



Mayor and Cabinet

Report title: Decision on Acceptance of Football Foundation Capital Grant – Riverside Youth Club

Date: 10 March 2021

Key decision: Yes

Class: Part 1

Ward(s) affected: Borough wide but closest impact on Evelyn, Brockley, New Cross and Telegraph Hill wards.

Contributors: CYP Joint Commissioning; Capital Programme Delivery

Outline and recommendations

Lewisham Council have been successful in an application to the Football Foundation to support redevelopment of Riverside Youth Club.

This report provides an update on the project development and bid submission.

It is recommended that the Mayor and Cabinet:

- Approve the application for external funding from the Football Foundation;
- Approve the procurement of a works contractor to deliver the Riverside redevelopment
- Delegate authority to the Executive Director for Children & Young People, on the advice of the Executive Director for Corporate Resources and Executive Director for Housing, Regeneration & Environment to award a works contract to deliver the Riverside Youth Club redevelopment Programme
- Note the construction budget set out in Part 2 of this report.

Timeline of engagement and decision-making

- In 2017, a Riverside Steering Group was established, supported by Milwall Community Trust, Youth First and other local stakeholders including tenants groups and Councillors
- In 2018, the Football Foundation awarded seed funding to develop proposals for the Youth Club. The Steering Group appointed architectural consultants Create Streets to carry out a feasibility study, community consultation and create detailed plans
- In July 2020, the Steering Group secured planning permission
- In September 2020 a signed letter of support was sent by Lewisham Mayor to Youth First.
- In October 2020, a funding application was submitted on the Council's behalf by Youth First to the Football Foundation. The bid named Lewisham Council as lead applicant and recipient of any grant if successful
- In January 2021, the Football Foundation advised that the bid had been successful and, subject to agreement of terms, offered a grant award of £742,906.
- Bid discussed at CYP Strategic Asset Board on 2 February 2021 and project management support allocated.

REASONS FOR URGENCY AND LATENESS

Lateness: This report was not available for the original dispatch as further information was required to ensure that financial implications had been fully considered in this report.

Urgency: Given the deadline of 14th March 2021 to accept the grant from the Football Foundation, it is essential that the Mayor and his Cabinet receive this report on 10th March.

Where a report is received less than 5 clear days before the date of the meeting at which the matter is being considered, then under the Local Government Act 1972 Section 100(b) (4) the Chair of the Committee can take the matter as a matter of urgency if he is satisfied that there are special circumstances requiring it to be treated as a matter of urgency. These special circumstances have to be specified in the minutes of the meeting.

1. Summary

- 1.1. In October 2020, a funding application was submitted on the Council's behalf by Youth First, to the Football Foundation; the application was to support the redevelopment of Riverside Youth Club.
- 1.2. In January 2021 Lewisham Council were informed that the bid had been successful.
- 1.3. The Football Foundation Grant award is for £742,906.
- 1.4. It is recommended that Mayor and Cabinet:
 - Approve the application for external funding from the Football Foundation;
 - Approve the procurement of a works contractor to deliver the Riverside redevelopment
 - Delegate authority to the Executive Director for Children & Young People, on the advice of the Executive Director for Corporate Resources and Executive Director for Housing, Regeneration & Environment to award a works contract to deliver the Riverside Youth Club redevelopment Programme
 - Note the construction budget set out in Part 2 of this report

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

2. Policy Context

- 2.1. The redevelopment of Riverside Youth Club supports the Council’s Corporate Strategy. Specifically the priority “Giving children and young people the best start in life.”
- 3.1 It also supports the delivery of our Children and Young People’s Plan (2019-22), which establishes how we will continue to work to improve outcomes for our children and young people so that:
 - Children and young people have good physical and emotional health
 - Children and young people develop, achieve and are ready for adulthood
- 2.2. Redevelopment supports the ambitions of the Lewisham 2019 Playing Pitch Strategy; namely to increase access to quality 3G and sports provisions,
- 2.3. The redevelopment of Riverside Youth Club supports the developing vision for youth work in Lewisham and our duties under the 1996 Education Act, which established that a local authority in England must, so far as reasonably practicable, secure for young people in their area access to:
 - (a) *sufficient educational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities, and*
 - (b) *sufficient recreational leisure-time activities which are for the improvement of qualifying young persons (‘Qualifying young persons’ are those aged 13–19, and up to 24 for young people with a learning difficulty or particular disabilities.)*

