

**SURREY COUNTY COUNCIL****CABINET****DATE: 19 DECEMBER 2023**

**REPORT OF CABINET MEMBER: DENISE TURNER-STEWART, DEPUTY LEADER AND CABINET MEMBER FOR CUSTOMER AND COMMUNITIES**

**LEAD OFFICER: LEIGH WHITEHOUSE, DEPUTY CHIEF EXECUTIVE AND EXECUTIVE DIRECTOR FOR RESOURCES**

**SUBJECT: YOUR FUND SURREY APPLICATION – STANWELL EVENTS – ACORN PROJECT**

**ORGANISATION STRATEGY PRIORITY AREA: EMPOWERED AND THRIVING COMMUNITIES**

<b>Purpose of the Report:</b>
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This report sets out the key information on the Stanwell Events Acorn Project Your Fund Surrey (YFS) application for the consideration of Cabinet.

By bringing community-led and place-making projects to life with a focus on delivering wide community benefit that leaves a real legacy, Your Fund Surrey helps Surrey County Council meet its priority to support empowered and thriving communities and tackle inequality to ensure that no one is left behind.

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

1. Approves the full amount requested of £1,105,834 (79% of total project cost), comprised of:
  - Up to £1,105,834 of capital funding towards the development of the pavilion to be paid in staged payments, on evidence of spend.
  - This includes 5% (£55,291) which will be retained as final payment until evidence of income, expenditure, building control sign-off and 25-year lease is provided.
  - A condition within the funding agreement will be to ensure we are satisfied with, and see, the Agreement for Lease with Spelthorne Borough Council before releasing any monies.

## 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.
- The project aims to turn an existing community sports pavilion, currently not fit for purpose, into a modern and accessible community hub for residents and services in an identified Surrey County Council and Health and Wellbeing Board Key Neighbourhood.
- Stanwell Events already support many residents in the area and this project will enable them to have a long-term base that allows them to expand their service and support more residents. It is expected the new facility will increase services across all projects by 30-50%, with over 33,000 visits per year

## Executive Summary:

### Overview

1. Stanwell Events is a registered charity currently located in the Long Lane Pavilion in Stanwell, Spelthorne. The charity started the Stanwell Food Bank and supports the residents of Stanwell and surrounding areas to access activities and services to improve their quality of life. They have a small team of five trustees with experience in the voluntary sector, retail, business, aviation, youth work and safeguarding, including Anna-Marie Goodacre (Founder, CEO, non-executive Trustee). Many of the trustees have lived in Stanwell for all, or most, of their lives and understand the community well. Additional Board support is provided by 2 further volunteer advisors and Voluntary Support North Surrey. The CEO will have overall responsibility for day-to-day management of the centre and activities and oversee a café manager and Project Officer (responsible for activities for children and young people) as well as volunteers.
2. In addition to the foodbank, Stanwell Events delivers a range of activities for people to relax, interact, learn and enrich their lives. By being there to listen to people's concerns, they are able to offer support and signpost to other services. Their popular holiday clubs for children, family fun events and cookery classes are all oversubscribed with huge demand and waiting lists.
3. The project aims to re-develop the existing pavilion to make vital extensions and adaptations and create a fully usable community building, fit for the 21st century and for generations to come. The re-development will include extending into an existing paved recess area on the ground floor and erecting a first-floor extension on the existing footprint of the building.

### Project Summary

4. The pavilion is located in the Division of Stanwell and Stanwell Moor but serves residents across the area including a Key Neighbourhood, Stanwell North. It is an area of high deprivation and need.

5. The existing pavilion was built in the 1960s primarily for the purposes of supporting sport on the adjacent park area and comprises many, small rooms. Since Stanwell Events were granted the lease for the pavilion five years ago the usage has grown, despite the limitations of the building. The project itself will be split into three phases, with YFS supporting the first two which will transform the ground floor into a modern, flexible and welcoming community space.
6. The project was granted planning permission in June 2022 and the extended facility will add the following spaces to the building:
  - A Community Café to provide affordable drinks and snacks for local people
  - Community zone comprised of multi-use rooms for a playgroup, youth club and events
  - Discrete storage for Stanwell Food Bank
  - Launch of the new Stanwell Pantry, reusing surplus food and providing a progression route to reduce dependency on the Food Bank
  - A teaching kitchen
  - A support room for use by partners such as Surrey Police, Citizens Advice, Home-Start, Stanwell Befriending and Andy's Man Club.
  - Accessible toilets for use by the community
  - A wet room and laundry facilities to properly support, in a managed way, residents who are homeless to wash themselves and, with the adjacent laundry, provide them with clean clothes.
7. The activities and types of events currently taking place will be expanded with the larger, improved facilities, reaching more people in the community. Examples of this include:
  - Surplus food currently operates ad hoc due to limited space and often takes place outside. A dedicated space would provide proper storage to support more families and enable them to work closer with Fareshare, Tesco and Surplus to Supper.
  - The Christmas giving project is currently spread across 3 locations due to the limited space. The new facility would enable it to be expanded to reach more of the community.
  - Stanwell Events has hosted Christmas dinners for lonely and isolated residents for 5 years, with over 300 meals delivered to homes during Covid alone. They currently use Stanwell village hall (incurs hire fee) which can only host 100 residents so the offering is limited. This would increase with larger facilities.
  - The teaching kitchen has three work benches accommodating groups of 12. A larger space would accommodate bigger groups and sound clouds could support those with diverse needs. Worktops of varying heights would be introduced for disabled access and different age groups.
  - The Club4 project funded by Active Surrey and the holiday clubs could be expanded as demand is high.
8. The charity has many corporate volunteers who are willing to support, however, due to limited space, they cannot take on as many as they would like. These volunteers support the community and provide extra hands to help with the projects.
9. A local architectural design company have donated their time and skills to create plans that provide the workable spaces needed while maintaining the original character of

