

<b>Report title</b>	<b>Grant Funding Request – St Paul’s Church, Egham Hythe</b>
<b>Report author</b>	Darren Williams, Corporate Head of Community Services
<b>Department</b>	Community Services
<b>Exempt?</b>	No

**Purpose of report:**

- To resolve

**Synopsis of report:**

This report details a request for financial support from St Pauls Church, located in Egham Hythe ward, in the form of “backstop” grant funding, to secure funding agreed in principle by Surrey County Council, via its Your Fund Surrey scheme.

The project focuses on providing enhanced facilities at the church site, to enable the continued delivery of existing projects and to support the delivery of new community initiatives aimed at supporting families, young people, and households more broadly, in Egham Hythe ward. With Your Fund Surrey having approved grant funding totalling 85% of the full project cost, St Pauls Church are currently seeking opportunities to secure the remaining 15% required and have approached the Council for support to enable delivery of this community infrastructure project.

**Recommendation(s):**

1. Members are asked whether they wish to approve the provision of “backstop” one-off grant funding to St Pauls Church, totalling £154,206, as a maximum contribution to match funding, if required, in relation to the application submitted to Your Fund Surrey.

If so,

2. Members approve a capital estimate in the sum of £154,206 to provide the one-off grant to St Pauls Church to be funded from usable capital receipts.

**1. Context and background of report**

- 1.1 A request for grant funding from St Paul’s Church, in Egham Hythe, has been received by the Council.
- 1.2 The church has successfully (subject to final approval) been awarded grant funding from the Your Fund Surrey Scheme delivered by Surrey County Council. However, with the grant award being only 85% of the total required, the church has written to the

Council requesting support for their project, through the provision of a “backstop” grant from the Council, totalling £154,206.

- 1.3 A backstop arrangement would see the Council underwrite the securing of remaining funding required, to enable the agreements between Your Fund Surrey and St Paul’s Church to continue, with assurance of access to the required funds.
- 1.4 The church will seek alternative funding sources for the remaining sum and if successful in securing this, the Council will not be required to provide any grant funding. However, if some or all of the funding cannot be secured, a grant of up to £154,206 would be awarded by the Council.
- 1.5 The project, totalling over one million pounds, is to create new facilities at the church site, which will allow for the continuation and expansion of a range of services to the community, whilst also creating additional space and capacity for new community initiatives. Such community projects are available to all residents and not only members of the church.

## **2 Report and, where applicable, options considered and recommended**

- 2.1 St Paul’s Church has long been an important local institution in Egham Hythe, historically and primarily through its traditional and primary function as a Christian church, and place of worship.
- 2.2 However, as is the case with most places of worship across all faiths, the commitment and ambition of St Paul’s Church to support the local community has not been limited to religious activity, or to only supporting members of the Church.
- 2.3 It is the activity of the Church in support of the local community that resulted in consideration being given to making an application to Your Fund Surrey, to enhance its community facilities, in 2024. As part of this application via the Your Fund Surrey website, officers provided comments of support to the project. However, this was based on full funding potentially being awarded by Surrey County Council, with other grant funding if required, and without the knowledge that such a request for support would subsequently be received by the Council.
- 2.4 Currently, St Paul’s Church provides a range of services to the Egham Hythe community, and in some cases beyond the ward boundaries. These include baby and toddler groups, youth services for year 7’s from neighbouring Magna Carta school, tea and chat meetings, as host venue for the Runnymede Foodbank etc. Egham Hythe is identified as one of the lowest ranked areas of the borough in the indices of multiple deprivation, and services such as those provided are of added importance within the community.
- 2.5 The success and demand for existing services, and the ambition of the church to provide additional services, has resulted in an application being submitted to Your Fund Surrey, for funding totalling the full project cost of £1,028,041. With this funding, St Paul’s would look to create additional community space at the church site, specifically building an extension to improve toilet facilities, a new kitchen for providing cooked food and catering for large events in the church, a small café and meeting space, and improved access into the building. Further information relating to the project, including design plans can be found at <https://www.speh.org.uk/community-2/facilities-project/>

