



To: Executive Councillor for Public Places:
Councillor Andrea Reiner

Report by: Director of Environment

Relevant scrutiny committee: Environment Scrutiny Committee 11/6/2013

Wards affected: All Wards

DEVELOPER CONTRIBUTIONS AND DEVOLVED DECISION-MAKING: UPDATE AND PROPOSED NEXT STEPS Not a Key Decision

1. Introduction

1.1 This report has three main purposes:

- a. to report progress on strategic priority projects agreed last January, together with an overview of progress on area priorities and other on-going projects funded from developer contributions;
- b. to propose the process and timetable for a second priority-setting round using devolved and city-wide developer contributions;
- c. to highlight a number of issues relating to the use of developer contributions that are currently being addressed.

1.2 Plans for new and improved local facilities are coming to fruition through the use of off-site developer contributions from Section 106 agreements. They will make a real difference to local communities and help to address the impact of development in Cambridge.

- a. Six projects agreed prior to devolved decision-making have been completed recently (including improvements to Peverel Road play area and the development of King's Church community centre, below). The delivery of seven more of these projects is expected by 31 October 2013, with a further eight expected by 31 March 2014.



- b. Consultations and project appraisals for seven strategic projects from the first priority-setting round of devolved decision-making have either already been carried out or will happen this spring and summer, with project delivery in spring and summer 2014. This is in addition to 14 area priorities to be delivered by spring 2014.
- c. The proposed process for the second round of priority-setting would enable area committees, between them, to identify a further 14-18 priority projects from devolved developer contributions in late 2013 or, if necessary, early 2014. More strategic project priorities from city-wide developer contributions funding would be set next January. The timing of the second round priority-setting will need to fit around the primary focus of delivering the first round projects.

2. Recommendations

The Executive Councillor for Public Places is recommended:

- 2.1 to note the progress being made to deliver developer contribution-funded projects, including strategic priorities from the first round of devolved decision-making (see section 4 & Appendices B-D);
- 2.2 to endorse the proposed process for the second priority-setting round of developer contributions devolved decision-making (see Section 5);
- 2.3 to note the updated analysis of developer contributions devolved to each area committee fund and the city-wide fund (see Section 6);
- 2.4 to note the issues relating to the use of developer contributions that are currently being addressed (see Section 7).

3. Background

- 3.1 Over the last year, the city council has devolved to its area committees decision-making powers over how certain types of developer contributions are used on local projects (see Appendix A). Area workshops took place last autumn in order to consult on local needs and ideas for new/improved facilities. These suggestions were summarised and reported to the area committees last November.
 - a. The area committees identified 14 first round project priorities (amounting to over £550,000 of developer contributions) at that time. Updates on the progress being made have been reported to the area committees this spring (see Appendix B).
 - b. Ten strategic projects (over £900,000 of contributions in total) were prioritised last January to benefit residents across the city.
- 3.2 In addition to these first round priority projects, over 20 other developer contribution-funded projects agreed prior to devolved decision-making are also being implemented. See the update in Appendix C and photographs of some of the schemes that have been completed recently in Appendix D.

- 3.3 Since devolved decision-making was introduced, care has been taken to manage expectations, with the following key messages.
- Not all the project ideas suggested can be taken forward - there are not enough developer contributions to fund them all. Devolved decisions have to be based on the contributions available.
 - There is a clear focus on delivering the priority projects. Staff are working hard to take them from initial proposals to completed projects but it does take time (with all the necessary design, consultation, appraisal and procurement involved). The Council has to make sure that the overall programme of projects is kept manageable and achievable within the staffing capacity available.
 - This is an on-going programme of project delivery. Beyond the current first round, there will be further priority-setting rounds to deliver as many suggestions as possible from the lists of project ideas for the first three years of devolved decision-making.

4. Update on first round strategic project priorities

- 4.1 Of the ten strategic priorities set last January, two were for supplementary funding for play area improvements in the North and East areas (see paragraph 4.3). The planned project milestones for the other eight strategic priority projects are set out below. Seven of these are for delivery in the short-to-medium term.

Strategic project	S106 funding	Consult	Project appraisal	Start work	Finish work
Logan's Meadow LNR extension	£160k	Quarter 4 2013	Already approved	Quarter 4 2013	Quarter 3 2014
Paradise LNR Extension	£100k	Quarter 3 2013	Already approved	Quarter 1 2014	Quarter 2 2014
Drainage of Jesus Green	£105k	Quarter 3 2013	Quarter 2 2013	Q4 2013/ Q1 2014	Quarter 2 2014
Public art on Parker's Piece	£88k	Quarter 3 2013	Quarter 2 2013	Quarter 4 2013	Quarter 4 2013
Extend St Andrew's Hall	£140k	N/A	Quarter 3 2013	Quarter 4 2013	Quarter 2 2014
Centre at St Paul's Phase 3	£50k	N/A	Done	Under way	Quarter 3 2013
Cherry Trees Centre	£44k (city-wide)	N/A	Done	Under way	Quarter 3 2013
Rouse Ball Pavilion	Up to £210k	To be arranged	To be arranged	To be arranged	2015/16

4.2 Further information about these strategic project priorities:

- a. The appraisals for Logan's Meadow Local Nature Reserve extension and Paradise Local Nature Reserve extension (which had been part of the Upper River Cam Biodiversity project) were approved in March 2010. Fresh consultation of the details of the extensions, as now proposed, will take place in the coming months.
- b. The project appraisal for the drainage of Jesus Green is reported elsewhere on this agenda. Since the strategic options report to the Community Services Scrutiny Committee last January, officers have come to the view that it would be more appropriate for the project to be funded fully from informal open space (rather than partly from formal open space) contributions.
- c. Specific design concepts are being developed for the Parker's Piece public art project to commemorate the 150th anniversary of Cambridge's role in formulating the rules of association football and the 400th anniversary of the city's acquisition of Parker's Piece in 2013. The Executive Councillor for Public Places is currently considering options about how to proceed with this project.
- d. The delivery timescales for the three strategic projects based on community facilities grants (St Andrew's Hall extension and the redevelopment of the Centre at St Paul's and the Cherry Trees Centre) depend on the progress made by the grant recipients. Officers continue to liaise with these groups and monitor progress.
- e. The re-development of the Cherry Trees Centre is part-funded from both city-wide developer contributions funding (£44,000) and the East Area Community Facilities Grants programme (£36,000).
- f. The redevelopment of the Rouse Ball Pavilion was identified as a long-term strategic project priority. The Council has allocated £180,000 towards the estimated overall costs of over £500,000. Arrangements are being made to seek the external funding needed. This project is dependent on that funding being secured. See also paragraph 7.1a.

