



Department for
Communities and
Local Government

Shale exploration – support for mineral planning authorities

Invitation to bid



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Shale exploration – support for mineral planning authorities

- 1. In the Autumn Statement the Government announced a £5 million shale support package. As part of this, the Government are making £1.2 million available to support mineral planning authorities dealing with shale planning applications.**
- 2. The Government recognises shale represents a new area for mineral planning authorities and that it will present complex and challenging issues for them in their processing of shale planning applications. This prospectus sets out how mineral planning authorities can bid for funding to improve their capacity and capability to deal with shale planning applications.**

Introduction

3. We face a decline in offshore oil and gas reserves, with Britain set to import well over half of its demand for oil and gas resources by 2025. To make us less reliant on imports from abroad, to create jobs and grow local economies, we need to invest in alternative energy sources. Home-grown shale gas can help secure our energy supply and help reduce our impact on the environment.
4. There is a need to establish, through exploratory drilling, whether or not there are sufficient recoverable quantities of shale present to facilitate economically viable full scale production. Effective and safe exploration of the UK's shale gas resources is key to realising the potential of this industry.
5. But it must also be developed in a way that safeguards public safety and protects the environment. Reflecting this, we have put in place a comprehensive approach to planning for shale gas in the National Planning Policy Framework and supporting planning guidance. Specifically, the Framework is clear that planning permission should only be granted for minerals proposals, which includes shale gas, where there are no unacceptable adverse impacts on the natural and historic environment and on human health.
6. As part of going forward in considering shale oil and gas exploration, the Government is providing a new £1.2 million grant fund for the financial year 2015-16 to support mineral planning authorities in the processing and consideration of shale planning applications with due process and a fair hearing in an efficient, timely and effective manner. This document invites bids from mineral planning authorities for funding, at defined trigger points in the planning process, to help them in their work.

Funding to support mineral planning authorities

7. Shale gas and oil is a nascent sector, with planning applications only now starting to come forward for the exploratory phase of such schemes. The nature of this type of development could mean, for instance, that a mineral planning authority might need to draw on additional technical expertise. Recognising that such schemes raise novel issues, additional support might also be needed to manage and assess representations made on the application efficiently.
8. In recognition, a £1.2 million funding programme has been provided for 2015-16, designed to provide financial assistance to help with the capability and capacity of mineral planning authorities to deal with exploratory shale planning applications with due process and a fair hearing in an efficient and timely manner.
9. In addition, mineral planning authorities can request complementary support from the Advisory Team for Large Applications (ATLAS) for up to three days assistance per authority to help them with the development of their community engagement strategy. The Planning Advisory Service will also be developing a knowledge sharing programme, capturing learning from those mineral planning authorities dealing with shale planning proposals, to support those authorities who might receive future shale gas planning applications.
10. Any award of funding would be made on the basis of financial assistance to provide capability and capacity support when handling shale gas planning applications in light of the criteria set out below. It would not have any influence on the decision that is taken by the authority when determining an application on its planning merits, nor imply any view from Government on that application.

Availability and Eligibility

11. The £1.2 million fund is designed to provide additional capacity and/or capability support where it is most needed by mineral planning authorities in relation to development proposals involving the boring for, or getting of, oil or gas from shale which:
 - (i) have reached any of the trigger points set out in this document before 31 January 2016; and
 - (ii) have yet, in relation to the relevant stage of the planning process, to incur costs associated with the capability or capacity support for which a bid for monies is made.
12. The planning application could cover more than one of the exploratory, appraisal, or production phases for shale. All mineral planning authorities in England are eligible to bid, provided that the proposal or planning application for potential shale development is within their area and for a site within an area covered by a Petroleum Development and Exploration Licence. If a proposal spans more than

one mineral planning authority area, the mineral planning authority with the largest site area within its boundary will generally be considered the lead authority for bidding purposes under this fund.

