

REPORT TO: SCRUTINY COMMITTEE - PEOPLE

**Date of Meeting: Scrutiny Committee People – 2 June 2016
Executive – 14 June 2016
Council – 26 July 2016**

**Report of: Community Involvement & Inclusion Officer
Title: Exeter Community Forum – Grants Panel Terms of Reference re.
Neighbourhood Portion of the Community Infrastructure Levy.**

Is this a Key Decision?

Yes

Is this an Executive or Council Function?

Council

1. What is the report about?

- 1.1 In March 2016 Executive welcomed and approved the Exeter Community Strategy as a living document that will inform the allocation of the neighbourhood portion of the Community Infrastructure Levy (CIL) and a proportion of the New Homes Bonus. It was agreed that £150,000 of New Homes Bonus funding is used over the next 2-3 years to support capacity building work with community groups across the city that require investment to enable them to access the CIL neighbourhood funding in future years.
- 1.2 This report sets out the proposed terms of reference for the Grants Panel, led by Exeter Community Forum, that will make future recommendations to Council on how the neighbourhood portion of the CIL should be spent.

2. Recommendations:

2.1 The report recommends that:

- (i) Council welcomes and approves in principle the terms of reference of the Grants Panel led by Exeter Community Forum.
- (ii) Council welcomes future recommendations from the Grants Panel as to how to spend the neighbourhood portion of the CIL and the New Homes Bonus taking account of the availability of funds
- (iii) Council is consulted as appropriate on the future review of the purpose, function and outcomes of grants awarded to ensure that the panel is working effectively and in the interests of both the Council and Exeter Community Forum.
- (iv) Through its Community Involvement and Inclusion Officer, the Council retains accounting responsibilities in relation to the neighbourhood portion of the CIL.
- (v) Council nominates the appropriate portfolio holder to represent the Council on the Grants Panel.

3. Reasons for the recommendations:

- 3.1 The recommendations are intended to enable the spend of the neighbourhood portion of the CIL following consideration of community recommendations, and thereby the implementation of the Exeter Community Strategy. The recommendations also reflect the need for the Council to remain accountable for the spend of CIL monies.

4. What are the resource implications including non financial resources:

- 4.1 It is estimated that the neighbourhood portion of the total Community Infrastructure Levy receipts over the next 10 years will be approximately £3.75 million. Executive approved the ring fencing of these funds for implementing the Exeter Community Strategy at its 10 February 2015 meeting. The CIL regulations do not provide for borrowing to be undertaken against CIL receipts, and so sufficient CIL receipts must have accumulated before projects can be funded. There will be administrative and accounting costs in relation to decision-making processes and the implementation of projects funded by the neighbourhood portion of the CIL, and it is anticipated that these staff-related costs will be borne by the Council's Community Involvement and Inclusion work.
- 4.2 To date, CIL Liability Notices for more than £800,000 have been issued (CIL Demand Notices are subsequently issued when development commences), and over £400,000 has been received. At 15% of total CIL receipts, the neighbourhood portion of CIL receipts therefore currently equates to approximately £90,700.

5. Section 151 Officer comments:

- 5.1 The Section 151 Officer notes the proposals and will work with the Assistant Director City Development and the Community Involvement and Inclusion Officer to ensure that the spend of the neighbourhood portion of the CIL is appropriately administered and accounted for, bearing in mind the decision-making procedures to be put in place and the Council's ultimate retention of accountability. At the end of 2015-16, the value of CIL receipts for neighbourhood purposes totaled £90,727.

6. What are the legal aspects?

- 6.1 There are two main issues as follows:

(a) The Council is prohibited from borrowing against future CIL receipts to forward fund infrastructure delivery. Hence, CIL receipts cannot be spent until they have accumulated sufficiently to fund projects. This will affect decisions on spending the neighbourhood portion of the CIL, as it does CIL spend decisions generally.

(b) The CIL regulations (specifically regulation 59F, as amended) provide for the Council to set aside a proportion of CIL receipts for spend in neighbourhoods, and Council's Executive resolved to set aside 15% of CIL receipts for this purpose on 10 February 2015.

7. Monitoring Officer Comments

The Monitoring Officer has raised no issues beyond those set out in paragraph 6.1 above.

8. Report Details:

- 8.1 Proposed Grants Panel membership:

1. Exeter Community Forum Chairperson
2. Up to four other community representatives drawn from different community organisations which are full members of Exeter Community Forum.
3. The Council's portfolio holder for Communities and Neighbourhoods.

4. The Council's Community Involvement and Inclusion Officer or nominated substitute (non-voting member)
5. When established, a member of the Exeter Community Youth Forum to attend panel meetings and have voting rights.

8.2 Applicants should:

1. Take appropriate steps to obtain the views of community interest groups (e.g. elderly, young people etc).
2. Seek comment and support for applications, verbally or in writing, from city or county councillors for a ward where a proposed grant-funded activity will take place. This may also include relevant portfolio holders.

8.3 Evaluation criteria:

All applications will be scored and assessed against the following criteria. The application

1. Addresses one or more of the priorities identified by ECF as part of the consultation process.
2. Provides evidence of local consultation/need
3. Provides evidence of seeking local support, including
 - support from local councillor/s
 - support from community interest groups, e.g. young people, minority ethnic communities etc, where relevant.
 - Support from Community Organisers where relevant or possible
4. Provides evidence of a partnership approach and evidence of community collaboration where possible
5. Provides evidence of the social impact of project
6. Provides evidence of the viability of the overall project.
7. Commits to match funding either a monetary contribution and/or in-kind contribution e.g volunteer hours.

8.4 The panel will make recommendations for consideration by Executive and Council.

9. How does the decision contribute to the Council's Corporate Plan?

- 9.1 Adoption of the Exeter Community Strategy and allocation of Neighbourhood CIL funding helps us to achieve the Corporate Plan objective of Supporting Exeter's Communities – *Communities in Exeter know best what facilities are needed in their areas and where investment should be prioritised. We recognise that community and voluntary groups have an important role to play in helping us to shape and deliver services in new ways. We will continue to provide support to the community and voluntary sector to achieve a range of positive outcomes for our communities through co-design and co-delivery.*

10. What risks are there and how can they be reduced?

- 10.1 CIL receipts are dependent on development happening on the ground in that CIL Demand Notices can only be issued when development commences. CIL cannot be used to forward fund projects unless a party other than the Council is willing to borrow against those receipts to deliver the project. In this context, it will take some time for the neighbourhood portion of CIL to accumulate into a more sizeable pot with which to address some of the priorities identified by the ECF. A change for the worse in macro-economic circumstances has the potential to seriously affect the accumulation of CIL receipts in general. There are therefore some risks that community expectations may not be fulfilled because of lack of funding or funding which is slow to materialise.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

1.1 Supporting the capacity of community organisations to take initiatives, including through identifying priorities for the use of CIL, has the potential to support a wide range of groups across the city and thereby address issues such as equality and diversity, health and wellbeing, etc.

12. Are there any other options?

12.1 No.

**Dawn Rivers
Community Involvement and Inclusion Officer**

**Peter Hearn/ Richard Short
Assistant Director City Development**

**Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-**

None

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