



# Department for Communities and Local Government

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[www.gov.uk/dclg](http://www.gov.uk/dclg)

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Chief Planning Officers  
Local Planning Authorities (England)

Dear Chief Planning Officer

## **Update on financial support for neighbourhood planning in 2017/18**

Neighbourhood planning is a vital part of the Government's reforms to help local communities play a much stronger role in shaping the areas in which they live and work and in supporting new development proposals.

To support the vital role of local authorities in the neighbourhood planning process, the Department is today announcing arrangements for funding local planning authorities from the financial year beginning April 2017. Confirmation of this funding, and details of the arrangements for claiming it, are set out in Annex A of this letter. Please note that this will be updated should the Neighbourhood Planning Bill receive Royal Assent. Guidance on the financial support you receive when plans are modified will also be updated, and we will notify local planning authorities in due course.

This letter will be available online at:

<https://www.gov.uk/guidance/planning-guidance-letters-to-chief-planning-officers>.

We are continuing to provide support for communities who choose to prepare neighbourhood plans, in the form of grants of up to £9,000. In addition, groups in certain priority areas (including those allocating sites for housing, unparished areas, business areas, deprived areas, clusters of parishes and areas of high growth) are eligible to apply for a further £6,000 grant funding and technical support packages. Packages include site assessment, masterplanning and design, evidence base and policy review, strategic environmental assessment and plan healthchecks.

Local planning authorities who have not yet claimed their full entitlement under existing neighbourhood planning support criteria are encouraged to enter claims relating to previous years by December 2017. From March 2018, only claims for activity that has taken place in that current financial year will be eligible. If you have difficulty with entering claims for eligible previous activity in these windows, please contact the neighbourhood planning team via <http://forms.communities.gov.uk/>

Information on how to apply for funding and support is available at <http://mycommunity.org.uk/> alongside other neighbourhood planning tools for communities. The Government has confirmed, in the Housing White Paper, that further funding will be available to neighbourhood planning groups from 2018-2020.

I would also like to take this opportunity to highlight that Government planning practice guidance has now been transferred to the Gov.uk website, with guidance on neighbourhood

planning available via <https://www.gov.uk/guidance/neighbourhood-planning--2>. This includes guidance relating to the amended neighbourhood planning regulations that came into force in October 2016.

Finally, as you may be aware, the Neighbourhood Planning Bill is currently being debated in the House of Lords. There are various measures in the Bill which relate to neighbourhood planning, including a streamlined procedure for modifying neighbourhood plans that are in force. We will notify local planning authorities of changes in financial support that will apply. If you would like further information, a Fact Sheet on the neighbourhood planning clauses of the Bill is available at

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/582664/Neighbourhood\\_planning\\_policy\\_fact\\_sheet.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/582664/Neighbourhood_planning_policy_fact_sheet.pdf).

### **Planning application fees**

May I also remind Chief Planning Officers of the letter of 21 February from the Director of Planning, Simon Gallagher on planning application fees. Section 151 officers are required to provide a commitment and submit information on the 2017/18 budget that demonstrates the additional fee income being spent on planning services, in order to benefit from new planning fees. Responses are requested to be sent to [planningresources2@communities.gsi.gov.uk](mailto:planningresources2@communities.gsi.gov.uk) by Monday 13th March.

A handwritten signature in blue ink, appearing to read 'S. Quartermain', with a long horizontal flourish extending to the right.

**STEVE QUARTERMAIN CBE**  
Chief Planner

## Annex A

### Financial support for neighbourhood planning in 2017/18

1. The arrangements for claiming financial support for neighbourhood planning have been confirmed for 2017/18. From April 2017, local planning authorities (LPAs) will be able to claim as follows:

**For all areas:** LPAs can claim £20,000 once they have set a date for a referendum following a successful examination where a neighbourhood plan has not previously been made for that area.

Additional funding is available in certain circumstances:

**Area designation:** LPAs can claim £5,000 for the first five neighbourhood areas designated only. The limit of five areas applies to the total number of areas designated in the LPA (i.e. it includes areas designated in previous years).

**Forum designation:** LPAs can claim £5,000 for the first five neighbourhood forums they designate only. The limit of five forums applies to the total number of areas designated in the LPA (i.e. it includes forums designated in previous years).

**Business areas:** LPAs can claim a further £10,000 once they have set a date for a referendum following a successful examination.

**Neighbourhood Development Orders and Community Right to Build Orders:** LPAs can claim £20,000 in relation to NDOs and/or CRtBOs for each neighbourhood planning area per year. The claim can be made once the date for the referendum on an Order has been set.

**Modification of a neighbourhood plan that is in force:**

LPAs will be able to claim £10,000 once they have set a date for a referendum following a successful examination for a modified neighbourhood plan, when a plan is already in force for that area.

**Please note: The Neighbourhood Planning Bill introduces a streamlined procedure for modifying neighbourhood plans that are in force. The financial support LPAs receive when plans are modified will be updated before Bill measures on plan modification come into force**

2. In order to help local planning authorities and DCLG manage this in a simple way, we invite you to submit aggregate claims for payment during **June and November-December 2017 and March 2018**. All claims need to be submitted via LOGASNET. **Local planning authorities who have not yet claimed their full entitlement under existing neighbourhood planning support criteria are urged to enter claims relating to previous years in the first two windows of 2017/18, ending December 2017.**

3. Payments will be made under section 31 of the Local Government Act 2003 (and in respect of National Parks Authorities under section 72 of the Environment Act 1995 and in respect of the Broads Authority under section 15 of the Norfolk and Suffolk Broads Act 1988<sup>1</sup>).

