

**SURREY COUNTY COUNCIL****MARK NUTI, CABINET MEMBER FOR COMMUNITIES****DATE: 27 JUNE 2022****LEAD OFFICER: MARIE SNELLING, EXECUTIVE DIRECTOR  
CUSTOMER & COMMUNITIES****SUBJECT: YOUR FUND SURREY APPLICATION – WR SPORTS CLUB**

**ORGANISATION** Growing A Sustainable Economy So Everyone Can Benefit/ Tackling  
**STRATEGY** Health Inequality/Enabling A Greener Future/Empowering  
**PRIORITY AREA:** Communities

**SUMMARY OF ISSUE:**

This decision record sets out the key information for publication on the decision by the Cabinet Member for Communities to approve expenditure for a Your Fund Surrey project at WR Sports Club.

This is to enable expenditure from the Your Fund Surrey to be awarded to projects which have been objectively scored and assessed to meet the criteria for Your Fund Surrey by Officers and further considered by the Your Fund Advisory Panel.

The vision of Your Fund Surrey (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 the Cabinet Member:

1. To fund project CF142 for the full £300,000 requested, composed of:
  - £300,000 of capital funding towards the extension build to be paid in staged payments, on evidence of spend.
  - Including £15,000 (5%) to be held by SCC until final evidence of income, expenditure and evaluation is received.
2. To approve the following conditions for the applicant to be included within the funding agreement:
  - final evidence of all funding secured to complete the project
  - final evidence of income & expenditure and evaluation
  - the applicant uses all possible measures identified to increase sustainability and reduce environmental impact during construction and operation of the facility
  - evidence that all planning requirements are met prior to the project start
3. To develop a usage policy to be adopted by WR Sports Club for the life of the facility which ensures the widest access to the community, to include a booking policy and schedule of fees maintaining affordable rates.

4. To encourage applicant to consider all reasonable measures which could be undertaken to expand the reach and use of the facility. In particular to work closely with Spelthorne Borough Council and the local voluntary sector.

#### **REASON FOR RECOMMENDATIONS:**

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.

#### **DETAILS:**

1. This is a proposal for an extension of WR Sports Clubs' clubhouse to increase the size of the communal bar area, build a second indoor area adjacent to the current clubhouse and to relocate the toilets, showers and kitchen to a more accessible area. The proposal will also relocate the current disabled toilet facilities to improve accessibility. The build will be of brick construction and will include LED lighting on sensors, water saving devices and percussion taps in the toilets. The enlarged main bar area will increase by 75% and will have a moveable dividing wall in place to ensure multiple usage at any one time. The clubhouse has had basic renovations completed over the years by volunteers but needs an extension and reconfiguration to be suitable for modern use. The club has parking for 83 cars, ensuring that multiple groups can access the venue.
2. WR Sports Club is a Private Limited Company and has three-member clubs, Ashford Bowls Club, Ashford Tennis Club and Ashford Table Tennis Club who all have Community Amateur Sport Club (CASC) status. The company is administered by a team of volunteer directors who are representatives of each member club and the social members. Between the three clubs and social members (including darts and pool teams) there are approximately 750 members of WR Sports Club. WR Sports Club is in Ashford North, an area of relatively high deprivation in the Multiple Index of Deprivation (IMD) for Surrey. To reflect this WR Sports Club offer affordable memberships starting at £20 per year for adults and £5 per year for children. The club is a social hub for local people, in particular families because there is a play park on site meaning the venue can cater for all ages. The venue is also open for non-member bookings at a fee covers costs only.
3. The premise of the proposal is to increase the size of the indoor space available to better provide services for members and non-members alike. The clubhouse is currently used throughout the week by the various sports clubs, private parties and functions, mother and toddler groups, quizzes, music nights, wakes, christenings and charity fundraising events. However space is limited, consequently the facility struggles to support multiple usage at any one time and has a heavy focus on evenings. The club has support from organisations such as TALK, a charity that supports Stroke survivors, and U3A, a charity that provides activities for people no longer in work. This is in addition to local card clubs, yoga and Pilates classes who have provided their intention to use the facility if the project is successful. The U3A will be the biggest beneficiary because they have a schedule of activities that have long waiting lists for groups such as book club, dance lessons, knit 'n' natter club and language lessons. The club is open from

11am – 11pm every day and they are keen to enhance usage during the day, in addition to catering for more people during the evening.

