

LEOMINSTER TOWN COUNCIL

PUBLIC WORKS LOAN BOARD LOAN REQUEST

1. INTRODUCTION

- 1.1. As part of its budget deliberations for the 2018/19 budget Leominster Town Council considered borrowing up to £350,000 to help fund a range of projects to refurbish a number of properties and invest in two income generating projects.
- 1.2. Leominster Town Council adopted its 2018/19 budget at the Full Council meeting held on 29th January 2018. Within that budget was an allocation of £13,472 to fund a loan of £250,000 over a 25 year period. This was in addition to its two existing loans of £350,000 and £150,000 respectively. A sum of £28,372 had been allocated in the budget to pay off these two loans.
- 1.3. An application was submitted to the Herefordshire Association of Local Councils (HALC) through the normal process and a number of issues were raised by both HALC and the Ministry for Housing, Communities & Local Government.
- 1.4. At the same time a number of Member changes occurred on the Town Council, which has resulted in five new Members joining the Town Council as of September 2018.
- 1.5. Progress has continued with the investment in the holiday flat, a project which was originally going to be funded from the £250,000 loan. This project is close to completion and will now be funded from the Town Council's Capital Receipts balance. This was created through the sale of 17 West Street, Leominster.
- 1.6. Discussions have continued within the Town Council regarding the development of future projects, the size of the loan required and the timescale for repayment.
- 1.7. This report outlines the result of those discussions and sets out a number of options for the Town Council to consider at a special meeting to be held on Monday 29th October 2018.
- 1.8. Subject to the decision made at that meeting, an application may be submitted to the Public Works Loan Board for consideration.

2. THE PROJECTS

- 2.1. The following projects were originally identified by the town council:
 - Project 1 – Completion of the Holiday Flat
 - Project 2 – Development of the Secret Garden
 - Project 3 – Refurbishment of The Grange Public Conveniences

- Project 4 – Refurbishment of The Central Car Park Public Conveniences
- Project 5 – The Grange Open Space Master and Investment Plan
- Project 6 – Signage and Interpretation
- Project 7 – Investment in a Grounds Depot and Equipment

- 2.2 As indicated in the introduction the holiday flat is now close to completion and would not be eligible for funding through a Public Works Loan Board (PWLB) loan.
- 2.3 This leaves six remaining projects. The project costs were reviewed in August 2018 but further changes at the Town Council has required additional revisions to the overall costs of each project.

Development of the Secret Garden

- 2.4 The original costs allocated for this project were £40,000, as outlined in the table below:

Secret Garden, Corn Square	Estimated Cost
Creation of a concrete base	£3,500
Modular Toilet Block	£30,000
Planning permission, architect fees etc	£1,500
Camping Pod	£5,000
TOTAL	£40,000

- 2.5 Further details regarding the proposed modular toilet and shower block have been developed and an initial quotation has been sought from a local modular construction company based at Shobdon and Knighton. The requirements outlined below are the minimum required:

ITEM	DIMENSIONS	INFRASTRUCTURE
Disabled toilet and shower unit	2.4m length x 3m wide	<ul style="list-style-type: none"> • Disability compliant toilet pan and fixtures and fittings • Disability compliant sink • Disability compliant shower area with seat • Hand dryer • Baby changing
Male toilets	3.2m length x 3m wide	<ul style="list-style-type: none"> • 2 x toilet cubicles • 2 x urinals • 2 x sinks • 1 x hand dryer • Baby changing
Female toilets	2.6m length x 3m wide	<ul style="list-style-type: none"> • 2 x toilet cubicles standard • 1 x toilet cubicle ambulant

		<ul style="list-style-type: none"> • 2 x sinks • 1 x hand dryer • Baby changing
Shower room	2m length x 3m wide	<ul style="list-style-type: none"> • 2 x shower cubicles
Total dimensions	10.2m length x 3m wide	

