

## Communities Capital Fund – Recommendations of Steering Group on the Future of Incomplete Projects

To:	Communities, Social Mobility, and Inclusion Committee
Meeting Date:	22 September 2022
From:	Interim Deputy Director for Communities, Employment and Skills, Paul Fox
Electoral division(s):	<p>All, with particular relevance to the following:</p> <ul style="list-style-type: none"><li>• Alconbury and Kimbolton</li><li>• Bar Hill</li><li>• Godmanchester and Huntingdon South</li><li>• Littleport</li><li>• Soham South and Haddenham</li><li>• The Hemingfords and Longstanton</li><li>• Wisbech West</li></ul>
Key decision:	No
Outcome:	<p>The paper recommends decisions on a group of Community Capital Fund projects that have not been completed and have extended their original project timelines and grant agreements. These decisions will ensure that any further spend will meet the requirements of the Council's Grants to External Organisations Policy, particularly the requirement that grant expenditure is in line with the Council's objectives and is a cost-effective way of achieving the desired outcomes.</p>
Recommendations:	<p>The Committee is recommended to:</p> <ol style="list-style-type: none"><li>a) Agree a request to amend the Fenstanton Community Hub project plan, where that request is either cost neutral or results in the project requiring an amount less than the financial allocation originally awarded (and where the original outcomes that led to the award of the funding can still be met);</li><li>b) Terminate the Girton Pavilion grant agreement;</li><li>c) Extend the existing Godmanchester Football &amp; Sports Association Trust grant agreement with no amendments other than those relating to milestone and completion dates;</li><li>d) Invite the Kimbolton Parish Council project to submit a new application for additional funding to allow it to complete the project;</li></ol>

- e) Terminate the Stretham Village Centre grant agreement;
- f) Extend the existing Wisbech Park Pavilion grant agreement with no amendments other than those relating to milestone and completion dates;
- g) Extend the existing Littleport Community Hub grant agreement with no amendments other than those relating to milestone and completion dates;
- h) Extend the existing Godmanchester Nursery grant agreement with no amendments other than those relating to milestone and completion dates; and
- i) Subject to recommendation d), delegate authority to approve a new application from Kimbolton Parish Council to the Interim Deputy Director for Communities, Employment and Skills.

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## 1. Background

- 1.1 The Cambridgeshire Communities Capital Fund (CCF) was launched on 1 April 2020 and provided £5m to support community-led capital projects across the County.
- 1.2 Over the period of May to September 2022, the Communities and Partnership Committee awarded funding from the CCF to 35 projects.
- 1.3 The Communities Social Mobility and Inclusion Committee received a report at its meeting on 21 July 2022 which provided an update on delivery of the programme. That report recommended a governance structure and review process to enable the Committee to make decisions on eight 'red-rated' projects that had either failed to progress or were incomplete. The Committee agreed to establish a Steering Group to undertake such a review.

## 2. Review of Incomplete Projects - Process

- 3.1 At its meeting on 21 July 2022, the Committee agreed that there would be no expectation that the Steering Group and the Committee would begin with an assumption that these projects would be supported to completion. The project review process was therefore designed to achieve a reasonable balance between speed (so as to not leave projects 'in limbo' during the review period) and thoroughness and fairness.
- 3.2 All projects under review received a form which officers estimated would take between one and three hours to complete (depending on the complexity of the project). Organisations in receipt of grant funding had just over two weeks to return the form. All projects were issued with the same form, save for details specific to their project, which were pre-populated where possible.
- 3.3 In addition to information held by the Council (such as CCF funding awarded, CCF funding paid to date, routing monitoring information, etc.), the form sought to seek and confirm the grant holders view of:
  - Total project costs;
  - Total expenditure to date;
  - Match funding indicated in original application;
  - Whether match funding requirement has changed since original application;
  - Whether match funding had been secured or applied for (and evidence of the former);
  - Explanation of missed project milestones and delays;
  - Actions required to address delays and hit milestones (plus any interdependencies not in the control of the project);
  - Whether the outcomes in the original project application could still be met;
  - The impact of any withdrawal of CCF funding; and
  - Whether, given the delays, the project still had the demonstrable support of the local community.