4. Most members of the club are aged 50+ however with the lack of similar facilities in the area, the club has become a social hub for local families. Approximately 25% of the clubs' members are of non-British origin and roughly two thirds of the membership are male. The tennis club runs regular holiday camps for local young people, but the lack of indoor space means that there is not a separate indoor space required for safeguarding reasons. This proposal would allow the tennis camps to provide a safe indoor space away from the main clubhouse area, providing a better experience for the young people in attendance.

### **Description of project benefits**

5. The project aims to enhance the experience of the club for existing members and to modernise the facility so that it can better serve the local community to promote social cohesion amongst non-club members. WR Sports Club is already a social hub for many local people and this proposal would allow the wider community to benefit, particularly social housing estates that are close to the venue. The proposal would improve access for people living with disabilities, which could increase the usage of the venue by people with mobility needs.
6. Officers consider the project contributes towards the following areas of the SCC priorities 2021-2026:

#### *Growing a sustainable economy so everyone can benefit*

- Provide an affordable location for local people to host events and socialise
- More local businesses can operate in the extended space

#### *Tackling health inequality*

- Increase the number of people taking part in social and physical activities in a deprived area
- Support the wellbeing of local people through socialisation and targeted support via Charities

#### *Enabling a greener future*

- Improve the environmental credentials of the existing building

#### *Empowering communities*

- Enhancing a community asset so it becomes suitable for wider user groups and increases social cohesion

### **Project Timeframes**

7. The project timeframes are approximately ten to twelve weeks, comprised of:
  - Drainage (YFS Funded)
  - Preparation works (YFS Funded)
  - Foundation works (YFS Funded)
  - Below DPC (YFS Funded)
  - Ground floor build (YFS Funded)
  - Walls (YFS Funded)
  - Structural members (YFS Funded)

- Roof (YFS Funded)
- Openings (YFS Funded)
- Electrics (YFS Funded)
- Plumbing (YFS Funded)
- Heating (YFS Funded)
- Internals
- Other costs

8. The management team is in place and the project is ready to commence as soon as funding is achieved.

### **Management of the project**

9. The freeholder of the existing building and land is Ashford Sports Club. A new sixty-year lease was signed in 2021 between Ashford Sports Club and WR Sports Clubs, securing the applicants position for the foreseeable future.

10. WR Sports Club is a Private limited Company and has three-member clubs, Ashford Bowls Club, Ashford Tennis Club and Ashford Table Tennis Club who all have Community Amateur Sport Club (CASC) status. The company is administered by a team of volunteer Directors who are representatives of each member club. The lead Director for this project has 40 years' experience in the building trade and will assume the Project Manager Role during the build. A paid Club Manager is employed to oversee day-to-day running of the club and will be onsite throughout the build.

11. The WR Sports Company Directors meet quarterly and there will be a standard agenda item to monitor the project during and post build. Directors will evaluate usage of the venue against the ambitions of the Surrey 2030 Vision to ensure the venue is fulfilling its potential. A regular report will be submitted to the Directors by the Club Manager which will detail changes in community bookings and events.

### **Project Lifespan**

12. The extension will have a life expectancy of at least 50 years.

<b>Financial and value for money implications:</b>
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13. YFS funding is requested for the construction and fit-out of the extension to the clubhouse. The project has applied for £300,000 which equates to 72% of the total project costs. The remaining monies needed for the project have been raised by the three member clubs and Spelthorne Sports Council.

