

**Community & Environment Fund (CEF)
and
Business & Local Economy Fund (BLEF)**

Introduction

In October 2014, Government announced two funding programmes to offset the impact of the construction of Phase One of HS2 on local communities and businesses;

**The Community and Environment Fund (CEF)
and the Business and Local Economy Fund (BLEF).**

A combined total of **£40m** has been made available for these two funds over a period of 11 years throughout construction and for the first year of operation.

These funds are provided in addition to the comprehensive mitigation outlined in the Act and EMRs to address the environmental impacts of Phase One.

The funds were launched on **23rd February 2017**, at Royal Assent and applications opened on **8th March 2017**.

The independent Grant Management Body for the funds is **Groundwork UK**
<https://www.groundwork.org.uk/hs2funds>

Regional allocations

It was also recognised that it would be useful for communities to have an indication of the likely minimum spend they would receive from these funds. On 12th October 2016, indicative regional allocations were announced for the two funds. The Phase One route was divided into three broad areas for the purpose of the regional indicative allocations,

Combined indicative regional allocations are as follows;

- £7.5 million for Greater London area.
- £15 million allocated for the Central area (Staffordshire, Warwickshire, Buckinghamshire, Northamptonshire, Oxfordshire and Hertfordshire).
- £7.5 million for the West Midlands area (Birmingham, Solihull and Coventry).

£10 million will remain unallocated to allow flexibility to fund bids for cross-border or route-wide projects, as well as to fund bids from areas affected by the construction of the Proposed Scheme, but geographically separated from the main route.

Community and Environment Fund (CEF)

The objective of the CEF is;

To add benefit over and above committed mitigation and statutory compensation to communities along the route that are demonstrably disrupted by the construction of Phase One of HS2 from London to Birmingham.

There will be two types of CEF grant:

CEF Local will fund smaller projects (up to a maximum of £75,000 per project) which will benefit quality of life for individual communities.

CEF Strategic will fund larger projects (from £75,000 up to a maximum of £1 million per project) and will provide a legacy by supporting projects which benefit multiple communities along the Phase One route.

Examples of initiatives CEF may support include;

- Improved pedestrian, equestrian, or cycle access not provided under statutory services;
- Landscape and nature conservation enhancement projects which increase biodiversity
- Enhancement or replacement of sports and recreational facilities;
- Improved access and enhancements to public open space;
- Provision of enhanced or new community facilities; and
- Refurbishment/re-use of historic buildings and monuments.

Who can apply & match contributions

Who can apply

Organisations must be formally established for public benefit and not for profit. For non-statutory bodies, you must have a governing document (e.g. constitution or memorandum and articles of association) which includes appropriate statements on members not benefiting financially from the organisation or its dissolution, a minimum of 3 unrelated people on the committee and have your own bank account (which requires 2 signatories).

Primarily this funding programme is targeted at the voluntary/community sector, including resident's associations, constituted community groups, Community Interest Companies (CICs), social enterprises, community businesses and registered charities.

We will not directly fund individuals, limited liability partnerships, private sector company/business or any organisation that cannot demonstrate appropriate governance.

Match contributions

The match contributions for both CEF funds are as follows;

For CEF (Local) projects up to £75,000;

- For projects led by community or voluntary sector organisations there is no requirement for match contributions
- For local authority led bids, there will be minimum 25% requirement for match contributions

For CEF (Strategic) projects from £75,000 to £1 million:

- 10% minimum match contribution for all applications

Match contribution can be cash or in kind

Application & assessment

Application process for CEF

Applications will be made through the Groundwork website <https://www.groundwork.org.uk/hs2funds>
For all CEF Local projects with a funding request for £75,000 and under it is two stage process with applicants completing an online eligibility checker before submitting an application through the online portal.

For CEF Strategic projects with a funding request of between £75,001 and £1 million the process will be split into three stages. The first stage will be for applicants to complete an online eligibility checker. The second stage will be to submit an Expression of Interest which will be reviewed to ensure the project is of demonstrable strategic impact. For applications that are approved through the Expressions of Interest stage, the final stage is to submit an application through the online portal.

Assessment Criteria (equal weighting)

- Need
- Planning
- Disruption
- Sustainability/Legacy

Priority will be given to projects within 1km of the route and in some circumstances, for example if the funds are oversubscribed in an area, projects which have match funding will be prioritised.

CEF Continued

Other

- Can work in partnership but must have a lead applicant.
- Only one application is allowed from each lead applicant every six months.
- Can apply more than once although priority will be given to organisations that have not received funding previously
- For both CEF Local and Strategic, capital only, revenue only and a blend of revenue and capital funds are available.
- Security of tenure required for capital requests over £10,000.
- The timing of any committed investment will be linked to the timing of the construction programme and applicants will need to clearly demonstrate how their communities or environment are disrupted.

Timescales

Applications for funding of £75,000 and under should be assessed and notified within 8 weeks of a complete application being submitted. Applications for £75,001 and over should be assessed and notified within 16 weeks of a complete application being submitted this increase in time is due to the requirement for review by the independent Panel.

Business and Local Economy Fund (BLEF)

The objective of the BLEF is:

To add benefit over and above committed mitigation and statutory compensation to support local economies that are demonstrably disrupted by the construction of HS2.

Examples of initiatives BLEF may support include:

- Schemes to improve the local public realm, especially in retail and tourist areas;
- Improved local cycling and pedestrian access to local economic centres;
- General promotional activity for local economic benefit;
- Creating and running events that increase footfall or promote business activity during seasonal periods
- Employment and job creation schemes;
- Town/village discount cards to retain spend in local areas and;
- Projects that aim to increase tourist visits to an area.

