



EVESHAM TOWN COUNCIL



TOWN COUNCIL meeting MONDAY 16th JANUARY 2023 at 6.30 p.m. in the Council Chamber at the Town Hall

Item 7 – To discuss the 10% matchfund to part-fund major works to the Almonry

Following the submission of the Expression of Interest to the MEND Fund, the Almonry has been invited to apply for £2.6m for restoration works.

At the Extraordinary Town Council meeting in August 2022, it was agreed that the council would meet the cost of the 10% matchfund required under the terms and conditions of the fund. The matchfund amounts to £260,000.

The council is asked to confirm how this will be funded, taking into consideration the council's existing reserves.

The following documents are attached to this report:

- Details of repayments due for a loan of £160,000. Please note the repayment amounts in the columns are given as half-yearly amounts, so the value must be doubled to reflect the annual payment required.

The General Reserve as at 1st April 2022 was £395,178.

Additionally, the council's CCLA investment has a value of £122,374.60 as of 30th June 2022. There is a 90-day notice period to access these funds.

Recommendation from the Finance Committee

The Finance Committee recommends the following:

- That £100,000 be drawn from reserves.
- That a loan of £160,000 be taken out with the PWLB
- That the repayment amount is set at £12,000 per year. At current interest rates this would take 21 years to pay in full.
- The Finance Committee further recommends that, should interest rates change between now and when the loan is taken out, that the term of the loan be increased to retain the annual repayment at £12,000.

The £12,000 repayment, when added to the existing precept, will itself add 2% or 11p per month for a Band D household.

The council is asked:

- i. **To confirm the breakdown of loan and council funds that it wishes to meet the matchfund for the Almonry bid**
- ii. **To confirm the amount of the loan**
- iii. **To confirm the term of the loan**
- iv. **To confirm that repayments will require an increase in the precept**
- v. **To confirm that it will carry out the required public consultation regarding the loan**

- vi. **To confirm the council's wish to seek the approval of the Secretary of State for Levelling Up, Housing and Communities to apply for a PWLB loan of £100,000 over the borrowing term of 21 years for major refurbishment of the Almonry Museum, being a matchfund of 10% against grant funding from the MEND fund. The annual loan repayments will come to £12,000 at current rates.**

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