

# Development Funding for Community Led Housing



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Dover Nov 19



**We believe the power of community will create a fairer society.**

**Locality is the national membership network supporting local community organisations to be strong and successful.**

## Our network has huge strength, reach and influence



More than  
**600**  
community  
members



**7,000**  
supporters have  
signed up to join  
our movement

Combined  
income of  
**£372**  
million



More than **150**  
associate members  
including local authorities,  
housing associations, private  
businesses, academic  
institutions and individuals

Combined  
earned  
income of  
**£261**  
million

The network  
owns  
**£779**  
million  
worth of assets



**Our network mobilises the talents and passions of thousands of local people, building community pride and self-determination**

Our network employs **10,900** staff

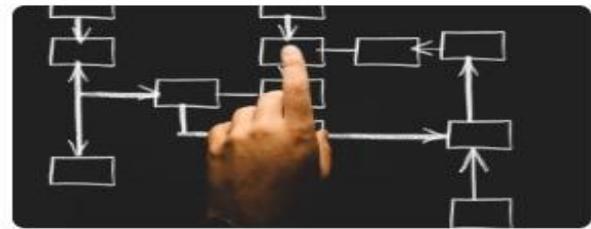
Our network has mobilised **33,500** volunteers who work

**340,000** hours a week – that's a total value of **£196m**  
per year

# How do we support strong and successful organisations?

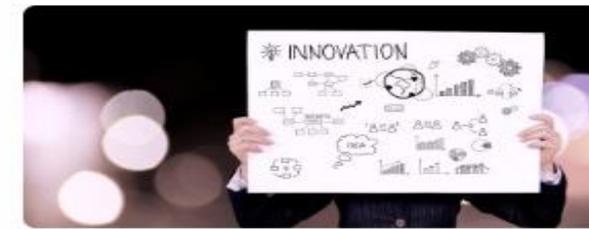
- Deliver hands-on support and advice to local community organisations
- Offer peer learning and connection through our national membership network
- Use evidence from our members to influence policy to create a better operating environment for members
- Provide tools & resources to inspire local people to get involved in their community





## Governance

Our local team provide support ranging from full governance reviews to tailored action plans for a specific area, with discounts for Locality members.



## Business planning

We can help you create a business plan to help you map your future and secure funding and investment, with discounts for Locality members.



## Financial resilience

Our local team can help you access new income streams to increase your financial resilience, with discounts for Locality members.



## Marketing and communications

We can help you get noticed so you can reach new people, bring in new income and demonstrate impact to funders, with discounts for Locality members.



## Collaboration

We can help you with partnerships, organisational mergers, networking and stakeholder engagement, with discounts for Locality members.



## Ownership and management of assets

We help communities own and manage land and buildings to create spaces where everyone belongs, with discounts for Locality members.



## Community engagement and impact

We can help you involve communities in your work, give local people a voice, and measure your impact.



## Community-led Housing

We can provide support to help you to progress your project and we offer discounts for Locality members.





# Community Led Homes



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# Community Led Homes Funds

- Start up support
- Becoming a registered provider or investment partner support
- Enabler Hub grant
- Power to Change: Homes in Community Hands

<https://www.communityledhomes.org.uk/make-it-happen/get-funding>

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**Community  
Led Homes**

# Start up support

- Up to £10,000 revenue funding
- Early stage voluntary and community organisations exploring community led housing.
- **Seed corn costs (up to £4,000)** - e.g. room hire, volunteer expenses, staff expenses, legal fees to incorporate the group, travel costs to see other community led housing projects, training course fees and the costs of hiring a professional to undertake site valuations and surveys.
- **Support costs (up to £6,000)** - This programme aims to support groups to progress their projects to become ready to apply for further pre-development revenue grants from other programmes.
- Deadline end Feb 2010. Funding must be awarded to groups by March 2020 and spent by groups within 12 months or by March 2021, whichever is sooner.
- What happens when there is a CLH enabling hub in the area?

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# Local Grants – Dover

## Level One – up to £3k – Set up costs and project initiation

- Setting up the organisation, getting advice on legal structures
- Attending training and workshops
- Holding community consultation events
- Producing publicity materials
- Understanding the potential cost of a project, exploring alternatives and sources of funding.

## Level Two – up to £10k – Project facilitation funding

- Costs involved in developing a project plan – business planning and financial appraisal
- Legal costs related to setting up the organisation
- Engaging consultants to advise on land acquisition, planning, design, etc
- Financial viability advice / assessments
- Consultation events
- Site investigation



**Community  
Led Homes**

# Becoming a Registered Provider/Investment Partner

- Grants of up to £10,000 - to help become a Registered Provider (RP) with the Regulator of Social Housing and/or an Investment Partner (IP) with Homes England.
- Must have Board/Committee agreement to become a Registered Provider and/or an Investment Partner
- A project that has reached the beginning of the detailed planning stage. Applicants will need to be working towards submitting their planning application in the next 12 months if a planning application is required. This is because the Regulator will expect groups to be submitting their application for planning consent alongside registration to become a Registered Provider.
- Specialist support from a community-led advisor, staff time, other related expenses and in the case of Registered Provider status, a £2,500 registration fee to the Regulator of Social Housing. These costs cannot be recovered from Homes England's Community Housing Fund revenue grants.
- The grant programme will be a rolling programme open for applications until **end February 2020**, or until all funding is committed, which-ever is sooner.