Applications will be invited for capital or revenue funds from £10,000 up to a maximum of £1 million. Through this funding, we are looking to fund interventions that will have a long term impact on local economies (this may include a number of small schemes that are brought together in a package of interventions). Funds of around £10,000 will typically be for short term kick-starter funding and funds between £75,000 and £1 million will typically be for long-term development funding.

Who can apply & match contribution

Who can apply

Organisations must be formally established for public benefit and not for profit. For non-statutory bodies, you must have a governing document (e.g. constitution or memorandum and articles of association) which includes appropriate statements on members not benefiting financially from the organisation or its dissolution, a minimum of 3 unrelated people on the committee and have your own bank account (which requires 2 signatories).

Primarily this funding programme is targeted at organisations which have formal objectives that support the development of local business/tourism.

We will not directly fund individuals, limited liability partnerships, private sector company/business or any organisation that cannot demonstrate appropriate governance.

Match contribution

Match contributions are not a requirement for applications to BLEF, although we do encourage applicants to include match contributions where possible. In some circumstances, for example if the funds are oversubscribed in an area, projects which have match funding will be prioritised.

Application & assessment

Application process for BLEF

Applications will be made through the Groundwork website <https://www.groundwork.org.uk/hs2funds>
For BLEF projects with a funding request between £10,000 and £75,000, it is a two stage process with applicants completing an online eligibility checker before submitting an application through the online portal.

For BLEF projects with a funding request of between £75,001 and £1 million the process will be split into three stages. The first stage will be for applicants to complete an online eligibility checker. The second stage will be to submit an Expression of Interest which will be reviewed to ensure the project is of demonstrable strategic impact. For applications that are approved through the Expressions of Interest stage, the final stage is to submit an application through the online portal.

Assessment Criteria (equal weighting)

- Need
- Planning
- Disruption
- Sustainability/Legacy

Priority will be given to projects within 1km of the route and in some circumstances, for example if the funds are oversubscribed in an area, projects which have match funding will be prioritised.

BLEF continued

Other

- Can work in partnership but must have a lead applicant.
- Only one application is allowed from each lead applicant every six months.
- Can apply more than once although priority will be given to organisations that have not received funding previously
- Capital only, revenue only and a blend of revenue and capital funds are available.
- Security of tenure required for capital requests over £10,000.
- The timing of any committed investment will be linked to the timing of the construction programme and applicants will need to clearly demonstrate how their communities or environment are disrupted.

Timescales

Applications for funding of £75,000 and under should be assessed and notified within 8 weeks of a complete application being submitted. Applications for £75,001 and over should be assessed and notified within 16 weeks of a complete application being submitted, this increase in time is due to the requirement for review by the independent Panel.

The following costs/projects are not eligible for funding through either fund;

The following costs/projects are not eligible for funding through CEF and BLEF;

- Personal equipment and clothing
- Purchasing vehicles
- Buying land or facilities for future use (for example where the community/public benefit will not be realised within the timescales for this funding programme or to stop future development)
- Projects intended primarily for private gain
- Projects that contribute directly to a company's distributable profits
- To help with budget shortfalls, debt repayments or endowments (including funds to build up a reserve or surplus and loan repayments)
- Retrospective funding- we will not reimburse costs already incurred
- Projects or activities that are primarily for the promotion of religion or religious belief. Whilst religious organisations may be able to apply for funding, the project must deliver wider community or public benefits to be eligible
- Project or activities that are primarily for the promotion of politics or political beliefs
- Projects that do not meet the 'Additionality' principle (set out below)
- Projects used solely for delivering curriculum activity (If your project is applying for a school or education establishment it should ensure it opens opportunities for the wider community) - Unspecified expenditure
- Costs associated with fundraising
- Any project where funding will be passported to other organisations (for example through a grants programme)
- Organisational overheads or running costs which the organisation would incur whether the project was running or not (although we will consider funding support costs incurred as a direct result of running the project)
- Campaigning or lobbying projects
- Feasibility studies
- Overseas trips
- Any activity that would be in breach of State Aid rules

Applications are now open

The funds were launched at Royal Assent on 23rd February 2017 and applications opened on 8th March 2017. All the key documents are now available on the Groundwork website;
<https://www.groundwork.org.uk/hs2funds>

There are currently no deadlines for submission as this is a rolling funding programme, linked to quarterly Panel meetings. However, we encourage applicants to review the environmental statement information relevant to their area to determine when construction works will be taking place in their communities and therefore when best to make their application. Please refer to Information Paper E32 on the Gov.uk website for guidance;
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/509518/E32_-_Guide_to_the_Environmental_Statement_v1.0.pdf.

The Phase One environmental statement reports;
<https://www.gov.uk/government/collections/hs2-phase-one-environmental-statement-documents#volume-2:-area-reports>

The HS2 interactive map;
<http://interactive-map.hs2.org.uk/>

Key people

Independent Grant Management Body-

- Groundwork UK

0121 237 5880 or HS2funds@groundwork.org.uk

Independent Panel members-

- Cathy Elliott (Chair)
- Peter Miller (HS2 Panel member)
- Sara Turnbull (Independent Panel member)
- John Roseveare (Independent Panel member)
- Lisa Smart (Independent Panel member)
- Talbinder Kaur (Independent Panel member)

DfT

Greg Ward- Funds Development Manager

HS2 Ltd

Louise Portelly- Environmental Policy Advisor