14. Table 1. Financial Summary details the £116,547 of other funding which has been secured against the total project cost of £416,547.

15. Table 2. Project Cost Breakdown and Grant Utilisation, itemises the allocation of YFS grant against specific works.

16. As with all applications, there is a risk that construction and purchase costs will increase between application and approval due to the current economic environment. This is 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.

**17. Table 1. Financial summary**

<b>Amount applied for:</b>	<b>£300,000</b>
<b>Total project cost:</b>	<b>£416,547</b>
<b>Percentage of cost against total:</b>	<b>72%</b>
<b>Have other funding sources been secured?</b>	<b>Yes</b>
<b>Other funding:</b>	<b>£116,547</b>
<b>Volunteer contributions</b>	<b>Yes - £3,500</b>
<b>Is there a commercial element to the project?</b>	<b>Yes</b>
<b>Amount suggested for funding:</b>	<b>£300,000</b>

**18. Table 2. Project Cost breakdown and Grant Utilisation:**

<b>Activity</b>	<b>Total Cost</b>	<b>YFS Contribution</b>
Professional fees	£13,533	0
Drainage	£16,015	£16,015
Preparation	£2,830	£2,830
Foundation	£14,653	£14,653
Below DPC	£8,023	£8,023
Ground floor	£50,323	£50,323
Walls	£40,172	£40,172
Structural Members	£44,156	£44,156
Roof	£62,732	£62,732
Openings	£42,335	£42,335
Electrics	£5,772	£5,772
Plumbing	£9,568	£9,568
Heating	£8,350	£3,421
Internal	£57,279	0
Evaluation	£5,000	0
<b>Sub total</b>		
Contingency	£35,799	0
<b>Total</b>	<b>£416,547</b>	<b>£300,000</b>

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

19. This application for funding has been through the due diligence and agreed governance process for the fund, which are publicly available on the County Council website.

20. The application has been subject to a rigorous two step application process involving assessment and scoring by Your Fund Surrey Officers, with input from

the Expert hub, a group of specialist Officers providing insight for the eligibility of funding. The application has been assessed and scored independently by three Officers whose scores are then moderated. A summary of the Assessment Report comments against the funds five published scoring criteria are set out in Annex 2.