- 2.6 In November 2024, St Pauls Church were notified of the intention to be awarded the sum of £873,835. This grant award is subject to final approval by Surrey County Council, to be determined by the end of 2024.
- 2.7 As a result, to realise the funding from Surrey County Council, St Pauls Church is required to secure the outstanding amount of £154,206. However, given the lead times in securing grant funding of this amount from charitable trusts, should such funding opportunities be available, the project would enter a period of uncertainty relating to its viability.
- 2.8 St Paul's Church have therefore approached the Council, requesting that the Council become a "backstop" to their Your Fund Surrey application, by agreeing to fund the outstanding balance, if this cannot be secured through other grant funding sources applied to. Such an arrangement would enable St Paul's Church to be able to accept the grant funding from Surrey County Council and proceed with this important community project.
- 2.9 This would in principle mean that in the event funding is secured by St Paul's Church, there would be no financial implications to the Council. However, given there is no guarantee of alternative funding, members are asked to consider the report in the context of the Council potentially awarding a grant totalling £154,206.
- 2.10 At a time of financial challenge for the Council, and a prioritisation of identifying and delivering savings and efficiencies, a request for grant funding of this level, would not normally be considered, however given the report on this committee agenda relating to Egham Hythe Centre, officers felt it prudent to give members the opportunity to consider the request, given the potential for the project at St Paul's Church to mitigate some of the implications highlighted in that report.
- 2.11 There are three potential impacts a successful project at St Paul's Church could assist to address. These include the impact of loss of hireable space to the community, by offering an alternative/replacement venue locally for some of the hirers of the Hythe Centre, the potential loss of a building to be used in support of response to borough emergencies, where in the event of any grant funding award the Council may want to add a condition relating to access to the property for use in the event of a borough emergency. Finally, the elections team have advised that the loss of Egham Hythe Centre as a polling station would leave the Council with no identified alternative in Egham Hythe Ward, there would be an opportunity to include this as a condition of any agreement with St Paul's Church.
- 2.12 Should members agree to providing backstop funding to St Paul's Church, this will enable the church to move forward with its project, and to pursue alternative grant funding with greater confidence having been able to fulfil the requirements of Your Fund Surrey and therefore secure the grant funding awarded. Should members not agree to providing the backstop funding, whilst the project and aspirations of the church will likely continue, there is the greater risk of being unable to secure the 85% funding award from Your Fund Surrey, meaning that the project potentially will be unviable in the future.

### **3 Policy framework implications**

- 3.1 The Councils' Corporate Business Plan, and Empowering Communities Strategy outlines how the Council will work to "support and nurture the development of community initiatives and encourage communities which lack key facilities to form

groups to work on community initiatives and self-help schemes". Whilst currently, there is an alternative community building in the ward, for the reasons outlined in the report, the availability of such facilities may change in the future.

- 3.2 The Empowering Communities Strategy also sets out an action to establish a Runnymede Local Initiatives Fund, with the intention, in part, to facilitate access to other sources of funding. Whilst such a fund does not exist and there is no budgetary provision for this purpose, should members decide to award grant funding to St Paul's Church, the council would be meeting this objective by facilitating access to a sizeable grant from Your Fund Surrey.

#### **4 Resource implications/Value for Money**

##### *Financial Implications*

- 4.1 The Council's Grant Criteria and Funding Opportunities Guide states the following:

Grant aid will not be given as a matter of course for repair, improvement, or other works to places of religious worship, but the Council may fund such bodies at its discretion if it is satisfied that:

- a. the project for which grant aid is sought is of benefit to the wider local community; and
- b. insufficient funds are available from the bodies' own resources and such other grant aid as it has secured to allow the project to proceed.

- 4.2 In order to apply for grant the Church have been asked to complete a Grant Aid application form which will provide Members and Officers with more information about the request and the community it will serve. This forms part of the business case for this opportunity.

- 4.3 Given the Council's current financial situation and the low level of capital receipts the prioritisation criteria set out in the approved Capital Strategy should be taken into consideration before any such decision is made. The prioritisation methodology means that schemes are evaluated according to the agreed corporate criteria in terms of the following categories to give an order of priority. Within each priority ranking each "bullet point" ranks higher than the one below it.