4. The Q&A at Annex B covers many frequently asked questions. Any other questions should be submitted to <http://forms.communities.gov.uk/>.

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<sup>1</sup> In making these payments, we will ask the national parks authority or the Broads authority to make a payment to the local authority for the work in relation to the referendum it will undertake on behalf of the National Parks Authority or Broads Authority.

## Frequently Asked Questions on neighbourhood planning funding for Local Planning Authorities

### Q1. What is this funding for?

A. This money is to ensure Local Planning Authorities (LPAs) receive sufficient funding to enable them to meet new legislative duties in relation to neighbourhood planning. Specifically, it covers **the neighbourhood planning duties introduced in the Localism Act 2011 which are to provide advice or assistance; to hold an examination; and to make arrangements for a referendum.**

### Q2. What does “advice or assistance” mean?

A. The extent of advice and assistance will be different in each area. The legislation requires local planning authorities to provide such advice or assistance to qualifying bodies as, in all the circumstances, they consider appropriate for the purpose of, or in connection with, facilitating the making of proposals for neighbourhood development plans orders. Planning guidance states that a local authority should:

- be proactive in providing information to communities about neighbourhood planning
- fulfil its duties and take decisions as soon as possible, particularly regarding applications for area and forum designation
- set out a clear and transparent decision making timetable and share this with those wishing to prepare a neighbourhood plan or Order
- constructively engage with the community throughout the process

### Q3. How do I apply for this funding?

A. Any LPA supporting neighbourhood planning will be able to claim using LOGASNET.

### Q4. When and how can I submit a claim?

A. There will be **three** opportunities to submit claims using LOGASNET each year. There will be windows between **1 and 30 June**, and **13 November to 15 December** and **1 to 31 March 2018**. Payments are expected to be made in September 2017, February and June 2018 respectively.

### Q5. Why is this money being paid to LPAs and not direct to communities?

A. LPAs have a duty to support and advise parish councils, neighbourhood forums and community right to build organisations and pay examination and referendum costs. We want to ensure that LPAs receive the appropriate funding to enable the fulfilment of this duty in line with Government’s new burdens doctrine. Information about support available for communities considering or undertaking neighbourhood planning is at <http://mycommunity.org.uk/programme/neighbourhood-planning/>

**Q6. What about National Parks Authorities and the Broads Authority that are supporting neighbourhood plans?**

**A.** National Parks Authorities and the Broads Authority may make claims as above. Payments to National Park Authorities are made under section 72 of the Environment Act 1995 and the Broads Authority under section 15 of the Norfolk and Suffolk Broads Act 1988. In making these payments we will ask the National Park Authority or the Broads Authority to make a payment to the local authority in relation to the referendum it will undertake on behalf of the National Park Authority or Broads Authority.

**Q7. What happens where a designated area crosses the boundary of two local planning authority areas?**

**A.** Where a neighbourhood area falls within the area of more than one local planning authority, including a National Park Authority or the Broads Authority, it will be for each authority to decide on who to make the claim and how to share the payment locally. We would expect it normally to be the area with the largest proportion of the neighbourhood area or whichever authority has agreed to lead. However, this may not necessarily be the case if both parties agree otherwise. We would expect the lead authority to share the payment, in such proportions as may be locally agreed, with the other authorities working on the scheme.

**Q8. How much will we be able to claim if we have to hold a business referendum?**

**A.** Where a neighbourhood area is considered to be wholly or predominantly business in nature the legislation enables the local planning authority to designate this as a 'business area'. In these areas an additional referendum must take place in which non-domestic rate payers can vote. Where a responsible authority must run two referendums we will make an **additional payment of £10,000**. This can be claimed at the same time as the £20,000 payment on setting a date for a referendum following a successful examination.

**Q9. How much can we claim for a Neighbourhood Development Order or Community Right to Build Order?**

**A.** Where there are successful NDOs or CRtBOs, LPAs can claim **£20,000 for each neighbourhood planning area per year**. This means that where a parish, neighbourhood forum or community organisation (in the case of CRtB) prepares one or more NDO or CRtBO, the LPA can make a single claim for that area in each year. As with neighbourhood plans, the claim can be made once a referendum date is set.

**Q10. How much can be claimed where a neighbourhood plan is modified and subject to a new examination and referendum?**

**A.** A neighbourhood plan that is modified (other than for the purpose of correcting errors) currently needs to follow the same process of examination and referendum. In such circumstances LPAs can claim **£10,000** following the setting of a referendum date. Measures being introduced in the Neighbourhood Planning Bill will speed up and simplify the process for updating made neighbourhood plans. Once the Bill receives Royal Assent, we will update the arrangements for financial support.

**Q11. What if LPA's miss the deadline to submit claims for previous activity?**

**A:** Claims for neighbourhood planning activity for previous years will be able to be submitted **until the close of the 2<sup>nd</sup> window in December 2017**. Claims for the 3<sup>rd</sup> and final window in March 2018 will be for activity in the 2017/18 financial year only. If LPAs believe entering a claim for previous activity in neighbourhood planning will not be possible before December 2017, they should **contact the neighbourhood planning team before 1 June 2017**. Claims for neighbourhood planning activity in previous years will not be accepted after the closure of the December 2017 claims window. DCLG will notify contacts of claims window dates beforehand.