the building which was important to local residents. The design will also not impact the green spaces in the park.

10. The designs for the building were informed by consultation with residents through engagement at the events and projects they run. The charity has utilised Voluntary Support North Surrey to develop a robust project and business plan. In addition, local tradespeople will donate their skills towards the construction.
11. The building is owned by Spelthorne Borough Council (SBC) which, as well as providing Stanwell Events a home, has contributed to the project through a Community Infrastructure Levy grant of £50,000. SBC has committed to extending the current five-year lease to twenty-five years if Stanwell Events are successful in raising the funding for the project. Heads of Terms have been provided which state they will enter the new lease when the project is complete. Surrey CC's asset team has reviewed the Heads of Terms. The legally binding Agreement for Lease with SBC would be a condition within the funding agreement.
12. The project currently has a funding gap of circa £230,000, however the organisation have identified a large number of potential funders and has a fundraising plan in place. It is proposed that this element of funding is for phase 3 – the first-floor extension. YFS funding is requested for the ground floor works and extension and will provide the majority of the community benefits envisaged. Phase 3 could be delivered at any time with little impact on the main project deliverables and benefits.

### **Project benefits**

13. The key benefits to the project include:
  - Ensuring Stanwell Events have a long-term base to support local residents
  - Enabling more services to be provided, and a larger number of residents being supported
  - Enhanced community cohesion
  - Increased wellbeing of local residents
  - Providing a space for local people to be proud of
  - Increased opportunities for partnership and collaborative working with a range of services

### **Project timeframes and management**

14. The project delivery is estimated to be approximately 6 months per phase: The delivery of the project will be managed by the Chief Executive Officer of Stanwell Events, the chosen contractor's Project Manager and a cost consultant from a local architectural company.
15. Ongoing management of the facility will be managed by existing team members plus the recruitment of a Café Manager and Project Officer. Both roles have been budgeted for and will start part-time, with a view to increasing hours in line with increasing income.

16. It is intended to continue the current service during the works and all existing community services will be continued, even those off-site such as youth centres. This will help to ensure ongoing security and reduction of crime in the area.

## Consultation:

### Summary of Support

17. Have your say, which featured the Stanwell Events Acorn Project, received 150 comments. The application has also benefited from a significant number of signatures and supporting letters from local residents.

18. Letters of support have been received from the following organisations, groups and individuals:

- A2 Dominion Housing
- Spelthorne Borough Council Chief Executive
- Director of Strategy & Sustainability and Head of Strategic Transformation - Ashford and St Peter's NHS Trust
- Spelthorne Breast Feeding Friends
- Spelthorne Borough Commander – Surrey Police
- Heathrow Community Engagement Officer
- Holiday Activity Programme Manager – Active Surrey

19. The Divisional Councillor Robert Evans fully supports the application and has commented as follows:

*“As the County Councillor for Stanwell and Stanwell Moor division, I am writing in support of the above project which sits in the heart of Stanwell. Stanwell Events is a community-led organisation which provides a variety of different types of assistance to families in the area.*

*The premises they are currently using as their base are the former cricket pavilion and changing rooms in Cordelia Park (Long Lane Recreation Ground) owned by Spelthorne Borough Council. After being disused for many years, Stanwell Events have in recent years been given greater use of the building.*

*When COVID struck, in conjunction with their sister organisation the Stanwell Food Bank, an ever-increasing number of families sought their support. The building has now undergone several changes; for example, a fully equipped kitchen was installed but further investment is needed to bring the building up to modern standards.*

*The building is an invaluable base for Stanwell Events, an organisation, which in these challenging times, is providing for the ever-increasing needs of the community. The project now provides a variety of much needed help across Stanwell and further afield into Ashford, Staines and other parts of Spelthorne.*

*The “Acorn Project” will create the necessary funding not only for them to carry on offering this service, but to give Stanwell Events more appropriate and suitable accommodation.”*

## Advisory Panel Comments

20. The project was discussed by the YFS Advisory Panel on 20<sup>th</sup> September 2023. All members of the Advisory Panel were supportive of the application and the benefits it would bring to the community, but wanted to ensure there was an appropriate lease in place with Spelthorne Borough Council before releasing funds. Subsequent conversations have taken place with SBC on this who are happy to comply and the requirement for the lease will be written into the funding agreement.