13. The Infrastructure Act received Royal Assent in February 2015. It includes various provisions in relation to onshore hydraulic fracturing, which are not yet in force. These will be further defined in secondary legislation and should be taken into account as appropriate when bids are made for funding.
14. Mineral planning authorities will be eligible to bid for funding up to a maximum amount at key stages during the planning application process, specifically:
 - pre-application – additional funding, up to a maximum bid of £50,000 to, for example, encourage effective pre-application engagement and awareness raising and specialist support, to generate a more focussed planning application
 - post-receipt of an application - additional funding, up to a maximum bid of £170,000 to, for example, assist in efficient processing of an application and access to specialist and administrative support
 - post-decision, in circumstances where planning permission is granted – additional funding, up to a maximum bid of £30,000, to support the discharge and monitoring of conditions attached to that permission.
15. Funds will be allocated to bids which the department considers warrant funding on a first come-first served basis, based upon the date of receipt of an eligible application. Mineral planning authorities should be aware there is therefore the possibility that the funding may be fully allocated before the end of the financial year, and that a potential and otherwise eligible bid may not be successful as a result.
16. Where a mineral planning authority receives more than one shale planning application for the same site, or different sites within its administrative area, it will still be eligible to bid for funding in relation to each application. However, authorities would only be eligible for the maximum level of funding once in relation to each of the planning stages set out in paragraph 14 above. A subsequent bid, in relation to each of these stages, may only be made up to 50% of the maxima for the second application. So, for example, in relation to the post-receipt of a planning application, an authority would be able to bid for up to £170,000 in relation to the first application, but only up to £85,000 in relation to the second. The same principle applies in relation to each of the other stages. This is in recognition of the economies of scale and experience that the authority should be able to capitalise on from the consideration of the first application. Should it receive more than two applications, the amount it can bid for will be reduced by 5% per application (from 50%) at each stage for third and subsequent applications.

17. Awards of funding will be paid via section 31 of the Local Government Act 2003¹ subject to HM Treasury approval. Funding will be paid in 2015-2016. The Department's assessment of bids will be made on the merits of such a bid, based upon the criteria in this document, in light of the evidence submitted in the bid, and any other relevant considerations. The Department reserves the opportunity to seek further clarification from the applicant before making its final assessment of a bid that has been made. Following the assessment of a bid, the Department reserves the right not to pay recipients the full amount requested or to not award a grant at all.

When to apply and eligibility criteria

18. The table on page 6 sets out the 'trigger points' in the planning application process that need to be reached, with the evidence that should normally be provided to confirm this, before a mineral planning authority would be eligible to make a bid for funding.
19. The table also sets out some examples of the areas where a mineral planning authority may require additional capability and/or capacity support to consider the application with due process and a fair hearing in an effective, timely and efficient manner, and where additional support through grant funding may assist in overcoming these issues.
20. However, this is not an exhaustive list. The Government wishes to ensure flexibility to enable a mineral planning authority to bid to fund the best and most appropriate means of additional capacity and/or capability support needed to properly carry out their consideration and processing of a planning application for shale exploration.
21. Funding will not be made available to assist mineral planning authorities in dealing with Freedom of Information requests, or with such matters as judicial review claims of their decisions on shale applications. These are administrative processes that do not support the processing of the application itself. Neither will funding be available to a mineral planning authority to contest an appeal against non-determination of a planning application.

¹ Or equivalent grant-making powers in respect of mineral planning authorities that are not covered by this Act.