- 2.6 The initial budget figure for the above is outlined below:
- Design and planning application submission £1,400 (not including LA fees)
 - Manufacture a 33m² building finished with timber cladding and tiled internally (walls & floors) with sanitary ware for all cubicles £41,250
 - Transport and craneage £2,800
 - Site work (completing building and seaming up modules) £1,500
 - Total: £46,950.00 + VAT
- 2.7 In addition to the toilet and shower block costs are being obtained for two camping pods large enough to accommodate 2 adults and 2 children.
- 2.8 A quotation of £1,500 to develop drawings for the Secret Garden and obtain planning permission had already been obtained and should be sufficient to cover the costs.
- 2.9 In addition to the basic infrastructure there will be costs to lay down concrete bases, connect plumbing, provide and connect electricity and to prepare the site for a mixture of Airbnb camping (tents and camping pods).
- 2.10 The project is expected to take six weeks to complete. An estimated cost of £5,000 will be included in the final figure, which covers plumbing and building works, and an electrical contractor.
- 2.11 It should be noted that this project will require planning permission, and the site will need to be certified. An initial enquiry has been submitted to the Greener Camping Club. <https://www.greenercamping.org/>
- 2.12 Costs will be updated as and when they are received.
- Refurbishment of The Grange Public Conveniences***
- 2.13 The refurbishment of the Grange public conveniences has been planned since they were formally transferred to the Town Council in 2016. From 2014 onwards the Town Council has met the costs of maintenance and cleaning.
- 2.14 As part of a much wider scheme the Grange Public Conveniences will be included in the Grange Master Plan consultation to establish exactly what their role will be in the future.
- 2.15 Therefore, at this juncture, it is suggested that the refurbishment of these toilets be deferred until the completion of the public consultation exercise. The original cost allocated for this project was £30,860.

Refurbishment of The Central Car Park Public Conveniences

- 2.16 The refurbishment of these public conveniences are a high priority. The toilets are well used and popular. They are also in dire need of refurbishment.
- 2.17 The overall investment required to refurbish the public conveniences has been estimated at £32,560. The table below identifies what investment is required.

Disabled Toilet	Estimated Cost
Realign the current partition wall, remove existing, build new wall using blocks, make good.	£2,000
Strip out and remove all old fixtures and fittings	£160
Remove all tiles from walls and floors	£160
Retile the cubicle walls and floors	£1,500
New lighting and sensor	£500
Supply and install new Wallgate Thrii Handwash	£2,000
Disability compliant toilet pan and fixtures and fittings	£650
Flush system	£300
Baby changing unit	£230
Installation of new fixtures and fittings	£1,000
TOTAL	£8,500

Ladies Toilet	Estimated Cost
Strip out and remove all old fixtures and fittings	£320
Remove all tiles from walls and floors	£480
Supply and install new cubicles	£1,500
Retile the cubicle walls and floors	£2,500
New lighting and sensor	£750
Supply and install new Wallgate Thrii Handwash	£2,000
Toilets, fixtures and fittings	£2,000
Flush system	£600
Baby changing unit	£230
Installation of new fixtures and fittings	£1,600
TOTAL	£11,980

Gents Toilet	Estimated Cost
Strip out and remove all old fixtures and fittings	£320
Remove all tiles from walls and floors	£480
Supply and install new cubicles	£1,500
Retile the cubicle walls and floors	£2,500
New lighting and sensor	£750
Supply and install new Wallgate Thrii Handwash	£2,000
Toilet, urinal, fixtures and fittings	£2,100
Flush system	£600
Baby changing unit	£230
Installation of new fixtures and fittings	£1,600
TOTAL	£12,080

TOTAL	£32,560
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- 2.18 The costs above were estimated on the basis that the works would probably take in the region of 12-14 weeks to complete. It is considered that this is still achievable but it is recommended that a contingency fund of 5% (£1,628) be allocated in case of any issues with the building, plumbing/drainage issues and other unforeseen issues.

The Grange Open Space Master and Investment Plan

- 2.19 The Grange Open Space RFQ has now been advertised and a sum of up to £10,000 has been allocated from Town Council balances to fund the consultation and development of proposals.
- 2.20 An initial sum of £60,000 had been allocated from the potential PWLB loan for the implementation of the Master Plan, mainly to renew the existing new play equipment. It is hoped that this will be supplemented with some external funding, including some S106 monies.
- 2.21 Subject to advice received from as part of the Master Plan study, Council may well use this £60,000 funding allocation to provide match funding to secure an external grant. £60,000 is the expected cost of a basic play area refurbishment. It should be noted that the Grange Master Plan now includes the additional cost of refurbishing the public conveniences, estimated to be approximately £30,860. If less than £90,860 is allocated to this project, then there will be a requirement to secure grant funding just to enable the basic refurbishment requirements to be undertaken.
- 2.22 However, at this stage it is important to focus on the refurbishment and replacement of the play equipment, which is well past its sell by date.

