



To: East Area Committee  
Report by: Head of Community Development  
Relevant Area East 19/8/10  
Committee:  
Wards affected: Abbey, Petersfield, Romsey, Coleridge

## **Community Facilities in the East Area.**

### **1. Executive summary**

- 1.1 The purpose of this report is to enable members of the Area Committee to consider options for funding improvements to community facilities in the east of the city. Also, to recommend to the Executive Councillor for Community Development, Health and Community Safety a preferred approach to the scrutiny of potential projects and to the allocation of the funds from planning obligations on developers, also known as Section (s)106 contributions.
- 1.2 £800,000 is currently available for investment in community facilities. This money has come from developers of new housing projects and is required to mitigate the impact of their developments. An initial trawl for suitable community projects in which to invest has identified 5 potential schemes. Members have also indicated that each ward, all of which have experienced growth, should benefit from investment.
- 1.3 The principles of the recommended approach would involve:
  - a) Top slicing half the available budget for allocation to approved projects that can be delivered within 3 years. These facilities would be required to show that they could respond to demands from across the area, as well as from the ward in which they are located.
  - b) Allocating the remaining funding for projects to wards in proportion to the total amount gathered from developments in each ward. This funding would remain available until 2013 to enable members to identify and explore options for investment. Members could also opt to allocate this funding to any of the schemes described in a) above.
  - c) Subject to agreement by the Chair and members of the Community Services Committee, to devolve the responsibility for scrutinising potential projects (and for making recommendations on funding to the Executive Councillor for Community Development, Health and Community Safety) to the East Area Committee.
  - d) A progress report and further review of the funding strategy in 2013.

## 2. Recommendations

The Area Committee is recommended to advise the Executive Councillor for Community Development, Health and Community Safety that:

a) The funding available for the improvement of community facilities in the East of the City should be distributed as set out below.

- £400,000, subject to project appraisal, to be made available for:

- a) Improvements to the Flamsteed Rd Scout Hut.
- b) Refurbishment of the St Martins Centre, Suez Road.
- c) Refurbishment of the Stansfield Rd Scout Hut in Abbey.
- d) Community facilities at the Emmanuel United Reformed Church, Cherry Hinton Rd.
- e) Community facilities at the refurbished and modernised St Philips Church, Mill Rd

- The remaining £400,000 to be allocated as set out in the table below:

| <b>Ward</b> | <b>Total Accrued Contributions/ £</b> | <b>% Split</b> | <b>Proposed Split after top-slice/ £</b> |
|-------------|---------------------------------------|----------------|--|
| Abbey       | 130,000                               | 16.25%         | <b>65,000</b>                            |
| Coleridge   | 230,000                               | 28.75%         | <b>115,000</b>                           |
| Petersfield | 356,000                               | 44.50%         | <b>178,000</b>                           |
| Romsey      | 84,000                                | 10.50%         | <b>42,000</b>                            |

Note: Members could choose to allocate all or some of their ward funds to one of the “identified” projects.

### 3. Background

- 3.1 The purpose of this report is to enable members of the Area Committee to consider options for funding improvements to community facilities in the east of the city and to recommend to the Executive Councillor for Community Development, Health and Community Safety a preferred approach to the scrutiny of the potential projects and to the allocation of the funds.
- 3.2 £800,000 is currently available for investment in community facilities in the east of the city. This money has accrued from several s106 contributions arising from new housing developments in the area and is intended to mitigate the impact of these developments in circumstances where it has not been possible to meet the need for community facilities, on-site. The general principles underpinning the requirement for contributions for community facilities and their use are set out in the Council's Planning Obligations Strategy.
- 3.3 The policy of allocating s106 contributions for the provision and improvement of community facilities has been in place for several years. The allocation of off-site contributions, by area, provides a reasonable response to the challenge of providing and enhancing facilities as close as possible to the location of the development.
- 3.4 Off-site contributions are rarely large enough (individually or collectively) to fund new facilities. Consequently, investing in existing facilities or working in partnership with independent providers to create or enhance facilities has invariably proved to be the most effective strategy. Several partners have also used the availability of Council funding to attract other external funding.
- 3.5 Five potential projects have been identified. These are:
  - a) Improvements to the Flamsteed Rd Scout Hut.
  - b) Refurbishment of the St Martins Day Centre, Suez Road.
  - c) Refurbishment of the Stansfield Rd Scout Hut in Abbey.
  - d) Community facilities at the Emmanuel United Reformed Church, Cherry Hinton Rd.
  - e) Community facilities at the refurbished and modernised St Philips Church, Mill Rd

