

Rural Community Buildings Loan Fund

Information and how to apply, 2014



Department
for Environment
Food & Rural Affairs

acre | ACTION WITH
COMMUNITIES
IN RURAL ENGLAND

Benefits of the fund

- The Rural Community Buildings Loan Fund helps community buildings fill temporary gaps in funding, either for specific projects or for urgent work connected with the building.
- It will make funds available immediately for a new service or to improve an existing one, where it increases potential income and enhances the building's long-term viability.
- The fund allows work to be done immediately, bringing instant benefit to the community.
- The loan offers a flexible repayment system that is simple to understand. Payments can be made at a pace that fits your community's fund-raising schedule. You will not be penalised for paying it off early.
- ACRE and its Network of rural community councils (RCCs) has dedicated staff experienced in working with communities and village hall management committees. They offer help and advice on a range of issues affecting village halls, including how best to manage and finance specific projects.

Factfile

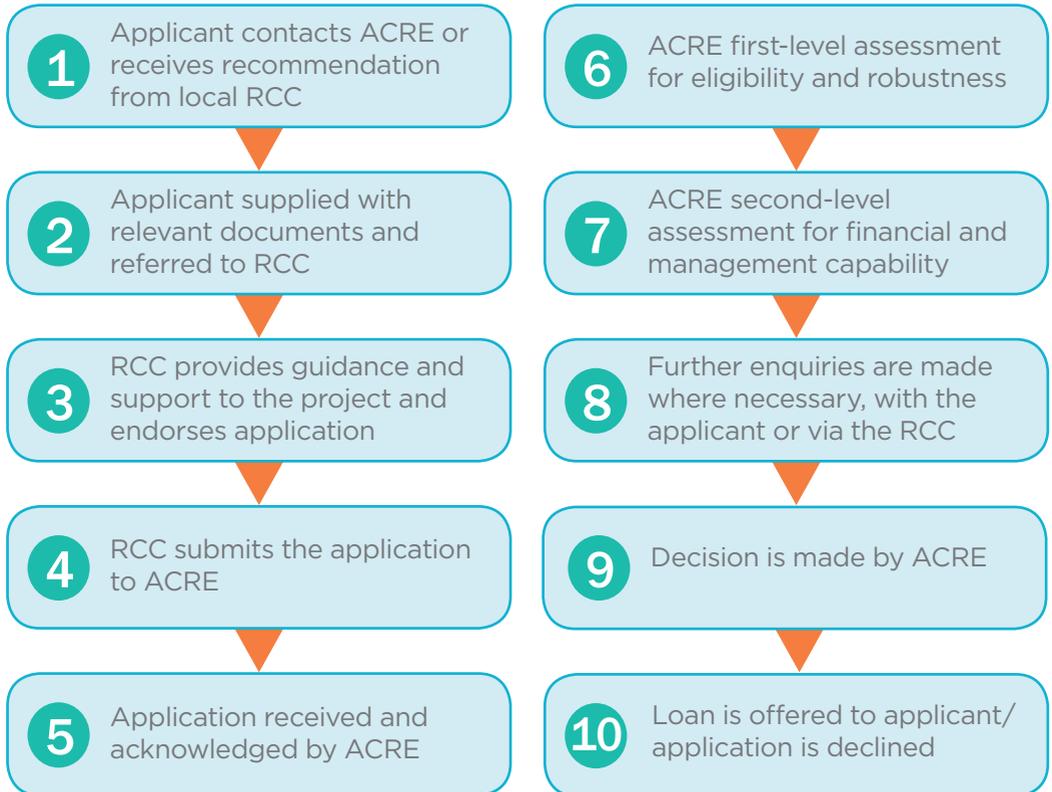
- The Rural Community Buildings Loan Fund is managed by ACRE (Action with Communities in Rural England) and overseen by Defra (Department for Environment, Food & Rural Affairs).
- The Fund was started in the 1930s as one of the principal sources of funding for building new village halls.
- The average loan taken out by village hall committees is in the region of £15,000.
- ACRE manages around 40 live loans at any one time and makes between 10 and 14 new loans per year.

Who can apply?

The Fund provides loans to community groups to help with the maintenance, improvement and construction of community buildings in rural areas across England. The Fund offers loans towards:

- Constructing a new community-owned building, including through the Community Right to Build powers;
- Purchasing an existing building for use by the community, including through the Community Right to Bid powers; and
- Extending, renovating or improving an existing community owned building.

First steps



Conditions of the fund

- Loans of up to £20,000 are usually available. Larger loans can be considered, particularly where needed as bridging finance.

- The loan should be for a freehold or leasehold property, with a minimum of 21 years left on the agreement. Alternative arrangements can be considered, provided security of tenure can be clearly demonstrated.

- Local funds for the project should also be available to contribute towards overall project costs.

- The loan, together with interest, can be repaid within either five or eight years, but there is some flexibility.

- There are no penalties for early repayment; additional payments are welcomed by ACRE.

Case studies



Offenham Village Hall,
Worcestershire

The hall applied for a loan for a large refurbishment project, enabling it to draw down LEADER funding from the Worcestershire Local Action Group.

Other grants came from local councils, the BIG Lottery, trust funds and the hall's own fundraising. "Without the loan, our refurbishment would never have happened," said Martin Roberts, treasurer and hall manager.

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Warcop Village Hall was unsafe, beyond repair and totally inadequate for the needs of its community. The community embarked on a project to sell the hall (below) and land for housing for local people and, together with the proceeds from the sale of an old Reading Room, build a new hall. The RCBLF loan and a loan offer from the Charity Bank meant the application deadlines for the BIG Lottery were met in advance of the sale.

Warcop Village Hall
Cumbria



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Information Service

ACRE and its Network of 38 rural community councils (RCCs) together deliver a local advisory service tailored to the needs of approximately 10,000 rural community buildings throughout England.

We aim to ensure hall trustees have access to accurate information about regulatory requirements, training and one-to-one advice and support with business planning. See www.acre.org.uk for more information.