

SURREY COUNTY COUNCIL

CABINET

DATE: 31 JANUARY 2023



REPORT OF CABINET MEMBER: DENISE TURNER-STEWART, DEPUTY LEADER AND CABINET MEMBER FOR COMMUNITIES AND COMMUNITY SAFETY

LEAD OFFICER: MARIE SNELLING, EXECUTIVE DIRECTOR FOR CUSTOMER AND COMMUNITIES

SUBJECT: YOUR FUND SURREY APPLICATION – THE OXSHOTT COMMUNITY HUB

ORGANISATION STRATEGY PRIORITY AREA: EMPOWERING COMMUNITIES

Purpose of the Report:

This report sets out the key information on **The Oxshott Community Hub** Your Fund Surrey (YFS) application, for the consideration of Cabinet.

The vision of YFS is to bring community-led and place-making projects to life, with a focus on wider community benefit that leaves a real legacy.

Recommendations:

It is recommended that Cabinet:

1. Agree to fund project CF147 for the full amount requested of £1,187,817 towards the creation of The Oxshott Community Hub.

Reason for Recommendations:

This application has been the subject of a rigorous assessment by officers who consider the project to meet the aims and published criteria of the fund and to satisfy the requirements to award funding.

The existing scout and guide hut is not fit for purpose and not utilised to its' full potential by the local community due to its' poor state. Rebuilding the building would create an environmentally friendly hub for use by the whole community, including the scouts and guides.

Executive Summary:

1. The Oxshott Scouts and Guides are located in Hinchley Wood, Claygate and Oxshott, Elmbridge. According to the Index of Multiple Deprivation (IMD), the division is in decile 10 out of 10 (decile 10 being in the least deprived 10% nationally) and is in Surrey decile 9. It is less than 2 miles from the boundary of the Lower Super Output Area (LSOA) of Cobham and Downside, which has been identified by the Health and Wellbeing Board as a key neighbourhood where partnership efforts should be focused.

2. The current venue consists of two semi-detached huts each comprising a hall, meeting and storage rooms, a kitchen, and toilets. The current wooden buildings were second hand when erected in 1968 and are rapidly becoming dilapidated and no longer fit for purpose.
3. The Scout Association Trust Corporation holds the title to the freehold of the land behind Waverley Road, Oxshott, but as Custodian Trustees. The land and buildings on it are wholly owned, on a 50/50 basis, by the local Scout and Guide groups.
4. This proposal is for a new purpose-built building for wide community use. The building will have shared communal facilities and two halls, with a kitchen, storage, and meeting rooms. It will have low energy lighting, insulation and double glazing and will offer disabled access and toilet facilities.
5. The Scouts currently keep much of their equipment in two unlit, unheated shipping containers. The new building will incorporate indoor storage space so that the equipment is more easily accessible and is stored in a warm, dry environment. The new building will also provide storage space for potential hirers, which it is not available in many other local community venues.
6. Current hirers of the building include a performing arts and dance school, adult pilates classes and the local youth football club, Oxshott Royals. One of the halls will continue to be used by the only playgroup in the village, Dizzy Daisies, which operates 5 days per week during the school term.
7. Total usage by scouting and guiding groups is proposed to be 19%, with 21% allocated to the existing users mentioned in the paragraph above. That leaves a further 60% capacity for new users who do not currently operate in the area. Expressions of interest in using the new facility have already been received from various groups including those that support local social housing tenants; children with special needs; the elderly; the disabled and those with mental health needs.
8. Hire rates will be kept as low as possible and at the lower end compared to other nearby halls with free and reduced hire rates for non-profit and charity groups.

Description of project benefits

9. The benefits of the project include:
 - a. Preventing the closure of the existing scout and guide huts and losing the wide range of services they provide.
 - b. Creating a new environmentally friendly and accessible building with lower ongoing running costs.
 - c. Increased community cohesion with a new meeting space and broader range of activities and groups open to the community.
 - d. Increased wellbeing, physical and mental health through the range of users of the building.
 - e. Improve the local economy through reduced car journeys, increased skills and volunteering opportunities.

