

Assessment Criteria

The following criteria will be considered in assessing the suitability of an application:

Community groups must be constituted as a Community Land Trust (CLT) before applying for a loan.

The constitution of participating organisations must allow the organisation to borrow.

Loans are not provided to individuals on behalf of an organisation and trustees that act prudently are not personally liable for the loan. However a condition of any loan to a registered charity is that the organisation maintains trustee indemnity insurance throughout the loan period.

Each scheme will be judged on its own merit.

Schemes must be financial viable.

Communities must be able to demonstrate availability of other funds.

The applicant needs to show that a future income is available to repay the loan.

Community groups must be able to demonstrate financial capabilities.

Loans will be subject to terms and condition which will be agreed and signed prior to funds being released.



The Community Housing Fund

Financial support for local groups



How to apply

For an application form please visit:

www.southhams.gov.uk

If you fulfil the assessment criteria and / or would like further information, please contact:

Affordable Housing Team
South Hams District Council,
Follaton House,
Plymouth Road, Totnes
Devon, TQ9 5NE.



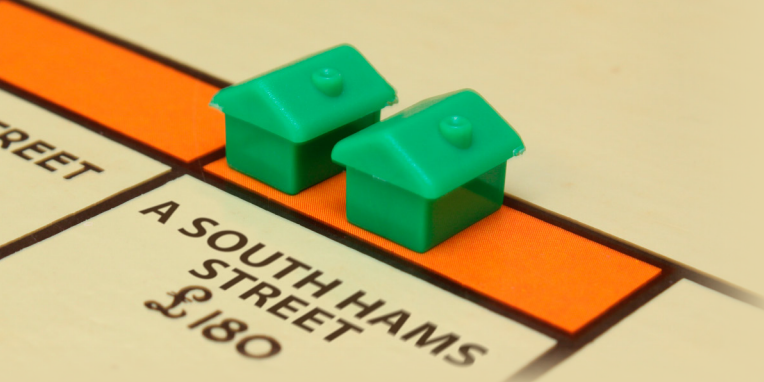
Tel: 01803 861234
Email: affordable.housing@southhams.gov.uk

This information is also on our website.
If you need it in another format please
call us on 01803 861234

Loans for local
housing groups to
provide affordable
homes in their
community



South Hams
District Council



Foreword

Providing affordable homes for local people is one of our top priorities at South Hams District Council. Affordable housing is an important part of community life, helping to keep families together, supporting local facilities and contributing to the vitality of our towns and villages.



Over recent years, delivering homes that are affordable for local people has become increasingly challenging as a result of the economic downturn, a decline in overall levels of development and reductions in government grants previously available to fund affordable housing projects.

To try and help this situation, we have developed an initiative called the 'Community Housing Fund' which helps provides financial support for community groups to progress affordable housing schemes, particularly during the early stages allowing communities to spread the cost of a scheme over a longer period.

This leaflet sets out what Community Housing Fund is, how it can be used and how it can help to support the needs of your community. We hope you find it useful and we look forward to working with you to deliver affordable housing in your community.

Councillor Jonathan Hawkins
Executive Member for Housing

What is the Community Housing Fund (CHF)?

The CHF has been developed to support communities in the South Hams to deliver affordable homes for local people in their community. The scheme provides financial support for local housing groups to progress affordable housing schemes, particularly during the early stages.

Why do we offer community loans?

Community organisations cannot always raise all the funding they require from donations or grants. Most sources of grant funding are heavily oversubscribed and have a maximum amount that can be awarded. CHF funding would allow an organisation to spread the cost of a scheme over a longer period.

Who do we provide loans to?

The Council will provide loans to registered Community Land Trusts (CLTs), other constituted community groups and town and parish councils.



What do we provide loans for?

The CHF loan scheme is available for pre development costs e.g. the cost of progressing a scheme to planning application stage. This may for example include professional fees such as architects and surveyors and on general costs associated with progressing a scheme.

What is the minimum and maximum loan amount?

Loans of between **£10,000** as a minimum and **£25,000** as a maximum are available.

It is expected that the community group must have raised a proportion of the funding required to progress a project.

Loans available will therefore be to a maximum of 50% of total pre development costs or £25,000 whichever is the lesser. All other funding must be confirmed before the loan is advanced.

When can organisations apply?

Applications for loans can be made at anytime - see the criteria for assessment.

What is the loan term?

The maximum repayment period for loans is 3 years from date of acceptance of the loan offer, although this may be extended with the prior approval of the Council.