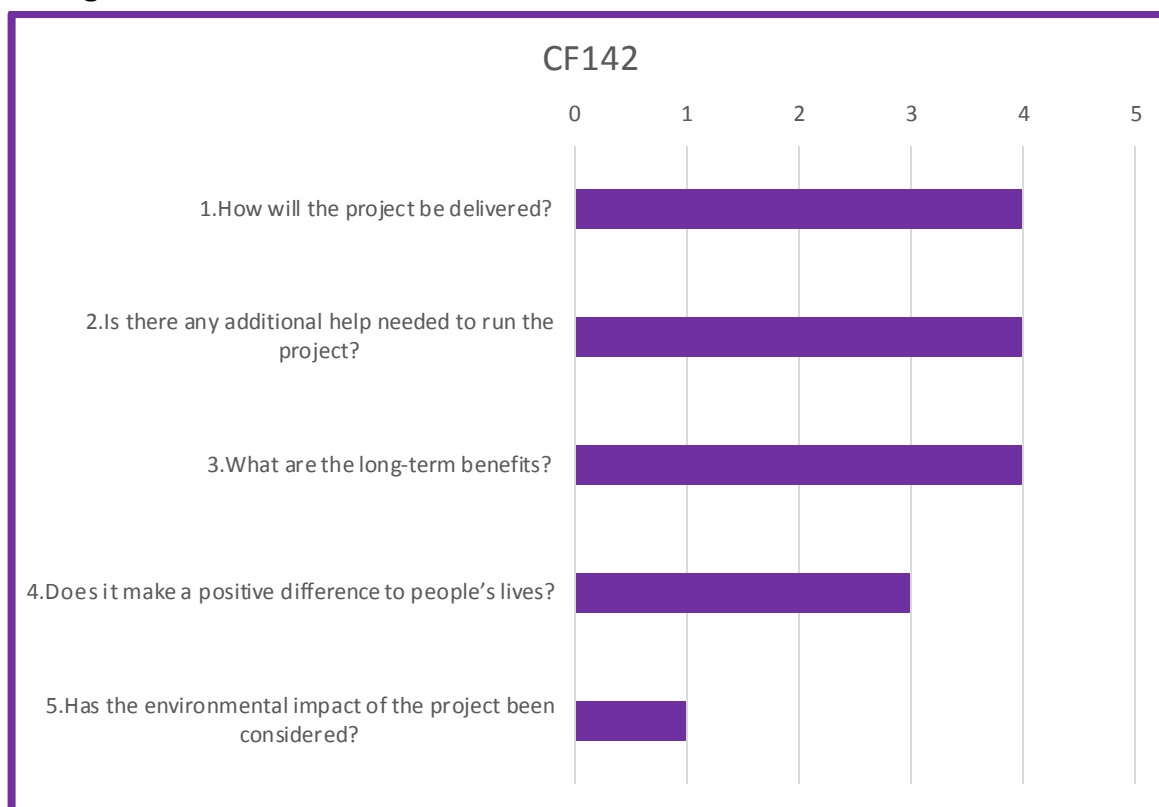
### **Expert Hub Review**

- 21. Commercial** – The commercial element of the investment relates to the increase of income opportunities which can be generated from the expanded bar area. On average the applicant has generated circa £12k of profit from their current offering and that is set to increase to circa £27k per annum based on the applicants financial modelling. The surplus funds are then to be reinvested into the Club as required. While there is always inherent risk in any commercial venture, this is an existing venture that appears to have operated successfully on the current footprint. If the current margins are maintained, the increased variable use of the facility should only enhance the ability of the facility to generate a surplus to deliver wider benefits for the clubs. Based on the information provided, it appears there is a relatively low risk of the venture failing to operate as a 'going concern' in future years.
  
- 22. Finance** – The existing sports club are looking to expand their building and facilities, and whilst have some smaller contributions to the project from associated organisations, they require the majority of the funding from YFS. This places more risk on YFS however, the delivery of the project appears to be adequately planned financially and the investment should provide expanded community benefit and financial return, to enable the organisation to maintain the larger premises in the longer term.

### **Score Breakdown**

- 23.** The application scored a total of 330 out of 500 when scored by Officers broken down as follows:

## 24. Figure 1. Assessment score breakdown



### Advisory Panel Comments

25. The Advisory Panel functions in an advisory capacity and its role is intended to assist formal decision-making processes which sit outside the Panel. The role of the YFS Advisory Panel is to review shortlisted applications following the assessment and scoring of bids by Officers, and to advise and inform the final officer recommendations to the appropriate decision-maker on the proposed funding awards to be made.
26. The Panel were appreciative of the applicants' submission and were supportive of the project. The panel, via the Chair sought clarification on what basis the rent review would be conducted. Further detail on this point was provided to all Panel members subsequent to this session.
27. The Panel were fully supportive of the project and recommendation to award £300,000 to the applicant with conditions was agreed. These conditions are set out in Recommendation 2.

### CONSULTATION:

#### Summary of Support

28. Have your say, which has had the WR Sports Club Extension featured on the Commonplace website, received 151 comments. There were only two negative comments which highlighted concerns about there not being enough parking onsite, that the club is not regularly at capacity and that the project would mainly benefit the members. The negative comments are not without merit; however Your Fund Surrey officers believe their assessment of the proposal provides

evidence to the contrary. The venue has over 80 car parking spaces and is within walking distance for many members of the community. The current venue is unable to provide for multiple user groups at any one time, hence it can be viewed as being under capacity. The premise behind the proposal is that the extension would allow WR Sports Club to offer their venue for additional community use, which the area currently lacks. Consequently the local community will benefit alongside existing members of the club.

