

Huish Episcopi Academy Artificial Grass Pitch Project Section 106 Award Decision

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Purpose of the Report

1. To seek approval to award Huish Episcopi Academy (HEA) a maximum capital grant of £290,172 comprised of Section 106 Contributions (S106) towards the construction of Third Generation (3G) Artificial Grass Pitch with an estimated total project cost of £703,328 on the basis that the facility and the school playing fields will be available for community use.

Forward Plan

2. This report has not part of the Forward Plan. This report has been triggered by the timing of a Football Foundation Grant Award that enables HEA to proceed with the execution of the project, subject to confirmation of the Section 106 award.

Public Interest

3. The SSDC Artificial Grass Pitch (AGP) Assessment identified that a significant proportion of Area North residents were living beyond the 20 minute travel time catchment for AGPs. In 2008 this amounted to 13,739, resulting in a shortfall equivalent to 4,675 m², or 0.73 pitches at that time. This shortfall was projected to increase further to 0.82 pitches in 2028 as a consequence of new housing development and population growth.
4. To address this deficiency and meet the needs of community sport in the area, SSDC's policy was to develop a new third generation AGP in the Langport area of Area North. This approach was adopted since it would have the greatest impact on reducing the current spatial and quantity deficiencies, whilst avoiding any adverse impact upon existing facilities. It also meets the sporting needs in the area for all weather-floodlit football training facilities. In order to finance the delivery of the facility, the SSDC Community Health and Leisure Service has been negotiating and pooling Section 106 contributions from new housing developments within the Area North catchment.
5. In May 2011 SSDC agreed to partner with HEA to locate this facility on the school site, to replace their existing 'redgra' pitch area, recognising that there would be significantly greater benefit to be gained by the wider Area North community combined with higher levels of use through a joint development of this facility.
6. Having assessed the feasibility of the project in 2012, the detailed design process was completed with stakeholders in 2013 and Planning Approval was provided in June 2014.

7. A successful application by HEA to the Football Foundation now enables HEA to proceed with the execution of the project, subject to confirmation by SSDC to award the Section 106 contributions that have negotiating and pooled for the project.
8. This report seeks this approval from the District Executive to enable the project to proceed.

Recommendations

9. That Members:
 - Approve subject to the terms and conditions set out in the proposed Letter, Award Agreement and the Standard Terms and Conditions of Award, that South Somerset District Council has agreed to Award Huish Episcopi Academy a section 106 grant of £290,172 towards the construction of a Third Generation (3G) Artificial Grass Pitch and supporting ancillary facilities on the basis that these facilities and the school playing fields will be available for community use, consisting of:
 - i. £193,686 of section 106 contributions that have been paid to the Council.
 - ii. £96,486 of section 106 contributions where payment is subject to trigger clauses being reached within the relevant S106 agreements presenting a degree of risk to Huish Episcopi Academy that those monies may not be received by the Council.

Background

10. Since May 2011 SSDC has partnered with HEA to address the strategic deficiency in AGP provision in Area North by locating a new facility on the school site, to replace their existing 'redgra' pitch area, recognising that there would be significantly greater benefit to be gained by the wider Area North community combined with higher levels of use through a joint development of this facility.
11. The project itself seeks to provide a high quality all weather artificial grass pitch at the Huish Episcopi Academy (HEA) to support the development of football in the catchment. The proposal consists of:
 - 88m x 56m AGP with 60mm 3G surface.
 - Fencing.
 - Acoustic noise barrier.
 - Flood lighting.
 - Goal storage area.
 - Maintenance machinery storage area.
 - Spectator area and associated car parking.
12. The HEA is a mixed secondary school with academy status (since 2010), for ages 11 to 18 located in Huish Episcopi near Langport, Somerset, England. Catering for over 1,459 students, it is the only secondary school within area, and the only secondary schools in the district to offer sixth form provision. HEA is located within Langport and Huish on the A372 Wincanton Road, and is approximately 14.5 miles east of Taunton and 14 miles north of Yeovil.