3. Background

History of Riverside Youth Club

- 3.1. Located on Grove Street in Evelyn Ward in the north of Lewisham, Riverside Youth Club was opened in 1969 by boxer Henry Cooper initially as a boxing club for boys. It was designed to resemble a sail boat to acknowledge the naval history of the area. Sir Henry Cooper returned in 2009 to re-launch the site with then Mayor, Steve Bullock.
- 3.2. In recent years the area around the Pepys Estate has been subject to significant new housing development as more of the industrial areas along the River Thames have been developed into new housing, increasing Evelyn Ward to the second largest ward in the borough.
- 3.3. Riverside is the second largest youth club in the borough with three floors of facilities including a music studio, games room, e-sports/movie lounge, kitchen, multipurpose hall for sports, dance, theatre and breakout spaces for other activities and meetings and multi-use games area.
- 3.4. In 2019/20, 321 local young people accessed youth provision including sports at Riverside. 78% of attendees were BAME, compared to 66% of the Lewisham population.¹
- 3.5. Prior to the Covid-19 crisis, Riverside advertised a timetable of four youth club sessions over three evenings per week totalling 9.5 hours of service.
- 3.6. Over the last decade the building has deteriorated and is no longer attractive or fully functional. Poor DDA compliance means that the top floor is inaccessible to some children and young people, there are also ongoing issues with lighting and heating.

¹ Youth First – Save Riverside Youth Club Prospectus

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

Redevelopment Proposals

- 3.7. In 2017, Riverside Steering Group was established supported by Milwall Community Trust, Youth First and other local stakeholders including tenants groups and Councillors.
- 3.8. In 2018, the Football Foundation awarded seed funding to develop proposals for the Youth Club. The Steering Group appointed architectural consultants Create Streets to carry out a feasibility study, community consultation and create detailed plans.
- 3.9. In July 2020, the steering group secured planning permission for the proposed redevelopment and in October 2020 Youth First submitted an application, on the Council's behalf to the Football Foundation. An outcome of the application process is that the Council and property owner are required to receive and authorise the grant, as opposed to Youth First who are the current leaseholder.
- 3.10. In January 2021, the Football Foundation advised that the bid had been successful and, subject to agreement of terms, offered a grant award of £742,906.

4. Redevelopment Plans

- 4.1. The redevelopment proposal is to create a transformative football, multisport and wellbeing centre for young people at Riverside Youth Club. This will include:
 - New floodlit 3G Football Turf Pitch (5v5 – 37m x 27m)
 - High quality, accessible sports facilities and amenities (toilets, showers, changing)
 - A new kitchen area
 - A new gym
 - Updated consultation rooms
 - Media and learning zones
- 4.2. The next stage is for Officers to prioritise and finalise the programme of works for the Riverside Youth Club redevelopment.
- 4.3. It is therefore recommended that Mayor and Cabinet delegate authority to the Executive Director for Children and Young People to finalise the programme of works to be procured for the Riverside Youth Club redevelopment, in line with the budget set out in section 4.14.

Procurement method for contractors to deliver the Riverside redevelopment programme

- 4.4. The construction works for Riverside will be procured externally because the Council has neither the skills nor capacity to deliver such building works. Setting up the required infrastructure to enable this function does not represent good commercial or practical sense, given the nature and scale of works.
- 4.5. All works will be procured through an open tender exercise via the London Tenders Portal.
- 4.6. Tenders will be evaluated on a 50/50 basis (price/quality). The quality weighting will include either 5% or 10% social value in line with the Council's procurement policies.
- 4.7. A separate contract award report will be prepared seeking to appoint the winning bidder, in line with the Council's procurement rules and procedures. A consultant (procured separately) will administer the contract that is awarded and will be responsible for ensuring the works are carried out as required.
- 4.8. It is therefore recommended that Mayor and Cabinet delegate authority to Executive Director for Children & Young People to procure, award and enter into contract for these works on the advice of the Executive Director for Corporate Resources and

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

Executive Director for Housing, Regeneration & Environment.

