

**SURREY COUNTY COUNCIL****CABINET MEMBER FOR CUSTOMER AND COMMUNITIES****DATE: 26 March 2024****REPORT OF CABINET MEMBER: DENISE TURNER STEWART, CABINET MEMBER FOR CUSTOMER AND COMMUNITIES****LEAD OFFICER: MICHAEL COUGHLIN, EXECUTIVE DIRECTOR, PARTNERSHIPS, PROSPERITY AND GROWTH****SUBJECT: YOUR FUND SURREY APPLICATION FROM THE SUNBURY AND WALTON UNIT 327 OF THE SEA CADET CORPS****ORGANISATION STRATEGY PRIORITY AREA: EMPOWERING COMMUNITIES****SUMMARY OF ISSUE:**

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

This report sets out the Your Fund Surrey application from the Sunbury and Walton Unit 327 of the Sea Cadet Corps for the internal fit-out and commissioning of their new facility for the consideration of the Cabinet Member for Customer and Communities.

**RECOMMENDATIONS:**

It is recommended that:

1. The Cabinet Member for Customer and Communities considers whether to fund the full amount requested of £370,100, comprised of:
  - £370,100 of capital funding towards fitting-out a new waterborne training centre to be paid in staged payments, on evidence of spend.
  - Including 5% to be held by SCC until final evidence provided of income and expenditure, evaluation and building control sign-off.

**REASON FOR RECOMMENDATIONS:**

This application has been the subject of a rigorous assessment process 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 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.

## **DETAILS:**

1. Sunbury and Walton Sea Cadets (SWSC) is a registered charity that offers a variety of activities to children and young people ages 10-18, including sailing, windsurfing, powerboating, rock climbing, camping, rowing, kayaking and musical activities. SWSC is located in the Division of Walton and serves residents from Elmbridge and Spelthorne. The charity currently runs out of a dilapidated old training centre, constructed in 1947, which was severely damaged by flooding in 2014.
2. Since the flooding incident, SWSC has been unable to fully operate and provide services from the premises. The building was severely damaged, making it a cold and damp environment for young people. This project aims to create a bright, modern, one-storey, raised, flood-resistant building offering 350m<sup>2</sup>.
3. The proposed new building will be built 1.2 meters above ground level on piled concrete foundations. A number of flood measures will be introduced including flood gates, flood monitoring and well-rehearsed flood procedures.
4. If successful in receiving funding from Your Fund Surrey, SWSC would be able to expand the broad range of sports, leisure, and recreational activities for both current and new sea cadets but also the wider community from Spelthorne, Elmbridge and surrounding Boroughs and Districts.
5. The project is being completed in three phases, of which phases one and two have already been completed. Phase one involved piling the foundations to the fixed floor level and the movement of high voltage power cables. In Phase 2, the wooden insulated frame was erected, cladding applied, and the insulated roof panels lifted onto the rafters.
6. The Your Fund Surrey request is asked to fund Phase 3, which is the internal fit-out and commissioning of the building. This phase includes the construction of a hall; four classrooms; a kitchen; training room; an admin room; a social area; a uniform room; male and female changing rooms and showers, including a separate facility for adults and disabled individuals.
7. The project is adapted to be as environmentally friendly as possible, including installing solar panels and batteries that can be used to store and release energy when needed. Ground source heating has been installed and commissioned, and already provides hot water and heating to the building. Several skylights have been installed in the roof to eliminate the need to use artificial lighting during the day.
8. The new building will allow SWSC to take on substantially more cadets as they have a long waiting list of young people wishing to join. In addition, it will allow instructors to increase the variety and volume of training available to the young people as multiple classes will be able to be conducted at the same time.
9. SWSC also want to expand their service offering to the wider community, but the current building lacks a kitchen, changing rooms and adequate showers. SWSC have difficulty engaging female groups due to the primitive and non-private nature of the showers. Investing in modernising the facility will unlock the potential of the site.
10. The site has the capacity to host 902 2.5-hour sessions per year, but only 323 are currently in use, leaving 579 as spare capacity. The additional users will result both from increased use by young people as well as from greater community use. This

will include skill courses such as first aid, engineering, leadership, and teamwork, as well as Duke of Edinburgh preparation and weekend camping sites.

