

## Appendix 2

### NEW HOMES BONUS (PARISH ALLOCATIONS) POLICY

#### 1 Why does Chichester District Council disperse New Homes Bonus monies?

- 1.1 New Homes Bonus (NHB) is a source of local government funding from Government that is paid in expectation that it rewards communities that have taken Housing growth. The Government has also stated that Councils should consult their communities on how it is used.
- 1.2 In December 2013, Chichester District Council approved amendments to the New Homes Bonus (Parish Allocations) Policy that, subject to application, passes New Homes Bonus monies to Parish Councils for locally identified projects. This is in addition to the existing Grants and Concessions available to a wider range of businesses, groups and organisations.
- 1.3 The amount of money to be made available in any financial year will be confirmed by Cabinet in advance, and will be subject to receipt of New Homes Bonus from Government.
- 1.4 Chichester District Council has made a clear commitment to work closely with Parish Councils. They are well placed to advocate the needs and aspirations of their respective communities and have the probity and transparency necessary for project delivery.
- 1.5 The intention of this policy is to define what Chichester District Council seeks to achieve by dispersing these funds to communities, and the means of doing so in a fair and transparent manner.

#### 2 What are the Aims and Objectives of funding Parish led projects through NHB?

- To improve quality of life for the community, and stimulate cohesive and vibrant communities
- To allocate monies and reward communities where significant development has occurred
- To facilitate infrastructure where there are deficits within a community or area
- To enhance local facilities available to new and existing residents
- To encourage communities to identify their needs and work collaboratively to address them

#### 3 Who is this Policy for?

This New Homes Bonus (Parish Allocations) Policy will continue to be the reference point for future decision making, and is therefore of relevance to:

- Council Members and Officers in determining how decisions are made
- Parish Councils applying for funds
- Local residents, to see how government funding / public monies are invested back into their communities
- Local partners and other funding bodies, to outline our intentions and achieve mutual clarity

## **4 Background**

- 4.1 In 2013, Council allocated approximately £450,000 of NHB monies to Parishes. An experimental process was developed, with significant flexibility in what money could be used for when compared with the Council's existing discretionary grants. The onus was on Parishes to identify local projects and consult to determine local support for them. The existing Grants and Concessions Panel were recognised as having practical experience in considering requests for funding from community based initiatives and were tasked with formally considering NHB requests at a special meeting in October 2013.
- 4.2 The trial was successful in bringing forward project proposals and allocating funds. It was then used as the basis for the New Homes Bonus (Parish Allocations) Policy approved in 2014, which saw allocations of approximately £280,000 in 2014 and £270,000 in 2015.
- 4.3 A review undertaken by a Task and Finish Group of the Grants and Concessions Panel was initiated in 2015, to consider the potential long term role of New Homes Bonus (Parish Allocations) in the face of increasing uncertainty of receipt from Government. In light of this and the level of approved projects in the preceding years, it was recommended to reduce the annual allocation to £250,000 (subject to the annual budget approval by Cabinet).

## **5 How decisions will be made**

- 5.1 The decisions of Chichester District Council are made by the Cabinet, who meet regularly to make decisions relating to all areas of the Council's work. To provide sufficient scope for full consideration of the requests for allocation of NHB, the Grants and Concessions Panel have been authorised to take on that additional task (See Section 10 Delegation List)
- 5.2 The Council have approved this Policy. Specifically, they have approved the additions to the Terms of Reference of the Grants and Concessions Panel which effectively sets the parameters in which they work.
- 5.3 The Grants and Concessions Panel will hold a special meeting annually to consider requests for NHB funding. While NHB monies are not grants but the dispersal of monies linked to new homes, it is recognised that the Panel have valuable knowledge and experience which could be pertinent to determining the viability of projects.
- 5.4 Well in advance of the annual meeting of the Grants and Concessions Panel that considers bids, parishes will be contacted and invited to identify projects for consideration, and a closing date will be set. The specifics of the information required to support projects will be confirmed by Grants and Concessions Panel, along with appropriate guidance (see section 8 below).

