

Portfolio Holder Decision

Report Title: New Homes Bonus Recommendations to Award Round 1 (Knutsford)

Portfolio Holder: Cllr Paul Bates - Cabinet Member for Finance and Communication

Senior Officer: Linda Couchman - Acting Strategic Director of Adult Social Care and Health

1. Report Summary

- 1.1. On 12th June 2018 Cabinet agreed to implement the New Homes Bonus (NHB) Community fund. This report seeks approval of the New Homes Bonus Community Fund recommendations for 2019/20 which have been made in line with the Corporate Grants Policy and the NHB Community Fund Policy.
- 1.2. Each application has been evaluated and scored by multi-agency officer panel in accordance with the criteria set out in Annex 7 of the NHB Community Fund Policy.
- 1.3. The evaluation scores for all applications along with recommendations have been presented to an elected member award group panel. Each member award group panel has taken into consideration the officer recommendations and all fund applications in line with the priorities set by the group. The final recommendations are now being proposed for approval.
- 1.4. There are a total of 3 grants recommended for Knutsford to be awarded or awarded with conditions, totalling £70,904. If approved the grants will be paid in full with projects expected to commence in the financial year of 2019/20.

2. Recommendation/s

- 2.1. To approve the following recommendations made by the member award group panels for the New Homes Bonus Community Fund for Round 1 and for these to be awarded or awarded with conditions.

No.	Area	Organisation	Amount to fund
1	Knutsford	The Welcome Ltd	£19,973
2	Knutsford	1st Knutsford Scouts	£15,931
3	Knutsford	Chelford Community Hub	£35,000
Total			£70,904

3. Reasons for Recommendation/s

3.1. Each application has been evaluated and scored by a multi-agency officer panel in accordance to the criteria set out in the NHB Community Fund Policy. The recommendations were presented to the award group panels made up of elected members who considered the recommendations as well as all applications submitted. Taking into account the New Homes Bonus Policy and the member award group priorities each group made decisions in respect of which applications would progress for Portfolio Holder final approval.

4. Other Options Considered

4.1. Other options considered would have been to go with the initial officer recommendations, although this would have not been aligned to the Cabinet decision made on the 12th June.

5. Background

5.1. On 22nd February 2018 the Council set aside £2m (£1m in each of 2018/19 and 2019/20), as part of the Medium Term Financial Strategy, for a New Homes Bonus Community Fund.

5.2. New Homes Bonus (NHB) is a Government grant that has been paid to Cheshire East Council since 2011 based on the net annual increase in local homes. The bonus is a permanent feature of the Local Authority Finance Settlement, created through top-slicing Revenue Support Grant.

5.3. Allocations will be made on the basis of Fund Areas that mirror the seven Cheshire East Council Highways Groups. The allocation for each Fund Area will be based on two elements: a fixed allocation; and a variable allocation based on the net increase in homes, within each Fund Area, using data for the period October 2010 to October 2017.

5.4. The New Homes Bonus Community Fund has been split across the Borough based on the location of housing developments that have contributed to the New Homes Bonus funding allocated to Cheshire East Council. The scheme provides communities with an opportunity to engage directly in how this funding should be spent, in accordance with locally agreed priorities. The

annual Fixed Allocation is £350,000. This to be split evenly between the seven Fund Areas providing individual allocations of £50,000. The annual Variable Allocation is £650,000. This to be split between each fund area based on net housing completions between 2011 and 2017.

- 5.5. Each application has been evaluated and scored by multi-agency officer panel accordance with the criteria set out in Annex 7 of the NHB Community Fund Policy. The multi-agency officer panel evaluation process concluded with a set of recommendations to propose to the award group panels.
- 5.6. The elected member award group panels for all areas met between 12th – 25th February 2019 taking into consideration the recommendations made by multi-agency officer panel alongside information regarding all fund applications. Each group agreed by a majority on which applications to be proposed for award either with or without conditions.
- 5.7. In total 222 applications were received for the New Homes Bonus Community Fund which accumulated to a total of £7,464,406 funding requests. It is recommended 3 of those applications are approved for Knutsford which accumulates to £70,904.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. The New Homes Bonus is paid as a grant through section 31 of the Local Government Act 2003. It is not ring-fenced and can be spent in accordance with local priorities. There are no restrictions on how a receiving council spends its New Homes Bonus allocations but there is an expectation that the council will consult with communities who are taking housing growth as to how the money could be spent in order to provide services for the communities.
- 6.1.2. The guidance provided by the Government states that:
- 6.1.3. “Local Authorities will be able to decide how to spend the funding in line with local community wishes. The Government expects local councillors to work closely with their communities – and in particular the neighbourhoods most affected by housing growth – to understand their priorities for investment and to communicate how the money will be spent and the benefits it will bring. This may relate specifically to the new development or more widely to the local community”

6.1.4. In order to consider any such proposals from its communities: the Council needs to adopt clear and transparent protocol and criteria through which it will determine any applications made.

6.1.5. In exercising its powers the Council must satisfy its public law duties. In essence this means that in making the decision the Council must act fairly in the exercise of its powers and have taken into account only relevant considerations, followed procedural requirements, acted for proper motives and not acted unreasonably. A competitive grants process is an open transparent and fair means to afford all eligible applicants the opportunities to compete for and obtain grant funding from the Council. It is a means to distribute limited resources. A clear statement of the criteria that the Council is applying is essential if the Council is to defend any challenge to its decision making process.

6.1.6. The decision making process is delegated to the Portfolio Holder in order to ensure that decisions can be made expeditiously and at the appropriate level.

6.2. Finance Implications

6.2.1. The MTFS approved in February 2018 allocated £2m of funding specifically for the New Homes Bonus Community Scheme over the period 2018/19 and 2019/20.

6.2.2. The funding is to be allocated in line with the Corporate Grants Policy as set out in the New Homes Bonus Community Scheme Cabinet paper that was approved in June 2018.

6.3. Policy Implications

6.3.1. The recommendations and the process for payments are in line with the Corporate Grants Policy and the NHB Community Fund Policy.

6.4. Equality Implications

6.4.1. Applications have been available and advertised across the Borough and each applying organisation have been asked if they restrict access to their services based on the 9 protected characteristics of on the Equality Act 2010. Those responses have been considered as part of the selection process.

6.5. Human Resources Implications

6.5.1. No HR implications are expected

6.6. Risk Management Implications

6.6.1. All grants will be monitored and risks will be mitigated through this process.

6.7. Rural Communities Implications

6.7.1. The recommended projects will aim to positively impact on rural communities

6.8. Implications for Children & Young People/Cared for Children

6.8.1. The recommended projects will aim to positively impact on children and young people

6.9. Public Health Implications

6.9.1. The recommended projects will aim to positively impact on public health outcomes.

7. Ward Members Affected

7.1. All wards

8. Access to Information

8.1. All further information associated with this initiative can be found here:

[New Homes Bonus Cabinet Report 12th June 2018](#)
[New Homes Bonus Policy May 2018](#)

9. Contact Information

9.1. Any questions relating to this report should be directed to the following officer:

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