29. The Divisional Councillor Denise Turner Stewart has commented as follows:

- a) This is an extremely worthy project that will bring significant benefits to the local community. This part of Ashford (North) is very densely populated and is high up the Surrey deprivation index. The location provides many all-age activities and is heavily depended upon for many residents for social, activity based and communal functions and the application will enable the organisation to provide improved facilities to expand the current offer and cater for larger groups from the local community and a broader range of activities and events.
- b) The Sports Club is very well run and attended and has been improved considerably in recent years due to the success of the Tennis Club and Bowls Club and Table Tennis Club and the popularity of this club for social activities.
- c) The club provided a hub for the local community and provides excellent wellbeing support for residents who rely on the welcoming and friendly environment that this club provides.
- d) The catchment for this club also takes in a large local social housing estate in Staines South and so is very well positioned to provide activities and social support for families on low incomes and vulnerable residents. The improvement to the disabled facilities will significantly improve accessibility.
- e) This organisation serves many residents in Staines Ashford and Laleham and across Spelthorne and is extremely deserving of much needed funding to realise the ambitions of WR Sports Club for our local community.

<b>RISK MANAGEMENT AND IMPLICATIONS:</b>
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- 30) This application for funding has been through the due diligence and agreed governance process. As part of this process the applicant has provided an overview of risks against the project. This is summarised below. Officers consider there to be adequate control measures in place.



**Table 5. Summary Table of Risks and Key Mitigations**

<b>Risk description</b>	<b>RAG</b>	<b>Mitigation action/strategy</b>
Cost over runs during construction		Close review of contractors
Shortfall in local funding/pledges		Fund raising events being organised
Lack of use of facilities		Marketing and social media
Loss making asset		An existing venture that has operated successfully for several years.
Weak Management Committee		Proactive reviews by WR Sports Club Directors

**Section 151 Officer commentary:**

31. Although significant progress has been made to improve the Council's financial position, 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.
32. The long-term sustainability of the projects funded by Your Fund Surrey is a key factor in assessing their suitability. Certain projects are relatively straightforward, where ongoing sustainability relies only on identifying a modest and reasonably secure source of funds to maintain an asset.
33. The finance and commercial assessment is set out in paragraphs 20 and 21, along with a summary of risk and mitigations set out in paragraph 28. 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.
34. The borrowing costs associated with the fund have been fully built into the Council's Medium-Term Financial Strategy.
35. This project has been reviewed financially is felt to be adequately planned and risks appropriately mitigated where possible.

**Legal implications – Monitoring Officer:**

36. 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.
37. 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:**

38. 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 a number of those who may rely on or gain support from within the local community and those within protected characteristics that may be more likely to experience social and economic exclusion.
39. 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.

**Other implications:**

40. 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.

<b>Area assessed:</b>	<b>Direct Implications:</b>
Corporate Parenting/Looked After Children	No direct implications
Safeguarding responsibilities for vulnerable children & adults	WR Sports Club have a permanent Welfare Officer based on site to oversee safeguarding of vulnerable people. A child protection policy is in place that is mandatory for all users to adhere to whilst on site.
Environmental sustainability	The build would improve the environmental credentials of the venue.
Public Health	The project has a positive impact on wider health determinants with specific reference to users being encouraged to join and take part in the sports and physical activity on offer. The project also seeks to enhance social cohesion in an area of deprivation.

**WHAT HAPPENS NEXT:**

- Following Delegated 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. A note of this decision will be included in the

YFS Decision Tracker and the next Cabinet report containing an update on Your Fund Surrey.

- 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 incorporating any additional conditions.

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**Consulted:**

Division County Councillor

Corporate finance

**Annexes:**

**Annex 1:** Summary Scoring Comments

**Sources/background papers:**

Your Fund Surrey Governance Document

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