Project Timeframes

10. The project received planning permission in 2019. This has now expired due to the Covid pandemic and length of time fundraising has taken. A new planning application will be submitted once funding is granted and will take approximately 12 weeks to be determined. It is expected that planning will be granted again but any grant funding from YFS would be contingent on receiving permission and completion of all conditions.
11. The key project delivery dates are approximately 5 months, comprising of:
 - a. Demolition of existing building
 - b. Construction of new building including piled foundations
 - c. Building fit-out
 - d. Resurfacing of car park

Management of the project

12. The building is a joint venture between the 1st Oxshott Scouts and 1st Oxshott Guides. Whilst the two groups are run autonomously they have formed an independent joint management committee to run and maintain the building. The committee will also include up to 2 representatives from non-scout/guide hirers.

Project Lifespan

13. The new timber building will have an expected minimum life expectancy of 50 years.

Consultation:

14. A range of support has been received for the project from both the community and local organisations. They received 497 positive Have Your Say comments and numerous letters /tweets of support have been received including from Cllr Mark Sugden, Dominic Raab MP and the local Borough Councillor David Lewis.

15. The Divisional Councillor Mark Sugden has commented as follows:

“Oxshott Guides and the Rainbow and Brownies are at maximum unit size. Oxshott Scouts have a waiting list. The current building, second hand when erected over 50 years ago and despite regular maintenance, has reached the end of its day. I have visited and viewed the current facilities. I happened to visit on a day of torrential rain and witnessed the significant issues to make the buildings serviceable and watertight. New potential hirers will not use the facility because of its current condition.

The Group continue to fundraise and has successfully obtained Elmbridge Local CIL Funding. The proposal is well thought out and is not just a refurbishment to the benefit of current users but will be a broader, more far reaching community asset. There are very limited options locally for small business hirers with limited financial resources. In my opinion this is a project that will be far reaching and long lasting.”

Risk Management and Implications:

16. The risks to YFS funding were noted by the Advisory Panel as:
 - 22.1. The new building being sold.
 - 22.2. The new building not achieving enough additional community use.

17. In response to these risks, the following mitigations will be put in place:
- A condition to require repayment of the YFS funding on a depreciating scale if the building were sold within a certain number of years.
 - A condition requiring a change in the title deed of the building at the land registry to ensure that it is retained for community use for a set number of years.
 - A long-term management agreement between The Oxshott Scouts and Guides and SCC to ensure ongoing community use and affordable rates.

Financial and Value for Money Implications:
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18. Table 2. Financial Summary details the £199,552 of other funding which has been secured against the total project cost of £1,387,369. The application equates to 87% of the overall project costs.

Table 2. Financial summary

Amount applied for:	£1,187,817
Total project cost:	£1,387,369
Percentage of cost against total:	87%
Have other funding sources been secured?	Yes
Other funding:	£41,701 Balance of fundraising after costs on planning, surveys, professional fees £7,851 fundraising since initial YFS application £75,000 Scouts Elmbridge BC CIL (27th March 2019) £75,000 Guides Elmbridge BC CIL (27th March 2019) Total = £199,552
Is there a commercial element to the project?	Yes
Are there volunteer contributions?	Yes - £17,600
Amount suggested for funding:	£1,187,817

19. As with all applications, there is a risk that construction and purchase costs will increase between application and approval. This is partially mitigated by the contingency allocation included in the total funding request.

Advisory Panel Comments

20. When initially presented to them in July 2022, the YFS Advisory Panel raised some concerns about the size and scale of the building. Members asked to understand in greater detail the community need for a building of the size presented and whether increased future usage would be detrimental to existing local community facilities. The applicant comprehensively responded to all the questions raised and suggested a single-storey option which offered cost savings. The Advisory Panel reviewed the proposal again in December 2022 and unanimously agreed to recommend this option to Cabinet for funding approval.

