

Bilthorpe Parish Council

Business Case (Updated with new loan figures)

For some years now there has been discussions as to whether to renovate or build a new village hall, going back 10 plus years.

A survey was carried out in 2010 that showed 98% favoured a renovation over a new build, a new build then would have been at a cost of £1.32 million.

The council decided after several years of the project being on hold to start to revisit the possibility of renovating the hall, as there are other community venues in the village but none of them offer the same space or hire for private parties.

In 2018 a scope of works was drawn up and a community consultation was held, although this was not well attended, those who did, supported the proposed plans.

The council have engaged with NSDC as the project manager who have sourced quotations and arranged for specialist surveys to be conducted. This has all taken time, but a preferred contractor has now been chosen (GPR Construction) and the cost of the renovations will be £176,729k (Inclusive of NSDC fees and £10k contingency)

The works include a complete refurbishment inc: new roof, electrics, boiler, toilets, kitchen and frontage. The roof works also include the removal of asbestos, taking away the risk of any future works.

Unfortunately, we have heard that we have not been successful in our bid for LIS capital funding of £50k, but we have been awarded £2222. To make sure the project moves forward to completion a fixed rate loan from the Public Works Loan Board (PWLb) will have to be considered.

The Parish Council are awarded every year £7500 from the windfarm money and £24,517k has been saved and put to one side for the village hall project.

The windfarm money would be used to pay back the money borrowed which means that the precept would not have to be raised. A loan of £149,990 would be required to start. The windfarm grant has before stated that they would if required provide several years as a lump sum.

An Annuity fixed rate loan of £149,990 to repay would be (Please be aware this is based on interest rates today and could alter):

15 Years	2 payments of £5576.96	total repayment	£167,308.80
20 years	2 payments of £4383.80	total repayment	£175,352.00
New payments	2 Payments of £4846,04	total repayment	£193,841.60
25 years	2 payments of £3716.60	total repayment	£185,830.00

Bilthorpe are also due in the future to be awarded 106 money from new builds to help with the renovation, maintenance and upkeep of the hall, which can also be used to repay the loan. (Early repayments, see attached form LC2, could be frowned upon, you could however open an account for the 106 payments and arrange for the loan to be repaid through there)

Maid Marion £1384.07 per dwelling (51) 50% due when 30% occupied, balance due on 60%

Outline planning now and 3 years to submit Reserved matters, then 2 years to start

Eakring Road £117,645.95 (Village hall & heritage) Due when 50% occupied
Outline planning now and 3 years to submit Reserved matters, then 2 years to start

Noble Foods £188,233.52 (Village hall & Heritage) Not yet agreed
Started reserved matters

Having the newly renovated hall will mean that the community has somewhere to meet whether that be for local groups (Elderly and young), community events and celebrations, private celebrations, educational classes and exercise groups. At the moment the hall is not attractive, and it would create a desirable and easily accessible community “hub” to many.

If the hall was to be left, we are in danger of having to one day close the building and the cost of renovating would likely be more than it is now.

The council over the last 3 years have had year-end figures of:

2017 £63,705 (inc £15,700 of S106 playpark money)

2018 £86,440 (Inc £15,700 of S106 playpark money)

2019 £50,892 (This was lower due to £19k of VAT money due, which has now been paid)

2020 year to date budget estimates a year-end figure of **£56879**, excluding the roof money and this year’s windfarm grant.

The council should always operate with reasonable reserves to cover any unexpected costs that may occur, this could be to a building, land or property, also be aware that once the reserves are used, it can take some time to rebuild without having to increase the precept.