

Memo to the Chairman, Leisure Facility Steering Committee.

Subsequent to the meeting of 12 Feb. the following points arise :-

Finance.

As I stated at the meeting and which you probably already knew, Local Authorities do not borrow the money for their capital works from the banks but from the PWLB (or such title as it now has if changed according to current fashion) mostly for a 60 year term, it is uncertain whether parish councils would be eligible, in happier times South Norfolk could have borrowed it and repaid it at say $\frac{1}{2}\%$ administration charge on the interest, however, they are (a) probably reluctant to do it and (b) would probably be rate capped if they did, so alternative methods must be sought and it occurs to me that you may not have considered the Building Societies, they are now much less restricted in both their lending and borrowing than they were only a short time ago and there is no shortage of money awaiting borrowers, even if the loan attracted a higher rate of interest than normal it would still be cheaper than the banks, the latter also enter the mortgage market at a lower rate of interest than the straight bank loan, there are also private sources, if you went to a solicitor, the right one should be able to produce a client wishing to invest some money, none of these may produce any better solution than that which you have already looked at but I feel that every possibility should be explored before signing on the dotted line, a salient point is the security which was offered, you do not need me to tell you that an unsecured loan attracts a vastly higher rate if it can be obtained so is the new building going to be mortgaged or the loan secured on the rates by deed ?

The Social Club as a source of finance. Such things are not to my liking but I am well aware of the income generating capabilities of bars and fruit machines and if people are that attracted to them could the club not be formed now and subscriptions invited in advance to help fund the project? I have no idea what sort of annual subscription is usual but at say £10 pa, life memberships at ten years subscription for the over 50s, fifteen years under 50, five years over 65 ought to generate a significant sum, even six years subs could be taken, a ten percent response for life memberships and a seventy percent response for single subs would produce what? £25000?

A general observation. Without appearing to take a dog in a manger attitude may I draw attention to aspects raised by the comments that South Norfolk DC have wished to put leisure facilities in this area for some time and are willing to make a grant of a third toward the cost. It seems not to be generally understood that since the 1974 local government reorganisation there has been absolutely no difference in legal standing and responsibilities between rurally based District Councils and smaller City Councils like Norwich, which is why one sees so many letters in the local press from residents of Broadland DC complaining that Norwich DC have not supplied them with some facilities. Can one imagine Norwich City Council announcing that they wish to place a leisure facility in, say, Lakenham ward and are prepared to make a grant of a third provided that residents of the ward raised the rest?

Of course not, the idea is laughable, so why do South Norfolk get away with it? They have built a leisure facility in Long Stratton ward (or funded a joint user) funded and subsidised from the general rate apparently so if they think another is necessary in the Mulbarton ward why do they not just get on with it? Once opened its use will most certainly not be confined to Mulbarton residents, indeed they may be in a minority.

The Status of the present Village Hall

I am still not clear as to the exact legal status of the present building, during the meeting charitable status was mentioned, it was explained about the existence of the former Reading Room charity but this does not clarify to me the precise nature of the ownership of the present hall, I take it that the gentleman who raised the point was a trustee of the charity? Perhaps I am wrong but it seems to me that much hinges on the proportion of charity funds involved, being a foreigner I have no idea of the position but may I pose a hypothetical situation? There are trustees of the former Reading Room charity, the sale of the Reading Room financed the purchase of the present hall which therefore belongs to the charity and not to the parish council, it is now proposed to build a much larger facility and use the proceeds of the sale of the present hall to partly defray the cost, how will the interests of the charity be preserved with their capital absorbed in a larger sum with no means of extracting it? If the sale of the Reading Room raised say £10000? which financed the purchase of the present hall which is now worth £30000? the equity belongs to the charity not to the parish council. Who are the trustees of the charity? If they are the parish council ex officio it makes no difference since the affairs of the charity must be separately conducted and minuted and the parish council would don their other hats to carry on with charity business. I am probably entirely wrong but I seek to warn that you may be relying on a sum of money to which you have no legal right. (corporatively)

Covenant required on sale of hall?

It occurs to me that the best price for the hall would be obtained if planning permission for some commercial activity were obtained first but this could be a Frankensteinian monster, the friendly little craft workshop could prosper and become something quite unacceptable in that position, light industry covers a multitude of sins, probably a professional office offers the best solution, a firm of architects or similar (one such recently converted a Victorian public lavatory in London), it would seem prudent to ensure that a covenant as to use was included in the sale.

Right of Way across Proposed Car Park to Back Land

Has the route of the right of way been clearly defined in the conveyance and illustrated? Is the extent and nature of the use of the right of way clearly defined? I take it that the right of way referred to does apply to the car park frontage of the new plot, otherwise it would seem to be of no concern to the meeting or the parish council, assuming that it is across land forming part of the surrounds and car park to the leisure facility my initial questions are important, access for farm machinery was mentioned as I remember so this is a fairly wide brief, could there be for example

carting of sugar beet? Access for a combine is quite a considerable matter, tractors with ploughs and spraying equipment in situ are formidable objects, ridged rollers do the road surface no good at all, none of these activities are particularly suitable to be mixed with parked cars and pedestrians, perhaps I have got it wrong and the right of way is a separate matter but if not then the IN and OUT road layout for the proposed car park would have to be abandoned as this would automatically extend the right of way across the entire frontage, the specification would have to be reviewed, that for car parks and light traffic is half that of highways and is totally unsuitable for heavy lorries carting or heavy machinery, the increased costs for such access would amount to several thousands of pounds and, unless clearly defined and confined, could, in the provision of a safe width, knock a third off the available space for car parking. In such case it seems to me that the best course of action would be to define an access width along the boundary line and leave it unpaved and separate.

