**Community Led Housing Fund guidance notes**

**Please read these notes before completing your application.**

**Section 1: The grant funds available and who can apply**

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## 1.1 Purpose of the funds

The Community Housing Fund (CHF) is a new five year programme to promote community led housing development with annual national funding of £60 million. The initial round of funding has been allocated to 148 councils to tackle the problem of levels of second homeownership and housing affordability in their communities.

**1.2 How much money is available?**

The council is in receipt of Community Housing Fund (CHF) grant of £605,964. Already allocated from this has been £18,179 for the setting up of a central North Yorkshire and East Riding Hub to provide advice and resources to community groups. This leaves £587,785 currently available for local communities to access to deliver affordable housing in the District.

## 1.3 Who can apply

Any community group involved in the development of a community led housing scheme. This could be an existing charitable trust or development trust or similar body. Where a new community group is to be established to develop a scheme, then funding will be provided to help establish the group. Funding can also be provided through a community group to a Registered Provider involved in the development of a community led scheme.

A community group will need to be a legal entity and non-profit distributing and have stated community benefit objectives; with any surpluses reinvested to further its social aims/community benefits. All benefits to the local community must be legally protected in perpetuity. Funding will not be allocated to groups which do not meet those basic principles.

**1.4. How to apply**

All applications must be typed and ideally submitted electronically to egrogan@cravendc.gov.uk

If this causes an issue please contact us to arrange an alternative method.

**If you have not had confirmation of receipt of your application within 14 working days please contact us to check that it has been received.**

**Section 2: Criteria for allocation**

Applications will be assessed against the below criteria

**2.1 Basic principles**

Allocations from the fund must be towards a scheme that fulfils the following basic principles:

The community must be integrally involved throughout the process in key decisions (what, where, for who).

The group must be able to demonstrate community support for the proposals.

There will be a presumption in funding schemes were the community takes a long term formal role in ownership, management or stewardship of the homes.

The schemes benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity.

**2.2 What can be funded?**

There are a number of ways in which the Community Housing Fund can be used by community groups to deliver affordable housing. Options may include (but are not limited to) those listed below.

1. Abnormal costs e.g. contamination, site clearance etc.
2. Architect/Architectural Technician/CAD Technician
3. Build Costs
4. Community capacity building
5. IMS operative (for processing HCA grant claims, including for audit purposes)
6. Infrastructure
7. Insurance
8. Legal expertise (governance arrangements/conveyancing )
9. Marketing /Estate Agents fees
10. Needs Surveys
11. Planning fees
12. Publicity
13. Site acquisition
14. Site assembly
15. Site identification
16. Training requirements
17. Valuation Surveyor
18. Feasibility and viability work

Where available, support/expertise should be sought from the central resource (the Hub) in the first instance; i.e. for capacity building and development expertise.

# 2.3. What can’t be funded

The fund cannot be used for the following:

Any group or scheme which does not meet the basic principles set out above.

Funding for a development that has already commenced or retrospective costs expect for exceptional circumstances.

**Section 3: The application process**

## 3.1. Process for applications

1. Most of the information required to assess an application will be obtained by completing the application form and attaching the supporting materials.
2. The Council will then undertake a feasibility study with the community group to assess the potential for a community led housing scheme. This will include an assessment of the likely availability of land and where available, its suitability for housing. Determination of development funding for schemes will be subject to a more detailed appraisal process, which will include, but not limited to, the following:

Deliverability

Value for money

Eligibility

Allocations Policy

How the scheme will be managed and maintained

Robustness of the business model and financial viability

Other sources of funding and finance

Equality issues

Best value and procurement issues

1. Assessment of the application by the Environmental Services and Housing Manager in consultation with the Affordable Housing Development Officer and the Rural Housing Enabler.
2. Following this a grant agreement will be entered into detailing monitoring arrangements and outcomes.
3. Report made to Cabinet Member with a recommendation to approve/refuse.
4. Grant approved/refused.

**Section 4: Payment of Grant and Terms and Conditions**

## 4.1. Payment of grants

Payments for marketing and promotion of CHF by the council or community, the costs of setting up community groups and feasibility (i.e. pre-application) work will normally be paid on receipt of a grant claim form and invoices for work carried out. However, it is recognised that some community groups may not yet be fully constituted or have very limited cash resources. As a result, the funding will be held by the council and spent on set-up costs until such time that the organisation is constituted and/or has appropriate cash reserves. At least 10% of these costs should normally be accessed from an alternative source to CHF.

In respect of capital grant/loan payments for a scheme, unless otherwise agreed with the Cabinet Member, in consultation with the Environmental Services and Housing Manager:

50% to be paid on start on site of the scheme

50% to be paid on scheme completion

It is expected that grant/loan funding will not exceed 50% of the total scheme cost, (unless otherwise agreed).

Where the grant funding is being used to support a one-off specific cost such as site acquisition, site clearance or providing gap funding, then payment will normally be made to the applicant once that cost has been met by the applicant and upon receipt of evidence of payment of the cost by the applicant. For community groups that have limited cash resources payment payment could be made direct on production of an invoice.

Funding of cost overruns will only be considered in exceptional circumstances where costs are deemed unavoidable and unforeseeable and where all other sources of potential funding will have been exhausted. There can be no guarantee that the CFH will fund cost overruns. If it does, it will normally only be as a contribution and will not exceed 50% of the total scheme costs.

Wherever possible Craven District Council makes payments by BACS transfer.

## 4.2. Grant Agreement

Grant recipients will be required to enter into a grant agreement with the council to ensure that the CHF is spent in accordance with the approved bid which will stipulate a number of requirements including:

Monitoring Arrangements: We will require grant recipients to provide regular monitoring information as per the grant agreement.

Use of Grant and details of works required: The grant agreement will set clear what the grant can be used for and details of the works required.

Withholding, suspending and repayment of grant: The grant agreement will also set out the circumstances in which grant may be withheld, suspended or repaid. This will include disposal of the properties within a certain timescale, use of grant for purposes other for which the grant has been awarded etc.

## 4.3. Data protection

All personal information supplied on the application form will be processed by Craven District Council in accordance with the Data Protection Act 1998. We will not sell or disclose your personal information to other organisations or individuals outside the Council without your consent. You must complete the Data Protection section on the application form.

## 4.4 Freedom of Information

The Freedom of Information Act 2000 gives members of the public the right to request any information that we hold. This includes information received from third parties including grant applications and grant holders. If information is requested under the Freedom of Information Act we will release it, subject to exemptions. If you think that the information you are providing may be exempt from release you should let us know when you apply.

**Section 5: Key contacts and further information**

**5.1. Contact and submission information**

For enquires about applications please contact Emily Grogan Rural Housing Enabler on 01756 706286 or by email at egrogan@cravendc.gov.u