

 <b>Executive – 7<sup>th</sup> March 2018</b>		<b>Agenda Item No.</b> <h1>12A</h1>
<b>Title</b>	Rural/Urban Capital Improvement Scheme (RUCIS) Application	
<b>For further information about this report please contact</b>	Jon Dawson Finance Administration Manager 01926 456204 email: jon.dawson@warwickdc.gov.uk	
<b>Wards of the District directly affected</b>	Kenilworth	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	N/A	
<b>Background Papers</b>	RUCIS Scheme details. RUCIS Application file no. 230 to 232 and file no. 233 to 234; correspondence with applicants.	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality Impact Assessment Undertaken</b>	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	19.2.18	Chris Elliott
Head of Service	19.2.18	Mike Snow
CMT	19.2.18	Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer	19.2.18	Mike Snow
Monitoring Officer	19.2.18	Andy Jones
Finance	19.2.18	Mike Snow
Portfolio Holder(s)	19.2.18	Cllr Mobbs (Cllr Whiting has an interest in one of the applications within the report)
Consultation & Community Engagement		
Community Partnership Team, Manoj Sonecha (Active Communities Officer), Stuart Winslow (Sports and Leisure Contract Manager) and Mair Evans (Arts Development Officer); Copy of report forwarded 8 <sup>th</sup> , 9 <sup>th</sup> and 13 <sup>th</sup> February 2018.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

## **1. Summary**

- 1.1 This report provides details of three Rural/Urban Capital Improvement Scheme grant applications:
- Kenilworth Tennis Club to resurface two courts (number's two and three) that have now come to the end of their life span
  - London & North Western Railway Society to provide disabled access/facilities and to purchase and install security equipment for their Study Centre and purchase a large A0 scanner
  - Kenilworth Rugby Club to improve and redevelop clubhouse facilities; replace furniture, dim-out curtains, damaged radiators, security door, hand drier and install a new hot water tank to better provide hot water for all showers

## **2. Recommendation**

- 2.1 It is recommended that the Executive approves:

### **Kenilworth Tennis Club**

A Rural/Urban Capital Improvement Grant from the urban cost centre budget for Kenilworth Tennis Club of 50% of the total project costs to resurface two courts (number's two and three), as detailed within paragraphs 1.1, 3.2 and 8.1, up to a maximum of £23,475 excluding vat.

As supported by appendix 1.

### **London & North Western Railway Society**

A Rural/Urban Capital Improvement Grant from the urban cost centre budget for London & North Western Railway Society of 80% of the total project costs to provide disabled access/facilities and to purchase and install security equipment for their Study Centre and purchase a large A0 scanner, as detailed within paragraphs 1.1, 3.2 and 8.2, up to a maximum of £7,885 including vat, subject to receipt of the following:

- Written confirmation from Kenilworth Town Council to approve a capital grant of £1,491 (if the application is declined or a reduced amount is offered the budget shortfall will be covered by London & North Western Railway Society's cash reserves which have been evidenced through their annual accounts and the provision of a recent bank statement)
- A copy of a signed lease showing that there are a minimum 5 years remaining on the lease

As supported by appendix 2.

### **Kenilworth Rugby Club**

A Rural/Urban Capital Improvement Grant from the urban cost centre budget for Kenilworth Rugby Club of 80% of the total project costs to improve and redevelop clubhouse facilities, as detailed within paragraphs 1.1, 3.2 and 8.3, up to a maximum of £6,164 excluding vat.

As supported by appendix 3.

- 2.2 It is recommended that Executive agree to allocate £14,100 from the Capital Investment Reserve to the RUCIS scheme out of the funding returned in 2016/17 to enable the above grants to be funded.

### **3. Reasons for the Recommendation**

- 3.1 The Council operates a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grants recommended are in accordance with the Council's agreed scheme and will provide funding to help the projects progress.
- 3.2 All projects contribute to the Council's Fit for the Future Strategy:

#### **Kenilworth Tennis Club**

This project contributes to the Council's Fit for the Future Strategy as without the tennis club there would be fewer opportunities for the community to enjoy and participate in sport activities which could potentially result in an increase in anti-social behaviour, an increase in obesity and disengage and weaken the community. Courts two and three are at the end of their life span and have very recently had to be closed due to health & safety issues, the project will enable the courts to be re-opened and will ensure that current opportunities are maintained, for example; these courts are used by Kenilworth School, a local primary school for their PE lessons and they are also used during the week by non-members for sessions such as 'Adult Improvers', 'Adults- returning to Tennis' and 'Adult Beginners' .

#### **London & North Western Railway Society**

This project contributes to the Council's Fit for the Future Strategy; it provides a facility for members of the community and the public from wider afield to have the opportunity to enjoy and participate in cultural activities, such as railway research, member and modelling meetings, talks and presentations and various working groups focused on different thematic subjects. The current Study Centre is also run by volunteers from the community. This all helps to engage and strengthen the community. The project will also lead to the development of a Community Archive Hub which will bring together members from multiple different local groups and will both directly and indirectly help to increase the numbers who participate in community conservation and other culturally related activities. Directly by using the Community Archive Hub facilities and indirectly through being able to access the digitised material either online or as electronic files stored on computers in educational establishments and libraries.