- 5.5 To facilitate informed discussion of NHB proposals, officers will be tasked ahead of the annual meeting to review applications against policy and guidance and summarise key points in a report for Grants and Concession Panel consideration.
- 5.6 Transparent decision making requires reference and adherence to a significant amount of detail, which could make this Policy very lengthy and complicated. To avoid the bureaucracy of revising the Policy each time, the detail of application and decision processes is contained within separate guidance documents provided to Parish Councils annually. Changes to these guidance notes will be considered and approved by the Grants and Concessions Panel (See section 9 Delegation list)

## **6 How decisions will be notified**

- 6.1 Parish Councils will be notified of the Panel's decision, including any caveats to funding, in writing. The amount of NHB to be given to a parish and a description of the project/s will be publically available information.
- 6.2 Information provided by Parishes in support of bids, including all financial information will remain confidential at all times both before and after the decision. Accordingly, the special Panel meeting is not open to the public.
- 6.3 If a project is to be funded (in whole or in part) with NHB funds then the Parish Council will be issued with a funding agreement committing them to the delivery of the project, and outlining their responsibilities or those they delegate to the partners they chose to work with. Non-compliance with the agreement could affect the outcome of bids in subsequent years.

## **7 Financial support available**

- 7.1 Cabinet have agreed an allocation of £250,000 for the financial year 2016-17. The programme remains subject to receipt from Government, so will be confirmed annually by Cabinet and reported in its minutes. Any changes will be specifically highlighted in the annual call for projects from Parishes.
- 7.2 Given the fundamental link between NHB and new homes built, the allocation of funds to parish projects will be informed by the data the Council holds on new occupations (the point at which someone moves into a newly built home). To allow for peaks and troughs, occupations for the preceding three years will be identified and the £250,000 (or annual allocation if revised) will be split in proportion to the number of occupations per parish.
- 7.3 In this indicative allocation, Parishes who have seen less than 5 new homes built in the past three years will not be eligible for New Homes Bonus, but will still be eligible to apply to the Councils discretionary grant programme. The City of Chichester has a capped indicative allocation of £100,000.
- 7.4 This figure does not form an allocation to the parish. It should be considered by the Parish as an indication of the likely funds available and guide their consultation with residents in the identification of projects. The Panel will use the figures in their consideration of projects but could agree to reasonable variation if a good case is made.

7.5 While it is hoped that the process will ensure full dispersal of the allocation each year, if a significant underspend is left after bids considered, the Panel could consider a further round within the financial year, or roll forward monies to extend the programme in future years.

## 8 Governance

8.1 The Grants and Concessions Panel is further directed by Cabinet to:

- Make decisions in accordance with the direction set by Cabinet, and the New Homes Bonus Policy.
- [Review and update the application process, documentation and supporting guidance.](#)
- Meet at least once a year to consider applications from Parish Councils.
- Detail a process for Parishes to follow to identify projects for consideration with any supporting guidance necessary to assist.
- Highlight exemplar projects that typify the anticipated use of NHB funds

## 9 Delegation summary

9.1 Council will annually approve the budget available for NHB allocations, any changes to Policy in order to achieve the Councils preferred use of these monies, and any adjustments to delegations to achieve efficiency and transparency.

9.2 The Cabinet Member for [Community Services](#) (as chair of the Grants and Concessions Panel, and in consultation with that Panel) is delegated to approve, subject to the terms of the New Homes Bonus (Parish Allocations) Policy and associated criteria:

- Awards of up to £25,000 for any single project or where the total value of multiple projects from the same Parish does not exceed £25,000.
- Agreement of the detail of application process, documentation and supporting guidance.
- Subsequent variation to application process, documentation and supporting guidance to ensure the continued effectiveness of the process and consistency with the New Homes Bonus Policy.

9.3 For the avoidance of doubt, where a request exceeds the delegation, a recommendation will be made to Cabinet. Where the Cabinet Member for [Community Services](#) has a prejudicial interest, then the Cabinet Member for [Finance](#) is delegated to approve all items as identified above.

## Appendix 1 – Guidance Documents

- 1 Eligibility/criteria
- 2 How to complete the application
- 3 How the Grants and Concessions Panel consider applications
- 4 Guidance for Ward Member involvement