

SURREY COUNTY COUNCIL**CABINET**

DATE: 29 OCTOBER 2024

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

LEAD OFFICER: CLAIRE EDGAR - EXECUTIVE DIRECTOR OF ADULTS, WELLBEING AND HEALTH PARTNERSHIPS

SUBJECT: YOUR FUND SURREY APPLICATION- NEW ROWLEDGE VILLAGE HALL PROJECT, FARNHAM

ORGANISATION STRATEGY PRIORITY AREA: EMPOWERED AND THRIVING COMMUNITIES

Purpose of the Report:

This report sets out the key information on the **New Rowledge Village Hall, Farnham** 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 the wider community benefit that leaves a real legacy. YFS helps Surrey County Council (SCC) meet its priority to support empowered and thriving communities and tackle inequality to ensure that no one is left behind.

Recommendations:

It is recommended that Cabinet:

1. **Agrees to fund the full amount requested of £800,000, comprised of:**
 - **capital funding towards the development of the new village hall, to be paid in staged payments, on evidence of spend**
 - **Including 5% to be held by SCC until final evidence of completion and building control sign-off and income and expenditure provided**
2. **Agrees that funding would be conditional on evidence of the sale of their existing land and all other funding being in place before release of any grant.**

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.

New Rowledge Village Hall Project aim to create a welcoming and supportive community space that will advance the health and wellbeing of the community including physical activities.

Executive Summary:

1. The committee of trustees identified the need to replace the existing 100-year-old community building some years ago. It has little insulation, a leaking roof, does not meet environmental standards and is impossible to maintain economically. The existing hall is currently well-used, open-to-everyone and the only low-cost general-purpose community building within South Farnham but is facing an imminent threat of closure. Many groups are also stopping using the hall as its facilities are now inadequate.
2. A site has now become available in the village which the charity has purchased from their existing resources for the new hall.
3. The new Rowledge Village Hall (RVH) will serve the residents in the Rowledge community in South Farnham which is going through rapid growth with over 100 new homes having been built in the last 3 years, within 1 mile of Rowledge centre. These new homes have increased the demand on the existing village hall.
4. The new hall will enable existing activities to continue, which would otherwise cease without a venue, but with accessibility and proper heating, it will also increase the amount and type of activities that can be offered. They are expecting at least a 50% uplift in usage but are anticipating it could be much higher.

Project Summary

5. Rowledge is a village in England on the Surrey–Hampshire border, located south of the A31 and Farnham. To the southwest of the village is the Alice Holt Forest; to the west is Birdworld. It is in the Waverley Ward of Farnham, Wrecclesham and Rowledge. The New village hall is located at the point of a triangle of central roads that serve all the other village facilities that surround the recreation ground: the churches; school; cricket, tennis and bowling clubs; the village shops and pub. Resident numbers are over 5,000 with well-balanced genders across most age groups.
6. In the area, there are known to be significant numbers of households facing poverty situations, both of short and long-term nature. Loneliness is a factor for many individuals so there is a significant need for regular informal, open-to-all, social gatherings. The local community can be quick to offer support to those facing poverty and to the lonely. Among the elderly, there is a need for health and fitness support, which needs to be local and affordable.
7. RVH has, for over 100 years been one of the few viable community hubs offering meeting and event opportunities. Regular events already take place in the current village hall which help to address the identified needs. Without it, many activities would likely cease due to lack of alternative venues.

8. The weekly Friday morning ‘Coffee Spot,’ a heavily subsidised social get-together run by volunteers brings together people from throughout the community, but predominantly those of more senior years. This is intended to continue in the new hall, on an expanded scale. It is expected that its popularity will increase thanks to the new hall’s improved heating and toilet facilities, also because safe car-parking will be provided and disabled access improved. There are weekly dance and fitness classes (Zumba; Pilates; ballet/ballroom) already taking place and courses are offered to assist the prevention of elderly falls. Other activities include Scout/Beaver groups, adult art, badminton, and several social celebrations. There are also numerous one-off events including music concerts, quiz nights, exhibitions, sports club dinners, place for charities to meet.
9. The new hall will enhance these offerings and enable growth. The local school will use this modern space for choir/music/drama events and art groups. Storage facilities are included which could support and attract groups such as “men in sheds”. The fully equipped kitchen facilities will enable cookery classes targeted at older men.
10. The new hall has been designed and has planning permission. It will consist of a large and small hall (slightly larger than the existing building) with adjoining storage, toilet and kitchen facilities which all open off a common foyer. The foyer will have a flat green roof.
11. The main hall will be approximately 10% larger to reach the minimum standard for a badminton court. Storage will also be considerably more to cater for new users, such as the Guides and the kitchen / lobby / toilet area will be three times as big to enable coffee mornings to be expanded.

Details

Description of project benefits

12. The benefits to the project include:
 - a. Children and young people have a flexible space for a wider range of activities.
 - b. Increases local physical activity for all to live healthy and active lives.
 - c. Enhances community cohesion with opportunities for social gatherings.
 - d. Accessibility is made easier with parking and welcoming space.
 - e. Residents live in a community with a zero-carbon building to be proud of.

Project Timeframes and Management

13. The project delivery is estimated to be approximately 1 year and 6 months. The new building will have an expected minimum life expectancy of at least 100 years.
14. New Rowledge Village Hall CIO (A charitable incorporated organisation (CIO) is a corporate body (like a company) with a constitution that is registered with and regulated by the Charity Commission), has seven Trustees, assisted by a broader team of 55 committee members and volunteers, who have successfully

managed its operation over the decades and the present team are committed to that management role during the new hall's build period and onwards.

