

**EXTRA ORDINARY MEETING OF  
THE FULL COUNCIL**

**AGENDA REPORTS PACK – 17<sup>TH</sup> OCTOBER  
2018**

## **Cottenham Recreation Ground development**

The proposed Car Park, Village Hall (1,261m<sup>2</sup> gross) & Nursery (326m<sup>2</sup> gross) are each described in drawing sets, Design, Access & Heritage Statements and draft Business Plans as provided with the planning applications to South Cambridgeshire District Council (refs S/2702/18/FL and S/2705/18/FL) and reviewed by this Council prior to planning application in July 2018 and with the designs subsequently recommended for approval by our Planning Committee.

Both buildings are an intrinsic part of Cottenham's Neighbourhood Plan which was submitted to consultation under Regulation 14 of the Neighbourhood Plan Regulation 2012 mostly during July 2018.

The current estimated overall project cost, including contingencies, is around £3,300,000 with nearly £500,000 available from earmarked reserves leaving a shortfall of around £2,800,000.

We have planning permission for all the proposed works except the Nursery, for which the planning application will be determined by SCDC on 14<sup>th</sup> November.

Related to proposed developments at Cottenham Recreation Ground, there are four suggested resolutions:

**a) Consider investing up to £150K from reserves to prepare competitive tender documentation for the upgraded Car Park, replacement Village Hall and Nursery.**

This phase develops the outline design into the detailed technical specification necessary for competitive tendering.

There are cost advantages in keeping the two projects together provided we avoid committing too much cost on the Nursery until we have planning permission. Further value engineering effort will be applied during the design phase to reduce the overall capital cost including assumed contingencies.

This proposal commits an additional sum of about £90,000 with a view to completing the Village Hall element of the tendering process in February/March 2019. An additional £45,000, almost all after 14<sup>th</sup> November would provide the same for the Nursery so nugatory effort is avoided should planning permission fail. A small contingency has been added.

The proposed team for preparation of detailed technical design documentation and issuing these for competitive tender(s) in accordance with our Financial Regulations and Standing Orders and the relevant Joint Contracts Tribunal Model Form of Contract assumes:

- |                                |                                    |
|--------------------------------|------------------------------------|
| a. Client / Representatives    | CPC / Frank Morris & Clerk/RFO     |
| b. Architect                   | W&B / Lianne Toothill / Gala Bejar |
| c. Quantity Surveyor, CDM etc. | W&B / Trevor Vincent               |
| d. Structural Engineer         | Peter Dann Ltd / John Bowstead     |
| e. M&E Engineer                | Andy Paskins / Cambridge VanLeyden |

**b) Consider investing up to £60K from reserves on competitively-tendered preparatory groundworks related to the improved access road and car park (this is a more specific version of an approved "phase 2" of work authorised alongside the pavilion pathway and replaces that proposal).**

There are some known groundworks aspects that could be progressed independently now that we have planning permission.

These could include:

- Rough widening of the King George V Field car park to increase capacity
- Insertion of a multi-utility duct along the “pavement-side” of the access road
- Provision of mains gas supply from Lambs Lane
- Replacement of the Ladybird oil-fired boiler by gas-fired.
- Re-routing of the electricity supply to remove the access road meter box.

The proposed team for issuing documentation for competitive tender(s) in accordance with our Financial Regulations and Standing Orders and the relevant Joint Contracts Tribunal Model Form of Contract assumes:

- Client / Representatives           CPC / Frank Morris & Clerk/RFO
- Architect                               W&B / Lianne Toothill / Gala Bejar
- Quantity Surveyor, CDM etc.   W&B / Trevor Vincent
- M&E Engineer                       Andy Paskins / Cambridge VanLeyden

- c) Consider applying to Secretary of State, MHCLG for borrowing powers up to £2.8 million repayable over 30 years to complete the Car Park, Village Hall and Nursery projects; the loans to be repaid from reserves and within the nominal £1/week precept on a Band D equivalent home over no more than 25 years.**

Cottenham’s emerging Neighbourhood Plan developed evidence for a replacement Village Hall (Evidence Paper E5) and new Early Years Nursery (Evidence Paper E6). The evidence papers are included as appendices to the Design & Access Statements. Both buildings are included as part of the draft Neighbourhood Plan which has been approved by the Parish Council.

A Parish-wide ballot in late 2016 tested resident’s views on whether or not “ a new Village Hall and Nursery is worth £1/week on each home’s Council Tax” with clarification that this referred to the Band D equivalent home. The outcome had 60.5% of the 453 responses as positive. The precept was increased by a supplementary amount of £118,000 p.a. in April 2017. The same levy was included in the Council’s budget for 2018/2019. It is anticipated that the supplement will increase to £122,000 p.a. from April 2019 to reflect the increase in tax base to 2,345.6 homes.

Further increases in tax base are anticipated as a result of windfall developments and those from recent planning permissions for up to 70 residential places with care and up to 530 additional homes, some of which are already being built. These are likely to take the tax base above 2,850 homes yielding, on a similar basis of £1/week/Band D equivalent home, over £142,000 p.a.

The pre-Submission Plan was subject of public consultation under Regulation 14 of the Neighbourhood Plan Regulation 2012 in summer 2018. The necessary minor revisions are in hand to prepare the Submission Plan for submission in the next few months to the Local Planning Authority under Regulation 15 and subsequent independent examination under Regulation 16 of the Regulations.

