

MAYOR & CABINET		
Report Title	Surrey Canal Sports Foundation – Funding Allocation	
Key Decision	Yes	Item No.
Ward	New Cross	
Contributors	Executive Director for Resources & Regeneration Head of Law	
Class	Part 1	Date: 25 June 2014

1.0 Purpose of report

- 1.1 To provide Mayor & Cabinet with information on the Surrey Canal Sports Foundation (SCSF) including the board structure and membership, details of the proposed facilities in the sports building, fundraising strategy and provisions to accommodate community use.
- 1.2 To seek Mayor & Cabinet approval for the Council to agree to pledge £500,000 as a grant to the Surrey Canal Sports Foundation.

2.0 Recommendations

The Mayor is recommended to:

- 2.1 agree to pledge £500,000 of funding to the Surrey Canal Sports Foundation subject to the terms of the associated funding agreement being agreed; and
- 2.2 delegate authority to the Executive Director for Resources and Regeneration, in consultation with the Director of Regeneration and Asset Management and Head of Law, to negotiate the terms of the funding agreement.
- 2.3 note that the funding agreement will be reported back to Mayor & Cabinet for approval.

3.0 Policy context

- 3.1 'People, prosperity, place', Lewisham's regeneration strategy 2008-2020, sets out the Council's aspiration for a vibrant, dynamic Lewisham focussed around the themes of people - investing in the individuals and communities which are Lewisham's greatest asset - prosperity - fostering the skills and economic opportunities for Lewisham to flourish and thrive - and place - developing high quality public spaces, sustainable buildings and protecting the areas which are sensitive to

change. The strategy identifies the area as a strategic site with the Borough. The strategy is also placed within the framework of the key national and regional policies which affect the Council's work around regeneration of the borough, including the London Plan.

- 3.2 'Shaping our future', Lewisham's Sustainable Community Strategy 2008 - 2020, includes the 'Dynamic and Prosperous' theme, where people are part of vibrant communities and town centres, well connected to London and beyond. It details the Local Strategic Partnership's commitment to 'improving the quality and vitality of Lewisham's town centres and localities', and aspirations to 'support the growth and development of our town centres by working with commercial partners and developers', and 'maximise the use of our town centres as places to engage the local community'.
- 3.3 'Shaping our future' identifies 'Active healthy citizens as a key priority – where the Council are committed to ensuring that people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities'.
- 3.4 Strengthening the local economy is a corporate priority, emphasising the importance of 'gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- 3.5 The Council's Asset Management Plan sets out the approach to using property effectively in order to achieve the Council's objective of making Lewisham the best place in London to live work and learn. It acknowledges that the Council's assets have a key role to play in supporting the Borough's regeneration aims.
- 3.6 The Council's Local Development Framework (LDF) sets the vision, objectives, strategy and policies that will guide development and regeneration in the borough up to 2025 and together with the Mayor of London's 'London Plan' will form the statutory development plan for the borough.
- 3.7 The Lewisham Borough Sports Plan 2010 states that the overarching vision for sport in Lewisham is to increase opportunities to participate in sport at all levels and for all ages. It further states that investment in new and existing sports facilities is crucial to the long term sustainability of sports development and accessing quality, 'fit for purpose', inclusive sport and leisure provision is key to encouraging an increase in participation and, in turn, an overall improvement in health and quality of life.
- 3.8 The Health and Wellbeing Strategy 2013 sets out to improve health by providing a wide range of support and opportunities to help adults and children to keep fit and healthy and reduce preventable ill health. The strategy identifies nine priority areas for action over the next 10 years, one of which is achieving a healthy weight and states

that one way that this will be achieved is by taking up opportunities to be physically active and for all children to engage in regular physical activity.

4. Surrey Canal Sports Foundation

4.1 In early February 2011 the Council received an application for outline planning permission made by Signet Planning on behalf of Renewal New Bermondsey Two Limited (developer) for the comprehensive phased mixed-use development of the Surrey Canal Triangle site located in the New Cross ward.

4.1.1 In May 2011 Renewal established the independent Surrey Canal Sports Foundation Ltd. (SCSF) charitable trust to oversee the capital fund raising and delivery of the not for profit 15,000 sq. m. of sports facilities detailed in the planning consent for the mixed use development.

4.1.2 The SCSF is a key element in creating a new vibrant community at Surrey Canal. Renewal and the SCSF board of trustees are committed to delivering a major new sports facility for Lewisham and South East London. This sporting complex has the potential to make a significant difference to the lives and health of the predominantly young and disadvantaged population in this area, the surrounding communities and beyond.

4.1.3 A Board of Trustees was recruited during the summer of 2011 under the Chairmanship of Steven Norris [former Minister for Transport]. The Board consists of:

Sir Steve Bullock (Executive Mayor of Lewisham Council)
Cllr Peter John (Leader of Southwark Council)
Baroness Grey-Thompson (Paralympian and cross bench Peer)
Brendan Jarvis, Head of Global Real Estate for Barclays PLC (Europe, Middle East and Africa)
John Inverdale (Broadcaster)
Steve Backley (Olympian)

4.1.4 The trustees are seeking to raise the £40m required to build the biggest indoor community sports complex in London since Crystal Palace was built in the 1960's (save for the Olympic complex).

