.
- All applicants agree to acknowledge the Council as a funder of the project.
- All funded projects keep full records of their activities and how the grant has been spent
- Proposals should outline how they will address the impact (actual and anticipated) of growth.
- The names of other organisations that have been approached for funding.
- The total cost and timescales of the project.
- The communities that will be served by the project.
- Support from the Ward Councillor

#### **4. Bromsgrove District Council's Strategic Purposes**

**Our Strategic Purposes for Bromsgrove**

*Help me to live my life independently*

*Help me to be financially independent*

*Keep my place safe & looking good*

*Help me find somewhere to live in my locality*

*Help me run a successful business*

*Provide good things for me to see, do & visit*

**Support services enable us to deliver our purposes**

**Bromsgrove District Council**  
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For more information view the Council Plan at:  
<http://www.bromsgrove.gov.uk/cms/council-and-democracy/council-plan.aspx>

## **5. Who Determines Grant Applications?**

Officers of the Council will assess applications to ensure they satisfy the criteria for eligibility, whether any further information is required and whether costs are realistic relative to the proposals and the funds available.

Applications which are clearly ineligible or inappropriate may be rejected with the agreement of the Chairman of the New Homes Bonus Community Grants Panel. Otherwise officers will prepare a report for the Panel, summarising each bid and making a recommendation.

The New Homes Bonus Community Grants Panel, comprising of Councillors (the Portfolio Holder for Finance and Resources together with a representative from each political group) will meet in July. They are supported by officers and the meeting will be held in public.

Applicants will be invited to attend the meeting and be given the opportunity to make a short presentation to the Members.

The New Homes Bonus Community Grants Panel will then make a recommendation to the Council's Cabinet. Any interested party can make representations in writing, which will be reported to Cabinet. The Cabinet meetings are also open to the general public.

A full timetable is detailed at section 7 of these explanatory notes and sets out the exact dates of when the invitation for applicants will be opened and the closing date for applications, together with details of when the New Homes Bonus Community Grants Panel recommendations will be considered by Cabinet. Following approval of those recommendations the successful applicants will be contacted and provided with details of when the monies from successful bids will be paid.

## **6. How Grants are Paid and any Conditions attached to them.**

A funding agreement will be signed and will include standard conditions, for example:

- Timescales for the project and a schedule of funding payments
- That the contribution made by the NHB Grants Scheme must be clearly identified to the local community.

Other conditions of funding may be included, depending on the nature of each project. All projects must be completed by the end of the financial year 2016/17 unless otherwise agreed by the New Homes Bonus Community Grants Panel.

If part-funding is agreed proof must be given as to where the other money is coming from.

A payment schedule will be agreed as part of the Funding Agreement for each successful application. Dependent upon the amount of the grant this could be phased to meet the forecast spend of the project or a one off payment for a small project.

Monitoring requirements will be dependent on the size and scale of the project and will be agreed for each individual project as part of the conditions of the funding. Any phased payments would be released subject to satisfactory monitoring/progress.

If the proposed project fails any funding already paid and not utilised must be returned, it cannot be transferred to another project.

## **7. What Happens if a Bid is not successful?**

If a bid is not successful you will be advised and given the reasons. In exceptional circumstances the Panel may request some more information and offer to reconsider the bid at a future meeting.

There is no appeals process, however if you are refused a grant you can still apply for future/alternative projects providing they meet the Council's criteria.

## **8. The Grant Application Process Timetable**

<b>Date Applications Open</b>	<b>Date Applications Close</b>
9.00 a.m. Monday 4th April 2016	5.00 p.m. Friday 27th May 2016

<b>Date of New Homes Bonus Grants Panel Meeting</b>	<b>Date of Cabinet Meeting</b>
4.00 p.m. on Wednesday 13th July and (if required) 4.00 p.m. on Thursday 14th July 2016	6.00 p.m. Wednesday 7th September 2016.

## **9. Contacts and Where to find more information**

### New Homes Bonus Community Grants Panel Members

Councillor Representative from each political group  
Portfolio Holder for Finance and Resources

### Supporting Officers

Jayne Pickering – Executive Director, Finance and Resources  
Amanda Scarce – Democratic Services Officer

## **10. Documentation**

Application Form - Small grants up to £3.5k  
Application Form - Large grants over £3.5k and no more than £35k  
FAQs  
Timeline