- 4.3 In view of the low levels of devolved funding for play area improvements available to the North and East areas, the Executive Councillor for Arts, Sports and Public Places last January agreed to give them an extra £47,500 and £42,500 respectively for this purpose from city-wide developer contributions funding. As both area committees were only able to identify three short-term priorities each (in their four-ward areas) last November, both have been invited to set an extra first round priority from this supplementary funding this spring/summer (for delivery in the latter part of 2014/15).

5. Proposed process for the second priority-setting round

- 5.1 The main proposals for the second round are as follows.
- a. To base the priority-setting on the summary lists of project ideas generated by the area workshops/consultations last autumn, supplemented by further ideas from harder-to-reach groups and suggestions for sports facilities from local sports groups and organisations (see paragraphs 5.3-5.4).
 - b. To run a two-stage process of, firstly, short-listing options from the updated summary lists of project ideas and, secondly, identifying project priorities based on further information compiled in standard profiles for each of the short-listed options. It is currently envisaged that the first stage would take place in September/October and the second stage for area committees, ideally, in November. However, it is possible that, for some area committees, this may need to happen in early 2014 instead. Strategic priorities would be set in January 2014 (see paragraphs 5.5-5.9).
 - c. To limit the number of projects that an area committee can prioritise in the second round to the number of wards in that area plus the option of another project grant-funded from developer contributions. The number of options that an area committee could short-list would be double the total number of its possible priorities (paragraph 5.10-5.16).
 - d. Not to limit second round priorities to project ideas that can be delivered within 18 months (paragraph 5.17-5.18).
 - e. To develop and deliver projects prioritised in the second round in 2014/15 onwards, once first round projects have been completed (see paragraphs 5.19-5.20).
- 5.2 These proposals are guided by the need to make sure that the second round process can be kept as simple and as manageable as possible, to enable Council services to focus on delivering first round priorities and other on-going developer contribution-funded projects.

What range of project ideas would there be to choose from?

- 5.3 The starting point for the second round will be the lists of project ideas eligible for city council developer contributions funding, which were developed through the area workshops last autumn. In line with the agreed approach to devolved decision-making, these lists of project ideas will, broadly, provide the basis for all priority-setting rounds prior to autumn 2015, when there will be fresh area consultations and the drawing up of new lists.
- 5.4 At the same time as keeping to the broad approach that was agreed when devolved decision-making was introduced in early 2012, officers

are also keen to draw on the experience and learning from the initial area consultations and first priority-setting round.

- a. The updated Equality Impact Assessment in January 2013 highlighted that more should be done to consult people from harder-to-reach groups, including young people, ethnic minorities and faith groups. In response, over the late spring and summer, officers will approach local diversity and equalities groups to seek their views and those of city residents on their distribution lists. The replies received will be added to the lists of project ideas.
- b. As last autumn's consultation workshops were arranged on an area basis, it became clear that some sports groups serving more than one area were not clear which to attend and how to put forward strategic project ideas. Last January's report on strategic project options included only four for outdoor sports facilities and four for indoor sports facilities. This is particularly significant for the second round given the analysis of available developer contributions in Section 6. This shows that, of the £550,000 of city-wide developer contributions available, over £250,000 is for formal open space/outdoor sports facilities and around £75,000 is for indoor sports facilities.

As part of early discussion on priorities for the Council's Sports Strategy for 2014-2020, the Council's Sport & Recreation service will consult sports and community groups on need and opportunity for new sports provision. Eligible project ideas raised through this exercise will also be added to the lists of project ideas.

- c. Another learning point from the first round is that the project ideas - in the lists that the area committees were asked to prioritise - varied considerably in size and likely cost. Whilst some variation is inevitable, officers will review the lists of project ideas to explore whether there is an opportunity to bring together smaller ideas relating to a common theme or location. This could help to get more out of the priorities that are set.

Incidentally, the number of eligible project ideas still on the area lists currently stands at around 40 each for the North and East areas and around 65 each for the South and West/Central areas.

How and when would the priority-setting process be run?

- 5.5 Recent discussions with the area committee chairs suggests that they would prefer to be presented with a smaller number of worked-up options to choose from. To this end, a two-stage process is proposed. This outlined in the following paragraphs and an overview in paragraph 5.16.

5.6 The short-listing stage:

- a. Each area committee (and relevant scrutiny committee for strategic project options) would receive a report with its own updated summary list of project ideas eligible for developer contributions, incorporating changes arising from the steps in paragraph 5.3. The list would provide a top-level overview and could include broad assessments from officers of the likely costs (eg, small, medium or large scale) and timescales involved in project delivery (eg, short, medium or long-term), along with brief officer comments.
- b. Given the focus on the delivery of first round priority projects, it will not be possible for Council services to enter into detailed discussions about the possible project ideas at this stage. At the same time, officers appreciate that those residents and community groups who took part in the area workshops last autumn may wish to contact the Council to provide a brief update on particular project ideas that they put forward about how proposals and/or preparations have developed since then. (See also paragraph 8.7). Officers would be pleased to take account of these updates in the producing the revised summary lists of project ideas.
- c. Each area committee (and scrutiny committee for strategic project ideas) would each be asked to short-list the options about which it would want officers to provide more details.