Methods of Executing the Works

There were brief hints at the possibility of carrying out parts at least of the erection via individuals skilled in the particular item of work, while there are undoubtedly numbers of such in the village nevertheless care should be exercised in embarking upon such a course, for a start it is unlikely to prove any cheaper, the rate for tradesmen "on the books" is around £3 per hour, plus insurances, oncosts, overheads and profit and the unit cost to the contractor pricing the job would be around £5.50 per hour, few labour only men today would be available at less than £6 per hour and naturally so since they have to carry the overheads themselves and make a profit, the cost of hiring plant for these individuals would certainly not be less than it would be for a contractor and possibly more and the council would be responsible under the Health and Safety at Work Act for their activities on site and there would be problems of discipline of hours of attendance so that the works could proceed smoothly and no "come back" if things went wrong, this does not apply to bona fide subcontractors working under site supervision of course but they must be proper materials and labour firms working under recognised forms of contract. I am not a great admirer of the litigious state of the building industry today but, as guardians of the public purse, it is incumbent upon the Parish Council to proceed at every stage in a manner which does not prejudice the interests of the ratepayer should things unfortunately go wrong. If a contractor employs labour only subcontractors at a price per unit of work that is his affair, he is still responsible to the client under the terms of his contract.



Mulbarton Community Centre Steering Committee

Memo to The Chairman, 12 May 86.

I enclose leaflets received from the Secretary of the Norfolk County Association of Parish and Town Councils concerning loans to local councils from the Public Works Loan Board and on the borrowing of money by local councils generally which are self explanatory, with regard to the PWLB it is obvious that the current "guesstimates" will not do, the council will have to have a properly costed scheme ready to the stage where it is ready to invite tenders so that full details of expected completion date etc can be provided.

With regard to actually getting such a loan, the position is that loan sanctions are only currently given within the overall framework of borrowing approved for the purpose for the Norfolk County Council and the amount they have at their disposal for all the parishes in the county this year is £72000, in other words the present government's restrictions on public borrowing reach all the way down to Mulbarton Community Centre, a prime example of the "nanny" state in action, a case of find out what little Johnny is doing and tell him to stop it. However, there is nothing to stop the council putting an application in if they decide on this form of finance, it will then mean awaiting the availability of funds, next year perhaps but is the government likely to allow NCC to borrow much more? On current form Mulbarton needs the entire County allocation. Of course it might be possible to kick Norfolk into putting in a larger requirement but that is for others than me.

You will see from the leaflet on Local Council Borrowing that the Parish Council must apply for permission to borrow money from any source, even a bank or private individuals and once again loan sanction is weighed against the public sector borrowing limits so the chances of being given permission to borrow privately are no greater than from the PWLB., there is however an escape route in that Village Hall Committees and the like do not need permission to borrow money, presumably because they are private organisations not councils. In these circumstances it is most important to be clear on the relative status of the Village Hall Committee and the Parish Council. I have raised this point before since it seems to me that, with the gay abandon of the manner in which the proceeds of the sale of the village hall are thrown into the pool of funds available, there might be a need for clarification of the status and ownership of the Village Hall in the minds of members. However, the principal difficulty for the Village Hall Committee would be to shew sufficient income to be able to service a loan and in this matter it might be that the Parish Council could enter into an agreement to lease the new premises for a sufficient sum to cover the loan repayments or it might be possible to make an annual grant to the Village Hall Committee of sufficient size for the purpose, in such circumstances one must be clear that the titular owners of the Community Centre would be the Trustees of the Village Hall, I rather suspect that that is the case already but that some people get mixed up with "our" hall and "our" council. It seems that the only way of borrowing money for the project, short of going on an indeterminate waiting list, is for the Village Hall Committee to do so.

To be copied

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Brewery help with the bar fittings.

I have approached Messrs Greene King, (Mr. Lerner at Hall Road, Norwich) and the position is now that the system of loans repayable at £5 per barrel sold has been abandoned, they will now make a straight loan for the fitting out of the bar and furnishing the bar lounge, repayable over ten years at a 5% true rate of interest, they will also give advice on what is required and, in some circumstances, come in and fit the bar out, they will also give access to their suppliers and sub contractors so that brewery discounts can be obtained, rough estimate of the cost of this work is £6000 for a bar/lounge as envisaged for Mulbarton. Bar must be tied to Greene King, they are available for planning/advice, seems that the bar store envisaged might have to be larger than shown and obviously if you took their money you would have to take their advice in such matters as they are in the business of selling beer.

Progress [redacted]

Some difficulty in contacting him, spoke last Sunday morning, he expects to submit a drawing in about a week, also details of fees as requested, have stressed to him the need to get to costing stage, he asks if [redacted] friend would be prepared to do a proper scheme, in such case it must be borne in mind that his name and qualifications will have to go on it for loan/grant application purposes, if only the job had been given to an architectural practice in a businesslike way we would not be involved in all this stuff [redacted] is also wondering whether to go straight in for planning permission without discussion, in practice I favour this course as otherwise you give the opening for all those endless discussions on minor matters but it must be borne in mind that we have not had his fee bid yet and I would hesitate to get in deeper and deeper without knowing whether you wish to employ him for the full process or not, in my view the first job is the consideration of fees, the recommendation to the Council on what stages to employ him on and then ahead with the application, I will ask him not to proceed beyond preparation of drawing stage until his fee bid has been considered.

[redacted]

Insurance If the council wishes to pursue decennial insurance details are available as follows:-

brochure available "Decennial Insurance: A Guide to the Norman Decennial Policy"
from [redacted]

[redacted]

[redacted]

