

# Brixton Green FOI

In response to each of the questions raised:

**1. Did the GLA conduct any due diligence before making this further award of grant funds? Surely, the GLA would not make a grant award to an organisation that was technically insolvent?**

As stipulated by the *Build Your Own Home – The London Way* Funding Prospectus (see item 25 of page 24 and item 34 of page 25), the GLA assesses the suitability of all applicants/applications for Community Right to Build (CRtB) grant funding according to the following criteria:

- that the applicant organisation is already a body corporate or has clear plans to become one;
- that the applicant organisation has demonstrated community engagement and consultation;
- that the applicant organisation has identified or is in the process of identifying land for the proposal;
- that the applicant organisation has considered and, if necessary, secured or will have secured a legal interest in the land which allows for its development;
- that the area has already been designated as a 'neighbourhood area' or that there are clear plans in place to do so (n.b. this applies to Community Right to Build Orders only);
- that appropriate expertise (including design expertise) is available to the applicant organisation to draw on;
- that the applicant organisation and the proposal meet the requirements of the Localism Act 2011;
- that the applicant organisation is requesting no more than 90% of the expected costs to achieve a Community Right to Build Order or a traditional planning permission (see item 34 of page 25).

Brixton Green's application for CRtB grant funding satisfied the GLA that each of the aforementioned assessment criteria had been met and that sufficient supporting evidence had been provided.

Given the individual amounts of funding are relatively small for CRtB projects, detailed financial due diligence on CRtB applications is not a requirement. Nevertheless, the GLA aims to mitigate the risk by ensuring that funding is paid on achievement of each milestone in arrears. The funding agreement which the GLA has in place with Brixton Green stipulates that to claim revenue funding, the organisation must submit an invoice claim form with supporting evidence of expenditure incurred on the project objectives including of third party invoices, purchase orders and/or contract documents and transaction listings from the recipient's finance management system and certified as true and accurate records of such expenditure and/or committed expenditure by its chief finance officer. Community organisations are also required to supply a written report detailing progress in meeting the project objectives. As approval's ADD17 and DD1188 (see below for links to these documents) demonstrate, Brixton Green had provided the GLA with the evidence required for grant payment prior to the approval of grant funding for milestone's 1, 2 and 3.

## **2. Why was this further grant award made when it could not possibly achieve the aims of the grant funding stream; that is community building?**

As set out in the *Build Your Own Home – The London Way* Funding Prospectus (see items 9 to 12 on pages 22 to 23), the purpose of the GLA's CRtB programme is to assist community organisations in developing either a Community Right to Build Order or traditional planning permission up to the point of submission. Brixton Green was awarded GLA CRtB grant funding for the achievement of milestone's 1, 2 and 3 (see approval's ADD17 and DD1188 below for more information). Grant funding for all three milestones was awarded on the basis that Brixton Green had demonstrated their achievement of the following criteria (see items 46 to 59 on pages 26 to 28 of the *Build Your Own Home – The London Way* Funding Prospectus):

### First milestone – Body corporate established.

- Before any payments are made, groups must have constituted themselves as a body corporate that meets the requirements of the Localism Act 2011 and related regulations.
- Community groups have submitted details about their organisation and provided evidence of its establishment as a legal entity (such as a certification of incorporation).
- Once that evidence has been received and confirmed, the first milestone payment will be made.

### Second Milestone – Initial proposals developed, project eligibility established and outline feasibility study produced.

- At the second milestone, groups will be required to confirm that they have developed initial proposals for the scheme and that, where appropriate, professionals (for example an architect or quantity surveyor) are involved to ensure proposals have the necessary level of technical expertise to succeed.
- In order to develop an outline feasibility study, it is expected that organisations will need to retain the services of professionals such as architects, surveyors and legal or financial advice (some of which may be on a pro bono basis from interested members of the community).
- Organisations must submit an outline statement of the proposed scheme updating the points covered in the initial application for funding:
  - Update of build proposals including:
    - approach to financing the works;
    - approach to design;
    - approach to creating apprenticeships.
  - Progress on securing the land and procuring the building works;
  - Results of the feasibility study (i.e. how the development will be funded).
- Confirmation that they and their project meet the eligibility criteria set out in appendix 3 of the *Build Your Own Home – The London Way* Prospectus, including the Environmental Impact Assessment requirements.

### Third milestone – Detailed proposals developed.

To achieve this milestone, organisations must:

- Demonstrate progress towards sufficiently detailed plans to be in a position to submit an application for a Community Right to Build Order to the Local Planning Authority;

- Demonstrate that they have carried out the statutory consultation and publicity requirements as set out in Regulation 21 of The Neighbourhood Planning (General) Regulations 2012 (please refer to appendix 3);
- Demonstrate that an approach to ensure high quality scheme design has been implemented; and
- Have detailed plans for any involvement of apprenticeships in the development of the scheme if the Community Right to Build Order is successfully obtained.

## **Links**

*Build Your Own Home - The London Way* Funding Prospectus:

<https://www.london.gov.uk/sites/default/files/archives/Build%20your%20own%20home%20funding%20prospectus.pdf>

Assistant Director's Decision ADD17: <http://www.london.gov.uk/mayor-assembly/gla/governing-organisation/executive-team/assistant-director-decisions/ADD17>

Director's Decision DD1188: <http://www.london.gov.uk/mayor-assembly/gla/governing-organisation/executive-team/directors-decisions/DD1188>