4.1.5 Renewal gave a firm undertaking to the SCSF, in the summer of 2011, to vest with them the long leasehold of the sports complex, valued at circa £10million. Following this Sport England pledged, in 2012, £2million towards the capital costs. The Sports Foundation have indicated that the funding pledged from the LB Lewisham, as the host borough for the facility, will be key to unlocking contributions from other funders.

4.1.6 The SCSF board have already received considerable encouragement to apply for capital grants from statutory bodies, philanthropic

organisations and the Social Corporate Responsibility funds of at least 3 PLC's.

4.1.7 The intention of the board is to have a single management organisation in place to run all of the sports facilities. It is envisaged that this will be a 'not for profit' organisation which will report directly to the Foundation Trustees.

4.1.8 Part of the Foundation's remit will also be to raise enough revenue funds to cover any annual shortfalls.

4.2 Facilities

4.2.1 The sport and leisure offer at the SCSF has been informed by a 'Needs and Demand' report which was jointly commissioned by Renewal, Sport England and London Borough of Lewisham. The London Boroughs of Lewisham and Southwark, Sport England, NGB's and local clubs were consulted as part of this process to ensure that the mix of facilities provided within Sports Foundation both complement and enhance the sports offer in the local area as well as looking at opportunities to locate national centres of excellence within the facility.

4.2.2 The plans submitted to the Strategic Planning Committee as part of the Section 73. application in December 2013 include the consolidation of the Foundation's sports facilities into a single, four storey, building. The facilities include the following:

- Boxing gym with three rings, weights, strength and conditioning area
- 25m x 6 lane swimming pool with disabled access, learner pool and a spectator area
- Fitness suite with 150 work stations, dance studios and weights arena
- 4G surface for football, touch rugby and hockey
- 3 multi-use sports halls for up to 20 table tennis tables, gymnastics area, indoor cricket nets, badminton, basketball, netball and volleyball
- 3000 seat arena with retractable seating to host regional and national competitions; convertible into 3 sports halls when not in use
- Climbing wall
- Changing rooms
- Office and teaching spaces

Onside Youth Zones

The Sports Foundation is in advanced negotiations with Onside Youth Zones to become a key anchor occupier of the sports building. OnSide Youth Zones is a charity with a successful track record of building and running 21st Century Youth Centres, which give young people quality, safe and affordable places to go in their leisure time.

Youth Zones is a working title for a building which offers sports facilities, creative spaces for music, and a series of communal spaces

for relaxing, studying, eating and socialising. They are also staff on hand to offer support and advice.

Onside have opened 6 youth zones in the North of England and are looking to open their first in London at Surrey Canal.

4.2.3 It is estimated that the facilities, coupled with improved accessibility to the area, have the potential to accommodate 18,000 local residents and visitors each week.

4.3 Community Benefits

4.3.1 The Section 106 agreement for the Surrey Canal Triangle scheme sets out clear requirements in relation to availability of the sports facilities to local people. Those living in the London Boroughs of Lewisham and Southwark and students attending educational facilities will receive discounts on entrance fees and membership subscription. These discounted rates will be on a par with local authority rates for the use of leisure and sport facilities elsewhere in the borough.

4.3.2 It is proposed that access to the leisure facilities will be available on either a pay for play basis or as part of a membership scheme, both options will be available at the discounted rates detailed above. Whilst the Section 106 agreement stipulates that, as a minimum, the centre should be available to local residents and students at the discounted rates for twenty percent (20%) of the proposed opening hours, it is envisaged that this figure will be vastly exceeded.

4.3.3 In addition to local residents, the facilities are envisaged to be used extensively by local schools and sports clubs.

4.3.4 The sports facility is also expected to house a café, bar, NHS community health service and flexible community space for hire.

4.3.5 The provision of high quality sports facilities, in an accessible location and at affordable rates offers local residents and visitors the opportunity to adopt healthier lifestyles and take part in community groups and events which in turn will promote social inclusion, reduce health inequalities and increase participation rates.

4.3.6 In addition to increasing participation levels in sporting activities, a range of work opportunities from voluntary to entry level and management roles are likely to be generated by this regionally significant sports facility. The specificity of many of the roles are likely to require the uptake of new skills and potentially qualifications for people employed here. The sports facilities will provide new jobs and volunteering opportunities suited to the local population which currently experiences high levels of youth unemployment and low qualification attainment.

