Horndean Parish Council

NOTICE OF MEETING

AN EXTRAORDINARY MEETING OF HORNDEAN PARISH COUNCIL WILL BE HELD ON MONDAY 03 AUGUST 2020 AT JUBILEE HALL AT 7.00 P.M.

Members are summoned to attend

Cllr Lynn Evans
Chairman of the Council

28 July 2020

AGENDA

1. To receive apologies for absence.

2. To receive any Declarations of Interest.

3. To open the meeting to members of the public to enable them to address questions to Parish Councillors. *The period of time which is designated for public participation shall not exceed 20 minutes. Each member of the public is entitled to speak once only in respect of business itemised on the agenda and shall not speak for more than 3 minutes. A question asked by a member of public during public participation session may be answered at a meeting or in writing following the meeting and shall not require a debate.*

4. To consider the two options put forward by PWLB and to agree a way forward with regard to the borrowing necessary to cover the cost of the Jubilee Hall extension.

5. To consider the hosting of future events namely, the Service of Remembrance and the Christmas Carol Service, given the restrictions in terms of large gatherings due to COVID-19.

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Horndean Parish Council Group

Item 4

HORNDEAN PARISH COUNCIL

COUNCIL MEETING : 03 August 2020

SUBJECT OF REPORT: Finance Report

Public Works Loan Board (PWLB)

To enable the project to be fully financed (Horndean PC reserves, s106 monies from East Hampshire District Council and the Public Works Loan) before it commenced last summer a maximum loan of £500,000 was agreed that needed to be drawn down within 12 months.
It was anticipated that by the start of the financial year we would have needed to request the drawdown from the Public Works Loan Board to finance the ongoing costs.
The 12 month period expires on the 8th August.

I contacted the PWLB on May 27th 2020 to alert them to the fact that it was now highly unlikely that we would be in a position to know how much of the loan we would require.
The response, I received on June 4th stated the following:

Thank you for keeping us updated. Could you please get back in touch with us nearer to the deadline, this is because you will be in a better position to provide the evidence we need to approve an extension.
Should you require further information or clarification please do not hesitate to contact me.

I re-contacted them on 13th July and was asked to provide the following information:

When you apply, we will need the following information from you:

1. *Details on why you are requesting an extension and why you could not draw down the loan within the period stipulated in the approval letter.*
2. *Confirmation that your original council officials who were present at the resolution to borrow are all in post. If this is not the case, a new resolution will need to be drafted and signed by the new appointees.*
3. *We need to see an updated version of your budget for the current financial year, which needs to balance up and have the new loan repayment (and if applicable, any existing loan repayment(s)) factored in.*
4. *We need to see an updated version of your budget for the following financial year, or a cash flow forecast table, which needs to balance up and have the new loan repayment (and if applicable, any existing loan repayment(s)) factored in.*
5. *What portion (£ and %) of your expenditure is flexible (uncommitted expenditure)?*
6. *Could you please send your recent annual returns (AGAR).*
7. *What is your overall reserve position? Could you please provide reserves projections or statements as supporting evidence (for reserves Earmarked for the repayment of the loan and Non-Earmarked).*
8. *Have you secured funding from other sources and are these still secured?*
9. *(If applicable) Did the council tax precept for the purpose of the loan repayment actually happen?*
10. *Are the residents very much broadly still in favour of the project and application? How have they been kept updated? Could you please send evidence of the latter. We also need some understanding as to how sure you are in drawing down the loan in the next 12 month extension period that will eventually be granted.*

A follow up email prompted by further questions resulted in this response:

If you are unable to provide all the necessary information we need by the original deadline (8th August 2020), your deadline will lapse and your approval letter will be invalid.

Therefore, I encourage you to consider the following scenarios.

1. *After you submit all the information we need to approve an extension request, depending on the information you submit and whether they satisfy our criteria,* ***there is a risk that your extension request may be rejected****. In other words, if the evidence submitted does not satisfy our criteria, the council will have to resubmit a borrowing application to the Department via NALC.*
2. *In scenario two, if the evidence submitted is deemed satisfactory and it conforms to our criteria, we will be able to grant an extension to your original deadline, and the council won't have to reapply for borrowing approval.*

Cost of the Loan

As at the date of this report (30th July 2020) the 25 year interest rate stood at 2.34%.
The table below shows the annual interest payment and the total cost of the loan over the 25 years with different levels of borrowing.

Interest Rate as at 30-07-20	2.34%

Total Loan	Annual Payments	Total Cost over life	Difference	
			per ann.	life of loan
£500,000	£26,147	£666,758	n/a	n/a
£475,000	£24,840	£633,420	£1,307	£33,338
£450,000	£23,533	£600,082	£2,615	£66,676
£425,000	£22,225	£566,744	£3,922	£100,014
£400,000	£20,918	£533,406	£5,229	£133,352

It should also be noted that by drawing down the full loan prior to 8th August would result in monthly interest payments of c£2.2k whereas if the drawdown was staggered these initial interest rate payments would be lower.

Report Prepared by Simon Ritson, Responsible Finance Officer, July 30th 2020

HORNDEAN PARISH COUNCIL

EXTRAORDINARY COUNCIL MEETING **Date: 03 AUGUST 2020**

AGENDA ITEM: 5

SUBJECT OF REPORT: Service of Remembrance and Christmas Carol Service

BACKGROUND

The current restrictions due to COVID-19 particularly pertaining to large gatherings may not be conducive to hosting the above annual events. The situation is transient and therefore it is not possible to anticipant the likelihood of such events being permitted in November and December.

We commence preparation in March for the Remembrance Service and therefore a number of plans are already in place.

The level of uncertainty to date has meant that we have continued to plan as usual, but at this stage it appears doubtful that an event which attracts between 1,500/2,000 members of the public and participants will be within the government guidelines.

Members may wish to note the following:

- Any business undertaken including the hosting of events must be assessed in order to prove that the event can be delivered as COVID-secure. If this criteria is not met the insurance cover currently in place will become invalid

- The Parish Council is required to record the details of all attendees for the purpose of the test and trace procedure

- Event organisers are responsible for the safety of those in attendance regardless as to whether their presence was intended by the host, as it is foreseeable that such an event will attract visitors.

There are a number of alternative options that would enable the occasion to be respectfully acknowledged albeit in a different manner.

Council may wish to consider the following:

- Invitation only event within Napier Hall,
- Small service for those invited to attend within Horndean Square
- Parish Council to lay wreaths on Armistice Day as opposed to Remembrance Sunday.

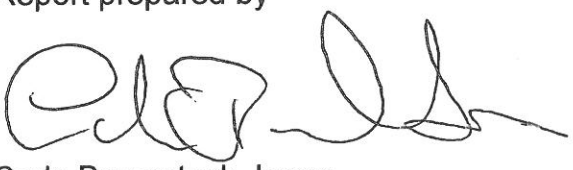
RECOMMENDATION

The traffic management team, sound system company, invited guests/participants etc., are all in place. However, given that the event in its current form is unlikely to proceed due to the anticipated ongoing restrictions, Members may wish to cancel the above arrangements.

In order to reflect and remember the courage and sacrifice of those who served their country, Council may deem it appropriate to assemble within Horndean Square as a mark of respect on Armistice Day.

In respect of the Carol Service, given all the circumstances it may be prudent for this event to be cancelled in its entirety.

Report prepared by



Carla Baverstock-Jones
Chief Officer