13. HEA is a long standing provider of dual use community leisure services and facilities, operating an indoor sports hall, health and fitness suite, exercise studio, squash courts, multi-use games area, and a heated outdoor swimming pool through its subsidiary operating company Huish Leisure Ltd.
14. The Academy Leisure Centre is some 740sqm in size and is open to the public with restricted opening times. Community access for the swimming pool operates April to October. Main access to all other facilities is from 1700 to 2200, Monday to Friday, and 0900 to 1600 on Saturdays and Sundays.
15. HEA and SSDC have been working together to bring the project to fruition. As part of this collaboration SSDC has conducted the feasibility appraisal, led the design process, assisted the planning application process and overseen the preparation of a grant application to the Football Foundation and the tender process.
16. The evidence underpinning the need for the provision can be summarised below:
 - SSDC AGP Assessment.
 - Local club consultation identified the need for:
 - A specialist football surface, equivalent to Bucklers Mead Academy, Yeovil.
 - A requirement for 19 full pitch hours a week for floodlit training facilities across the winter period, commencing from September.
 - Occasional mid-week and weekend competitive match play during periods of prolonged adverse weather when pitches become unplayable, and fixtures back up.
 - Venue for team manager and coach education courses.
 - Venue specifically to support the development of girl's and women's training and match play.
 - Somerset FA consultation identified a need for:
 - Floodlit training facilities across the winter period.
 - A venue for youth match play.
 - Occasional mid-week and weekend competitive match play.
 - Team manager, official and coach education course training provision.
 - Focus for girl's and women's training and match play.
 - Commercial operator consultation highlighted their desire to provide all year round 5 aside-football competition formats.
17. The project is supported by HEA Governors, Somerset FA, Huish Leisure Ltd, and football clubs across the catchment including Aller, Ash, Barrington, Kingsbury Episcopi, Langport, Martock, Pitney, Shepton Beauchamp, Somerton and South Petherton.
18. In seeking to assemble the finance to deliver the project, the Academy has now received a grant offer of a maximum of £302,408 towards a total project cost of £703,328 for the construction of Third Generation (3G) Artificial Grass Pitch (with 60mm carpet pile) on the basis those facilities will be available for community use.

Report

19. Tenders for the project have now been received by HEA. The total project cost is estimated at £703,328.

20. Confirmed Partnership Funding for the project amounts to £413,156. The breakdown is:

Confirmed Partnership Funding Source:	£s	%
Football Foundation	302,408	43.0%
Huish Academy	110,748	15.7%
Total Partnership Funding:	413,156	58.7%

21. The need for the AGP has been necessitated by the cumulative impact of a number of developments, from which the Council has reasonably been seeking and pooling developers' contributions specifically for AGP and playing pitch provision in order to allow the infrastructure to be secured in a fair and equitable way.

22. The Council has currently negotiated a total £290,172 of S106 contributions from new housing developments to assist in financing this project, and enabling the school playing fields to be available for 'bookable' community use to also address wider playing pitch deficiencies in the Langport.

23. Of the £290,172 of S106 contributions earmarked towards the project, currently £193,686 have been paid to the Council and £96,486 are still subject to the normal trigger clauses applying to the relevant S106 agreements and in particular, to site commencement and new dwellings being sold and occupied.

24. The executive should be aware that there is a risk that the £96,486 still subject to the trigger clauses may not all be payable in the current economic climate. There are a number of variables that could affect these monies being received, for example, some of the contributions listed above are "strategic contributions" which are the first obligations to be discharged if the developer presents a Discharge of Planning Obligations application and the schemes are proven to be unviable. There is also the potential that small new schemes may not to commence or get built out, and equally that if they do the period of time it might well take for the "trigger" points to be reached on these developments could be some years from now. These are all risks which have been set out in the Award and are ones which Huish Episcopi Academy must consider in accepting this award.

25. A full listing of the proposed 'Banked' and 'Unbanked' contributions for the project are set out in the Award Agreement and the Standard Terms and Conditions of Award attached in Appendix 1.

