

## SURREY COUNTY COUNCIL

## CABINET MEMBER FOR CUSTOMER AND COMMUNITIES

DATE: 31 OCTOBER 2023



REPORT OF CABINET MEMBER: DENISE TURNER-STEWART – CABINET MEMBER FOR CUSTOMER AND COMMUNITIES

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

SUBJECT: YOUR FUND SURREY APPLICATION – Warlingham Sports Club

ORGANISATION STRATEGY PRIORITY AREA: EMPOWERING COMMUNITIES

<b>Purpose of the Report:</b>
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This report sets out the Your Fund Surrey application from **Warlingham Sports Club** for the consideration of the Cabinet Member for Customer and Communities.

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.

<b>Recommendations:</b>
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It is recommended that the Cabinet Member:

1. Approve the full amount requested of £244,892 composed of:
  - £211,498 of capital funding towards the redevelopment of Warlingham Sports Club to be paid in staged payments on evidence of spend.
  - £22,262 to be held by SCC as contingency funding, for release only upon an evidenced request.
  - £11,131 (5%) to be held by SCC until final evidence of income, expenditure and evaluation has been received.

<b>Reason for Recommendations:</b>
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This application has been the subject of a rigorous assessment process by officers, as set out in the body of this report. Officers consider the project to meet the aims and published criteria of the fund and to satisfy the requirements to award funding.

The project aims to improve an existing facility to increase the number and range of sporting and non-sporting activities offered to the community and secure the facility for the future. At least seven new activities will be offered through the funding.

## Executive Summary:

1. Warlingham Sports Club (WSC) is a registered Community Amateur Sports Club (CASC), a government scheme launched in 2002 to allow sports clubs to register with HMRC and benefit from reliefs similar to charities. There are six qualifying criteria to become a CASC, which include being open to the whole community and providing facilities for one or more different sports. Sports and recreation have been played on the site since the 1850s and WSC in its current form dates back to the 1930s. WSC is comprised of five constituent sports; football, cricket, squash, racquetball and pétanque, with plans to reintroduce tennis and netball due to local demand.
2. If successful in receiving funding from Your Fund Surrey, WSC will be able to expand the number of sporting and non-sporting initiatives on offer to the local community including:
  - Walking football
  - Healthy mums' fitness classes
  - Active seniors' fitness classes
  - New netball sessions
  - Re-introduce tennis sessions for all ages
  - Emily Ash Trust meetings (cancer support charity)
  - Blood donor sessions
  - Breast cancer screening

## Project Summary

3. WSC is located in the Division of Warlingham and serves residents from across northern Tandridge. The club is less than 10 minute walk from the centre of Warlingham and has ample parking on site.

Lower Super Output Area (LSOA)	Warlingham East & Chelsham & Farleigh, rank 30215
National Index of Multiple Deprivation (IMD)	10
Surrey Index of Multiple Deprivation	8
Neighbouring LSOAs	Warlingham, 13009 (Surrey decile: 1)

4. The club have developed plans over several years to modernise and improve accessibility to the 1960s clubhouse. The current facility incorporates a bar, a community hall and two changing rooms. The building is of 1960s construction and by its nature is inaccessible and not fit for modern day purposes. The club is vibrant and provides activities for all ages, genders and abilities, but is restricted by outdated facilities.
5. The project has been carefully split into three phases to allow the club to stay operational as much as possible throughout the development. Phase one will focus on improving accessibility by adding a new entrance area and provide separate spaces for community and sporting users. This will allow the club to expand the number of groups and organisations who can use the facility. Your Fund Surrey is being asked to fund this phase. By incorporating a new entrance and adding accessible toilet facilities

the entrance will become a welcoming space and increase the range of people able to access both club and community activities.

6. Phase two will focus on completing a new suite of accessible changing facilities to cater for the increase in sporting participants, including more women's and disability sport. The third phase, which will be a standalone project after phases one and two, will encompass renovating the existing changing facilities to bring them up to modern day standards to complete the modernisation of the site.
7. WSC have secured a large grant from Tandridge District Council Community Infrastructure Levy (CIL), alongside significant contributions from the English Cricket Board and Surrey Playing Fields. There are also healthy contributions from the club itself through fundraising and use of reserves. Warlingham Parish Council have been approached for funding, however their funds are fully committed towards the Green Improvement Scheme.
8. Overall, the club is in a healthy financial position and do not rely on income from community users to sustain the facility. Therefore they will not charge community groups, organisations and charities for use of the community spaces.

