

REPORT TO:

Date of Meeting:

Executive – 14 February 2017

Council – 21 February 2017

Report of:

Programme Manager - Communities

Title:

Neighbourhood portion of CIL/ Grants Roots Grants recommendations January 2017.

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

- 1.1 At the People Scrutiny Committee held on 2 June 2016, and Council on 26 July 2016 it was agreed that the Council would welcome recommendations from the Exeter Community Forum Grass Roots Grants Panel as to how to spend the neighbourhood portion of the Community Infra-Structure Levy.
- 1.2 This report recommends awards to be made to community groups and organisations in the first allocation of the Grass Roots Grants fund.

2. Recommendations:

- 2.1 That Council approves the recommendations made by the Exeter Community Forum Grass Roots Grants Panel which met on the 12 January to review applications as follows:
 - St Sidwell's Community Centre – Capital £2,000, Revenue £3000.
 - ISCA Community Association – Beacon Hub. £8,500 revenue.

3. Reasons for the recommendations:

- 3.1 The recommendations will enable the spend of the neighbourhood portion of the CIL following consideration by the Exeter Community Forum Grass Roots panel, 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.
- 3.2 Funds will be spent as follows: St Sidwell's Community Centre – Capital £2,000, Revenue £3000. The centre is in the second stage of the transformation of the grounds and vegetable garden into an attractive and multi-functional green space. The applicant requested a £5,000 contribution towards the overall cost (£16,740) of this project. This is part of an ongoing initiative at St Sidwell's to develop the grounds into multi-purpose, community gardens for the benefit of local people and help to build a green oasis in the city centre owned and maintained by local people.
- 3.3 ISCA Community Enterprises - The Beacon Community Centre grant for £8,500 revenue. The Beacon Community Centre has been open to the community for just over a year after a transfer from Devon County Council (The Knight Club Youth Centre). This grant will enable the ISCA Community Enterprises to build capacity in the organisation, with the support of

volunteers to engage the wider community and help make better use of the centre as a community resource. The funding allows for fixed term funding for a member of staff to enable this work to take place for one year. The funding will not be ongoing for this role as is made clear in the criteria for this fund (see 2.1 Supporting Community Action in Appendix 1.)

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 in the main by the Council's Community Involvement and Inclusion team.
- 4.2 At 15% of total CIL receipts, the neighbourhood portion of CIL receipts currently equates to approximately £238,365 (26 January 2017).

5. Section 151 Officer comments:

- 5.1 The Section 151 Officer notes the proposals and will work with the City Development Manager and the Programme Manager – Communities 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.

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 do not require the Council to set aside a proportion of CIL receipts for spend in neighbourhoods, given that there are no formal parishes in Exeter, but the Council's Executive resolved to set aside 15% of CIL receipts for this purpose on 10 February 2015.

(c) The CIL regulations specify that CIL charging authorities must spend CIL receipts on 'the provision, improvement, replacement, operation or maintenance of infrastructure', but that where passed to local areas, CIL receipts can be used to fund 'anything else that is concerned with addressing the demands that development places on an area'.

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 The first round of the Grass Roots Grants was promoted to community groups through the Exeter Community Forum network and wider through The Exeter Citizen and social media

throughout Autumn 2016. Interested groups were required to demonstrate evidence of seeking local support including other community organisations, community interest groups and local councillors. The first round focused on Community Action. This includes the setting up or running a project that runs over a period of time, or a number of events, or towards buildings or equipment. These projects benefit the environment in a local area or have broad community benefit in a neighbourhood. The grants are not intended to fund ongoing costs such as rent or an ongoing salary (although funding for a temporary role is acceptable). The community group needed to demonstrate some match funding either in cash or volunteer time. Groups were advised that the first round would have a maximum of £50,000 to support successful applications, and that major capital applications should wait until a later round in Autumn 2017.

- 8.2 Six applications were received. The Chair and Programme Manager for Communities met early in January to check eligibility of all applicants. Five of the groups were asked to supply additional information prior to the panel meeting. The panel met on the 12 January to assess and score applications. After a lengthy and considered process where all applicants were assessed against the evaluation criteria the panel recommended supporting two of the applications in full (see 2.1) and declining four others. Reasons for applications being declined at this stage are two of the applications were for capital funding and so were advised to apply at a later round, one applicant was deemed not eligible to apply, and one of the applicants was deferred to a later stage after having additional advice and support to make an application that would better fit the criteria.

Appendix 1 - Grass Roots Grants Guidance notes for applicants

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.

12. Are there any other options?

12.1 No.

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

None

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