5.7 Priority-setting stage:

- a. A follow-up report to each area committee (or relevant scrutiny committee for strategic project ideas) would feature a more detailed profile for each short-listed option. The profile would cover a standard set of issues, including:
 - the aims of the project (eg, who it would benefit)
 - how it would meet needs (including evidence-based needs set out in Council service strategies)
 - how much it could cost
 - when it could be delivered / how long it could take
 - any risk factors that could affect project delivery.
- b. Relevant community groups would have another opportunity (between the short-listing report and the production of the priority-setting report) to provide more information about their particular short-listed proposals. The profiles would still be brief (no more than an A4 page on each project).
- c. Each area committee (and relevant Executive Councillor for strategic project ideas) would be asked to identify their priorities from the short-listed options.

5.8 Officers are working towards presenting the options for second round priority-setting reports to area committees in November, although this may need to happen a little later for some areas. The timetable is set out in the table below.

Committee	Short-listing stage	Priority-setting stage
West/Central Area	05/09/13	14/11/13
East Area	05/09/13	28/11/13
South Area	16/09/13	04/11/13 or 13/01/14
North Area	01/08/13 or 03/10/13	21/11/13 or 06/02/14

- a. During June and July, officers will be taking forward the consultation with harder-to-reach groups and city-wide sports groups organisations, inviting updates on existing project ideas from workshop participants and revising/consolidating the summary lists of project ideas accordingly. It is unlikely that all these exercises will be completed before the end of July.
- b. The aim is to present the short-listing stage reports to the area committees in September/October. The difficulty, however, is that the timescales for compiling the profiles for the short-listed options for the North and South Area Committee meetings in November would be very tight, particularly in the context of project delivery and other workloads. Feedback already received from one area committee indicates an openness to taking more time to enable considered decisions about improving local facilities to be made. For South Area, it may be necessary to defer the priority-setting report to 13 January. For North Area, officers are exploring the possibility of either taking the short-listing report to the 1 August meeting or the priority-setting report to the meeting on 6 February.

5.9 The short-listing and prioritising of strategic projects will involve reports (relating to different contribution types) to the Environment and Community Services Scrutiny Committees and decisions by the Executive Councillors for Public Places and for Community Well-being. The proposed timetable is set out below.

Scrutiny Committee	Options relating to contributions for	Short-listing	Priority-setting
Environment	Informal open space, play areas, public art, public realm	08/10/13	14/01/14
Community Services	Community facilities, outdoor sports (formerly, formal open space), indoor sports facilities	10/10/13	16/01/14

How many second round priority projects can be taken forward?

- 5.10 In terms of the priorities to be set by the area committees, it is proposed that the second round takes a similar approach to that followed in the first round:
- a. the area committees would be able to identify as many priority projects as there are wards in their area;
 - b. in addition, it is proposed that each area committee should also have the option of setting an additional ('plus one') priority for a project to be delivered by a community organisation via a grant (eg, funded from community facilities or sports facilities contributions).

This approach means that the South and West/Central area committees would each be able to set three priorities plus one and the North and East areas committees would each be able to set four priorities plus one.

- 5.11 The ability to identify priority projects is, of course, dependent on the area committees having sufficient devolved funding in the relevant contribution types available to afford those schemes.

- 5.12 The thinking behind this approach is as follows.

- a. Setting the number of priorities that each area can take forward is necessary to help ensure that there can be a fairer spread of project delivery across areas within the staffing capacity available. At the same time, those area committees which have more devolved developer contributions funding available to them have the scope to take forward projects of a higher value.
- b. Linking the number of priority projects in an area to its number of wards does not necessarily mean that there has to be one priority project in each ward: this will be for each area committee to decide.
- c. The introduction of the 'plus one' option would help to encourage use of more contributions types, thereby reducing the risks that particular contributions with specific 'expiry date' conditions could go unused.
- d. Having a 'plus one' option would not stop an area committee from deciding to take forward other grant-funded projects as part of its three or four priorities.

- 5.13 Providing grants to enable community organisations to deliver their own projects can be less time-consuming than the Council developing and delivering projects itself, but this is not always the case. Negotiating and finalising community use agreements for the facilities to be grant-funded can sometimes be time-consuming. It is for this reason that just a 'plus one' option is being suggested for each area in

the second round. That said, if the actual grant-funded priorities from the second round prove to be straightforward and the officers dealing with community facilities and sports facilities projects find that they have the capacity, the Executive Councillors would have the option of allowing more grant priorities to be set before a third priority-setting round in autumn 2014.

- 5.14 Working back from the number of second round priority projects that an area committee would be asked to identify, it is proposed that the size of the shortlist should be double the number of priority projects that the area committee could set (ie, eight for the South and West/Central areas and ten for North and East. All short-lists would need to consider including at least two grant-based options.
- 5.15 Until the city-wide list of project ideas has been updated, particularly with more project ideas for strategic sports facilities, it is not proposed to stipulate any number of strategic priorities that could be set. This can be reviewed in the report to the Environment Scrutiny Committee in October 2013.
- 5.16 The table below sums up the proposed process for short-listing and priority-setting and the number of proposals/priorities at each stage.

Stage	What it considers	Outcome
Shortlisting stage	Top-level summary of all relevant, eligible ideas. Different area committees could have between 35–70 project ideas	Identifies short-listed options: 8 each for South and West/Central areas; 10 for North and East areas
Priority setting	High-level profiles of short-listed options (up to A4 page each)	Sets priorities: 3 plus 1 (grant-funded) for South and West/Central areas; 4 plus 1 (grant-funded for North and East areas
Project Appraisal	Detailed proposals for individual prioritised projects	Project appraisal approved so that project procurement and delivery can follow

More information about project appraisals can be found in paragraphs 5.19-5.20 and A6 of Appendix A.

How long should be allowed for project delivery?

- 5.17 The first round was focussed on prioritising projects that could be delivered in the short-term and an overall target was set to deliver all priorities identified in November 2012 by March 2014. The second

round is different. There will be a greater mix of project ideas from which to prioritise. The options will range in scale and complexity and the amount of preparatory work already undertaken (some will be more 'ready to go' whilst others may need detailed design work).

- 5.18 This is likely to be reflected in the projects that are prioritised – with a mix of projects that could be ready in the short, medium and long-terms. Setting a single ('one size fits all') target delivery timescale is, therefore, not advised. Target timescales should be set for each prioritised project at the project appraisal stage.

