



**SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL**

# Cabinet

15 June 2021

**Report of:** Councillor Kelham Cooke,  
The Leader of the Council



## Distribution of S.106 Monies in relation to Empingham Road Playing Field, Stamford

The purpose of this report is to seek authorisation for the Cabinet Member for Housing and Property to provisionally allocate S.106 funding for the improvement of sporting facilities at Empingham Road Playing Fields and to enter into both a lease and building licence for the erection of a new clubhouse facility on the site.

### Report Author

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Corporate Priority:	Decision type:	Wards:
Investing in the Health of our District by Improving Leisure Provision	Key Decision	Stamford St John's
<b>Reviewed by:</b>	Andrew Cotton, Director for Housing and Property	4 June 2021
<b>Approved by:</b>	Karen Bradford, Chief Executive	7 June 2021
<b>Signed off by:</b>	Councillor Kelham Cooke, The Leader of the Council	7 June 2021
<b>Recommendation (s) to the decision maker (s)</b>		

1. Approves the allocation of the S.106 Funds as laid out in this report. Approves the necessary amendments to the General Fund capital and revenue budget frameworks in order to include the funding allocations set out in the report.
2. Recommends to Council that terms be agreed for the Council to enter into a building licence and lease with Stamford Rugby Club.
3. Notes that allocation of the S.106 is subject to the recipients meeting the funding criteria laid out in Exempt Appendix A: Distribution of Funding
4. Delegates to the Cabinet Member for Housing & Property in consultation with the Director of Housing & Property to both allocate the S.106 funding and enter into the building licence and lease.

# 1 The Background to the Report

- 1.1 The subject land forms one of the major recreation areas in Stamford and is owned by the Council.
- 1.2 The Council has so far received the sum of £294,509.72 as a Green Off-site Open Space Contribution and a further £13,974.51 is outstanding. Once received, the total contribution will be **£308,484.23**. This is through a S.106 Planning Agreement in connection with planning consent (S12/0864) granted for a sustainable urban extension at Stamford West including residential and affordable housing, a business park and a local centre, associated highways improvements, pedestrian and cycle links, landscaping, and open space.
- 1.3 The money has arisen from a prescribed S.106 contribution which is to be used to *“provide, enhance, or upgrade the existing sports facilities at the Empingham Road Playing Field”*.
- 1.4 Organisations who use or occupy the site were invited to make a request for funds. Proposed projects are listed in The Exempt Annex and had to meet the criteria for the contribution as set out in the S.106 Agreement.
- 1.5 Eligible requests were received from the following, other requests were rejected due to not meeting the required criteria, either because the project to be funded was not within the site boundary or is not considered to be a sport:-

Organisation	Project	Value	Eligibility
Stamford Rugby Club	New Club House	£400,000 + VAT	<b>Eligible</b> – Already on site
Stamford Outdoor Bowls Club	Extension to lease of Club House Land	£4,000 + VAT	<b>Eligible</b> – Already on site
Stamford Indoor Bowls Club	2 x Electric Wheelchairs; 1 x Elec. Scoring Board	£33,110	<b>Eligible</b> – Already on site
SKDC	Installation of outdoor gym equipment on site	£55,000	<b>Eligible</b> – Already on site

- 1.6 The proposed distribution of funding is laid out below: -

Total Section 106 Contributions Available		£308,484 (1)
SKDC Proposal		<b>£55,000.00</b>
Remaining Contribution		£253,484

	<b>Request</b>	<b>Recommended S 106 Contribution (2)</b>
Stamford Indoor Bowls Club	£33,100	<b>£18,947.21</b>
Stamford Outdoor Bowls	£4,000	<b>£2,289.00</b>
Stamford Rugby Club	£400,000	<b>£228,900.13</b>
Stamford Lions Club	£5,850	<b>£3,347.66</b>
<b>TOTAL</b>	£442,960	£253,484

(1) In the event of the remaining the £13,974.51 not being received, the allocations would be reduced on a pro-rata basis.

(2) The bids received exceeded the amount of money available and in order to equitable, the amounts it is proposed allocating were apportioned on a pro-rata basis to the size of the original bid.