- 3.4 The grant holder was also given the opportunity to provide any other information they thought was relevant or which they wished to be considered as part of the review.
- 3.5 Finally, the grant holder was asked to complete a self-assessment exercise, scoring themselves on a scale of 1-10 against the following various criteria:
- Project progress
  - Funding availability
  - Amount of CCF grant used
  - Need for amendments to project plan
  - Barriers still being faced
  - Whether the project would meet its original objectives
  - Level of continued community support for the project
- 3.6 On receipt of responses from the project, the relevant project monitoring officer reviewed the responses considering their knowledge of the project, routine project monitoring documentation, the original project proposal, and the grant agreement (including payment milestones). The project monitoring officers also undertook a scoring exercise using the same questions that formed the self-assessment described in paragraph 3.5 of this report.
- 3.7 Subsequently, an officer group met to review both the information provided and the opinions of the project monitoring officers. It also discussed and moderated the project monitoring officers' scores. Based on this process, the officer group made recommendations to the Capital Fund Steering Group.
- 3.8 The Member-led Steering Group met on 2 September 2022. In advance of the meeting, members were provided with officer recommendations and access to a range of documents that included (but was not limited to):
- The response provided by the lead organisation as described in paragraph 3.3 of this report;
  - The most recent routine project monitoring form;
  - The grant agreement (including milestones for payment); and
  - The comments of the project monitoring officer.
- 3.9 The Steering Group reviewed each project in turn. The project monitoring officer introduced each project, using the form completed by the grant holder to set out the current position of the project. The discussion then assessed the project progress against the criteria agreed by the Committee in July 2022. More general, cross-cutting discussions also took place to ensure that the assessment process was consistent.

## 4 Steering Group Recommendations

- 4.1 After considering the information detailed above, the member-led Steering Group made a recommendation for each project. The options available for recommendation were agreed by the Committee in June 2022. The recommendations for each individual project, and a summary of the reasons for each one, are set out below.

## 4.2 Fenstanton Community Hub: Funding Awarded £500k Payments to date £0

- 4.2.1 Recommendation: Agree a request to amend the project plan where that request is either cost neutral or results in the project requiring an amount less than the financial allocation originally awarded (and where the original outcomes that led to the award of the funding can still be met).
- 4.2.2 Summary of Rationale: The project is well supported locally, and where costs have increased the grant holder has put significant effort into identifying and securing other sources of support without seeking an increase in the Council grant. Some of this extra money has already been paid, other amounts have been awarded. Project leads have been responsive and engaged with the Council's project monitoring process and have kept the Council informed of issues and developments with the project. The Council is yet to release any of the CCF element of the funding. A planning application for the project has been submitted, and subject to this application being approved, the release of promised Community Infrastructure Levy funding will be triggered. The steering-group considered that while this project had not progressed, the planning and funding plans were reasonable and well considered. The recommendation is therefore to extend the project plan, amending the milestones to allow payment at appropriate points of project progress. This would allow the original outcomes to be achieved for the amount originally awarded.

## 4.3 Girton Pavilion: Funding Awarded £275k. Payments to date £0

- 4.3.1 Recommendation: Terminate the grant agreement on the grounds that project completion is unlikely, or that project completion would not achieve the original outcomes in a cost-effective way.
- 4.3.2 Summary of Rationale: The steering group reflected that this project has not really progressed and was a long way from delivery. There was no detailed project plan available against which milestones had been developed. The responses of the grant recipient indicated that costs had increased to exceed the amount originally available (50% from CCF, 50% from Girton Parish Council). This meant that either the project was underfunded (and no alternate source of funding had been identified) or that it would need to be scaled back in a way that the original outcomes could no longer be achieved for the original funding. The steering group considered that the combination of underfunding or reduced outcomes for a project that had not progressed meant that a recommendation of termination was appropriate. The steering group noted that the grant recipient should be informed this would not prevent the project from reapplying for grant funding for the forthcoming Cambridgeshire Priorities Capital Fund (agreed by the Committee at its meeting on 21 July 2022), should it meet the criteria. However, this will be a competitive process and this project would not receive priority.

## 4.4 Godmanchester Football & Sports Association Trust: Funding Awarded £220k. Payments to date £165k

- 4.4.1 Recommendation: Extend the existing grant agreement with no amendments other than those relating to milestone and completion dates.

4.4.2 Summary of Rationale: A significant element of this project has been successfully delivered. The final phase (improvement to an access road) had been delayed as tree felling had to be postponed due to the presence of nesting birds in the trees to be removed. By the time the Committee meets on 22 September 2022, those works will have been completed.

#### 4.5 Kimbolton Parish Council – Table Crossing: Funding Awarded £23.6k Payments to date £0

4.5.1 Recommendation: Invite the project to submit a new application for additional funding to allow it to complete the project. Also, given the rationale set out in paragraph 4.5.2 of this report, and in line with the Committee's previous discussion on the project at its meeting on 21 July 2022, it was suggested that approval of such an application be delegated to the Interim Deputy Director for Communities, Employment and Skills.