26. Members should note that future section 106 contributions can be allocated to a project prior to the trigger point for the section 106s being reached.

27. Clearly there is a risk that future section 106 payments may not be for the amounts anticipated or within a timeframe desired by HEA. This represents a risk to HEA and it is

clearly set out in the within the proposed offer detailed within is set out in the Award Offer, specifically:

“It is important for the Organisation to recognise in deciding to accept the Award Offer that South Somerset District Council will only be in a position to pay claims from Section 106 Contributions when those contributions have been banked by South Somerset District Council. The timing of these payments from housing developers is subject to trigger clauses within the Section 106 Agreement for each particular development and in particular, the rate at which new dwellings are sold and occupied.

Accordingly South Somerset District Council cannot provide any indication of when such contributions will be received and be available to be claimed in all or any part by the Organisation in accordance with the provisions of this Agreement. In accepting this Award Offer and determining when you proceed with the execution of the Project (with or without the prior written consent of South Somerset District Council) you do so entirely at your own risk and expense.”

28. In accepting the Award Offers from the Football Foundation and SSDC, HEA will need to consider the financial implications within their business plan to take account for additional expenditure / financing costs that may be necessary to bridge any section 106 payment shortfall.
29. Each of the contributions have been checked and authorised by the Assistant Director (Economy) and Assistant Director (Finance and Corporate Services) in accordance with our agreed internal procedures.

Financial Implications

30. If the recommendation to award up to £290,172 of additional S106 funding towards this project is approved.
31. The anticipated costs for this project include contingency funding. In the event that not all contingency funding is required to deliver the project, it is conditioned that SSDC's funding reduces on a pro-rata basis. The other funding conditions outlined are set out in the terms and conditions set out in the Letter, the Award Agreement and the Standard Terms and Conditions of Award (together the 'Agreement') that is attached in Appendix 1.
32. There are no new financial implications to the SSDC Capital Programme if the recommendations are approved.

Corporate Implications

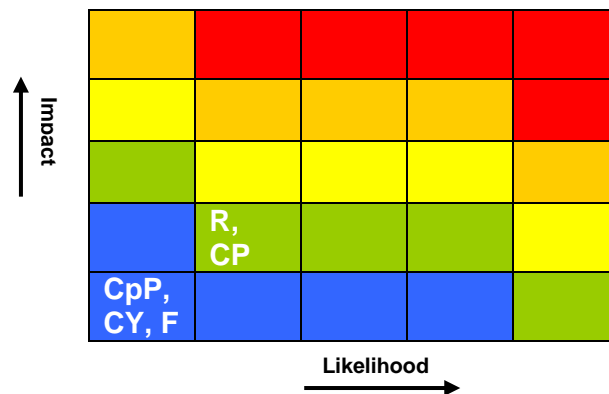
33. The project objectives specifically contribute to the delivery of Focus Four, Health and Communities, within the Council Plan 2012 – 2015. The project will specifically help to deliver in the following areas:
 - Ensure that the strategic priorities of the Somerset Health and Wellbeing Board reflect local needs and align council resources to deliver projects to address those needs (this project helps to address priorities 1 and 2 within the draft Somerset Health and Wellbeing Strategy).

- Maintain and enhance the South Somerset network of leisure and cultural facilities, optimising opportunities for external funding to promote healthy living.
- Work with and lobby partners to help communities to develop transport schemes and local solutions to reduce rural isolation and inequalities to meet existing needs of those communities.

34. The project will also help to address the shortfall of third generation artificial grass pitches identified within the South Somerset Needs Assessment for Artificial Grass pitches. This Needs Assessment was adopted by DX committee in March 2012.

Risk Matrix

35. The level of risk associated with the recommendations contained in this report are summarised below in the Council's Risk Matrix.



Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Carbon Emissions and Climate Change Implications

36. None.

Equality and Diversity Implications

37. No new implications.

Background Papers

38. None