Signage and Interpretation

- 2.23 A sum of £9,000 has been allocated from the PWLB loan for car park signage and parish notice boards. This will provide an additional sum over and above the £32,259 applied for through the LEADER fund.
- 2.24 This project will not directly generate income but will help to support the viability and vitality of the town and its economy.

Grounds Depot & Equipment

- 2.25 A sum of £20,000 was allocated towards the development of the in-house grounds and environmental team. Funding would be used to purchase a large mower and other equipment, and invest in making the depot identified fit for purpose.

Project Cost Overview

- 2.26 The table below summarises the cost of delivering the six projects outlined above:

PROJECT EXPENDITURE	COST
Secret Garden	£56,950
Central Car Park toilet refurbishment (with 5% contingency)	£34,188
Development of Grange Open Space (including Grange Toilet refurbishment)	£90,860
Interpretation & Signage	£9,000
Depot/Equipment	£20,000
TOTAL	£210,988

2.27 It should be noted that the costs outlined above are the minimum costs needed to cover the basic work required on each of the projects.

3. THE OPTIONS

3.1 The following options have been put forward by the Budget Development Task & Finish Group for Council to consider.

Option One:

To consider applying for a Public Works Loan Board loan amounting to £125,000 over a 10 year period to fund the following projects:

- Provision of infrastructure in the Secret Garden;
- The refurbishment of the Central car park public conveniences;
- Funding towards the delivery of the Grange Open Space Master Plan;
- Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
- Investment in the depot and grounds equipment.

Option Two:

To consider applying for a Public Works Loan Board loan amounting to £150,000 over a 10 year period to fund the following projects:

- Provision of infrastructure in the Secret Garden;
- The refurbishment of the Central car park public conveniences;
- Funding towards the delivery of the Grange Open Space Master Plan;
- Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
- Investment in the depot and grounds equipment.

Option Three:

To consider applying for a Public Works Loan Board loan amounting to £200,000 over a 10 year period to fund the following projects:

- Provision of infrastructure in the Secret Garden;
- The refurbishment of the Central car park public conveniences;
- Funding towards the delivery of the Grange Open Space Master Plan, including the Grange public conveniences;
- Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
- Investment in the depot and grounds equipment.

Option Four:

To consider applying for a Public Works Loan Board loan amounting to £200,000 over a 20 year period to fund the following projects:

- Provision of infrastructure in the Secret Garden;
- The refurbishment of the Central car park public conveniences;
- Funding towards the delivery of the Grange Open Space Master Plan, including the Grange public conveniences;
- Additional signage to compliment the signage hopefully being funded via the LEADER funding application;
- Investment in the depot and grounds equipment.

The table below outlines the cost per annum of each option recommended for consideration above. Interest rates are as at 22/10/18:

OPTION	PERIOD	AMOUNT	INTEREST	COST
One	10 years	£125,000	2.16%	£13,965.68
Two	10 years	£150,000	2.16%	£16,758.82
Three	10 years	£200,000	2.16%	£21,425.12
Four	20 years	£200,000	2.61%	£12,899.70

- 3.2 As well as deciding whether the options above are suitable, Council will need to indicate which of the projects above it wishes to pursue. It should be noted that if option one or two are chosen, then the number of projects the Town Council will be able to invest in will be significantly limited.

4. PREVIOUS PUBLIC CONSULTATIONS

- 4.1 The Town Council undertook a consultation exercise on its 2018/19 budget, which was completed on Friday 17th November 2017. In total 381 people responded, which represents approximately 7% of the properties in Leominster.

- 4.2 Residents were asked if they wished to support any of the following:
- More support for Leominster’s voluntary organisations to benefit the town;
 - Investment in the town environment through initiatives;
 - Promotion of the town through initiatives;
 - Additional Civic Events for 2018/19;
 - Don’t spend any more.

- 4.3 Residents were informed that in 2018/19 additional services were going to be transferred to the Town Council from Herefordshire Council due to reducing budgets at County level. Initial projections suggest that this will cost households in Leominster around an extra 20 pence per week. The following results were received:

	Responses	Percentage
Support voluntary organisations	85	22.3%
Improving the Town environment	216	56.7%
Promotion of Leominster	32	8.4%
Additional Civic Events	23	6.0%

No further spending	25	6.6%
	381	100.0%

4.5 Councillors Marsh, Thomas, Egan, Rosser, Norman and Bartlett were involved in the consultation events held on the Friday Market over a three-week period. They took part in active canvassing and explained the purpose of the consultation as well as providing additional information on the various projects.