4.5.2 Summary of Rationale: Funding was awarded to Kimbolton Parish Council (KPC) for a raised table pedestrian crossing. Delays caused by impacts of the Covid-19 pandemic meant that the cost of the crossing had increased by the time works were ready to commence. The Council's Highways department offered to install a crossing without the raised platform for the money available, but KPC indicated that it did not want this and had a raised table crossing built anyway. In its response form, KPC indicated that if the Council would not meet the shortfall, KPC would pay for the works itself. Officers recommended to the steering group that the amount available to Kimbolton not be amended. This was because:

- They considered that the alternative crossing type could have been built within budget and, while not to KPC's preference, it would have achieved the outcomes originally intended.
- The original criteria for the CCF stated that it was for use 'only where all other sources of funding have been exhausted, or where Council funding would provide match funding alongside other sources of funding'. By indicating they could pay for the shortfall themselves, KPC therefore put any extra proposed expenditure outside of the scope of the CCF. Extra expenditure (estimated to be £13,374) would also represent avoidable cost to the Council.

4.5.3 The Steering Group discussed these arguments but considered that because the delays caused by the impacts of the pandemic had affected the Council's ability to support timely delivery, the Council should meet the shortfall. Under the Council's Grants to External Organisations Policy extra money cannot be awarded without a new application. That application would be invited as part of the existing Community Capital Fund, as opposed to a part of the successor fund. That application would therefore not pre-determine or set a precedent for the criteria for the new fund. On the basis that this issue will have been debated by both the steering group and the Committee, the steering group suggested that the decision on approval of any such application be delegated to the Interim Deputy Director for Communities, Employment and Skills.

#### 4.6 Stretham Village Centre: Funding Awarded £500k Payments to date £90k

4.6.1 Recommendation: Terminate the grant agreement on the grounds that project completion is unlikely, or that project completion would not achieve the original outcomes in a cost-

effective way.

4.6.2 **Summary of Rationale:** This is a very ambitious project with an indicative Council contribution of £500k towards a project originally costed at £1.6m. There have been verbal indications that the total cost may have increased to over £3m, although amended costs have not been confirmed in writing. Although the project was supported by the Capital Fund in 2020, no match funding has yet been secured, with the response from the project lead speaking of intentions to apply for funds and identifying potential sources of funding. This long and complex project also has several phases and numerous interdependencies, such as land transfer requirements. The Council has also been made aware of community opposition to the scheme. Given the funding gap appears to have increased (and due to inflation is likely to continue to increase until full funding is found), the lack of certainty around funding other than the Council's, alongside the other issues identified above, the steering group felt that project completion was unlikely and that the grant agreement should be terminated. The steering group noted that the grant recipient should be informed this would not prevent the project from reapplying for grant funding for the forthcoming Cambridgeshire Priorities Capital Fund, should it meet the criteria. However, this will be a competitive process and this project would not receive priority.

#### 4.7 **Wisbech Park Pavilion: Funding Awarded £240k Payments to date £0k**

4.7.1 **Recommendation:** Extend the existing grant agreement with no amendments other than those relating to milestone and completion dates.

4.7.2 **Summary of Rationale:** The grant recipient reconsidered their proposal following the CCF award, considering that the proposal may have been underfunded. They consulted the local community and on this basis enhanced their plans. While this resulted in additional costs, they successfully sought additional funding. The Council's assessment is that the original outcomes will not only be met but exceeded because of the amendments. The project is awaiting planning permission and is scheduled to start construction in November 2022 with an estimated completion date of March 2023. While the changes described above would necessitate a change in the milestones and other elements of the grant agreement, no other CCF resource has been sought and the steering group recommended that the Council's support for the project should continue.

#### 4.8 **Littleport Community Hub: Funding Awarded £406k Payments to date £338k**

4.8.1 **Recommendation:** Extend the existing grant agreement with no amendments other than those relating to milestone and completion dates.

4.8.2 **Summary of Rationale:** This project is almost complete with an estimated completion date of the end of September 2022. No barriers to completion have been identified. The project suffered cost increases due to delays related to the pandemic, including planning delays. The project leads addressed this by successfully obtaining match funding from other sources.

#### 4.9 **Godmanchester Nursery: Funding Awarded £190k Payments to date £180k**

4.9.1 **Recommendation:** Extend the existing grant agreement with no amendments other than

those relating to milestone and completion dates.

- 4.9.2 Summary of Rationale: This project is essentially complete within budget and with match funding achieved. The small element unspent relates to uncompleted groundworks.

## 5 Reallocation of unspent or returned funds

- 5.1 As noted at the Committee meeting on 21 July 2022, the CCF currently has £274k available for allocation. Termination of the two projects identified in paragraphs 4.3 and 4.6 of this report would result in a further £685k becoming available. Should the recommendation on the project set out in paragraph 4.5 of this report be accepted, an estimated £13,423 expenditure would be required. This would leave £945k available for allocation through the Cambridgeshire Priorities Capital Fund, as agreed by the Committee. Proposals for that fund will be brought to a future Committee meeting.

