

 Executive – 8th February 2017		Agenda Item No. <h1 style="text-align: center;">11A</h1>
Title	Rural/Urban Capital Improvement Scheme (RUCIS) Application	
For further information about this report please contact	Jon Dawson Finance Administration Manager 01926 456204 email: jon.dawson@warwickdc.gov.uk	
Wards of the District directly affected	Lapworth and Sydenham	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Rural/Urban Capital Improvement Scheme details. Rural/Urban Capital Improvement Application file no. 216 to 218; correspondence with applicant.	

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	20.1.17	Chris Elliott
Head of Service	20.1.17	Mike Snow
CMT	20.1.17	Chris Elliott, Bill Hunt and Andy Jones
Section 151 Officer	20.1.17	Mike Snow
Monitoring Officer	20.1.17	Andy Jones
Finance	20.1.17	Mike Snow
Portfolio Holder(s)	20.1.17	Cllr Whiting
Consultation & Community Engagement		
Community Partnership Team and Manoj Sonecha (Active Communities Officer); Copy of report forwarded 13 th January 2017.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. **Summary**

1.1 This report provides details of two Rural/Urban Capital Improvement Scheme grant applications:

- SYDNI Centre to refurbish the outdoor sports court and adapt to multi-sports use
- Canal & River Trust to lay stone surfacing on a 730 metre section of the canal towpath between Packwood Lane, Lapworth and Dicks Lane, Rowington

2. **Recommendation**

2.1 It is recommended that the Executive approves:

SYDNI Centre

A Rural/Urban Capital Improvement Grant from the urban cost centre budget for the SYDNI Centre of 50% of the total project costs to refurbish the outdoor sports court and adapt to multi-sports use, as detailed within paragraphs 1.1, 3.2 and 8.1, up to a maximum of £6,361 excluding vat, subject to receipt of the following:

- Written confirmation of planning permission for the project work

As supported by appendix 1.

Canal & River Trust

A Rural/Urban Capital Improvement Grant from the rural cost centre budget for the Canal & River Trust of 80% of the total project costs to lay stone surfacing on a 730 metre section of the canal towpath between Packwood Lane, Lapworth and Dicks Lane, Rowington, as detailed within paragraphs 1.1, 3.2 and 8.2, up to a maximum of £7,917 excluding vat.

As supported by appendix 2 and 3.

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 grant recommended is in accordance with the Council's agreed scheme and will provide funding to help the project progress.

3.2 Both projects contribute to the Council's Sustainable Community Strategy:

SYDNI Centre

This project contributes to the Council's Sustainable Community Strategy as without the centre and the sports court there would be fewer opportunities for the community to enjoy and participate in physical, social and cultural activities which could potentially result in an increase in anti-social behaviour, an increase in obesity (including in children) and disengage and weaken the community. The centre is located in one of the four most deprived areas within Warwick district, it is an area that is known to have some community cohesion

tensions, some of the poorest families in the area, a high proportion of people with mental health issues and some low level anti-social behaviour; the project will provide a refurbished sports court which will also enable multi-sports use (currently it is just a basketball court) which will remove current Health & Safety concerns and increase sporting / physical activity opportunities especially as the current facility isn't in a usable condition. This facility will help to bring people together using the common denominator of outdoor play and sports which can help hard pressed families to relax, help to alleviate mental health problems, improve health & wellbeing and gives younger people something to do to alleviate boredom.

Canal & River Trust

This project contributes to the Council's Sustainable Community Strategy as the section of towpath to be surfaced will link with sections either side that are already stone paved creating an all-year-round 3.2km paved towpath for the community and visitors to the area to utilise, this will also remove current health & safety issues caused by the existing uneven and, at times of rainfall, muddy and waterlogged path. This project will increase opportunity for a much greater diversity of pedestrians to enjoy and participate in physical activity which will help to reduce obesity, including within children. This also has the potential to attract more visitors to the area which in turn can help the local businesses and amenities such as the general store and local public houses. The Canal & River Trust also have a group of local volunteers who help to maintain the area and there is a volunteer towpath taskforce who will be carrying out the project work, this brings together a wide range of people which helps to engage and strengthen the community.

4. Policy Framework

4.1 The Rural and Urban Capital Improvement Scheme supports the Sustainable Community Strategy and the cross cutting themes which form the priorities for funding areas as follows:-

- Community Engagement & Cohesion (including Families at Risk)
- Targeting disadvantaged rural locations
- Reducing inequalities

5. Budgetary Framework

5.1 The budget for the Rural/Urban Capital Improvement Scheme applications for 2016/17 is £150,000 (£75,000 for rural projects and £75,000 for urban projects).

