



NEW PUBLIC TOILET: BORROWING APPROVAL

TOWN COUNCIL MEETING

REPORT 93/20

14 DECEMBER 2020

The purpose of this Report is to explain and agree the borrowing requirement for the construction of the planned new Public Toilet in the Central Car Park and invite Members to agree the application for Borrowing Approval as set out in the attached form.

NO. DETAILS

1) BACKGROUND

- a) Planning permission for construction of a new Public Toilet on the Central Car Park was applied for on 31 January and approval was granted on 27 March.
- b) Following approval an application for Building Regulations approval was submitted and although the response was delayed as a consequence of the pandemic, formal approval was received on 21 August.
- c) On the advice of the Town Council's Architect for this project, Andrew Hitt, a Quantity Surveyor has been commissioned to complete the detailed specification of works necessary as the basis of the Joint Contracts Tribunal (JCT) Minor Building Works Contract.
- d) The deadline for the return for tenders for the works is set at noon on Friday 18 January when they are due to be opened by the Clerk and Councillor Brian Lucas.
- e) The specification for the tender documentation detailed by the Town Council's commissioned quantity surveyor has provided a guide for the Town Council of the anticipated project cost.
- f) Before a loan from the Public Works Loan Board can be applied for it is necessary for any Town or Parish Council to apply for, and be granted, Borrowing Approval.
- g) As that process is likely to take several weeks and the works need to start in the early spring in order to be completed before the 2021 season starts the Town Council will need to start the Borrowing Approval process as soon as possible.

2) BORROWING APPROVAL

- a) Borrowing Approval for Town and Parish Council's comes from the Ministry of Housing, Communities and Local Government.
- b) The process begins with the submission of a completed application form and supporting information to the Isle of Wight Association of Local Councils who will sign off on it and pass it on to the National Association of Local Councils who will also sign it off and submit it to the Ministry of Housing, Communities and Local Government.
- c) A decision by the Secretary of State will be provided within 15 days of the receipt of the application.
- d) The Borrowing Approval is valid for 12 months from the date of its issue.

3) BORROWING REQUIREMENT

- a) The information provided by the Quantity Surveyor the Town Council commissioned to provide the specification for the works indicates that the borrowing requirement for the total project including the already incurred expenditure will not exceed £150,000, as previously advised in Report 79/20 to the Town Council Meeting of 12 October.
- b) On this basis it is recommended that Borrowing Approval be applied for in a total of £150,000.
- c) The actual process of applying to the Public Works Loan Board against the Borrowing Approval is a separate – and quick – process that does not necessarily use the full amount of the Approval itself.

4) RECOMMENDATION

The Town Council is recommended to:

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- i) agree the submission of the attached application for Borrowing Approval in a total of ££150,000; and
 - ii) delegate the selection of the contractor to be commissioned for the works to the Town Clerk advised by the Assets and Services Working Group.
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APPLICATION FOR BORROWING APPROVAL FOR TOWN/PARISH COUNCILS

- If you have any queries about completing this form please contact your local county association.
- When completing this form please use CAPITALS.
- Once completed and signed please send this form to your local county association.

Name of Council	Ventnor Town Council
Name of Clerk	David Bartlett
Working Address (inc. Postcode)	Salisbury Gardens, Dudley Road, Ventnor, Isle of Wight PO38 1EJ
Email address	townclerk@ventnortowncouncil.org.uk
Telephone	01983 85840
Name of Chair	Stewart Blackmore
Home Address (inc. Postcode)	4 Blendworth Terrace, Ventnor, Isle of Wight PO38 1NF
Email address	Stewart.Blackmore@ventnortowncouncil.org.uk
Telephone	01983 855911
District/Unitary Council area	Isle of Wight
Purpose of Borrowing Please give a brief description of the purpose for which funds are required. Example of Capital projects : Purchase of land/building or, construction/building works or, provision of other assets or; provision of grants to another body for a Capital expenditure	Construction of new Public Toilets including a disability friendly unit
Total Contract/Project Value	£150,000
Funding from Council's own resources	£0
Funding from other sources	£0
Amount to be borrowed	£150,000

Deadline for approval (if applicable) If borrowing is required by a specific date – eg an auction date, or to meet matchfunding requirements - give details here.	
Is funding from other sources confirmed?	Not applicable
Proposed Borrowing Source	Public Works Loan Board
Intended Borrowing Term (please specify the number of years)	25
Details of Existing Loans	1st loan 2nd loan 3rd loan 4th loan
Date Taken Out	19/6/05 1/8/14
Amount Outstanding	£ £ 15,599.20 123,566.62
Unexpired Term	10 years 19 years
Are you increasing Precept to fund this borrowing? What will be the amount and percentage of the planned increase per annum? What will cost band D per annum?	Provision for the anticipated loan repayments is already included in the current financial year's Budget and no further increase will be required. The increase in the current year's budget for this project was £9,035, 2.5% of the Precept Budget for the year £3.52
If applicable, have you assessed the extent of public support to increase precept for this loan? If yes, what were the results of the assessment to increase precept for this loan?	The Town Council holds transparency as a priority. The project has been on the Agenda – always in public - at 15 Meetings of the Town Council since 12/8/19 across the development of the project and all of those meetings since December 2019 have been live-streamed. The Town Council since April has published a weekly newssheet to its electronic Residents' Forum of 490 email addresses that is also reproduced in the weekly South Wight Chronicle with sales of 800 an issue: this project has been reported in 12 of those 36 issues to date. No complaint or expression of concern has been received from residents at any time.
Precept for previous year: Precept for Current year: Precept for next year:	£ for Band D: £ for Band D: £ for Band D:
Number of Electorate	4,784

Value and purpose of all funds, capital/revenue reserves and balances currently held	£292,398 available for the Town Council's services at 30 November 2020.
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<p>Have you provided the following supporting evidence?</p> <p>a) Full Council minutes with resolution to apply to DCLG for borrowing approval</p> <p>b) Report to the Council</p> <p>c) Council Budget for current year and next year if available</p> <p>d) Consultation and outcome of consultation</p>	<p>Please tick the appropriate box</p> <p>a) Yes ✓</p> <p>b) Yes ✓</p> <p>c) Yes ✓</p> <p>d) Yes ✓</p>
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Approval of Full Council

The above application was agreed by resolution of the full council on 14 December 2020e), the Report to Council and Budget attached have been taken to and approved by the full Council, and the draft Minutes attached have been seen and authorised for submission by the Chairman.

The Council undertakes to notify the Department for Communities and Local Government (DCLG), as soon as reasonably practicable, in the event:-

- of not exercising the approval, or,
- it finds that the original amount requested is greater than the actual borrowing need.

SIGNED..... DATE
(Chair of the Council)

NAME.....

SIGNED..... DATE.....
(Responsible Financial Officer)

NAME.....

*Please send signed, completed forms and all supporting information to your county association of local councils.
Failure to submit all required information will delay your borrowing approval.*