When would second round priorities be taken forward?

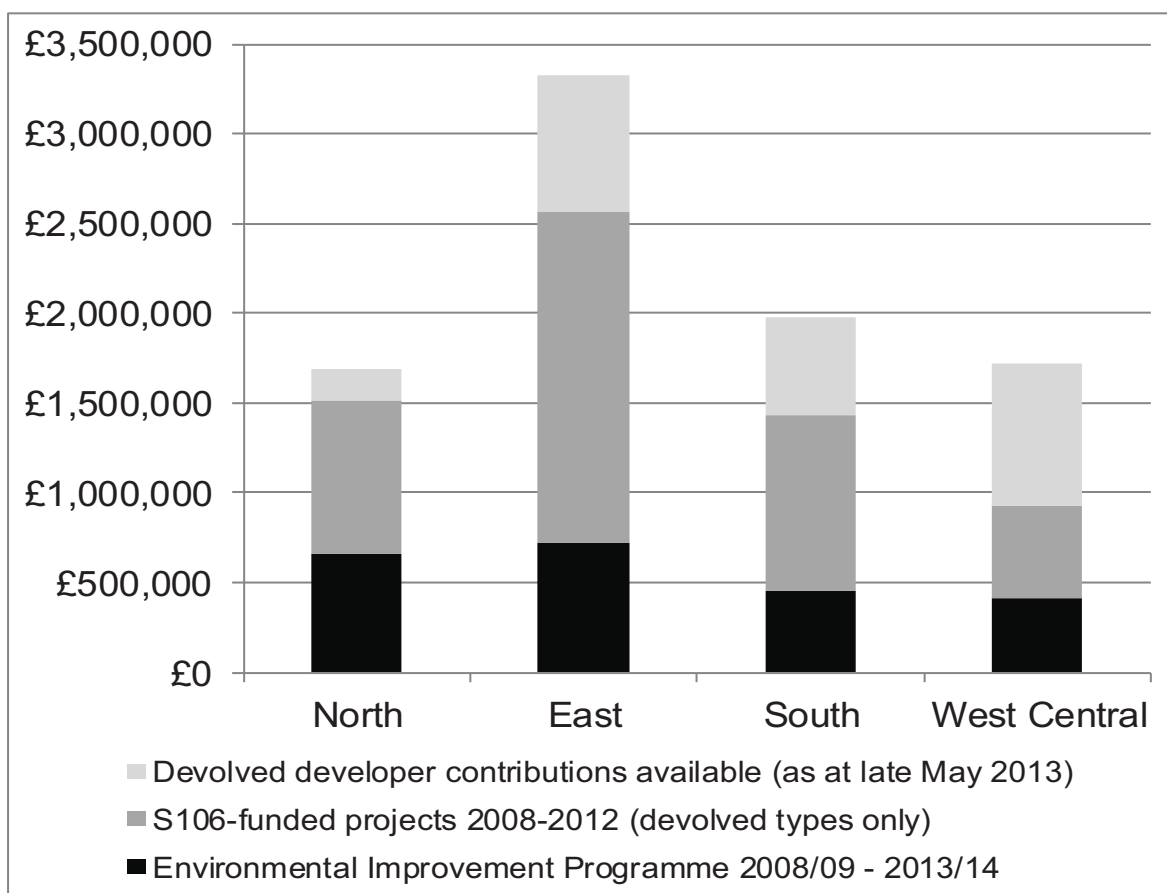
- 5.19 Following from the setting of project priorities, proposals will need to be developed in detail and projects above £15,000 in value will need to go through a project appraisal. This helps to clarify expected project costs and delivery timescales and how any running/maintenance costs (for facilities to be managed by the Council) would be met.
- 5.20 In the closing months of 2013/14, Council services will need to focus on completing first round projects before moving on to implementing second round priorities. Whilst some project appraisals may come forward in early 2014, it is more likely that most second round priorities will be developed and delivered from April 2014 onwards.

6. Update on availability of developer contributions funding

- 6.1 Over the last five months, the Council has received around £775,000 of developer contributions. This is based on large payments from two developments in the East and West/Central areas (around £680,000) and around £95,000 from 19 smaller ones. The levels of developer contributions received in each area reflect the levels of development currently taking place.
- 6.2 The table below shows how these recent receipts are distributed across the area and city-wide funds, based on the devolved funding arrangements set out in Appendix A, paragraphs A2 b and c.

Developer contributions	North	East	South	West/Central	City-Wide
New receipts: split 50:50	-	£206k	-	£149k	£355k
New receipts: 100% to Area	£3k	£36k	£25k	£3k	-
Latest position	£3k	£242k	£25k	£152k	£355k

6.3 The following chart places these amounts received in the last five months in the context of an area-by-area analysis of devolved contributions available for allocations/spending since 2008 on developer contribution-funded projects (not including off-site affordable housing) and the environmental improvement programme.



6.3 The scrutiny committee reports in October provide an opportunity to consider whether to make available further funding from the city-wide fund to any particular area(s) to supplement the devolved funding for the second priority-setting round.

6.4 Last January’s Community Services Scrutiny Committee report gave a breakdown of the funds available to each area and the city-wide fund by contribution type. This detailed analysis will be repeated for reports to the area and scrutiny committees this autumn, by which time further developer contribution payments will have been received and further funding for devolved and strategic projects will be available.

6.5 In the meantime, the table below gives a provisional analysis based on the main contributions received since January 2013. This takes account of the change of contribution types allocated to the Jesus Green drainage project (see paragraphs 4.2b). It does not, however, include the supplementary play provision funding for the North & East areas as those area committees are in the process of considering how it could be used (see paragraph 4.3).