### Risk Management and Implications:

21. The applicant has provided an overview of risks against the project in Table 1 below. Officers consider there to be adequate control measures in place.

**Table 1. Summary Table of Risks and Key Mitigations**

Risk description	RA G	Mitigation action/strategy
Project costs increase above contingency allowances		Prices are unpredictable however the project team have expert support at hand and contingency has been factored in.
Project fails to deliver proposed community benefit		Stanwell Events are extremely well established in the local area and have strong partnerships in place to ensure they can maximise community benefit. It is also a requirement in the lease.
Full funding not achieved		Plans are in place to achieve full funding and funding gap is relatively modest in relation to the cost of the build. Phasing of the project to allow flexibility in delivery depending on available funding.
Failure to secure satisfactory lease from SBC		Heads of Terms have been provided, along with a letter of intent from SBC and approved minutes of SBC committee meeting to grant 25-year lease.

### Financial and Value for Money Implications:

22. YFS funding is requested to contribute towards the pavilion re-development. The project has applied for £1,105,834 which equates to 79% of the overall project costs. The remaining monies needed for the project have been raised or are expected from various sources (see Table 2).

23. Table 2. Financial Summary details the £300,360 of other funding against the total project cost of £1,406,194. Table 2 details the total project cost breakdown.

**Table 2. Financial summary**

<b>Amount applied for:</b>	£1,105,834
<b>Total project cost:</b>	£1,406,194
<b>Percentage of cost against total:</b>	79%

<b>Have other funding sources been secured?</b>	Yes
<b>Other funding:</b>	<u>Achieved Funding</u> Spelthorne CIL 2022 - £50,000 National Lottery - £1,000  <u>Pledged Funding</u> Local business donation - £19,360  <u>Funding Pending Decision</u> Stanwell Events Capital Fundraising plan - £230,000
<b>Volunteer contributions:</b>	Yes - £50,140
<b>Non-cash contributions:</b>	Yes - £18,470
<b>Is there a commercial element to the project?</b>	Yes
<b>Amount suggested for funding:</b>	£1,105,834

**Table 3. Project Cost breakdown:**

<b>Activity</b>	<b>Total Cost (Inc. VAT)</b>	<b>YFS Funding</b>
Preliminaries	£98,961.20	£998,794
Demolition	£10,634.00	
Foundations / Floors	£31,199.94	
Superstructure	£101,710.26	
Roof works	£66,127.20	
Windows and Doors	£38,948.00	
Drainage	£10,829.00	
Internal Walls + Finishes	£21,933.60	
Ceilings	£16,614.00	
1st and 2nd Fix All Trades	£39,202.80	
Sealing and decoration	£26,962.00	
Mechanical and Electrical	£160,160.00	
Flooring	£72,800.00	
Kitchen & toilets	£90,480.00	
Lift Installation	£35,000.00	
Tiling	£28,414.00	
External Works	£22,380.00	
Green Work	£126,438.00	
VAT on build work	£199,758.00	£199,758.00
Fit out costs	£19,360.00	£0
Promotional activities	£1,000.00	£0
Impact and monitoring	£7,500	£7,500
Professional fees	£59,927	£59,927

Contingency (10% of build contract)	£119,855.00	£119,855.00
<b>Total</b>	<b>£1,406,194</b>	<b>£1,105,834</b>

24. 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.

25. A detailed capital fundraising plan has been submitted. The plan details 15 additional funding applications the charity is completing in relation to this project. Continuing help from Voluntary Support North Surrey means new funders are being approached on a regular basis, with experienced volunteer fundraisers donating their time to securing the funds. Despite these measures, there is still a risk that the additional capital required will not be raised.

#### **Section 151 Officer Commentary:**

26. 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.

27. 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.

28. As such, the Section 151 Officer supports this application. This project has been reviewed and initial questions around the costings have all been addressed. YFS funding represents 79% of the projects total cost, with only minimal investment from other parties and a current funding gap of circa £230k; this risk will be addressed through the funding agreement. Overall the delivery of the project appears to be adequately planned financially and the investment should provide a lasting asset that will benefit the community for a long time.

29. 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 £1,105,834 would be £74k.

### Legal Implications – Monitoring Officer:

30. 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.
31. 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:

32. 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 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.

### Other implications:

33. 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.

Area assessed	Direct Implications
Corporate Parenting / Looked after children	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report
Environmental Sustainability	Air source system, improved insulation, rainwater recycling, solar panels. Redistributing and using surplus food to reduce waste.
Compliance against net-zero emissions target and future climate compatibility/resilience	No significant implications arising from this report
Public Health	No significant implications arising from this report

### What Happens Next:

- Following approval of the funding, a notice of the records of decisions taken 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 incorporating any additional conditions.

**Report Author:**

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**Consulted:**

Divisional County Councillor

Portfolio Holder for Customer and Communities

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**Sources/background papers:**

Your Fund Surrey Criteria

Your Fund Surrey Governance Document

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