1.7 It is the intention of Stamford Rugby Club to put their proposed share of the funding towards the development of a new Clubhouse within the playing field. For this to come to fruition, terms will need to be agreed for a ground lease, preceded by a Building Licence whilst the new Clubhouse is being constructed, in addition to which the Club will be required to evidence that the remainder of the funding is in place to complete the development.

1.8 The proposal for the Council to install new Gym Equipment will be the subject of a future Cabinet paper providing further detail on the capital and running costs.

## **2 Consultation and Feedback Received, Including Overview and Scrutiny**

2.1 Not applicable.

## **3 Available Options Considered**

3.1 Option One: Distribute the funds to one bidder only.

3.2 Option Two: Distribute the funding in an equitable way as explained in the Exempt Appendix and to grant delegated power to the Director of Housing & Property agree terms with Stamford Rugby Club to enter into a Building Licence followed by a lease to Stamford Rugby Club for the new Clubhouse.

## **4 Preferred Option**

4.1 Option Two to dispose of the funding in an equitable manner and agree terms with Stamford Rugby Club to enter into a Building Licence and then enter into a lease for the new Clubhouse.

## **5 Reasons for the Recommendation (s)**

5.1 The recommended way forward will allow the Council to distribute the S.106 monies in a way that best benefits the playing field and its users.

5.2 The full justification for the recommended approach is further detailed within Exempt Appendix 1.

## **6 Next Steps – Communication and Implementation of the Decision**

6.1 Not applicable

## **7 Financial Implications**

7.1 The report sets out a proposal to distribute s106 funding to a variety of organisations based on criteria that invited bidding proposals to be received. The proposed allocation amounts to each successful bidder are set out in the report. The proposed allocation to the Stamford Rugby Club will require an amendment to the General Fund capital programme as the expenditure will be treated as REFCUS (revenue expenditure funded by capital under statute) as the funding will be used to create an asset. The remaining allocations will require amendments to the revenue budget framework. There is a proposal to provide new play equipment which the Council will own and maintain. This proposal will be the subject of a future Cabinet report where full details will be presented including the ongoing revenue costs of the facility. The ongoing costs will be met from the Stamford Special Expense Area as Empingham Road playing field is funded from the Stamford SEA.

**Financial Implications reviewed by: Richard Wyles, Interim Director of Finance**

## **8 Legal and Governance Implications**

8.1 The S106 Agreement was completed in 2013 and the terms were for the Council to receive the monies and distribute thereafter. In accordance with the Council's financial procedures, sums at this value, which are not earmarked for specific uses, require a Cabinet decision. The proposed expenditure of the financial contribution is in accordance with the requirements and restrictions contained within the S106 Agreement.

**Legal Implications reviewed by: Mandy Braithwaite, Legal Executive**

## **9 Equality and Safeguarding Implications**

9.1 Regard has been taken of the Council's duties under the Human Rights Act 1998 and the Equalities Act 2010 and that there are no identified adverse effects through the distribution of the S106 funding. It can also be confirmed that all the projects for which is funding is being recommended, seek to improve existing sporting facilities for the Community.

## **10 Risk and Mitigation**

10.1 Risk has been considered as part of this report and any specific high risks are included in the table below:

<b>Risk</b>	<b>Mitigation</b>
Challenge to the distribution of funds	The Council asked organisations who use or occupy the site to bid for funds in a transparent manner.
Eligibility for funding	The Council has adopted strict criteria that the activity for which funding is being sought takes place within the site and can also be considered to be a sport.

## **11 Community Safety Implications**

11.1 None

## **12 How will the recommendations support South Kesteven District Council's declaration of a climate emergency?**

12.1 *The distribution of the S.106 funds and granting of a lease/building licence will not impact the Councils direct carbon footprint. The Rugby Club will be encouraged to design and build their facility to incorporate sustainable features.*

## **13 Other Implications (where significant)**

13.1 There are no other implications that have not been considered here or in the Exempt Appendix.

## **14 Background Papers**

14.1 There are no further background papers aside from the Appendices listed below.

## **15 Appendices**

15.1 Exempt Appendix A: Distribution of Funding

15.2 Appendix B: Site Plan

<b>Report Timeline:</b>	Date of Publication on Forward Plan (if required)	13 May 2021
	Previously Considered by: N/A	N/A
	Final Decision date	15 June 2021