Consultation:

- 15. Have your say, which featured the New Rowledge Village Hall received 451 comments. The application has also benefited from a significant number of signatures and supporting letters from local residents.
- 16. Letters of support have been received from the following organisations, groups and individuals - Waverley Borough Council, Deputy leader of Waverly Borough Council, Guides and Brownies lead, Headteacher of Rowledge C of E Primary, Various charities, Divisional Councillor Michaela Martin fully supports the application.

Advisory Panel Comments

- 17. The project was discussed by the YFS Advisory Panel on 11th September 2024. All members of the Advisory Panel were supportive of the application and the benefits it would bring to the community.

Risk Management and Implications:

- 18. The applicant has provided an overview of risks 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	RAG	Mitigation action/strategy
Do not achieve funding targets		Confident to achieve 60% and the small front hall could be built as second phase but would increase overall cost. Planning permission for housing on site of old hall secured, increases confidence in achieving sale value. Funding conditions could include for recovering YFS funding should a higher land sale value be achieved. Funding condition that funding would not be released until all other funding in place.
Do not get consent for residential development on existing site		Unlikely given nature of surroundings however the planners may reduce the quantum of development and hence not maximising the site value.

- 19. Grants greater than £500,000 are monitored annually for 20 years after works completion to ensure ongoing community use. If a project were struggling to reach community groups, SCC would link them with Community Link Officers

and Local Area Coordinators as appropriate as well as other partners in the voluntary sector.

Financial and Value for Money Implications:

20. YFS funding is requested to contribute towards the building of the new village hall. The project has applied for £800,000 which equates to 26% of the overall project costs. The remaining monies needed for the project have been raised or are expected from various sources (see Table 2).
21. Table 2. Financial Summary details the £2,237,400 of other funding against the total project cost of £3,037,400. Table 3 details the total project cost breakdown.

Table 2. Financial summary

Amount applied for:	£800,000
Total project cost:	£3,011,000
Percentage of cost against total:	27%
Have other funding sources been secured?	Yes, but not all secured
Other funding:	<p>Funding Secured: £650,000 CIL Waverly Borough Council £270,000 Existing resources</p> <p>Funding in progress: £150,000 CIL East Hampshire District Council £91,000 Crowdfunding/small grants £800,000 Sale of existing Hall and land £250,000 Sale of Land at The Nest to be auctioned in September</p>
Is there a commercial element to the project?	yes
Amount suggested for funding:	£800,000

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Table 3. Project Cost breakdown

Activity	Total Cost (Excl VAT)	YFS Funding	Other Funding
Site preparation	£8,000	£800,000	£650,000 Waverley CIL
Substructure	£218,360		
Superstructure	£724,907		
Internal finishes	£124,162		
Fittings	£62,000		
Services	£454,037		
External Works	£265,670		
Sub-total construction works	£1,857,135	£0	£150,000 East Hants DC CIL
Preliminaries	£380,000	£0	£250,000 Sale of land 'The Nest'
Overheads & Profit	£134,228	£0	
Sub-total construction cost	£2,371,000	£0	£270,000 RVH existing resources
Professional Fees*	£284,000	£0	£800,000 Sale of existing VH site
Contingency Design @10% of construction cost	£237,000	£0	
Contingency Inflation @5% of construction cost	£119,000	£0	
Total Project Cost	£3,011,000	£800,000	£2,211,000 £91,000 crowdfunding/sm all grants

*Inc VAT

22. 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 provided a professional estimate that supports their costing and a tender exercise will be undertaken, and will ultimately be funded based on evidenced, actual spend, up to the amount awarded.
23. Release of any funding will be conditioned in a funding agreement to an acceptable specification, tender process and tender selection as well as verification of all funding in place (should costs have increased following tender).

Section 151 Officer Commentary:

24. The Council continues to operate in a very challenging financial environment. Local authorities across the country are experiencing significant budgetary pressures. Surrey County Council has made significant progress in recent years to improve the Council's financial resilience and whilst this has built a stronger financial base from which to deliver our services, the cost of service delivery, increasing demand, financial uncertainty 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 deliver financial efficiencies and reduce spending in order to achieve a balanced budget position each year.

25. In addition to these immediate challenges, the medium-term financial outlook beyond 2024/25 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.
26. The Section 151 Officer supports this application. This funding request is for the development of a new village hall in Rowledge to replace the current one that is no longer fit for purpose. The facility will be managed by the Trustees, management committee and volunteers. This project is a relatively large investment and is a higher risk with 42% of the total funding not currently confirmed. A smaller amount of the total funding (4%) is expected to be filled by crowdfunding. These risks will be mitigated through the funding agreement, whereby funding will be conditional on evidence of the sale of the land the current hall is on and all other being in place. As well as protecting the Council's position if there is an unavoidable funding shortfall. The applicants' previous years' accounts show that income, through lettings and events, consistently exceeds their expenditure. Their forecast submissions reasonably show that these annual surpluses are expected to continue, even with one-off moving and similar costs relating to the new hall.
27. 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 £800k would be c£64k.

Legal Implications – Monitoring Officer:

28. 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.
29. 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:

30. 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.

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

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children and adults	Provides a safe space for vulnerable children and adults attending sessions with the church and outside charities
Environmental sustainability	Environmental aspects have been considered in relation to the extension
Compliance against net-zero emissions target and future climate compatibility/resilience	The project aims to be carbon neutral by 2030 and the new build will be compliant with the net-zero emissions target.
Public Health	The project has a positive impact on wider health outcomes, encouraging social interaction.

Report Author:

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Consulted:

Divisional County Councillor

Portfolio Holder for Customer and Communities

Land & Property, Corporate Finance and Commercial - SCC

Sources/background papers:

Your Fund Surrey Criteria

Your Fund Surrey Governance Document