Rounded down to nearest £25k	North	East	South	West/ Central	City- Wide
Community facilities	£150k	£200k	£100k	£275k	£75k
Informal open space	<£25k	£200k	£175k	£150k	<£25k
Outdoor sports	<£25k	£100k	£150k	£225k	£250k
Indoor sports	<£25k	£50k	<£25k	<£25k	£75k
Play provision	<£25k	<£25k	£75k	£75k	<£25k
Public art	<£25k	£50k	<£25k	<£25k	<£25k
Public realm	£0	£75k	£0	£25k	£100k

6.6 As part of continuing efforts to manage expectations, this availability of funding needs to be placed in the context of typical costs of some of the ideas for new/improved local facilities that were suggested during last autumn's area consultations. For example, the use of developer contributions for sports pavilions (including changing room facilities) has ranged from around £200,000 to over £500,000 per project, primarily from outdoor sports/formal open space contributions. Grants for extensions to community facilities tend to come within the £50,000-£150,000 range.

7. Other developer contributions issues to be addressed

- 7.1 A number of issues will need to be raised as part of this year's review of the Council's Capital Plan and Medium Term Financial Strategy.
- a. As the strategic priority to re-develop the Rouse Ball Pavilion is contingent on external funding (see paragraph 4.2f), officers are minded to include this project on the 'on hold' list of the Capital Plan until the necessary funding is secured.
 - b. The phase 2 works of the Cherry Hinton Hall grounds improvement project (towards which the Council has already allocated £400,000 of developer contributions) is currently on the 'on hold' list of the Capital Plan. At the same time as seeking external funding (so this project can come back on to the Capital Plan), it is also proposed that officers liaise with local community groups to consider how the project might be reconfigured and/or otherwise funded in the event that the full amount of external funding desired cannot be obtained.
 - c. The Pye's Pitch recreational facilities improvement project has been more complex than anticipated. Two of the three main parts of the project have been addressed: football pitches have been provided, and access and landscaping works are due to be completed by August. However, it has not been possible to

provide changing room facilities on Pye's Pitch within the funding available. The following way forward is proposed.

- To end the current project once the first two parts are completed and return remaining allocated developer contributions for formal open space to the appropriate area and city-wide funds.
 - To work up alternative options as part of the consultation with city sports groups and organisations in July and July (mentioned in paragraphs 5.4b).
- d. Although seven strategic priorities were agreed for delivery in the short-to-medium term (ie, beyond March 2014), the allocated funding seems to have been assigned, in the current Capital Plan, to 2013/14 only. Officers will arrange for the spending plans to be re-profiled to reflect project delivery across 2013/14 and 2014/15.

Stand-alone community facilities grant programmes

- 7.2 There are some particular issues relating to the future of stand-alone community facilities grants programmes. Whilst these are matters for the Executive Councillor for Community Well-being, they are mentioned in this report because they have wider implications for the devolved decision-making process.
- 7.3 Prior to the introduction of devolved decision-making, a couple of grant programmes were set up to help community groups in particular parts of the city to fund local projects using developer contributions for community facilities (eg, for buildings such as community centres, public halls and meeting places). Funding decisions have rested with the appropriate Executive Councillor. Now that devolved decision-making is up and running, however, queries have been raised about whether one or both of these separate programmes should continue: the two programmes differ in some important respects.
- 7.4 The Newtown Community Development Capital Grant Programme was set up in 2008 with £130,000 of community facilities developer contributions. Almost five years on, around £75,000 remains. The main issues seem to be as follows:
- a. There do not seem to be immediate proposals to spend the balance of the Newtown Programme on projects which would be eligible for community facilities funding.
 - b. At the same time as having a £75,000 balance in the Newtown Programme, the Council has spent more than £75,000 in that neighbourhood in recent years using other community facilities developer contributions funding. This includes investment in the development of the Centre at Paul's (from the East Area Grants Programme and city-wide funding) and in the provision of

community meeting space at Princess Court/Hanover Court (as a South Area Committee priority project). With additional on-site meeting space being arranged as part of the local Cambridge University Press development, Newtown residents already have a range of community facilities available to them.

- c. The ideas suggested by community groups in Newtown, through last autumn's South Area workshop, relate primarily to needs for informal open space and play area projects, which cannot be funded from community facilities developer contributions. A local community group has expressed its frustrations about this, but officers have explained that the definition of 'community facilities' is set in Council policy (the Planning Obligations Strategy). The suggestions from Newtown are already on the South Area Committee's list of project ideas which can be considered (again) for short-listing and priority-setting in the second round.
- d. Even if eligible community facilities projects were to come forward for Newtown Programme funding, other parts of the city (and the South Area, in particular) could view this as unfair fast-tracking. Not only do other project ideas have to go through the priority-setting process under devolved decision-making, but any project coming forward separately could divert resources and capacity away from the delivery of devolved and strategic priorities.
- e. In 2010, it was agreed that the Newtown Programme should be reviewed in 2013, so the consideration of these issues is timely.

7.5 The other stand-alone community facilities grant programme is the East Area Grants Programme (Capital Plan reference PR026).

- a. This was set up in 2010 to give the East Area Committee more say over the local use of local community facilities contributions.
- b. The original budget was £800,000 and only around £49,000 (for Abbey ward) currently remains unallocated. A number of ongoing or completed projects funded by this programme are listed in Appendix C. It is understood that several project ideas for using the remaining money in Abbey ward are under consideration.
- c. Alongside the first round of devolved decision-making, phase 1b of the St Martin's Church centre project was identified for funding from the East Area Grant Programme last November. This did not cut across devolved decision-making because the proposal was considered by the East Area Committee.

7.6 Over the next two months, officers propose to seek views on whether stand-alone community facilities grants programmes should continue. The arrangements will be worked up in more detail with the Executive Councillor for Community Well-being but, at this stage, officers envisage that these could be as follows.

- a. The consultation is likely to cover the option of disbanding the New Town Community Development Capital Grant Programme and returning unspent community facilities developer contributions to the relevant area and city-wide funds. All future local project ideas from Newtown for the use of devolved developer contributions would then be considered by the South Area Committee along with all other local project ideas from South Area.
 - b. The consultation could also cover whether any future project priorities from the East Area Grants Programme should be counted as one of the East Area Committee's four plus one project priorities.
- 7.7 The consultation will seek comments from the Newtown Forum, Trumpington ward councillors, the South and East Area Committees and the chairs, vice chairs and opposition spokes of other two area committees. Details of the consultation will also be made available of the Council's Developer Contributions web page. The aim is to report the findings of the consultation to the Community Services Scrutiny Committee next October.

