

## Cost of producing neighbourhood plans

### 1. Introduction

- 1.1. The Localism Act 2011 provides local councils with new powers to create their own Neighbourhood Plans to guide development in their administrative areas. Many local councils can see the benefits of local plans and want to get moving preparing their plans right away.

### 2. What is the cost likely to be?

- 2.1. The average costs are estimated by the Government (Department for Levelling Up, Housing and Communities (DLUHC)) at £20,000 to £86,000 per plan.
- 2.2. Plans are likely to vary in costs depending on the complexity and size of the proposal. Plans in smaller areas could cost less, whilst plans covering a large area may be more than those estimated by the MCHLG.

### 3. Who is going to pay?

#### (a) Government funding

- 3.1. There is a Neighbourhood Planning Support Programme that is run by a national network (Locality) on behalf of the Government. The programme has been running for the past five years, and it has been extended for a sixth year into 2023/24.
- 3.2. All groups preparing a neighbourhood plan or neighbourhood development order are eligible to apply for up to £10,000 in basic grant funding. Further details are available at: <https://neighbourhoodplanning.org/apply/>.
- 3.3. In addition, neighbourhood planning groups can apply for two further types of funding:
  - Additional grant funding of up to £8,000: to be eligible groups must meet one of the following:
    - Allocating sites for housing
    - Including design codes in the plan
    - A designated business neighbourhood plan
    - A cluster of three or more parishes writing a single plan
    - A Neighbourhood Area with a population of over 25,000.
  - Affordable housing for sale grant funding: currently running as a pilot scheme, this funding is aimed at groups wishing to bring forward affordable housing for sale. To qualify groups must:
    - Be seeking to allocate sites for affordable housing for sale; and /or
    - Be at an early stage and not yet sure if they are allocating sites for housing but are considering bringing forward affordable housing for sale, and are investigating the need by undertaking housing needs assessments and other studies.
- 3.4. Further details on both of the above can be found at: <https://neighbourhoodplanning.org/apply/>.

3.5. Groups can also apply for free technical support packages if they meet the following criteria:

- Allocating sites for housing;
- Seeking to bring forward affordable housing for sale in their plan;
- Including design codes in their plan
- Planning to use a neighbourhood development order.

3.6. The technical support packages cover the following:

- Housing Needs Assessment
- Site options and assessment
- Environmental Impact Assessment
- Evidence base and policy development
- Strategic Environmental Assessment
- Masterplanning
- Design Codes
- Habitats Regulations Assessment
- Plan Health Check Review

3.7. Further details are available at: <https://neighbourhoodplanning.org/about/technical-support/#technicaleligibility>.

*(b) Neighbourhood planning groups*

3.8. A neighbourhood plan will consist of some 'core costs' that are unavoidable. These are things like public engagement and consultation, publicity, printing of documents. Cornwall Council have estimated that typical costs for these items could be around:

- Engagement and consultation costs: Planning for Real type events: £1,500 to £5,000
- Publicity and production of plans £1,500 to £2,500
- Project management and 'footwork' £nil to £10,000

3.9. In addition it may be necessary to commission some expert studies. These could include:

- Retail Impact assessment: £3,000 to £7,000
- Equalities Impact Assessment: £Nil to £2,000
- Flood Risk Assessment £2,000 to £5,000
- Strategic Environmental Assessment (statutory – where required): £10,000-£30,000
- Habitats Regulations Assessment (statutory – where required) typically: £15,000
- Masterplan type documents: £50,000/1yr consultants' fees

3.10. As aforementioned, groups may qualify for free technical support packages offered by Locality if they meet certain criteria.

3.11. It is possible that costs could be reduced by:

- using volunteers;
- having local businesses / developers fund specific elements of the plan;

- having support from local businesses and organisations in the form of the free use of meeting rooms to professional work undertaken voluntarily or at a reduced cost; and
- free assistance from planning students. Students from Oxford Brookes University helped in the preparation of the Headington Neighbourhood Plan, whilst students from Leeds University have assisted with several plans within Leeds.

*(c) West Berkshire Council*

- 3.12. West Berkshire Council does not provide direct grant support.
- 3.13. Local planning authorities such as West Berkshire must arrange and cover the cost of independent examinations. They must also organise and hold the referendum.