## Details

### Description of project benefits

9. The key benefits from this project are:
  - Improved accessibility to the site
  - Increased opportunities for women, girls and people with disabilities to play sport
  - Improved facilities and provision for local groups and organisations to thrive
  - Enhanced access to key health services for local residents

### Project Timeframes

10. Delivery of the project has been split into three phases. On completion of phase one work will begin on phase two, however phase three is a standalone project to be completed at a later stage. The timescales are as follows:  
Phase one – 26 weeks  
Phase two – 36 weeks  
Phase three – 24 weeks

### Management of the project

11. The project committee contains the club Chairman, Honorary Treasurer and five additional club members, all of whom have been selected due to their experience across the following sectors; construction, roofing, project management and chartered surveying. The committee will be answerable to the club management committee and will deliver the day-to-day aspects of the project.
12. The ongoing management of the building will be the responsibility of the existing Club Manager, who will absorb the increased bookings into their current workload.

### Project Lifespan

13. With good care and maintenance the proposed development will last for at least 50 years, although much longer is expected.

<b>Financial and Value for Money Implications</b>
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14. YFS funding is requested for Phase 1 of the project. The project has applied for £244,892 which equates to 18% of the overall project costs (phases 1-3).
15. Table 1. Financial Summary details other funding which has been secured or is expected against the total project cost of £1,053,029 (phases 1 & 2). Phase 3 of the project equates to £330,950 and has been included in the report to provide an understanding of the overall project. Including phase 3 the total cost is £1,383,979.
16. Table 2. Project Cost Breakdown and Grant Utilisation, itemises the allocation of YFS grant against specific works.

**Table 1. Financial summary**

<b>Amount applied for:</b>	£244,892
<b>Total project cost:</b>	£1,383,979
<b>Percentage of cost against total:</b>	18%
<b>Have other funding sources been secured?</b>	Yes
<b>Other funding:</b>	<u>Achieved</u> Tandridge District Council CIL - £556,500 WSC contributions - £197,166 Surrey Playing Fields - £50,000  <u>Expected</u> English Cricket Board - £20,000 (interest free loan)
<b>Volunteer contributions</b>	Yes
<b>Is there a commercial element to the project?</b>	Yes
<b>Amount suggested for funding:</b>	£244,892

**Table 2. Project Cost breakdown and Grant utilisation**

<b>Activity</b>	<b>Total Cost (Including VAT)</b>
Professional fees – pre build	£41,166.66
Phase 1 Building Preliminaries	£28,167*
Phase 1 Demolitions, Groundworks etc	£48,034*
Phase 1 Main Construction	£62,056*
Phase 1 Mechanical & Electrical	£50,086*
Phase 1 Finishes	£12,570*
Phase 1 Sundries	£3,774*
Phase 1 Project Management	£17,940*
Phase 1 Contingency (5%)	£11,131*
Phase 1 Inflation (5%)	£11,131*
Phase 2 Building Preliminaries	£145,680
Phase 2 Demolitions, Groundworks etc	£108,004
Phase 2 Main Construction	£210,368
Phase 2 Mechanical & Electrical	£118,552
Phase 2 Finishes	£38,567
Phase 2 Sundries	£11,941

Phase 2 Project Management	£17,940
Phase 2 Contingency (5%)	£32,552
Phase 2 Inflation (5%)	£32,552
<b>Phases 1 &amp; 2 Total</b>	<b>£1,004,218</b>
Phase 3 Total (including contingency & inflation)	£330,950
<b>All Phases Total</b>	<b>£1,383,979</b>

\*Denotes element with YFS contribution.

17. 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 (which will only be released if there is demonstrated need). The applicant has secured quotes that support their costing, and will ultimately be funded based on evidenced, actual spend, up to the amount awarded.

### Assessment of the application against the criteria for the fund:

#### Advisory Panel Comments

18. The Advisory Panel functions in an advisory capacity and its role is intended to assist the formal decision-making processes which sit outside the Panel.

19. The Advisory Panel met on 20<sup>th</sup> September 2023. A report detailing project CF362 was shared with panel members in advance and questions were invited ahead the meeting. There were no issues raised by panel and the panel was unanimous that this project should be recommended for full funding.

### Consultation

#### Summary of Support

20. Have your say, which has had Warlingham Sports Club featured on the Commonplace website, received 204 comments. There were no negative comments.