Next steps

- 7.8 Since devolved decision-making was first proposed (in the January 2012 Community Services Scrutiny Committee report), it has been envisaged that this approach will continue when the Council moves over to the CIL (Community Infrastructure Levy) system of developer contributions. The CIL Regulations 2010 refer to a meaningful proportion (15%) of CIL payments being set aside for local projects and this would seem to provide a basis for devolved decision-making. The arrangements will be developed and proposals reported to Members prior to the City Council's introduction of CIL during 2014/15.

8. Implications

- 8.1 ***Financial implications:*** Existing area and strategic priority projects are already incorporated into the developer contributions programmes in the Capital Plan and the necessary funds have been allocated to them. Care will be taken to ensure that the priorities arising from the second round are affordable from the appropriate contribution types that are available in the relevant area and city-wide funds. Other financial issues have already been covered in paragraph 7.1.
- 8.2 ***Staffing implications:*** Extra staffing resources have been brought in, via the Project Facilitation Fund, to support the delivery of priority and on-going developer contribution-funded projects. Council services are 'pulling out the stops' to get projects completed. At the same time, the need to make sure that the overall programme of project delivery is

manageable and achievable within the available staffing capacity has been a guiding principle throughout this report.

- 8.3 ***Equal Opportunities implications:*** Officers are addressing the actions identified through the updated Equality Impact Assessment that was reported in January 2013. This includes:
- a. securing city-wide developer contributions funding for the North and East Areas to supplement the devolved amounts for play area improvements, in view of the level of needs in those areas (as set out in the January 2013 strategic project options report);
 - b. consultations with harder-to-reach groups (see paragraph 5.4);
 - c. assessing the equality impacts of individual priority projects as part of the project appraisal process.
- 8.4 ***Other implications:*** The projects appraisals for individual projects will also address any particular issues relating to environmental, community safety or procurement considerations.

Communication and consultation:

- 8.5 The starting point for residents and community groups wishing to find out more about the Council's approach to developer contributions and devolved decision-making is the Developer Contributions web page (www.cambridge.gov.uk/s106). It provides regular updates and links to useful background documents.
- 8.6 Officers will also be producing regular newsletters to keep residents and community groups informed about consultation opportunities and the progress of projects. The next one will be in later this month. The newsletter will be emailed to those who took part in last autumn's area workshops and to other local community groups (where up-to-date email address are known) as well as to local city and county councillors. Anyone wishing to receive these email updates is invited to email s106@cambridge.gov.uk. Paper copies of the newsletter will also be made available on request (telephone 01223 457000).
- 8.7 Further to the proposal in paragraph 5.6, the newsletter later this month will include the invitation for workshop participants who championed particular project ideas last autumn to give a brief update on how the proposals or preparations have developed since then. Those community groups seeking grant-funding for their proposals may find this particularly helpful. In order to manage expectations and make sure that the second round process does not distract from the delivery of first round priorities, it is important to note that:
- a. this is for updates on existing project ideas on the lists reported to the area committees last November only;

- b. workshop participants are encouraged to keep their updates brief (ideally no more than 250 words);
- c. officers will not be able to engage in detailed correspondence about the project ideas at this stage;
- d. only key points from the updates provided by workshop participants will be included in the summaries for the short-listing reports to the area and scrutiny committees.

8.8 Following on from the area workshop consultations last autumn, arrangements for further consultation have already been addressed in paragraphs 4.1, 5.4 and 7.5-7.6 of this report and in Appendix B.

- a. For the consultations on strategic and area priority projects, officers will contact residents neighbouring the locations of new/improved facilities, relevant community groups and local councillors as well as publicising the arrangements via the Council's website.
- b. Where online surveys are being run, alternative arrangements will also be made to ensure that those residents who do not have easy access to computers are also able to comment.

9. Conclusions

9.1 The proposed process for the second priority-setting round seeks to:

- a. get as many projects as possible taken forward whilst making sure that the overall programme is manageable and achievable; and
- b. promote local choice over how devolved contributions are used, whilst making sure that the overall approach is as fair as possible to all areas.

9.2 As much as it is important that there is a clear process for devolved decision-making, what matters most is project delivery. This report has shown that new and improved local facilities, funded from developer contributions, are being delivered and more projects will be completed throughout the rest of 2013 and during the spring and summer of 2014.

10. Background documents

- Reports on devolved decision-making to the Community Services Scrutiny Committee on 17/1/13, 28/6/12 and 12/1/12
- Equality impact assessment: overview of developer contributions and devolved decision-making – January 2013
- Progress reports to the area committees on the first round priority projects in spring 2013 (West/Central on 25/4/13, South on 9/5/13, North on 16/5/13 and East on 6/6/13).

- Reports to the area committees on area workshop feedback and options for the first priority-setting round in November 2012 (West/Central on 1/11/12, South on 12/11/12, North on 22/11/12 and East on 29/11/12)

These reports and other background documents can be found on the Developer Contributions web page (www.cambridge.gov.uk/s106).

11. Appendices

- A. Developer contributions & devolved decision-making: an overview
- B. Update on Area committees' priority projects for delivery by March 2014
- C. Update on on-going projects funded from developer contributions
- D. Photographs of recently completed projects
(To view these photos in colour, see the electronic version of this report on the Developer Contributions web page.)

12. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Developer contributions and devolved decision-making: an overview

- A1. Developers are often asked to make financial contributions (known as Section 106 payments) to the city council to address the impact of their development on Cambridge, instead of providing facilities as part of the developments themselves. These off-site contributions are used to provide or improve local amenities such as play areas, parks and open spaces, sports facilities and community centres. The city council spent more than £7.5 million of off-site developer contributions between 2007 and 2012.
- A2. The decision to devolve to area committees decision-making powers over the use of developer contributions was made following a report to the Community Services Scrutiny Committee in January 2012. It was agreed that:
- a. this would apply to the following contribution types: community facilities, informal open space; provision for children and teenagers (for play area improvements); indoor sports facilities; outdoor sports facilities (formerly, formal open space); public art and public realm;
 - b. the funding to be devolved to an area committee would be based on 100% of contributions from minor planning applications determined by the area committee or by officers under delegated powers and 50% of contributions from major applications from that area determined by the Planning Committee;
 - c. the other 50% of contributions from Planning Committee decisions would be held in a city-wide fund for strategic projects benefiting residents of more than one area of the city. Decisions on the use of this funding would remain with the relevant Executive Councillors following reports to the relevant scrutiny committees;
 - d. the relevant Executive Councillor has the power to reallocate any devolved contributions getting close to 'expiry dates' to schemes that would enable the money to be used appropriately and on time.
- A3. In line with previous practice, the Executive Councillor for Public Places is responsible for the overall approach to (and resourcing of) the delivery of developer contribution-funded projects and devolved decision-making process as well as for setting strategic project priorities relating to the informal open space, play area, public art, and public realm contribution types. Meanwhile, the Executive Councillor for Community Well-being takes the decisions relating to strategic priorities for community facilities, outdoor sports facilities/formal open space and indoor sports facilities.

- A4. From its inception, devolved decision-making for developer contributions has been based on a 3-yearly assessment of needs in each area, to be developed in consultation with local communities. As part of this, in autumn 2012, area workshops helped to generate lists of project ideas for each area for 2012-15. It has always been envisaged that there would be a number of rounds of priority-setting within this period.
- a. The first round was focussed on identifying 'quick win' priorities that could be delivered in the short-term. Subsequent rounds are likely to include more complex projects, which may take longer.
 - b. The table on the next page sets out the broad approach to the implementation of devolved decision-making: albeit that, in practice, there may be some variations (eg, depending on the specifics of particular projects being taken forward).
- A5. Whilst devolved decision-making enables area committees to decide how best to use devolved contributions to meet local needs, there are some parameters. A project can only be taken forward where:
- a. there is sufficient developer contributions funding available in the devolved or city-wide fund (as appropriate) and in the relevant contribution type. Developer contributions have to be used in line with the intended purposes agreed in the relevant legal agreement;
 - b. there is sufficient officer capacity to take forward the development, appraisal, procurement and delivery of projects;
 - c. it is agreed as a priority by the Area Committee (for area-specific projects) or by the relevant Executive Councillor (for strategic projects benefitting more than one area) and subsequently receives project appraisal approval. Whilst officers may provide advice on the feasibility of project ideas at an earlier stage, it cannot be assumed that these ideas will be funded until decisions have been made by the appropriate committee/councillors.
- A.6 In line with the Council's Constitution, all projects above £15,000 have to be appraised. This happens after the setting of project priorities.
- a. Appraisals of strategic projects estimated to be above £75,000 are reported to the relevant scrutiny committee and determined by the relevant Executive Councillor. Those under £75,000 are determined by the Executive Councillor in consultation with the relevant scrutiny committee chair, vice chair & opposition spokes.
 - b. Area priority projects estimated to be above £75,000 are reported to, and decided by, the relevant area committee. Those under £75,000 are reported to the area chair and vice chair and opposition spokes for sign-off.

Table: Broad approach to developer contribution devolved decision-making & funding of strategic projects: the first 3 years

Stages	Q4 2012- Q1 2013	Q2 2013- Q3 2013	Q4 2013- Q1 2014	Q2 2014- Q3 2014	Q4 2014- Q1 2015	Q2 2015- Q3 2015	Q4 2015- Q1 2016
Area workshops generate project ideas for 2012-15	■						
1 st round priority projects agreed	■						
Delivery of 1 st round Area (Nov 12) short-term priorities		■ AREA					
Delivery of 1 st round (short-to-medium term) strategic priorities		■ STRATEGIC					
2 nd round priority projects agreed			■				
Delivery of 2 nd round priorities (some may take longer)				■	■	■	■
Possible 3 rd round priority projects agreed					■		
Delivery of 3 rd round priorities (continuing beyond Q1 2016)						■	■
Area workshops to generate project ideas for 2015-18							■
4 th round priority projects agreed							■

Overview of progress on area committees' priority projects for delivery by March 2014

<i>For more details, see the spring 2013 area committee reports</i>	S106 funding	Consult	Appraise	Start on site
NORTH AREA				
Community meeting space at Sikh community centre	£50k	N/A	July 13	Aug 13
Formalise BMX track next to Brown's Field Community Centre	£30k	June/ July 13	July/ Aug 13	Oct 13
Improve Nun's Way skate park	£65k	June/ July 13	July/ Aug 13	Oct 13
EAST AREA				
Increase biodiversity at Stourbridge Common	£15k	July 13	N/A	Oct/ Nov 13
Improve access to Abbey paddling pools from Coldham's Common	£10k	Aug 13	N/A	Oct 13
Install adult gym equipment next to Ditton Fields play area	£30k	June 13	July 13	Aug 13
SOUTH AREA				
Hanover Court/Princess Court community meeting space	£100k	March 13	June 13	Aug 13
Trim Trail/outdoor fitness equipment at Nightingale Ave Rec	£30k	May 13 (on-going)	July 13	Aug 13
Improvements to Cherry Hinton Rec. Ground (skate park, play area & 5-a-side goals)	£65k £50k £ 7k	June/ Aug 13	July/ Sept 13	From Nov 13
Cherry Hinton Community Centre - stage 1	£9k	Mar 13	Jan 13	June 13
WEST/CENTRAL AREA				
Benches in parks and open spaces	£30k	From May 13	July 13	Sept 13
Improve access to Midsummer Common community orchard	£20k	June 13	July 13	Oct 13
Improve entrances at Histon Road Rec. (including public art)	Up to £50k	From June 13	Aug 13	Oct 13
Community meeting space at Centre 33	£12k	N/A	Jan 13	April 13 (on-going)

