



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Finance and Economic Overview and Scrutiny Committee

Tuesday, 23 September 2025

Report of Councillor Paul Stokes,
Cabinet Member for Leisure & Culture
& Deputy Leader of the Council

Leisure Investment Reserve – Allocation Criteria

Report Author

Richard Wyles, Deputy Chief Executive and s151 Officer

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Purpose of Report

A Leisure Investment Reserve has been established and a proposed criteria is to be developed in order to provide a clear methodology to allocate the funding.

Recommendations

The Finance and Economic Overview and Scrutiny Committee is asked to:

- 1. Consider the proposed criteria for the allocation of the £500k from the Leisure Investment Reserve.**
- 2. The Committee agree to receive a further update at the meeting of the 18th November 2025 regarding the proposed work programme.**

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Connecting communities
Sustainable South Kesteven
Effective council

Which wards are impacted?

(All Wards);

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 Governance and Audit Committee has approved the formation of a specific reserve of £500k to invest in the leisure centres and SK Stadium. This report sets out a proposed methodology for the allocation of this reserve in order to meet the objectives that have been established.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.2 This report is asking the Committee to consider how this reserve may be allocated. Any spend of this reserve would have to be carried out in accordance with the approval routes set out within the Responsibility of Functions in Part 3 of the Constitution.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

- 2.1. The Council is currently focussing significant resources in tackling a backlog of maintenance across a varied range of corporate property assets. This work commenced in 2023 and is likely to continue for the next ten years. The primary focus is tackling the backlog where condition surveys have identified either urgent repairs, obsolete (or end of life) repairs or investment to ensure ongoing compliance.
- 2.2. The Committee was provided with full details of the extent of the maintenance work that will be necessary across the leisure centres. This detail was provided in a report to Committee on 26th November 2024. The table below shows the latest actual expenditure and future expenditure requirements in respect of condition survey maintenance.

Building	22/23 - Actual Spend (£)	22/23 – Condition Survey Required Spend (£)	23/24 - Actual Spend (£)	23/24 – Condition Survey Required Spend (£)	24/25 - Actual Spend (£)	24/25 – Condition Survey Required Spend (£)	25/26 - Budgeted Spend (£)	25/26 – Condition Survey Required Spend (£)	26/27 – Condition Survey Proposed Spend (£)
Stamford LC	55,016	232,296	63,033	244,175	313,724	141,421	45,976	90,962	78,260
Bourne LC	72,261	343,533	244,760	358,119	438,982	122,340	248,047	110,609	68,798
Meres LC	185,405	218,803	341,960	542,091	347,740	508,400	4,211,933	434,912	366,604
SK Sports Stadium	23,450	153,137	97,462	249,269	138,524	177,028	156,000	164,389	113,229
Totals	336,132	947,769	747,215	1,393,654	1,238,970	949,189	4,604,48	800,872	626,891

3. The Meres spend for 25/26 includes the expenditure relating to the Public Sector Decarbonisation Scheme – 3.6m grant funded.

2.3. However, it is recognised that the maintenance resources are primarily focused on urgent works and therefore very little allocation is currently being made to cosmetic works and decoration as the budgets cannot support both work programmes.

2.4. From a customer perspective when using facilities this is usually the most important element as a negative experience can lead to negative feedback or a reduction in customer numbers. This is most relevant to the 3 leisure centres and the Sports Stadium where customer throughput is the highest across the assets. To put this into context, usage figures for the financial year 2024/25 confirm the following:

- Bourne Leisure Centre 253,594
- Meres Leisure Centre and Stadium 445,726
- Stamford Leisure Centre 135,762

2.5. To respond to this a dedicated reserve has been created to the value of £500k to enable investment in the locations over the next year.

2.6 The objective is to develop an improvement plan for each of the locations focussing on those areas where there is a strong interface with the customers and where there is clear evidence of an investment requirement.

2.7 It is proposed a methodology is developed that is evidence led based on information from a range of sources. To meet this objective, external consultants have been engaged to provide a summary of proposed investment based on the condition surveys but with a clear focus on cosmetic works and decoration. This analysis will be supplemented by the Council's own knowledge of areas for improvement and Leisure SK Ltd has been invited to provide their own knowledge and customer feedback of improvements.

2.8 The amalgamation of these stakeholder input will lead to a proposed allocation of the £500k across the 4 locations. Based on an initial assessment, the following are the key areas for cosmetic or decorative investment.

- Changing areas
- Reception areas
- Public toilets
- Meeting rooms
- Other communal areas

2.9 Following this analysis, specifications will then be developed in order to arrive at a cost estimate to enable the £500k to be allocated across the 4 venues. It is likely that the allocation will not be an even distribution of the funds as the level of investment required will vary from location to location.

2.10 However, it is noted that, the tendering of the works may reveal that the allocated reserve may not be sufficient to enable all of the works to be undertaken. Therefore, there may be a requirement to seek additional funding if it is considered necessary that all the identified improvements are to be undertaken. This will not be known until the tendering of the works has been completed.

3. Reasons for the Recommendations

3.1 The reports set out the proposed criteria and methodology to be used in order to allocate the £500k leisure investment reserve across the leisure centres and stadium.