

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
14 June 2011

Subject: USE OF LEISURE RELATED S106 FUNDS

**Thirsk Wards
Scrutiny Committees
Cabinet Member for Leisure and Health: Councillor P Wilkinson**

1.0 PURPOSE AND BACKGROUND:

1.1 The Council's policy is to secure sustainable appropriate open space and children's play provision within the site of a development. Occasionally this is not possible and so negotiations with developers secure funds for community recreational projects off site where they can be related to the development.

1.2 The purpose of this report is to:-

- i) allocate up to an additional £20,000 of Section 106 funding, that is already secured for public open space, sport and recreation in Thirsk, to progress the development of the Thirsk skate park known as "Thirsk8 Park project" in the event that a funding shortfall is realised by the end of 2011; and
- ii) allocate funding, that is already secured, to Thirsk and Sowerby Leisure Centre to purchase a hoist to improve access of severally disabled users

1.3 Project details as follows:

1.3.1 Thirsk8 Park

A community in group in Thirsk has been developing plans to build a skatepark since 2008. In that time they have managed to secure £72,795 of external funding and have also previously been allocated £64,205 of Section 106 funding. The total amount secured of £137,000 would have met the original project costs. However following unforeseen delays a revision of costs for the scheme has resulted in a £20,000 increase due to planning conditions that require the installation of acoustic bunding and fencing, and the recent VAT increase.

The group has a plan in place to secure the funds to meet this shortfall however this may take a few months and in the meantime they need to sign a contract to programme the works in with their appointed contractors for October 2011. Failure to meet this timescale will result in the withdrawal of £50,000 from the Big Lottery Fund which is time limited.

External grant applications totalling in excess of £30,000 have been submitted, a business sponsorship campaign is being organised and young people are planning their own fundraising appeal.

1.3.2 Thirsk and Sowerby Leisure Centre - Hoist

The need for this project has been identified through users of the Centre and the proposal is supported by Thirsk Regeneration Initiative (LSP Area Group). The funding is required to purchase a hoist to improve access of severally disabled users of the main pool and to introduce access of disabled users to the training pool.

1.4 Both projects meet the following criteria for receipt of Section 106 funding:

- Meeting the obligations of the S106 Agreement;
- The Corporate priority afforded to the project;
- Strategic fit

1.5 Annex A is the Value for Money statement for the proposed projects.

2.0 DECISIONS SOUGHT:

2.1 The decision sought relates to:

- The allocation of up to £20,000 Section 106 funding to Thirsk8 Park project in the event that a funding shortfall is not realised by the end of 2011. Any additional funds secured before the end of 2011 would be deducted from this allocation.
- The allocation of £7,000 Section 106 funding to Thirsk and Sowerby Leisure Centre to purchase a hoist for severely disabled users.

3.0 LINK TO CORPORATE PRIORITIES:

3.1 This decision links primarily to the Health priority of the Council to improve opportunities for young people and increase participation in physical activity.

4.0 RISK ASSESSMENT:

4.1 The overall risk to the Council associated with this decision is low.

5.0 FINANCIAL IMPLICATIONS AND EFFICIENCIES:

5.1 The main method of delivery of S106 allocations is to passport external funding from developers to community groups. Funds are not committed or released to organisations until the Council is in receipt of the monies from the developer.

5.2 Funding offers are subject to 12 monthly reviews to determine progress. Following a review, if a project is unlikely to proceed, the offer of funding will be withdrawn and re-allocated. There are no revenue implications for this Council.

6.0 LEGAL IMPLICATIONS:

6.1 There is a legal responsibility upon the Council to ensure this funding is used in a way consistent with the individual S106 Agreements.

7.0 SECTION 17 CRIME AND DISORDER ACT 1998:

7.1 The Thirsk8 Park project has the potential to reduce crime and disorder through providing a diversionary activity for young people.

8.0 EQUALITY/DIVERSITY ISSUES:

8.1 All projects in receipt of this funding have equal access and be available for the general public to use.

9.0 RECOMMENDATION(S):

9.1 It is recommended that:-

- 1) an allocation of up to £20,000 Section 106 funding is allocated to Thirsk8 Park; and
- 2) an allocation of £7,000 Section 106 funding is allocated to Thirsk and Sowerby Leisure Centre.

DAVID GOODWIN

Background papers: None

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VALUE FOR MONEY

PROJECT INITIATION

Value for Money Statement

Thirsk8 Park

To allocate up to £20,000, from Section 106 contributions, to Thirsk8 Park.

