

ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Leisure Strategy Part 2 – Proposal to develop leisure and sports provision in Bishop's Stortford

Contribution to the Council's Corporate Priorities/ Objectives:	<p>Priority 1 – Improve the health and wellbeing of our communities</p> <p>Priority 2 – Enhance the quality of people's lives</p>
Consultation:	<p>Herts and Essex School have undertaken consultation with local sports clubs who have expressed an interest to access the proposed sports hub.</p>
Legal:	<p>Should funding be agreed all agreements would need to mitigate financial risks identified below.</p>
Financial:	<p>The amount of funding requested by Herts and Essex School is £2.7m.</p> <p>Funding for the project would need to be either from reserves or PWLB borrowing.</p> <p>The annual loss of interest for this sum would be in the region of £63k. The annual amount for £1m is approximately £23k.</p> <p>The annual cost of borrowing (based on interest rates for 20yrs at 2.74%) would be in the region of: £209k. This includes repayment of the loan and interest over 20yrs. The annual cost for £1m is £77k.</p> <p>On the basis that the Herts and Essex proposal seeks to provide East Herts Council approx. 50% of the surplus income from the sports hall estimated at £8000 per annum. The Council would require a growth in it's revenue budgets to cover the cost of this project.</p> <p>Should the Council decide to pre-fund from Section 106 monies that are due to be received in line with housing development, the Council will be liable for this costs until payments are received. The section 106 agreement signed by the Council and developers in April 2015 states that the sports investment funding would be</p>

	<p>available in the region of £3m for Bishop's Stortford North. The request for £2.7 will consume a large portion of section 106 outside the Bishop's Stortford North area leaving very little for development in BSN.</p> <p>In addition, the funding from section 106 will be received in accordance with development and occupation of dwellings, it is estimated that the full £3m for sports investment may not be received until 2025, however the timescales could be longer. The number of dwellings actually developed could potentially be below the 2200 dwellings stated, this could result in a reduced payment to the Council and therefore the Council could bear the cost of the project or a portion of the project.</p> <p>Should funding be approved the investment mix will be determined by the Head of Strategic Finance and Property in conjunction with the Executive member for finance and support services.</p>
Human Resource:	N/A
Risk Management:	Managing expectations of the School, clubs and residents of a growing population.
Health and wellbeing – issues and impacts:	Under the National Health Service Act 2006, each local authority has a duty to 'take such steps as it considers appropriate for improving the health of the people in its area'. Further subsections set out the wide-ranging steps which may be taken to fulfil this duty, including providing information and advice, and making available the services of any person or any facilities.