A specimen combination of loan amounts and terms has been developed from the anticipated cash flow and will be refined during the tender process to reduce outgoings within Debt Management Office rules.

The principles applied (a full example chart is available) to provide the necessary funding is to:

- Apply some reserves (£425K is currently earmarked for the project) to fund early stages of the project and final fit-out, reducing the capital sum to be borrowed.
- Beginning with the £122Kpa generated by £1/wk on our tax base of 2345.6 Band D equivalent homes; that tax base will increase as the new houses are built, increasing the available supplementary precept to more than £142K p.a. as new houses are occupied.
- Apply some reserves to “top-up” “early year” loan repayments, supporting the case to borrow £2.8 million over 30 years, repaying £142Kpa fully in that time.
- Apply s106 Community Facilities and Early Years receipts to fund “late-year” payments hence reducing the apparent or real loan term below 25 years and/or reducing the supplementary precept.

The “borrowing limit” proposal to MHCLG should be reviewed by FLAC as should the “draw-down” policy; future decisions on use of s106 payments will be at Council’s discretion.

Two main risks have been assessed:

- The capital costs at tender or the assessed interest are in excess of the available funding – a further round of value engineering and/or contract negotiation will be conducted before consideration of an index-linked approach to the £1/week precept policy.

**d) Consider negotiating appropriate transition contracts with users of the current Village Hall.**

The Village Hall will be out of use from demolition in March? until approximately December 2019. All current user contracts have expired.

We (delegate to Chair/Clerk/CALF Chair)? need to agree the general form of “continuity” offer to key partners:

- a. Use by Cottenham United Sports & Social Club
  - Possible non-exclusive hire of Sports Pavilion Club Room?
- b. Use by Cottenham Kids Club
  - Probable hire of dual portakabin class-rooms sited near Bowls Club
- c. Cleaning and security arrangements

## Appendix 1:

### Cottenham's major development – some s106 implications

#### Those planning permissions – what's in it for Cottenham?

We've heard about four substantial planning permissions totalling up to 530 houses plus up to 70 residential places with care; all are to be built between Oakington Road and Rampton Road in the south west corner of Cottenham.

Only one – for Bellway Homes - has cleared all the planning hurdles and 50 homes are currently under construction.

The other three – for Gladman, Persimmon and Cambridgeshire County Council have so-called outline permission which approves the principle of building a certain number of homes in the location subject to a number of agreed planning conditions and obligations.

Planning conditions put constraints on how the development will be progress, from restrictions on dust or noise during construction to requirements to provide further detail on some aspects of the plan before construction begins or occupation is allowed. These are usually listed as part of the formal planning permission notice and subject to enforcement by the Local Planning Authority.

Planning obligations relate to agreements, often financial payments, to make the plan “acceptable in planning terms”. They include contractual agreements on the proportion of homes to be offered to local people at a discount, payments towards improved community, education or health facilities or open space for sport. They may include payments for road improvements, community transport services or extended burial grounds. All payments tend to be linked to milestones such as occupation of the 25th house. Payments are made to the Local Planning Authority and index-linked from the agreement date. These payments are passed to the County Council or Parish Council in exchange for an agreement which indemnifies the Planning Authority should the developer be able to reclaim the money because it was not spent properly or in time – usually ten years from the agreement date.

Recent agreements have been complicated by the need to identify specific local projects to justify the payments with no more than five developments contributing to each project. This could increase mis-spending claims.

#### Some of the most interesting payments due:

**Racecourse View developers may have paid “early years” contributions of £47,880 to Cambridgeshire County Council which we may be able to claim.**

**Bellway Homes** are due to pay:

- **£50,000 towards the new Village Hall once 25 dwellings have been occupied**
- £21,000 towards the cost of a new Sports Pavilion once 25 dwellings have been occupied
- £77,000 towards the cost of a MUGA and play equipment for older and teenage children once 25 dwellings have been occupied
- **£59,400 towards provision of early years education, 20% of which is already due, with the remainder due before occupation of house #25.**

### Gladman

- **£197,000 towards the cost of the new Village Hall, due before house #50 is occupied.**
- £75,000 towards a MUGA at the Recreation ground, due before house #50? is occupied.
- £115,000 towards outdoor sports facilities, due before house #75? is occupied.
- **£286,200 towards “early years” education with 25% due before construction begins, 25% before occupation of house #1 and 50% due before 50% of houses are occupied.**

### Persimmon

- **£130,000 towards the cost of the new Village Hall, including land, due before house #30 is occupied.** £70,000 towards a MUGA, including land, due before house #75 is occupied.
- £60,000 towards outdoor sports facilities, due before house #50 is occupied.
- **£194,400 towards “early years” education with 50% due before construction begins and 50% due before 50% of houses are occupied.**

### This Land

- **£174,000 towards the cost of the new Village Hall, including land, due before house #50 is occupied.** £80,000 towards a MUGA, including land, due before house #75 is occupied.
- £60,000 towards outdoor sports facilities, due before house #50 is occupied.
- **£220,800 towards “early years” education with 50% due before construction begins and 50% due before 50% of houses are occupied.**

### Summary

These contributions, over 5 to 10 years could add up to:

- **£550,000 towards the cost of the new Village Hall.**
- £300,000 towards a MUGA, including land.
- £250,000 towards outdoor sports facilities, due before house #50 is occupied.
- **£800,000 towards “early years” education, although some might be claimed by others.**

This analysis ignores contributions for healthcare, primary education, highways improvements, burial ground extensions and the community transport scheme.