- 3.6 Initial discussions have been held with the managers of the 5 facilities listed above and officers consider that each has the potential, subject to project appraisal, to be a viable project.
- 3.7 Ward Councillors have also indicated that they would like to see all wards benefit from some investment.
- 3.8 While the general principles governing the requirement for and use of s106 contributions are established in the Planning Obligations Strategy, all s106 agreements relate to specific developments and may contain detailed conditions and clauses that determine how and when they can be used.
- 3.9 In considering a strategy for the allocation of s106 in the East Area a number of options have been investigated. These include:

| Options   | Positive Considerations   | Negative Considerations  |
|---|---|--|
| 1. Combine contributions to create or invest in single facility     | <ul style="list-style-type: none"> <li>• Maximises impact of available funding</li> </ul>                       | <ul style="list-style-type: none"> <li>• No obvious investment opportunity.</li> <li>• Insufficient funding to create comprehensive solution.</li> <li>• Would not address desire for each ward to benefit from some investment</li> </ul> |
| 2. Invest contributions in ward from which they have been gathered. | <ul style="list-style-type: none"> <li>• Each ward could benefit in line with volume of development.</li> </ul> | <ul style="list-style-type: none"> <li>• Not all wards have schemes or projects that are ready to be developed.</li> <li>• Loss of benefits that arise from economies of scale.</li> <li>• Fail to maximise</li> </ul>                     |

|  |  |   |
|--|--|---|
|  |  | benefits from “oven ready” projects.  |
| 3. Respond only to schemes ready for development within reasonable period e.g. 3 years.  | <ul style="list-style-type: none"> <li>• Ensures relatively quick return on investment.</li> </ul>   | <ul style="list-style-type: none"> <li>• Opportunities unevenly spread across area.</li> <li>• Not all wards would benefit.</li> </ul>                                    |
| 4. Combine options 2 and 3 – Top slice available funding to create budget for “oven ready” projects and distribute remaining funding in proportion to contributions gathered from each ward. | <ul style="list-style-type: none"> <li>• Ensures relatively quick return on investment</li> <li>• Each ward would benefit.</li> <li>• Provides time and opportunity to develop proposals for investment in all wards.</li> </ul> | <ul style="list-style-type: none"> <li>• Spreads investment too thinly.</li> <li>• Wards fail to benefit in line with volume of development in immediate area.</li> </ul> |

3.10 In conclusion, the recommended option would be number 4 above – a combination of investment in projects which have the potential to deliver within the next 3 years and an allocation of funding to each ward to ensure that all areas receive some investment.

3.11 The distribution of funds would, therefore, be as follows:

**Top-slice for identified projects - £400,000**

**Distribution of remaining £400,000 (rounded figures)**

| Ward        | Total Accrued Contributions/ £ | % Split | Proposed Split after top-slice/ £ |
|-------------|--------------------------------|---------|-----------------------------------|
| Abbey       | 130,000                        | 16.25%  | 65,000                            |
| Coleridge   | 230,000                        | 28.75%  | 115,000                           |
| Petersfield | 356,000                        | 44.50%  | 178,000                           |
| Romsey      | 84,000                         | 10.50%  | 42,000                            |

Note: Members could choose to allocate all or some of their ward funds to one of the “identified” projects.

## **4. Implications**

### **4.1 Financial, Procurement and Staffing**

Generally, investment in improvements to community facilities will be in the form of capital grants to the owners and managers of the facilities. They will be required to enter into a legal agreement with the Council to secure the grant. The agreements will set out the conditions with which the grant recipients will need to comply, including, in most cases, a claw-back clause if for any reason the project is not delivered and/or the money is not used for the purposes for which it was given.

Most s106 agreements are time limited and contributions will be paid back to the developer if not spent within the agreed timescale. Two contributions for community facilities in the East Area will need to be repaid by 2013, if not used.

All capital projects above £15,000 require a formal appraisal. This will involve consideration by the Council's Asset Management Group and formal scrutiny by committee. In this case, given the local nature of the projects being considered, officers are seeking approval to delegate the task of appraising potential projects to the Area Committee, rather than the Community Services Scrutiny Committee.

Initial discussions with applicants indicate that it is unlikely that many of the projects currently identified can be fully funded and that applicants will need to supplement the Council grant with contributions from other sources. This will affect the pace at which some schemes are able to proceed and officers will monitor progress, with applicants, to ensure that grants can be reallocated if it looks like any project is unlikely to go ahead within the time limit.

### **4.2 Equal Opportunities and Community Safety**

Applicants will be required to demonstrate how their projects will promote equality of opportunity and community cohesion

### **4.3 Environmental**

Environmental performance criteria are included in the assessment of projects.

## **5. Background papers**

These background papers were used in the preparation of this report:

5.1 Planning Obligations Strategy – Cambridge City Council – March 2010

## **6. Appendices**

6.1 None

## **7. Inspection of papers**

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

|                        |                          |
|------------------------|--------------------------|
| Author's Name:         | Ken Hay                  |
| Author's Phone Number: | 01223 457861             |
| Author's Email:        | Ken.hay@cambridge.gov.uk |