21. Letters of support have been received from:

- Jarvis Breast Centre (NHS Mobile breast screening)
- Claire Coutinho MP
- The Emily Ash Trust – supporting families who have a child, teenagers or young adult with cancer
- The CR3 Youth Project
- Warlingham Parish Council

22. The Divisional Councillor Becky Rush has commented as follows:

*As the divisional member for Warlingham I am delighted that Warlingham Sport Club are pursuing funding through YFS and am wholeheartedly supportive of this worthwhile bid.*

*Warlingham is a thriving community of c7,000 residents located in the very North East of Surrey, bordering Croydon Borough Council, with 2 primary schools, 1 secondary and a number of care homes and supported living accommodation. The overall vision for this project is to enhance a vital community asset both in terms of the sporting facilities offered, but also opening up important community services such as health clinics.*

*The phase 1 work to create mobility access is an important step in enabling the site for community use. The Club is located in the centre of Warlingham, on the same road as the doctors surgery providing excellent cross working opportunities, but also has ample onsite parking, meaning the site is easily accessed by all in Warlingham and in surrounding villages. I am particularly excited by the prospect of establishing screening clinics and other health and wellbeing services being run out of the Club. This really delivers on the Councils objectives around local communities, accessing services on your doorstep, enabling residents to remain independent for longer, and reducing car journeys. Warlingham is fairly isolated as a community due to the topography of the North Tandridge area, located on the top of the Northdowns the nearest large hubs to access health services and community support are in Caterham and Oxted, both difficult to access by public transport. Additionally East Surrey Hospital is a 40minute drive and again not connected by public transport. Enabling such health services to be provided in Warlingham would be a huge community asset, and the future opportunities are enormous.*

*The further phases of work this project would enable, focused on the changing rooms and sports facilities, are equally important to the Warlingham community. Recently planning permission has been granted to build a housing development in the green belt, on existing sports playing fields. It is really important for the health and activity of the local community that remaining sports facilities exist and are able to thrive. Enhancement of changing facilities to encourage and enable girls teams and youth teams to participate in a safe way is really welcomed by the local community.*

*It is fantastic that planning permission for this scheme, alongside a substantial amount of funding from other organisations, has been secured. There is a team of incredibly committed volunteers who have seen a vision for how to support their local community and have worked hard to get the project to this point, where subject to funding, they are ready to go.*

*As a local resident I can really vouch for the fact that this enhanced community asset will make a big contribution to the local area and am pleased to offer my strong support; I hope YFS will see the benefits and support this bid.*

<b>Section 151 Officer commentary:</b>
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23. *Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.*

24. *In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 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 the stable provision of services in the medium term.*

25. *As such, the Section 151 Officer supports this application. The financial cost of the overall project (phases 1-3) is large with the YFS funded element supported by*

*significant wider funding. There is a risk that phase 3 is not delivered, but the YFS investment will produce tangible benefits from delivery of phases 1 and 2, regardless of the final elements being completed.* Due to the scale of the project, costs need to be tightly controlled and project management needs to be strong to ensure financial risk is minimised. The project documentation submitted provides confidence that this is in place.

26. The borrowing costs associated with the fund have been fully built into the Council's Medium-Term Financial Strategy. The annual cost of borrowing for this specific project of £244,892 would be £14,272.

**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 it will have a positive impact on the local community and particularly those with protected characteristics that may be more likely to experience social and economic exclusion.
30. An Equalities Impact Assessment has been produced for YFS and was circulated as an Annex to the YFS Cabinet Report 26<sup>th</sup> January 2021.

**Risk Management and Implications:**

31. The applicant has provided an overview of risks against the project in Table 3 below. Officers consider there to be adequate control measures in place.

**Table 3. Summary Table of Risks and Key Mitigations**

<b>Risk description</b>	<b>RAG</b>	<b>Mitigation action/strategy</b>
Costs rise risking the project		Significant inflation and contingencies have been built into the project costs
Lack of wider community use		The club are committed to ensuring community groups, organisations and charities can access the venue free of charge
Unable to secure funding to complete all 3 phases		Benefits of the project will be realised after YFS funded elements, therefore if final phase does not happen it will not impact the investment from YFS.

**Other Implications:**

32. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

**Table 4: Implications for council priorities and policy areas**

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	No direct implications
Safeguarding responsibilities for vulnerable children & adults	Improves capacity to safeguard vulnerable people at a well-used community venue
Environmental sustainability	Enhanced environmental credentials of the building
Public Health	The project has a positive impact on wider health outcomes, with young people, women and girls and those with disabilities being encouraged to increase their physical activity. Increased socialisation amongst vulnerable groups.

**What Happens Next:**

- Following Cabinet Member 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 then issue a provisional offer of funding to the applicant, including a copy of the draft Funding Agreement.

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**Consulted:**

Division County Councillor

Corporate Finance – Surrey County Council

**Sources/background papers:**

YFS Criteria

YFS Governance Document