# Community Housing Fund

- Phase One
- Phase two
  - Capacity building, professional fees; feasibility; planning applications; incorporation; training and capacity building etc.
  - Only guaranteed until end March 2020
  - Capital grants deadline 31<sup>st</sup> Dec 2019
- Spending review Sept. MHCLG continued funding but no news on CHF.

# Shared Ownership and Affordable Housing Programme 2016-21

- Capital Grant for:
  - Help to buy: shared ownership
  - Rent to buy
  - Supported and older peoples rental accommodation
- Opening up the programme to new entrants/ extending the range of organisations involved in provision of affordable home ownership
- Shared spaces may be acceptable where appropriate to client need
- Need to be an Investment partner or in a consortium/ partner
- Registered provider? (low cost rental) – can be unregistered if transferring to a registered body for letting
- Firm or indicative bids
- Innovative construction methods (if advantages in cost/ speed)
- Minimum Geography – Dover

# Community Housing Fund: Enabler Hub funding

- Aims to expand the network of Enabler Hubs - regional organisations supporting community led housing groups to deliver projects
- Development grant (up to £50k) followed by full grant (total up to £150k)
- Full grant deadline 31 January 2020

# CAF Venturesome CLT Fund

- At least 50% of the homes being constructed are affordable
- meet the requirements of being a Community Land Trust:
  - asset lock to ensure homes remain affordable in perpetuity
  - open membership system
  - a clear objective of building affordable housing
- **Pre-planning finance:** Unsecured loans from £20,000 to over £60,000 (the final amount offered is dependent on the risk of the scheme and the number of affordable homes being constructed). This money can be used to pay for various things including survey costs, site investigations and planning fees.
- **Development financing:** Loan financing from £200,000 to over £400,000 to pay for the construction costs of affordable homes.
- **Costs you need to know about**
  - **Pre-planning finance:** A one-off legal fee of £750, Annual interest rate of 10% payable when capital is repaid. Loans may be written off if planning permission gets refused
  - **Development financing:** Typically, a 7.5% annual interest rate, A £750 legal fee and 1% commitment fee

[www.cafonline.org](http://www.cafonline.org)

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# Exercise/ discussion: Fundraising strategy & action plan

- Look at the various funds available.
- Discuss pros and cons of each – for your scheme and stage of development
- Put them in order of priority according to time (i.e. which first, second etc.
- What is missing (i.e what do you need funding for that is not covered?)

## Other various

- Big Lottery – awards for all
- Greggs Foundation Local Community Projects Fund – next round 1<sup>st</sup> Dec.
- Crowd funding
- Community Shares
- Banks - mortgages
- Section 106
- Community Investment Fund



power to  
**change**

business in  
community  
hands

## **Bright Ideas Fund**

- Tailored business development support, mentoring and visits
- Grant of up to £15,000 to fund development and start-up costs.

## **Community Business Fund**

- Aim to help inspiring, locally based and community-led businesses by awarding grants of between £50,000- £300,000.

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# Other

## Nationwide Community Grants

### Application window:

21 October 2019 - 22 November

For applicants in Southern England

Kent Community Foundation

grants of up to £50,000 to local housing projects that will strengthen local communities by supporting the most vulnerable by:

Preventing people from losing their home

Helping people in to a home

Supporting people to thrive within the home environment

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## Other cont.

### **Power to Change Homes in Community Hands**

- Funds will be largely focussed in Leeds City Region, Liverpool City Region, Tees Valley City Region, the West of England and the West Midlands. Funds will also be available to **genuinely innovative** community led housing projects anywhere in England

# Concepts & tips

- Double Funding
- Match funding
- State aid
- Enabling Hubs
- Community Business
- Cash Flow – in arrears/ in advance
- Funding search
- Funding advice

## When applying think about ....

- Are you eligible and meet criteria? - governance
- Is it clear why project needed with evidence - sources?
- Follow your mission not the funders
- Flip it - think like a funder

- Make it stand out - get them excited, provide a good pr story, up to date case studies, social media - presume they will google you
- Can you bring in support from other staff/trustees? - critical friend to look over and breakdown work
- Social media presence

- Ask for clarity if not sure and read the guidance - research which showed only 1 third actually do
- Answer the questions and anticipate ones such as around governance
- Allow enough time and resource - allow to blossom, others to check over

- Have you got a good robust and accessible business plan - clear on direction?
- Demonstrate good governance - is org credible, can you show this easily on 1 page?
- Include full cost recovery aspects where able

- Accurately cost the project - showing efficient procedures
- Understand common reject reasons - not applying to right programme, poorly planned, not clear what money to be spent on, don't demonstrate fit with criteria



- Treat like a job application - make memorable
- Ask for what you need not what you think the funder wants to give
- Use guidance support themes - e.g. BIG have documents on: Identifying need, information checks, aims and outcomes ....
- Try not to take rejection personally!!!
  - think about the ratios

# Exercise/ discussion

- Bidding exercise
- Look at the example grant application
- Think about what's wrong with it and how it could be improved

# Questions



# Unlock the power of your community with us

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