##### Priority 1

- Schemes essential and to the extent necessary to comply with statutory obligations, including Health and Safety.
- Schemes for which there is a contractual commitment to another party.
- Schemes necessary to avoid a service breakdown.
- Schemes which a business plan demonstrates to be self-financing.
- Schemes which will permit future savings or increased efficiency.

##### Priority 2

- Schemes necessary to maintain an existing asset.
- Schemes necessary to maintain required standards of service.
- Schemes to meet urgent established need.

### Priority 3

- Schemes to permit the development of services in accordance with approved policies.

### Priority 4

- Schemes representing other desirable developments within services
- Schemes to meet emerging needs and/or demands emanating from consultation, benchmarking or Best Value exercises.

4.4 This grant falls under the prioritisation of a priority 3 or 4 which means that, given the Council's low level of capital receipts this scheme could potentially prevent a future higher priority scheme from being delivered

4.5 The Current Capital Programme includes a budget of £20,000 a year for capital grants, of which £1,500 is set aside for the Runnymede District Scouts, leaving £18,500 available. There is no specific budget provision for the award of such a large grant as proposed in this report and therefore, additional funding of a £135,706 would be required to make up a supplementary capital estimate in the sum of £154,206 which will need to be approved if members wish to pursue this.

#### **Risks Identified**

4.6 Capital grants are funded from capital receipts and as mentioned above, the Council has limited Capital Receipts with no current plans to sell any assets to generate new ones. Agreeing to this proposal will mean that existing receipts will run out sooner if new receipts cannot be found or existing potential ones are not delivered.

## **5 Legal implications**

5.1 The Council must have a legal power or duty before it can incur any expenditure. Councils have a number of powers which enable them to make grants to local organisations including:

- Section 19 of the Local Government (Miscellaneous Provision) Act 1976 confers wide powers on a council concerning recreation facilities, whether inside or outside its area, including powers to provide grants to others who provide such facilities.
- Section 145 of the Local Government Act 1972 enables a council to contribute to expenses associated with dancing, the theatre, bands, knowledge and practice of arts and crafts and associated refreshments, programmes, and advertising.
- The Local Government Act 1972, Section 142 and the Local Government and Housing Act 1989 confers wide powers on councils to make grants to advice and assistance agencies.
- Section 137 of the Local Government Act 1972 allows councils to make grants to voluntary bodies where no specific grant-making power exists in other legislation. Such grants are subject to additional controls including expenditure limits set by the Secretary of State and based on the number of electors in the council area. Grants made under this power must be recorded by separate account. The council must also be satisfied that the expenditure is proportional to the benefit to the council area.
- Powers conferred to councils under the 'General power of Competence' set out in section 1 Localism Act 2011 which enables councils to do things that others do, such as lending money..

- 5.2 If the Council were minded approving this request for grant funding it could be made subject to conditions. Those conditions could include a requirement that the applicant seek to secure the funding required from other sources and provide evidence to the Council of the attempts which have been made. If such a condition were to be imposed the Council would require the applicant to demonstrate that applications had been made to bodies who could provide the same level of funding as being sought from the Council whether solely or in combination. By this the Council might expect to see applications have been made for the total amount from one body or from two bodies in combination. This would demonstrate the Council is a provider of funding as a last resort rather than being the only body approached for assistance.
- 5.3 The Council may also wish to impose conditions regarding the use of any premises funded by its financial assistance. Such conditions from ensuring that such facilities are open to as a wide a range of local groups as possible, thereby ensuring that no claims can be made that the funding has merely benefited the existing members of the church. The Council may wish to consider imposing a condition that the premises are not used for promoting political organisations. Such a condition would be designed to avoid the allegation that public funds are being used for political purposes. Clearly any such conditions will have to be reasonable, not contravene any legal provisions and unreasonably restrict the ability of the church to use the premises for purposes they had intended to use them for.

## **6 Equality implications**

- 6.1 There are no equality implications relating to the request for funding to be considered, however members are advised that the request for funding has been received outside of an open grant application process.

## **7 Environmental/Sustainability/Biodiversity implications**

- 7.1 There are no environmental implications linked to this report, where grant funding is requested. The project itself has environmental implications; however, these fall outside the remit of officers.

## **8 Other implications**

None identified

## **9 Appendices**

- Appendix A – Email request for funding from St Paul's Church