#### **Kenilworth Rugby Club**

This project contributes to the Council's Fit for the Future Strategy as without the rugby club there would be fewer opportunities for the community to enjoy and participate in sport activities which could potentially result in an increase in anti-social behaviour, an increase in obesity and disengage and weaken the community. The project will deliver improved clubhouse and changing facilities which will facilitate further usage and will increase opportunities for everyone to enjoy and participate in sports, cultural and social activities.

- 3.3 The recommendation to agree that Executive allocate £14,100 from the Capital Investment Reserve to the RUCIS scheme out of the funding returned in 2016/17 is to enable the above grants, which contribute to the Council's Fit for the Future Strategy, to be funded; this is discussed in more detail in paragraphs 5.2 and 5.7.

#### 4. Policy Framework

##### 4.1 Fit for the Future (FFF):

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands; People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, if any, in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
<b>Impacts of Proposal</b>		
All RUCIS applications are designed to encourage and support local communities and local not-for-profit organisations in developing cohesive and active communities.  The details behind this are set out in appendices 1, 2 and 3.	Through the delivery of RUCIS grants the aim is to deliver cohesive and active communities which in turn help to support and maintain lower levels of crime and ASB.  The details behind this are set out in appendices 1, 2 and 3.	N/A
<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged,	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management

empowered and supported The right people are in the right job with the right skills and right behaviours	provision of services	Maximise income earning opportunities Seek best value for money
<b>Impacts of Proposal</b>		
N/A	N/A	N/A

4.2 Supporting Strategies; each strand of the FFF Strategy has several supporting strategies and but none are directly relevant in this case.

4.3 Changes to Existing Policies; there are no changes to existing policies.

4.4 Impact Assessments; there are no new or significant policy changes proposed in respect of Equalities.

## **5. Budgetary Framework**

5.1 The budget for the Rural/Urban Capital Improvement Scheme applications for 2017/18 is £126,305 (£63,152.50 for rural projects and £63,152.50 for urban projects).

5.2 The annual budget for the scheme is normally £150,000. For 2016/17 the final budget was reduced by £60,000 based on anticipated applications. However, due to last minute applications at year end, approved in March 2017, it meant that there was a shortfall of £23,700 which has been subsequently funded from the 2017/18 budget, so reducing the current year allocation. The £60,000 reduction in the 2016/17 budget was allocated to the Capital Investment Reserve.

5.3 There is currently £39,656.50 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the urban cost centre budget in 2017/18.

5.4 There is currently a deficit of -£16,648.50 in the rural cost centre budget in 2017/18.

5.5 The rural cost centre deficit is currently covered by the urban cost centre budget; the current overall remaining 2017/18 budget is £23,423 (this includes a £415 underspend from a project completed earlier this year).

5.6 If the applications in this report from Kenilworth Tennis Club (£23,475), London and North Western Railway Society (£7,885) and Kenilworth Rugby Club (£6,164) are approved (total of £37,524), the reduced overall 2017/18 budget will have a deficit of -£14,101.

5.7 It is recommended that the shortfall that will result if these grants are agreed is funded from an additional allocation from the Capital Investment Reserve of £14,101, coming out of the £60,000 returned in 2016/17. The total grants awarded for 2017/18 will be £140,821, which is below the annual budget allocation.

As per appendix 4.

## **6. Risks**

6.1 There are no main risks for this proposal.

## **7. Alternative Option(s) considered**

7.1 The Council has only a specific capital budget to provide grants of this nature and therefore there are no alternative sources of funding if the Council is to provide funding for Rural/Urban Capital Improvement Schemes.

7.2 Members may choose not to approve the grant funding, or to vary the amount awarded.

## **8. Background**

### **8.1 Kenilworth Tennis Club:**

Kenilworth Tennis Club has submitted a RUCIS application to resurface two courts (number's two and three) that have now come to the end of their life span.

The application is for 50% of the total net project costs up to a maximum of £23,475.

Kenilworth Tennis Club has committed £23,275 to the project costs from their cash reserves; these funds have been evidenced through their annual accounts and the provision of a recent bank statement.

Kenilworth Tennis Club is a section of Kenilworth Tennis, Squash and Croquet Club which is vat registered (vat number; 272739533) and will be able to reclaim some of the vat in connection to this project; the award will therefore be excluding vat. The club are therefore also committing £9,390 from their cash reserves to the project to pay the initial vat costs; these funds have been evidenced through their annual accounts and the provision of a recent bank statement.

Kenilworth Town Council has agreed a £200 contribution to the project.