Section 151 Officer Commentary:

21. Although significant progress has been made to improve the Council's financial position, the financial environment remains challenging. The UK is experiencing the highest levels of inflation for decades, putting significant pressure on the cost of delivering our services. Coupled with continued increasing demand and fixed Government funding this requires an increased focus on financial management to ensure we can continue to deliver services within available funding. In addition to these immediate challenges, the medium-term financial outlook beyond 2022/23 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
22. The long-term sustainability of the projects funded by Your Fund Surrey is a key factor in assessing their suitability. This project is relatively straightforward in that ongoing sustainability relies on identifying a modest and reasonably secure source of funds to maintain an asset. The future running of the building appears secure and sustainable based on interrogation of cashflows.
23. The financial assessment has been completed and initial issues with the costing and tender exercise have all been addressed. It is important to note though there is minimal investment from other parties into the project and value for money needs to be considered, although it is recognised that the initial larger project has been scaled down.
24. The financials submitted appear thorough and well thought through. All expenditure seems appropriate and adequately costed for the project proposed. Cashflow forecasts and project plans show a plan for managing ongoing maintenance and upkeep of the building and these appear robust.
25. There is a summary of risk and mitigations set out in paragraph 22. These factors set out alongside the expected benefits of the project have been scrutinised and challenged by officers and are deemed acceptable in this instance. An important consideration is that Your Fund Surrey is a key part of the Council's Empowering Community approach focused upon enabling communities through investing in a meaningful and lasting way. Therefore, the success of Your Fund Surrey will set against establishing a different relationship with communities, empowering them to be more self-reliant. In forging that relationship, the success of individual projects will vary within the benefits delivered by the programme as a whole. Learning points from successful and unsuccessful projects will be taken and used to inform the development and evolution of the fund over time.
26. The borrowing costs associated with Your Fund Surrey have been built into the Council's Medium-Term Financial Strategy. The annual ongoing revenue cost to the Council of borrowing for this specific project is c£70k per annum.

Legal Implications – Monitoring Officer:

27. The report sets out the information and steps for the consideration of the application further to the Council's governance arrangements for Your Fund Surrey.

28. Further to those arrangements, if approved, the Council and the organisation will enter into a comprehensive funding agreement which will include the performance measures that will be put in place to ensure the funding is used as intended as well as clearly describing any support or additional conditions agreed as part of the funding award.

Equalities and Diversity:

29. Your Fund is designed to provide investment in schemes that encourage community participation, reduce isolation, and develop the potential for social wellbeing and economic prosperity. As such it is anticipated that this project will have a positive impact on the local community.

Other Implications:

30. The potential implications for the following council priorities and policy areas have been considered.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No direct implications
Safeguarding responsibilities for vulnerable children and adults	DBS checks, safeguarding and first aid are integral aspects of Scouts and Guides.
Environmental sustainability	The new venue will also be fully insulated to standards in excess of the requirements of the building regulations and will be heated by air-to-air heat source pumps.
Compliance against net-zero emissions target and future climate compatibility/resilience	Local venue, reducing need to travel
Public Health	The project has a positive impact on wider health determinants with specific reference to accessible spaces for all, community cohesion and health and wellbeing offerings.

What Happens Next:

- Following Cabinet approval of the funding a notice of the records of decisions taken under delegated power, will be published within 3 days of the decision being made.
- Officers will prepare the relevant schedules and funding agreements to enable payment of funds and monitoring and evaluation of the project against its outcomes.
- The YFS Team officers will issue a provisional offer of funding to the applicant, including a copy of the draft Funding Agreement.

Report Authors:

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Consulted:

Division County Councillor and Corporate Finance & Commercial

Annexes:

None

Sources/background papers:

YFS Governance Document

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