4.4 Meanwhile Use

- 4.4.1 The SCSF is in situ and has already created meanwhile space for Lewisham Thunder Basketball Club and Fusion Table Tennis Club.
- 4.4.2 The SCSF entered into a lease with Renewal on 4th April 2013 to occupy 2,200 sq.m. in unit 2 Stockholm Road, commencing July 2013 to initiate their “sport in the Community” programme by providing a new interim home for Lewisham Thunder [the under 18 England Basketball Champions]. The aim is to support and enable them, under the management and coaching skills of Steve Bucknall, [an ex American NBA player and coach], to become a British Basketball League [BBL] franchise and a key anchor occupier of the new Sports complex with it’s 3000 seat basketball arena.
- 4.4.3 The Olympic legacy Company has provided two basketball court sprung wood floors, seating and associated equipment. In addition, the local health authority has provided funding for Lewisham Thunder to deliver a “Hoops for Health programme” within 16 local primary schools which commenced September 2013.
- 4.4.4 The SCSF is also providing facilities within this temporary building for the Fusion table tennis Club and are in discussions with an amateur boxing club.
- 4.4.5 The new sports complex is, in principle, already fully occupied by the organisations listed above plus a regional centre for the English Table Tennis Association including provision for televising major table tennis Championships and events, the Millwall Community Scheme, a new home and museum for the London Amateur Boxing Association and provision for Ladywell gymnastics club. An in-principal agreement with Technogym [a reputable leading Italian manufacturer] is in place to equip the 150-station fitness and well-being centre.

4.5 Millwall Community Scheme

- 4.5.1 The Millwall Community Scheme currently occupy the Lions Centre which is leased on a 25 year term from the Council. The Lions centre will be transferred to Renewal under the terms of the Conditional Land Sale agreement entered into with Renewal in December 2013. The Council, Renewal and MCS are currently in negotiation to agree the terms for the relocation of the MCS to the SCSF. It is envisaged that MCS will be provided with dedicated office and meeting space in the new sports building and use of the sports and leisure facilities at the discounted local authority rate.

5.0 Planning and other matters

- 5.1 Renewal submitted a section 73 application in September 2013 for minor material amendments to the approved outline scheme including the consolidation of sports uses into one main building. The

recommendation to approve was agreed by the Strategic Planning Committee on the 12th December. Renewal intend to submit an application for reserved matters later this year with a view to commence building in the autumn of 2015.

6.0 Financial implications

- 6.1 This report proposes that £500k of funding is provided to the Surrey Canal Sports Foundation (SCSF) by way of a grant allocation from the Council. The purpose of the grant is to contribute towards the overall total of approximately £40m which is needed by the Sports Foundation in order to plan, design and construct the sports facilities. This grant will be funded from the Council corporate reserves.
- 6.2 The Sports Foundation have indicated that the funding required from the LB Lewisham will be key to unlocking contributions from other contributors. At least £20m of the total funding will be required before the appointment of architects for the design and submission of a planning application. It is anticipated that a decision to provide the funding will support the Sports Foundation's overall funding aims. However, actual payment of the funding at an early stage would be a risk to the Council if the sports facility stalled for any reason. Therefore, as part of any funding agreement, the Council would need to agree a schedule of staged payments that minimised this risk.
- 6.3 The SCSF have provided high level indicative figures to support the viability of the sports facility on an ongoing basis. However, there is no detail to confirm the volumes, projected income and costs used. Further information will be required to confirm ongoing viability in advance of the release of funding.

7.0 Legal implications

- 7.1 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power. The Council can therefore rely on this power to pay the proposed funding to the Trust.
- 7.2 The precise terms upon which the Council's funding is to be provided, including the timing of payments, are still to be agreed with the Trust. The Council will also need to be satisfied that it has reasonable security for its funding and that all necessary match funding has been obtained by the Trust before the Council's funding is paid to the Trust. It is proposed that these matters will be negotiated by officers under the authority delegated by this report, with the final terms of the funding agreement being reported back to Mayor & Cabinet for approval prior to the funding agreement being entered into.
- 7.3 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine

protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.4 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and
- other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

7.5 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

7.6 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

7.7 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

7.8 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further

information and resources are available at:
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

8.0 Equality Implications

8.1 It is intended that the SCSF will be accessible by all members of the local community. The SCSF have committed to providing the facilities to Lewisham residents at local authority rates and have adopted a flexible approach providing the option to have a membership or access the facility on a pay and play basis. In addition, the Surrey Canal Sport Foundation building will be fully DDA compliant.

9.0 Environmental Implications

9.1 There are no immediate environmental implications associated with the recommendations of this report. The planning report referred to in the background papers has the environmental implications concerning the scheme.

10.0 Crime and disorder implications

10.1 There are no immediate implications associated with the recommendations of this report. The planning report referred to in the background papers has the implications concerning the scheme.

11.0 Conclusion

11.1 Mayor & Cabinet are recommended to pledge £500,000 of funding to the Surrey Canal Sports Foundation to contribute towards the overall total of approximately £40m that the Sports Foundation need in order to plan, design and construct the sports facilities.

Background Papers

Copies of all background papers have been made available in the members' room prior to the meeting at which this report is due for consideration. The papers are listed in the table below.

Short title of document	Date	File Location	Contact Officer
Strategic Planning Committee Report Land to the North and South of Surrey Canal Road	13.10.11	Laurence House	Chris Brodie

Use of Appendices

Appendix 1: Surrey Canal Sports Foundation Sports Halls – New Energy

**If there are any queries on this report please contact Rob Holmans,
Director for Regeneration & Asset Management on 020 8314 7908.**