5.2 As part of the February 2016 Budget report it was agreed that in future the unallocated RUCIS budget would no longer be carried forward, but returned to the Council's overall finances.

5.3 There is £50,926 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the urban cost centre budget in 2016/17. If the application within this report from the SYDNI Centre of 50% of the total project costs, up to a maximum of £6,361 (excluding vat) is approved, £44,565 will remain in the urban cost centre budget.

- 5.4 There is £45,000 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the rural cost centre budget in 2016/17. If the application within this report from the Canal & River Trust of 80% of the total project costs, up to a maximum of £7,917 (excluding vat) is approved, £37,083 will remain in the urban cost centre budget.

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 SYDNI Centre:

The SYDNI Centre has submitted a RUCIS application to refurbish the outdoor sports court and adapt to multi-sports use.

The application is for 50% of the total project costs up to a maximum of £6,361.

The SYDNI Centre hasn't committed any funds from their cash reserves because:

- This is one phase from an overarching outdoor project made up of 6 separate phases, some of the organisations cash reserves will be used for other phases
- The remaining 50% of the overall project costs will be met by a grant provided by the 29 May 1961 Trust

The SYDNI Centre cash reserves:

- The Report of the Directors for Year Ending 31 March 2016 states; "The trustees consider that, given the nature of the Charity's activities, a prudent level of free and unrestricted reserves is represented by a sum equivalent to the next 12 months budgeted operating costs. The Trustees have concluded that the minimum sum required to be held is in the region of £100,000 but recent experience has shown that unforeseen and unbudgeted occurrences, external or otherwise, can easily impose substantial financial demands over and above the normal level of annual operating costs. The Trustees review the major risks faced by the Charity on a regular basis and believe that, taking into account the difficult economic conditions prevailing, the level of unrestricted reserves stated above should be maintained and steadily increased if possible, in

order to have sufficient resources to cope with likely continuing adverse conditions.”

- Although the organisation has sizeable short term deposits in cash (Year Ending 31st March 2016; £146,449 cash at bank and in hand), it also has significant expenses to be expended from restricted funds and creditor amounts falling due within one year which reduces the cash amount at hand (£98,887 net) to cover its operating costs. This is below the organisations reserves policy as the operating costs for year ending 31st march 2016 were £111,555 and it is within the RUCIS criteria of not having more than 12 months operating costs in cash reserves after any contribution made to the project.

The SYDNI Centre is registered for vat and will be reclaiming vat in connection to this project; the award will therefore be excluding vat. Their vat number is 794529186.

Leamington Town Council has approved a grant of £487 towards the overarching outdoor project to be used where required.

A planning application has been made for the whole SYDNI centre overarching outdoor project although this is currently waiting for further information to be submitted before being logged as a live application on the planning system/Council website. After having had a verbal conversation with the planning case officer, Helena Obremski, I received the following emailed update sent on 24th January 2017; “I have looked at the quote which details the proposal, and unfortunately I have to inform you that the replacement goal ends would require planning permission. From our conversation I had understood the development to include repair / refurbishment works, rather than actual replacement of the equipment. With that said, if the applicant’s get the required information to us, I can’t see why we wouldn’t approve what they are proposing.” I have therefore continued with my award recommendation but with the caveat that it is subject to receiving the required planning permission.

The SYDNI Centre has not previously had a RUCIS grant award.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to the SYDNI Centre of 50% of the total cost of the project excluding vat up to a maximum of £6,361.

8.2 **Canal & River Trust:**

The Canal & River Trust has submitted a RUCIS application to lay stone surfacing on a 730 metre section of the canal towpath between Packwood Lane, Lapworth and Dicks Lane, Rowington.

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 £9,897 and therefore qualifies to apply for a grant of up to 80%.

The application is therefore for 80% of the total project costs up to a maximum of £7,917.

The Canal & River Trust has committed £1,000 to the project from their cash reserves. These funds have been evidenced through their annual accounts.

The Canal & River Trust cash reserves (Year Ending 31st March 2016); although the organisation has sizeable short term deposits in cash (£23.5 million unrestricted funds), it also has significant operating costs (£145.6 million), the cash (net) reserves are within the RUCIS criteria of not having more than 12 months operating costs in cash reserves after any contribution made to the project.

The Canal & River Trust is registered for vat and therefore will reclaim any vat in connection to this project; the award will therefore exclude vat. Their vat number is 125511937.

Lapworth Parish Council has approved a £980 contribution to the project.

The Canal & River Trust has not previously had a RUCIS grant award.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to the Canal & River Trust of 80% of the total project costs excluding vat up to a maximum of £7,917.