4.9. Proposed procurement timetable:

Activity	Date
Tender Issue	April 2021
Tender Returns	May 2021
Evaluation	May/June 2021
Internal approvals	June 2021
Award	June/July 2021

Delivery model

- 4.10. A draft operational service agreement has been developed between London Borough Lewisham, Youth First and Millwall Community Trust (MCT) to be implemented once the site reopens.
- 4.11. Under draft proposals and for a period of 5 years, Youth First will manage use of the site and its facilities to develop and deliver a programme of youth work. MCT will have priority access to the 3G pitch for delivery of their community football programme. Access to the site is intended to be maximised for the use of local young people.
- 4.12. Redevelopment proposals have received significant support from local organisations, and the aim is for increased community and partnership use of the site once reopened.
- 4.13. The long term sustainability of the project is based around an income generation model, predominately from the new 3G pitch. Target income generation is £120k per annum, which would predominately support pitch maintenance and upkeep, including a reserve to cover the costs of pitch refurbishment.
- 4.14. Income targets are estimated based on 60% usage from evening commercial bookings, room hire and the potential for longer rentals to services (e.g. gym operator, learning provider, or music studio provider). A gradual usage increase, taking into account Covid restrictions, is also built into the model.

Risk

- 4.15. As with any grant funding award and capital build project there are a number of potential risks that Members should be aware of; these are outlined below:

Acceptance of grant agreement and terms of grant

- 4.16. The Football Foundation have advised that Lewisham has two months from the date of the Grant Offer Letter (14 Jan 2021) to electronically accept the terms and requirements of this Grant; that is a deadline of 14 March 2021.
- 4.17. The Football Foundation have advised that Lewisham must then request the first payment of Grant within six months of the date of the Grant Offer Letter Deadline 14 July), unless otherwise agreed in writing by the Foundation. (Deadline 14 July) and Lewisham must request the last payment of the Grant within 12 months of the date that the first claim is paid by the Foundation.
- 4.18. The Football Foundation expectation is that works start on site within 6 months of the date of offer letter; that is a deadline of 14 June 2021.
- 4.19. A number of outstanding conditions are required to be met ahead of formal grant acceptance these include:
- Football Foundation requiring the processes for Restriction of Title over the land to have commenced.
 - Football Foundation require written confirmation from Lewisham that the all funding requirements are secured.

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- Football Foundation require confirmation of the planning status of existing floodlights on site.
- 4.20. Officers have met with and written to the Football Foundation to advise that there will be delays in meeting the terms of acceptance and outstanding conditions outlined above; namely due the impact of ongoing COVID-19 restrictions and response.
- 4.21. The Football Foundation have advised that the process for returning the grant if suitable build process cannot be agreed; or if costs are deemed too substantial to continue is simple.
- 4.22. There are a number of further conditions attached to the grant offer. Most notably:
- The Football Foundation's claw back period is 21 years. This will be invoked if we fail to fulfil the terms of the grant award as outlined below
 - LBL will be asked to provide pitch quality data three times per year using a Digital Assessment Tool
 - As lead applicant the Council must ensure and evidence sinking funds are in place for the maintenance and replacement of the 3G pitch, and ensure that the 3G pitch remains on the FA Pitch Register throughout the 21 year period
 - As lead applicant the Council must ensure a robust and regular maintenance programme is in place that follows the pitch contractor stipulated maintenance regime.
- 4.23. The terms above are not unusual for grant awards of this size and the conditions should be achievable regardless of wider changes to youth work in Lewisham; for example should the provider of youth services change. But they will need to be noted in any future development proposals for the area.

Income Generation Model

- 4.24. The long term sustainability of the project is based around an income generation model, predominately from the new 3G pitch.
- 4.25. Target income in the first year of opening is £120k per annum (at 60% capacity), which would predominately cover pitch maintenance and upkeep, including a reserve to cover the costs of pitch refurbishment.
- 4.26. There is risk associated with income generation modelling, which is untested in the area and may be impacted by Covid. If income cannot be generated to a sufficient level then an alternative building management and delivery model will need to be developed to meet the minimum expectations of the grant agreement.

Wider Dependencies

- 4.27. The current delivery model, and access to fundraising, is predicated on agreement of a youth services contract with Youth First from 1 April 2021. Approval for award of contract was given by Mayor and Cabinet in December 2020, subject to agreement of terms, and the negotiation of this process is underway.
- 4.28. If this cannot be agreed then an alternative model of delivery will need to be developed or grant award returned to the Football Foundation.

