

Statement 2 re Public Works Loan Application

On 9th December 2021, a resolution was passed, to amend the previous resolution of March 2019 which approved the submission of a public works loan in the maximum amount of £1 million over a period of 40 years to assist in funding the proposed Community Hall and Sports Pavilion development.

Please see below for details of the resolution amendment:

402/2021-22 FINANCIAL MATTERS

The Clerk's financial report regarding the mandated public works loan to part fund the Community Hall and Sports Pavilion project was duly received and noted.

Having considered detailed financial information provided therein and in light of (a) unforeseen impacts on the national economy and currently low interest rates applicable to PWLB loans which may be at risk of increasing in the near future and (b) the opportunity to reduce the term of the mandated loan, particularly given the fact that forward financial

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planning has resulted in funding being allocated to the project in advance of securing the loan, it was:

(i)

PROPOSED BY: Councillor Coe

SECONDED BY: Councillor Rodriguez

RESOLVED UNANIMOUSLY – that resolution ref: 737/2018-19(xii)(i) be hereby amended to read as follows:

'New Romney Town Council WILL, immediately following acquisition of satisfactory planning consent relating to this project and the Conditional Contract* becoming Unconditional (or as soon as is practicable thereafter), seek the approval of the Secretary of State for Housing, Communities and Local Government to apply for a PWLB Loan of £1 million repayable over a period of 31 years for the purpose of providing a new, state of the art, Community Hall and Sports Pavilion and external refurbishment of the adjacent nursery building at Station Road Sports Field, New Romney. The annual loan repayments will be approximately £43,500.00.

(ii)

PROPOSED BY: Councillor Rivers

SECONDED BY: Councillor Rodriguez

RESOLVED UNANIMOUSLY – that resolution ref: 737/2018-19(xiii) that required the PWLB loan application to be split into 2 tranches of £500,000 and read as below:

‘RESOLVED – that the afore-mentioned loan approval application will take the form of two elements – a ‘full’ application - with full approval for 50% of the required amount being sought - to be drawn down in year one and within the relevant 12 month period – and an ‘in principle’ approval for 50% of the required amount being sought – with approval in full to then be sought and drawn down as necessary in year two, subject to requirement.’

- be hereby rescinded.

(iii)

PROPOSED BY: Councillor Mrs Rolfe

SECONDED BY: Councillor Miss Hiscock

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RESOLVED UNANIMOUSLY – that having first applied for and gained consent to borrow in accordance with the amended resolution above, the Clerk, in consultation with the Chairman of the Council, be also authorised to submit the LC1 Lending Application form to facilitate the drawing down of the PWLB loan at the appropriate time (within the limitations of the draw-down period), with the set-up fee (currently charged at 35p per £1,000) to be allocated from the Admin and Miscellaneous budget.