Trigger points in the application process and examples of capability and capacity support

Specified 'trigger points' during the planning process	Maximum bid amount (up to)	Examples of type of support for which funding could be bid for
<p>Pre-application</p> <p>The pre-application trigger will be met where there has been either:</p> <ul style="list-style-type: none"> • a request to a mineral planning authority for an Environmental Impact Assessment scoping opinion, or • engagement with Council officers, Members and communities leading up to a formal application <p>Evidence such as :</p> <p>Letter from an intending applicant requesting a scoping opinion for environmental impact assessment purposes</p> <p>Written evidence of the mineral planning authority taking part in pre-application community engagement</p>	£50,000	<p><u>Capability</u></p> <ul style="list-style-type: none"> - scoping matters required under Environmental Impact Assessment - specialist technical support in considering environmental impacts (seismicity, noise, air quality etc) - professional support to assist the efficient processing of the planning application - legal advice <p><u>Capacity</u></p>
<p>Post-receipt of a planning application</p> <p>Evidence: letter of validation of the planning application</p>	£170,000	<ul style="list-style-type: none"> - community engagement work - awareness training for Council representatives and/or communities
<p>Post-decision</p> <ul style="list-style-type: none"> • where planning permission is granted <p>Evidence: copy of the planning permission</p>	£30,000	<ul style="list-style-type: none"> - support for managing high volumes of correspondence - development of communication strategy/media handling - IT enhancement/ extensions to aid efficient processing of the planning application - effective discharge and monitoring of conditions

Eligibility criteria

22. To be eligible for funding, the mineral planning authority will need to meet the following criteria:

- Confirmation that the bid relates to a proposal, planning application or planning permission for development involving the boring for, or getting of, oil or gas from shale and is for a site within an area covered by a Petroleum Development and Exploration Licence and that account has been taken of relevant provisions in the Infrastructure Act 2015, as appropriate.
- Evidence that a planning 'trigger point' has been reached, as shown in the table on page 6
- The bid must be submitted by the mineral planning authority in whose area development is proposed/permitted who must be the intended recipient of the funding
- Set out the total sum bid for, up to the maximum bid amount for the relevant trigger point reached set out in the table on page 6. Bids should only include costs yet to be incurred from the date of submission of the bid
- Provision of robust and clear evidence to justify the sum bid for, with clear costings for each element or workstream comprising the total bid amount
- If a mineral planning authority has signed up to a Planning Performance Agreement with the applicant, which will provide funding to the authority for the processing of the application, the bid should be discounted to reflect this
- Bids must demonstrate:
 - why the additional capacity and/or capability support is needed, over and above existing mineral planning authority resources,
 - that support will clearly contribute towards timely and efficient delivery of planning outcomes,
 - how the funding demonstrates value for money.
- The funding should not simply substitute the resource (and spend) which the mineral planning authority would normally incur in carrying out its planning functions. This funding is for spend incurred in 2015-16 only.

How to apply

Bids should be made electronically by sending a completed bid to MPABids@communities.gsi.gov.uk. A list of the information required as part of the bid is provided for information at Annex A.

Bids must be received within 28 days of the trigger point being reached, and in all circumstances before 31 January 2016.

Any other questions about the fund or the bidding process can be sent to us at MPABids@communities.gsi.gov.uk.

Funding to support mineral planning authorities - information required as part of bid

Applicant details:

- Name of mineral planning authority
- Contact name
- Contact email address
- Contact telephone number
- Address of mineral planning authority

Bid details:

- Confirmation, with detail, of eligibility to make bid for funding
- Confirmation that a trigger point has been reached, with the evidence for this (see paragraph 14 and the table on page 6)
- Proposal or planning application details (proposal; applicant; site address)
- Amount of funding requested for spend in 2015/16
- Details of the capability and/or capacity support that would be provided through the funding, with appropriate costings
- Confirmation that funding is for additional capability and/or capacity support needed on top of existing resource and is not a substitute for existing mineral planning authority resource
- Confirmation that funding will not be contributing to wider resources that should be funded locally

- If more than one bid is made within 2015-16 the subsequent bid(s) should also list the previous proposals where a bid has been made in the mineral planning authority area.

Advisory Team for Large Applications support (see paragraph 9)

- Eligible mineral planning authorities who would wish to take advantage of the ATLAS support for developing a community engagement strategy should identify it as an adjunct to their bid for funding. A short supporting statement should be provided to set out the key issues and requirements from the community engagement process, alongside when such support would be required.