Update on on-going projects funded from developer contributions

	Ward	S106 funding	Expected completion
NORTH AREA			
Pye's Pitch recreational facilities (football pitch provision & access/landscaping only) (SC436)	East Chesterton	£25k-£50k	August 13
Vie play area: installation of play area equipment in line with revised proposals (SC468)	East Chesterton	£25k-£50k	By Sept 2013
Vie public open space (adaptations to entrance still to be done) (SC469)	East Chesterton	£175k-£200k	Awaiting land transfer
Arbury Community Centre (SC556)	King's Hedges	£75k-£100k	July 2013
Kings Hedges 'Pulley' play area (SC494)	King's Hedges	£75k-£100k	Completed
King's Hedges paddling pool – water play project (SC478)	King's Hedges	£175k-£200k	March 2014
EAST AREA			
Stanesfield road scout hut (PR026)	Abbey	£100k	March 14
Peverel Road play area (SC497)	Abbey	£75k-£100k	Completed
Abbey Pool play area facilities (SC479)	Abbey	£75k-£100k	March 2014
Abbey paddling pool water play (SC476)	Abbey	£175k-£200k	March 2014
Coldham's Common LNR Extension (SC456) (awaiting feedback on proposed revisions to scheme)	Abbey	£25k-£50k	On hold
Coleridge Recreation Ground (SC544)	Coleridge	£275k-£300k	March 2014
Coleridge paddling pool – water play project (SC477)	Coleridge	£125k-£150k	March 2014
Flamsteed Road Scout Hut (PR026)	Coleridge	£100k-£125k	December 13

	Ward	S106 funding	Expected completion
King's Church community centre (PR026)	Petersfield	£100k	Completed
Petersfield & Flower Street play area improvements (SC496)	Petersfield	<£15k	June 2013
Mill Road Cemetery Memorial public art (SC432)	Petersfield	£50k-£75k	October 2013
St Martin's Church centre: phase 1 (PR026)	Coleridge	£100k-£125k	Completed
St Martin's Church centre: phase 1b (PR026)	Coleridge	£100k-£125k	December 13
SOUTH AREA			
Bat and vole biodiversity project	Trumpington	<£15k	By Sept 2013
Cherry Hinton Hall: grounds improvements (phase 1) (SC474)	Cherry Hinton	£75k	Completed
Southern Connections (SC548)	Trumpington	£75k-£100k	October 2014
WEST/CENTRAL AREA			
Hobb's Pavilion (SC512)	Market	£225k-£250k	Completed
Jesus Green play area (SC492)	Market	£100k-£125k	October 13

Note: The table shows the developer contributions funding for projects, which may also receive funding from other sources (eg, Petersfield and Flower Street play areas).

Photographs of recently completed projects

King's Hedges (Pulley) play area

North Area, King's Hedges ward

Developer contribution funding: £80,000 (for new play equipment)

The construction work involved the refurbishment of the existing play area, installation of new play equipment (including electronic play equipment) and the laying of colour surfacing to enhance the design. The new play area was opened on 24 May 2013. The new design was based upon on a Space and Science theme with planets, space invaders and flowing cosmic shapes incorporated into the design.

(Photos taken prior to removal of temporary safety fencing before opening)

BEFORE



AFTER



Peveler Road play area

East Area, Abbey ward

Developer contribution funding: £90,000

The construction works included the removal of the existing play area, the installation of a new play area to cater for all age groups and the laying of colour surfacing to enhance the design. The new play area was opened on 17 May 2013. The new design includes an aircraft theme and is based on local history of the area, with the main reference being the local Marshall's airfield situated to the east.

BEFORE



AFTER



King's Church Community Centre

East Area, Petersfield ward

Developer contribution funding: £100,000

A grant from the East Area Grants Programme was awarded to King's Church for the development of the existing chapel so that three community rooms and a café area could be added to the facility. This entailed: the removal of a false ceiling; partition and construction of a mezzanine floor along with partition walls to new community rooms; the installation of a lift for disabled access to the worship area; and installation of new energy efficient heating system. The Council's contribution to the project was completed in December 2012.

King's Church community centre photos (from their website)



St Martin's Church centre: phase 1

East Area, Coleridge ward

Developer contribution funding: £120,000

A grant from the East Area Grants Programme was awarded to St Martin's Church for the phase 1 renovation and improvement of the existing community room. This has entailed: replacing and insulating the flooring; insulating the walls; replacing windows and heating systems; improving lighting and acoustics; improving access with a new external doorway; and creating a separate storage room.

Phase 1 is part of the on-going development project. Grant-funding has also been provided from the East Area Grants Programme for phase 1b. Whilst the photographs below show a work in progress, the project co-ordinator from the church centre has highlighted how the new facilities are already being used and enjoyed by youth and community groups.



Cherry Hinton Hall grounds improvements – phase 1

South Area, Cherry Hinton ward

Developer contribution funding: £75,000

Phase 1 has addressed the central area of the parkland that was left fallow following the demolition of the propagation centre in 2007. The work has involved:

- removing and redefining the fence-line around the old propagation site;
- groundworks to create a flat-grassed area in keeping with other areas;
- replacing the leylandii hedge with a more suitable hedge line;
- new paths and tree-planting; and
- increasing biodiversity on the stream running from the pond through to Daws Lane.



The watercourse had become over shaded by trees and been over-widened, reducing flow and increasing silt load.

Officers thinned the trees to allow in more light to aid growth of aquatic plants.

Local gravels were introduced to narrow the channel, speed up flow and diversify habitat.

It is hoped that this new channel will be self-cleansing of silts. Species that should benefit include Kingfisher, Bullhead fish, Water Vole and Daubenton's Bat.



Hobbs Pavilion, Parkers Piece
West/Central Area, Market ward
Developer contribution funding: £240,000

The refurbishment has replaced the out-dated changing areas with:

- two team changing rooms with additional equipment storage;
- a changing room for officials;
- a multi-purpose room (eg for cricket teas, meetings and fitness classes) complete with kitchenette, toilet and wifi facilities;
- a new green-keeper's room with upgraded water storage (eg, re-using water) for maintaining the cricket wicket.

The project was completed in April 2013 within budget.



A portfolio of photographs of these and other completed projects will be added to the Council's Developer Contributions web page:
www.cambridge.gov.uk/s106