5. Financial implications

- 5.1 Financial implications are as set out in Part 2 of this report

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

6. Legal implications

- 6.1. The Council has a wide general power of competence to do anything that individuals generally may do (Section 1 of the Localism Act 2011). Further, the Council can undertake activities that are either economically, socially or environmentally beneficial for the authority and residents (Local Government Act 2000). Finally, the Council has a duty to obtain best value in the procurement of works, services and supplies and to secure continuous improvement in the way functions are carried out, having regard to a combination of economy, efficiency and effectiveness (Local Government Act 2003).
- 6.2. In accordance with the Council's Constitution, officers require approval to apply for external funding. The bid for funding was put together and submitted by Youth First on behalf of the Council. The Council are the lead partner and will need to enter into the grant agreement with the Football Foundation. The risks in relation to accepting the grant are set out in the body of the report and how these can be mitigated.
- 6.3. The report seeks approval to procure an external contractor to carry out the works on Riverside Youth Club. Given the potential spend on this contract it would be categorised by Contract Procedure Rules as a Category A contract. The report also seeks delegation to Executive Director of the decision about the appropriate route for engaging such a provider, with the choice available to the Executive Director being between use of a framework agreement or an open tender route. The report sets out the other options considered and explains why those are the recommended options.
- 6.4. Assuming that Mayor and Cabinet accepts the recommendation, Contract Procedure Rules place requirements on how that should happen. The Rules require that when letting contracts steps must be taken to secure value for money through a combination of cost, quality and competition, and that competitive tenders or quotations must be sought depending on the size and nature of the contract (Rule 5). Given the potential spend on this contract is below the financial threshold for the application of the procurement regulations (Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) (EU Exit) Regulations 2020) they will not apply. The requirements of the Contract Procedure Rules would be satisfied by use of an open tender procedure. The process for procurement and the award of the contract would have to be in accordance with the Contract Procedure Rules. As a Category A contract, it would be for Mayor and Cabinet to take a decision on the award of any contract however officers are requesting that the award of contract be delegated to the Executive Director for Children & Young People, on the advice of the Executive Director for Corporate Resources and Executive Director for Housing, Regeneration & Environment.
- 6.5. The decisions to be made in this report are not Key Decisions.
- 6.6. In taking this decision, the Council's public sector equality duty must be taken into account. It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 6.7. 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.
- 6.8. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above. The weight to be attached to the duty will be dependent on the nature of the decision

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

and the circumstances in which it is made bearing in mind the issues of relevance and proportionality and understanding the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

- 6.9. The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the 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 on the EHRC website.
- 6.10. The EHRC has issued five guides for public authorities in England giving advice on the equality duty. 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.

7. Equalities implications

- 7.1. Once complete, the Riverside redevelopment will lead to improved outcomes for all protected characteristics; through increased access, capacity and improved DDA compliance.
- 7.2. It is possible that the decant and build process will be disruptive for current service users. The current intention is to decant to nearby Richard MacVicar Adventure Playground for the period of the build to minimise disruption.
- 7.3. This project will be included in a wider Youth Services EAA that is being undertaken as part of proposed changes to youth service delivery in Lewisham and will be completed before April 2021

8. Climate change and environmental implications

- 8.1. Prospective tenderers will be assessed on the environmental and sustainability implications of their submissions, as part of the quality evaluation process.
- 8.2. Every effort will be made to ensure that the refurbishment works improve the environmental performance of the building and, where possible, support efforts to make Lewisham carbon neutral by 2030.

9. Crime and disorder implications

- 9.1. Increased access to youth workers, positive activities, trusted relationships and safe spaces should help reduce participation in and perceptions of crime and disorder

10. Health and wellbeing implications

- 10.1. The project supports increased physical activity, healthy eating and emotional wellbeing outcomes

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

11. Social Value implications

- 11.1. Youth First have secured significant external fundraising of £273,071 to support this project. As well as offers of in-kind additional support for materials and fittings.
- 11.2. Officers will work with colleagues in the Local Labour Business Scheme, Climate Resilience and Procurement teams to ensure the project delivers social value, by setting targets in line with the Council's strategic aims and objectives and monitoring performance on a regular basis.

12. Background papers

- 12.1. n/a

13. Glossary

- 13.1. n/a

14. Report author and contact

- 14.1. David McCollum, CYP Joint Commissioner: david.mccollum@lewisham.gov.uk
- 14.2. Mia Agnew, Legal Implications: mia.agnew@lewisham.gov.uk
- 14.3. Peter Allery, Financial Implications: peter.allery@lewisham.gov.uk

Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>