The projects represent good value for money by improving local amenities that are important to the community. The schemes is a one off capital expense – on going revenue costs (maintenance / repairs / insurance etc) will be met by the lead organisations. The funding will secure £72,795 of matching funding secured from the Big Lottery Fund, NYCC, East Thirsk Community Centre, Sowerby Now and the organisation's own funds.

This scheme is identified as a high priority in the Thirsk Community Plan. By supporting this funding allocation the scheme will increase play and physical activity opportunities and participation for children and help reduce anti-social behaviour incidents.

Thirsk and Sowerby Leisure Centre - Hoist

To allocate £7,000, from Section 106 contributions, to Thirsk and Sowerby Leisure Centre to purchase a hoist for severally disabled users

The projects represent good value for money by improving a local amenity that is important to the community. The scheme is a one off capital expense – on going revenue costs (maintenance / repairs etc) will be met by the Centre.

This scheme is identified as a high priority in the Thirsk Community Plan. By supporting this funding allocation the scheme will increase physical activity opportunities for disabled people.

OBJECTIVES:

Project Summary

The projects will all provide improved leisure facilities for the local community for play, sport and physical activity

Strategic Fit

The projects relate to the Council's priorities as follows:

- To increase participation in physical activity
- To provide health related opportunities for young people
- Reduce the number of anti-social behaviour incidents

The Thirsk8 Park project is also included in the Hambleton Play Plan. Both projects are endorsed by Active Hambleton they will help deliver the Hambleton Area Physical Activities Plan.

Project Management

The skatepark project is managed by Thirsk8 Park Committee (a Charitable Company Limited by Guarantee). The organisations will bear all contractual and sustainability responsibilities. Estimated start date for the project is October 2011. The hoist project will be managed by the Assistant Manager of Thirsk and Sowerby Leisure Centre. Estimated start date for the project is July 2011.

OUTCOMES:

The project will deliver improved leisure and recreational opportunities in Thirsk.

COSTS:

Cost Benefit Analysis

a) Capital costs and where the funding will come from.

Capital Expenditure	2011/12	2012/13	2013/14	2014/15
	£	£	£	
Thirsk8 Park	£157,000			
Cost of capital investment	<u>£157,000</u>			

Financed by:

Big Lottery Fund	50,000
S106	64,205
North Yorkshire County Council	18,000
Small grants / own fundraising	4,795
Other grants (to be secured) or up to £20,000 S106	20,000
Total	<u>£157,000</u>

T&SLC - purchase and installation of hoist	£7,000
Cost of capital investment	<u>£7,000</u>

Financed by:

S106	7,000
Total	<u>£7,000</u>

b) Revenue costs will be borne by individual lead organisations.

Revenue Effects	2009/10	2010/11	2011/12	2012/13
	£	£	£	£
Cost of	0	0	0	0

c) Unit cost information – not applicable

Efficiency Gains

Not applicable

INPUTS:

Not applicable

OUTPUTS:

Qualitative

Improvement in play offer, improved facilities, safer environment, less incidents of anti-social behaviour

Quantative

Not applicable

OPTION APPRAISAL:

Community project – not applicable

OPTIONS	YES/ NO	CONSIDERATION
Traditional procurement	Yes	This will be undertaken by the lead organisation (Thirsk8 Park)
Partnering		
- Public sector consortium	No	
- Non-profit distributing organisation	No	
- Voluntary and community sector provision.	No	
- PFI and other forms of DBFO contact.	No	
- Partnering Contract.	No	
- Joint venture company	No	
- Concession or franchise.	No	
- Framework agreement (incremental partnering).	No	
Outsourcing	Yes	Project will be delivered by external agency (Thirsk8 Park)
Local Authority Company	No	
In-house	No	
Mixture of Above	Yes	The Council will oversee the project. Supply and delivery will be from an outside agency (T&SLC)

RISK ASSESSMENT:

Thirsk8 Park is a community led project – risk assessment completed by individual lead organisation.

The purchase and installation of a hoist is being led by Thirsk and Sowerby Leisure Centre - a risk assessment has been completed.

CONCLUSIONS:

These projects offer value for money to the Council. There are no financial risks involved in supporting these projects which are one off capital expenses, any ongoing revenue commitments will be met by the individual lead organisations.

<p>Version Number:</p> <p>Date last changed:</p> <p>Lead Officer:</p>
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