With regards to multi-sports organisations, the RUCIS scheme criteria states:

"Multi-sport organisations that are legally one entity but with separate sports activities that are operated and managed independently on a day-to-day basis with separate memberships, committees, volunteers, constitutions and bank accounts;

- Each individual sport organisation can apply for a grant in their own right for a project that is connected to their sport / facilities only. Grants will only be awarded once in a 2 year period.
- If the project is for a shared facility, for example, a clubhouse used by each organisation; providing one of the individual sports organisations has not had a grant within the last 2 years and are prepared to be the applicant, a grant may be awarded. Grants will only be awarded once in a 2 year period."

Kenilworth Tennis Club is applying for a grant to improve and redevelop the facilities (tennis courts) that are for the sole use of their sport section/organisation, they have previously had a RUCIS grant award;

- July 2015 – 50% grant awarded which equated to £28,995 to refurbish five tennis courts that had come to the end of their life span

Kenilworth Squash Club is also a section of Kenilworth Tennis, Squash and Croquet Club; they have previously had a RUCIS grant award for the sole use of their sport section/organisation;

- February 2018 – 50% grant awarded which equated to £19,028 to improve and redevelop club facilities; redecorating, carpeting, replace broken doors, new boiler, LED lighting and glass-back to court 1

The application therefore meets the scheme criteria whereby after a successful grant award an organisation must wait for a minimum of 2 years before re-applying for a new grant and also the multi-sport organisation scheme criteria noted above.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Kenilworth Tennis Club of 50% of the total cost of the project excluding vat subject to a maximum of £23,475.

## **8.2 London & North Western Railway Society:**

London & North Western Railway Society has submitted a RUCIS application to provide disabled access/facilities and to purchase and install security equipment for their Study Centre and purchase a large A0 scanner.

Projects of less than £10,000 overall costs fall within the Small Grants category of the RUCIS scheme which has a maximum contribution of up to 80% of the overall project costs; the project cost is £9,856 (including vat) and therefore qualifies to apply for a grant of up to 80%.

The application is for 80% of the total project costs up to a maximum of £7,885 including vat.

London & North Western Railway Society have committed £480 to the project from their cash reserves; these funds have been evidenced through their annual accounts and the provision of a recent bank statement.

London & North Western Railway Society isn't registered for vat and therefore will not be reclaiming vat in connection to this project; the award will therefore be inclusive of vat.

London & North Western Railway Society have applied to Kenilworth Town Council for a financial contribution to the project; on 8<sup>th</sup> February the Town Council's Finance & General Services Committee recommended that the application for a grant of £1,491 be approved, however, this will now go to the full Town Council meeting on 22<sup>nd</sup> February for final approval as the sum is over £1,000. Member's were very impressed with the application, however, if the Town Council decline the application or offer a reduced amount, London & North Western Railway Society will cover the budget shortfall from their cash reserves, these funds have been evidenced through their annual accounts and the provision of recent bank statements.

London & North Western Railway Society's total cash reserves are more than 12 months operating costs; however, the unrestricted funds that are available for use minus the Society's contribution to the project are less than 12 months operating costs and therefore meet the scheme criteria.

London & North Western Railway Society have never previously had a RUCIS grant award.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to London & North Western Railway Society of 80% of the total project costs including vat up to a maximum of £7,885.

### 8.3 **Kenilworth Rugby Club:**

Kenilworth Rugby Club has submitted a RUCIS application to improve and redevelop clubhouse facilities; replace furniture, dim-out curtains, damaged radiators, security door, hand drier and install a new hot water tank to better provide hot water for all showers.

Projects of less than £10,000 overall costs fall within the Small Grants category of the RUCIS scheme which has a maximum contribution of up to 80% of the overall project costs; the project cost is £7,705 (excluding vat) and therefore qualifies to apply for a grant of up to 80%.

The application is for 80% of the total project costs up to a maximum of £6,164 excluding vat.

Kenilworth Rugby Club has committed £541 to the project costs from their cash reserves; these funds have been evidenced through their annual accounts and the provision of a recent bank statement.

Kenilworth Rugby Club is vat registered (vat number; 273211584) and will be able to reclaim some of the vat in connection to this project; the award will therefore be excluding vat. The club are therefore also committing £1,541 from their cash reserves to the project to pay the initial vat costs; these funds have been evidenced through their annual accounts and the provision of a recent bank statement.

Kenilworth Town Council has agreed a £1,000 contribution to the project.

Kenilworth Rugby Club will have to move to a new location at some stage in the future as their current site is allocated as housing land in the Local Plan, however, the club will optimistically be in situ for another 3 years, it is therefore considered that the limited investment will give sufficient value for money return.

Kenilworth Rugby Club has previously had a RUCIS grant award;

- July 2014 – 50% grant awarded which equated to £3,628 to repair the changing room roof and provide a new irrigating system

The application therefore meets the scheme criteria whereby after a successful grant award an organisation must wait for a minimum of 2 years before re-applying for a new grant and also the multi-sport organisation scheme criteria noted above.



It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Kenilworth Rugby Club of 80% of the total cost of the project excluding vat subject to a maximum of £6,164.