## 6 Alignment with corporate priorities

- 6.1 Environment and Sustainability  
A number of funded projects are specifically aimed at improving the local environment or enhancing green and open space
- 6.2 Health and Care  
The Fund sought to improve the health, wellbeing, social and economic opportunities, and outcomes in communities, thereby helping to create or enhance a good quality of life for everyone.
- 6.3 Places and Communities  
The Fund invited and approved applications that evidenced community need and that were community led and delivered.
- 6.4 Children and Young People  
Several funded projects are specifically aimed at developing infrastructure, facilities and opportunities for children and young people.
- 6.5 Transport  
Some funded projects include road enhancements

## 7 Significant Implications

- 7.1 Resource Implications  
The capital investment set out in this report was approved at Full Council in February 2020. No new resource is requested. Resource in the Fund that was indicatively allocated to projects would become available for reallocation under the auspices of the new Cambridgeshire Priorities Capital Fund

- 9.2 Procurement/Contractual/Council Contract Procedure Rules Implications  
Any new round of funding allocations would need to comply with the requirements of the Council's Grants to Voluntary Organisations Policy.

There are no significant implications for this category. However, any commercial opportunities will follow the Council's Contract Procedure Rules and contractual regulations as per existing policies.

- 9.3 Statutory, Legal and Risk Implications  
Successful funding awards have been made subject to the applicant accepting the Council's grant agreement terms and conditions. There is some partnership risk should projects be terminated by the Committee. Conversely, there is a similar risk should projects continue that are no longer supported by their communities.

- 9.4 Equality and Diversity Implications  
The Council's public sector equality duty and its commitment to reducing inequality will need to be considered should a new round of funding be undertaken. This may mean taking factors such as deprivation into account when assessing applications to any such fund.

- 9.5 Engagement and Communications Implications  
The projects recommended for termination are both run by parish councils. The Council would need to make itself available to those councils to explain the rationale for the decisions in detail. There may be other community or local media interest.

- 9.6 Localism and Local Member Involvement  
Members were actively involved in the development of the review process and a Member-led steering group has been established to review the projects and make recommendations to the Committee.

- 9.7 Public Health Implications  
The Community Capital Fund provided an opportunity for communities to secure funding that, combined with their own assets, has enabled them to develop interventions that will improve the health and wellbeing of their community members. There has also been the opportunity for communities to, as part of the process, further strengthen their skills and assets. The termination of two projects could arguably remove opportunities in two communities, but it is the opinion of officers and the steering group that these opportunities are unlikely to be delivered or delivered in a cost-effective way.

- 9.8 Environment and Climate Change Implications on Priority Areas (See further guidance in Appendix 2):

- 9.8.1 Implication 1: Energy efficient, low carbon buildings.  
Positive/neutral/negative Status: Positive  
Explanation: As buildings are being refurbished and modernised, energy efficient measures are being installed. Any new builds must comply with the latest energy efficient regulations.

- 9.8.2 Implication 2: Low carbon transport.  
Positive/neutral/negative Status: Positive  
Explanation: Providing new and/or improved community facilities will reduce the need for people to travel to access services and facilities at other towns.
- 9.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.  
Positive/neutral/negative Status: Neutral  
Explanation: Some individual projects will develop or enhance open spaces because of the capital project
- 9.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.  
Positive/neutral/negative Status: Neutral  
Explanation: n/a
- 9.8.5 Implication 5: Water use, availability and management:  
Positive/neutral/negative Status: Neutral  
Explanation: n/a
- 9.8.6 Implication 6: Air Pollution.  
Positive/neutral/negative Status: Neutral  
Explanation: n/a
- 9.8.7 Implication 7: Resilience of our services and infrastructure and supporting vulnerable people to cope with climate change.  
Positive/neutral/negative Status: Neutral  
Explanation: Neutral in terms of the changes to individual projects that are the focus of this paper.

Have the resource implications been cleared by Finance?    Yes  
Name of Financial Officer: Martin Wade

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement?    Yes  
Name of Officer: Clare Ellis

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer?    Yes  
Name of Legal Officer: Amy Brown

Have the equality and diversity implications been cleared by your Service Contact?  
Yes  
Name of Officer: Paul Fox

Have any engagement and communication implications been cleared by Communications?  
Yes  
Name of Officer: Amanda Rose

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Paul Fox

Have any Public Health implications been cleared by Public Health?

No

Name of Officer:

## 8 Source Documents

- 8.1 [Agenda Item 7 – Communities Capital Fund \(Committee meeting on 21 July 2022\).](#)



