



# SOUTH KESTEVEN DISTRICT COUNCIL

## CABINET MEMBER DECISION

### DECISION:

That a loan to Bourne Town Council for £62,000 at the prevailing Public Works Loan Board interest rate with a loan period of five years be approved.

### Details of Decision

A group of local Bourne residents have been working for several years to raise funds for a high quality skatepark for the community of Bourne and the surrounding area. A local charitable organisation has worked with the community to offer the identified site on a leasehold basis with the Skatepark Group and costings have been obtained for the provision of the facility. An extensive range of funding activity has taken place from a wide range of sources including a significant contribution from Sport England. The District Council will be in receipt of a Section 106 payment of £62,000 following the development of a residential scheme at Manning Road Bourne. This off-site equipped play space contribution is related to planning application ref: S18/0904 for the erection of 121 dwellings and associated infrastructure.

The Planning Committee resolved to approve that application on 12 May 2021, subject to recommended conditions and completion of a Section 106 Agreement. The minutes of the meeting include the following *“A request for an off-site equipped play space contribution that the officer advised could be used towards the provision of a skatepark”* The developers have accepted they would be in agreement to this financial contribution being included in the Section 106 Agreement, which is currently being progressed between the developer’s legal team and Legal Services Lincolnshire.

The trigger point for the payment is yet to be agreed but it is anticipated it will relate to an agreed occupation level of the proposed development. Therefore, there is a proposal to arrange a loan between the Council and Bourne Town Council to ensure that the overall funding is in place to enable the development to proceed in advance of the Section 106 payment being made.

The loan structure that is being proposed is £62,000 over a five-year period (from the date of the loan) at the prevailing Public Works Loan Board (PWLB) interest rate. The loan will be a maturity loan with interest only payable each year. Bourne Town Council will have the opportunity to redeem the loan earlier which will incur interest charges up to the date of redemption

**Alternative Options Considered and Rejected:**

In the event the loan is not in place, then there will be a funding shortfall which could result in the scheme not proceeding. Therefore, the loan arrangement is crucial to the scheme being delivered to the local community.

**Reason for Decision:**

The reasons for the decision are set out in the report.

**Conflicts of Interest:**

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

None.

**Decision taken by:**

Councillor Adam Stokes, Cabinet Member for Finance and Resources

**Date of Decision:** 6 August 2021

**Date of Publication of Record of Decision:** 6 August 2021

**Date Decision Effective:** (i.e 5 days after the date of publication of record of decision unless subject to call-in by the Community DSP Chairman or any 5 members of the Council from any political groups): 14 August 2021