11. The SWSC has an established reputation for supporting disadvantaged young people. Within the current membership, over 50% of sea cadets have special educational needs of some type or those with various neurodiversity conditions. In its current membership, the SWSC also has a high proportion of ethnic minority young people. By participating in sea cadet and water sport related activities, the SWSC has helped young people overcome these challenges and have provided them with the opportunity to undertake practical training and qualifications.
12. A wide range of users will be using the new facilities, including SWSC itself, other sea cadet organisations in the county that do not have access to the same facilities, charities, sports groups, community groups, and individuals. Many users, including non-profit organisations, have already committed to using the new facilities, and many others have expressed interest, demonstrating that the building will be fully utilised.
13. Renting out the hall, meeting and training rooms to other cadets, volunteers, organisations and other users will ensure the building's long-term financial sustainability.
14. SWSC have secured various other grants including from the London Marathon, Community Infrastructure Levy (CIL) and the Heathrow Community Fund.
15. The project has been granted planning permission by Elmbridge Borough Council for the works to commence and has been given a 21-year lease commencing from March 2013 from Walton Charities, the landowner. In order to ensure continued operation at the site and protect the new building, a renegotiation of revised lease terms was undertaken in 2018. On completion of the new building the old lease will be surrendered, and a new 25-year renewable lease will come into place.
16. The project benefits include:
  - Increased opportunities for young people to participate in waterborne sporting activities.
  - Improved community facilities and provision for local groups and organisations.
  - Accessible provision of female, male and disabled changing facilities.
  - Enhanced environmental credentials of a well-used community building.
  - Opportunities to enhance social interaction and improve health and wellbeing.
  - Improve the local economy through increased skills and volunteering opportunities.
  - Enable young people to undertake professional qualifications to increase chances of employment, skill development and outdoor learning.

<b>CONSULTATION:</b>
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17. Have your say, which featured the Sunbury and Walton Sea Cadets Project, received 376 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:
  - Rachael Lake – Surrey County Councillor – Walton Division

- Domanic Raab MP
- Alderman Robin Sider BEM
- Councillor Chris Sadler
- CEO of Walton Charities
- Metropolitan Police Canoe Club
- Weybridge Rowing Club
- Walton Rowing Club
- Western District Sea Cadets
- Albany Motor Yacht Club
- Shepperton Aurora Rotary
- Thames Valley Skiff Club
- River Ash Estate – Local Resident Association
- 1<sup>st</sup> Walton Viking Sea Scouts
- Ditton’s Paddle Sport Club
- Marine Society and Sea Cadets CEO
- Rotary Shepperton and Sunbury
- Chairperson of River Ash Residents Association
- Elmbridge Borough Council Sports and Health Development Officer

19. The Divisional Councillor Rachael Lake fully supports the application.

20. The Your Fund Surrey Advisory Panel considered the project at their meeting on 13<sup>th</sup> March 2024. The Panel unanimously supported the application.

**RISK MANAGEMENT AND IMPLICATIONS:**

21. An overview of risks against the project is shown in Table 1 below. Officers consider there to be adequate control measures in place.

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

<b>Risk description</b>	<b>RAG</b>	<b>Mitigation action/strategy</b>
Oversight or omission in the specification	Yellow	An architect has been hired to prepare detailed plans and specifications for the project. These are overseen by the client’s agent and surveyor. In order to offset the loss, a contingency has been put in place.
Repeated flooding incidents	Green	To prevent future incidents, the new building has been constructed above flood levels to avoid flood damage. The building is designed to withstand flooding and is robustly built on piled concrete foundations. The design has taken into account the Thames site location, site specific ground conditions and flood risk.
Inflation increases costs beyond the budget	Green	A fixed price contract has been agreed so cost escalation should be limited.
Grant payment is slow causing cash flow issues	Yellow	Ensure that funders are willing to pay stage payments against delivery.

Disruption to current operations		Cadet activities can continue in the existing building under contract conditions designed to minimise disruption.
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**FINANCIAL AND VALUE FOR MONEY IMPLICATIONS:**

22. YFS funding is requested to contribute towards the fit-out of the interior of a new waterborne training centre building. 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 £370,100 requested against the total project cost of £535,667. Table 3 details the total project cost breakdown.