4.6 The majority of residents that responded supported an improvement in the environs of the town. The following projects were suggested:

- New litter bins in the town centre;
- Additional street cleaning;
- Verge cutting instead of Herefordshire Council;
- Improving open spaces;
- Upgrading play areas.

4.7 The picture below indicates the final results following the three consultation events that took place on the Market:



4.8 The images below were taken on Friday 17th November at the first public consultation event.





4.9 In order to achieve the greatest level of engagement the Council decided to use a token based consultation method, similar to that utilised by Tesco when identifying favourite local projects. It was a greater success than previous consultations, with 381 tokens being posted. The box was available for people to vote during Town Council office hours, consultation was promoted via leaflets in the Town Council Office and the TIC, Full details of the consultation and budget options were posted on the LTC website and in the Leominster News. People could also register their response via a survey on the website, for those who could not make it into the office in person.

4.10 The Council also undertook a consultation in 2015 when it became obvious that Herefordshire Council would continue to transfer service responsibility to town and parish councils. The alternative was the potential loss of these services. The following results were obtained. There were 144 respondents in total:

Priority	Question	% Support
1	Maintenance of toilets within the town at Grange, Central, Westbury St and Broad St	89.58%
2	Continuation of Community Centre grant	88.19%
3=	Continue funding maintenance of the Grange, Sydonia, Ginhall Green and Priory Gardens	79.86%
3=	Development of the Market in Corn Square	79.86%
5	Support the continuation of the TIC grant	78.47%
6	Complimentary Street cleaning service in the centre of town	75.00%
7	Support of civic events and festivals in the town	61.11%
8	Upgrade of toilets in Q2	59.72%
9	Support continuation of CCTV provision	59.03%
10	Support a proactive role in Leominster in Bloom	48.61%
11	Support Christmas Lights provision	47.92%

4.11 Using the 2015 results, the Town Council has continued to develop its investment plans for the public toilets, as well as supporting local organisations. With the breakdown in negotiations regarding Westbury Street public conveniences, the Town Council will now concentrate on its two existing facilities.

- 4.12 Once again, in 2015 there was significant support for the Town Council to invest in the environment of the town.
- 4.13 Research from the Mapping Leominster's Youth project indicated that play areas and sports/leisure facilities are a priority for young people in Leominster. 149 young people (the majority aged 8-18 years) completed our online questionnaire and a further 50 young people took part in focus groups for the project. When asked 'If you had £1000 to spend on something for young people in Leominster, what would you buy?' the most popular survey answers were 'Sports and Active Leisure Facilities' (19.83% of respondents) and 'Parks/Play Areas' (16.53%). When asked how they would spend £50,000, 28.57% said that they would invest in 'Sports and Active Leisure Facilities' (most popular answer by a significant margin) and 11.76% said that they would invest in 'Parks/Play Areas' (3rd most popular answer). Sports/leisure facilities also emerged as a key issue in focus group discussions, across a wide range of age groups.
- 4.14 It is worth noting that 1 in 4 young people (0-18 years) in Leominster live in income deprived households (data from 2015 Indices of Multiple Deprivation). Given the high levels of economic deprivation, it becomes all the more crucial to provide high quality sports/leisure facilities that families and young people can enjoy free of charge.

5. CONCLUSION

- 5.1 This report will be considered by the Full Council at its meeting to be held on 29th October 2018. Subject to the decision reached, the budget for 2019/20 will be formally set and considered by Full Council at its meeting on Monday 26th November 2018.
- 5.2 Prior to finalising the 2019/20 budget a full public consultation will be held. Consultation events will be held on the Friday Market between 10am and 12 noon on Friday 2nd, 9th and 16th November 2018.
- 5.3 In addition to these events the consultation will be publicised on the Town Council's website, through social media and via press releases.
- 5.4 An article has already been published in the Hereford Times <https://www.herefordtimes.com/news/16977509.leominster-taxpayers-face-council-tax-rise/> and at the time of publication of this report it had received 13 comments.