**Table 2. Financial summary**

<b>Amount applied for:</b>	£370,100
<b>Total project cost:</b>	£535,667 (includes volunteer and non-cash contributions)
<b>Percentage of cost against total:</b>	69%
<b>Have other funding sources been secured?</b>	Yes
<b>Other funding:</b>	London Marathon - £37,500 Elmbridge CIL Fund – £10,000 Heathrow Community Fund - £2,250 Bank Reserve – £10,000 Cash in the Bank - £64,203 Community Fundraising - £2,254
<b>Volunteer contributions:</b>	Yes - £23,460
<b>Noncash contributions:</b>	Yes - £15,900
<b>Is there a commercial element to the project?</b>	Yes
<b>Amount suggested for funding:</b>	£370,100

**Table 3. Project Cost breakdown:**

<b>Activity</b>	<b>Total Cost</b> (not including non-cash and volunteer contributions)	<b>YFS Funding</b>
Professional Fees - Surveyor	£6,000	£0
Professional Fees - Contract Lawyer	£1,750	£0
Rubble Removal	£8,100	£8,100
Sewer Replacement	£9,109.40	£9,109.40
Ground Source Heat Pump, Installation of Water Tank & Showers	£17,984.20	£2,250
Electrical connection from Network supply to new building	£5,001	£2,354
Health & Safety	£5,830	£5,830
Welfare Facilities	£6,048	£6,048
Waste Removal	£1,710	£1,710
Scaffolding	£6,495.60	£6,495.60
Drainage	£12,526	£12,526
Acoustic Insulation, Fireline Board and Plastering	£13,600	£13,600
Fireline Board and Plastering	£73,800	£73,800
Electric Installations	£55,140.10	£55,140.10
Plumbing and Heating	£54,570.36	£52,320.36
Trench and Duct for Services	£2,115	£2,115
Floor Insulation and Screed	£31,678.60	£31,678.60
Carpentry	£24,677.30	£24,677.30
Staircase	£3,868	£3,868
Ceramic Tiling	£1,200	£0
Shower Wall Panels	£3,781	£3,781
Flooring	£32,828.78	£124.20
Decorating	£15,642	£15,642
Undercroft Grill	£14,958	£14,958
Terrace and Steps	£23,972.44	£23,972.44
Landscaping, Fitted Servery, Fire Shutters, External Signage, Site Clean	£12,891.22	£0
Wheelchair Lifts	£19,749	£0
Contingency	£31,281	£0
<b>Project Total</b>	<b>£496,307</b>	<b>£370,100</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. The applicant has secured quotes that support their costing, and will ultimately be funded based on evidenced, actual spend, up to the amount awarded.

<b>SECTION 151 OFFICER COMMENTARY:</b>
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25. 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.
26. 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.
27. As such, the Section 151 Officer supports this application. This project has been reviewed financially and has been adequately planned, low risk and is supported by a variety of funding sources. It will create a lasting asset for the community.
28. 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 £370,100 would be £21,568.75.

#### **LEGAL IMPLICATIONS – MONITORING OFFICER:**

29. 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.
30. 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:**

31. 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.

32. An Equalities Impact Assessment has been produced for YFS and was circulated as an Annex to the YFS Cabinet Report 26th January 2021.

**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.

<b>Area assessed:</b>	<b>Direct Implications:</b>
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	Enhanced environmental credentials of the building.
Compliance against net-zero emissions target and future climate compatibility/resilience	The project is in line with the net-zero emissions target.
Public Health	The project has a positive impact on wider health outcomes, encouraging activity and social interaction.

**WHAT HAPPENS NEXT:**

34. Following approval of the funding, a notice of the records of decisions taken will be published within 3 days of the decision being made.

35. Officers will prepare the relevant schedules and funding agreements to enable payment of funds and monitoring and evaluation of the project against its outcomes.

36. 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:**

Divisional County Councillor  
Corporate Finance – Surrey County Council

**Annexes:**



None

**Sources/background papers:**

Your Fund Surrey Criteria

Your Fund Surrey Governance Document

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