

## **ALCESTER TOWN COUNCIL**

### **PWLB LOAN APPLICATION**

#### **FREQUENTLY ASKED QUESTIONS**

Alcester Town Council is consulting residents on a proposal to take out a loan of £100,000 from the Public Works Loan Board to pay for a new heating and ventilation system for the Greig Hall.

Comments on the proposal should be sent to the Town Clerk on [clerk@alcester-tc.gov.uk](mailto:clerk@alcester-tc.gov.uk) by 25<sup>th</sup> January 2022.

#### **Who owns the Greig Hall?**

Alcester Town Council has a 125-year lease of the Greig Hall.

#### **What building work is required to open the Greig Hall?**

The Greig Hall has been closed for 11 years. We have a programme of significant works to enable the building to be reopened.

These works include:

- Repairs to the roof and replacement of sections damaged by vandalism
- Rewiring of the building
- New lighting throughout the building
- Insulation to all external walls
- New heating system
- Replacement of toilets
- Ventilation for kitchen and toilets
- Replacement of doors where required
- Window repairs and replacement where required
- Painting and decoration

#### **What other jobs need to be completed?**

There are a large number of other issues to be completed before the Hall can reopen.

These include:

- Wifi
- Fire alarm
- Burglar alarm
- Security fencing
- CCTV
- Curtain cleaning and replacement where necessary
- Audio equipment
- Stage lighting
- Bar equipment
- Hearing loop

### **What is the budget for all work required?**

When the Town Council took on the lease of the Greig Hall, the surveyor's report supplied indicated costs of £750,000 to upgrade the Hall.

The Town Council took the decision that this was unaffordable in the short term.

It was agreed that the priority was to get the Hall open in a safe and watertight condition and that a full renovation would follow when funds allowed.

The surveyor's report was split into "essential" and "non-essential" work.

The revised budget for essential work is circa £350,000.

### **How much money has been raised so far?**

The Town Council has secured grants and donations of almost £250,000.

The most significant elements of this are as follows:

- £100,000 donation from Friends of the Greig Hall
- £36,660 donation from Church Street Property Trust
- £20,800 section 106 income from Allimore Lane housing development
- £50,000 CIL funding from Stratford District Council
- £10,000 contribution from Alcester Town Council reserves
- £25,000 grant from WCC Green Shoots grant

There are also a number of other smaller donations ranging from £100 to £1300.

### **What other grants have been applied for?**

The Town Clerk applies for all grants when suitable and as they become available.

In view of the Covid pandemic, many grant sources have cut back on funds available for non-Covid related activity.

There are a number of pending small grant applications on which we are awaiting a decision.

### **The Greig Hall has failed in the past, what makes you think it will be successful this time?**

Prior to progressing the lease for the Greig Hall, extensive research was carried out on the type of activities that produce thriving, self-sufficient Entertainment, Arts and Community Venues.

At the same time, we closely studied how successful venues of a similar size to the Greig Hall are managed. We are adopting all the best practices in use at these venues and are in close collaboration with the Civic in Stourport which went through a similar 'rebirth' as the Greig Hall. This collaboration has been extremely valuable in developing the structure for the future for the Greig Hall's organisation and we hope to be able to cooperate with the Civic in putting together a programme of entertainment acts, performing arts and other community activities in the future.

### **Will the Town Council be running the Greig Hall when it reopens?**

The Greig Hall will be under the stewardship of the Town Council through the Greig Working Group, (consisting of members of the community, Town Councillors and 'Friends of the Greig'), who will oversee the first development phase and the formative months of the Greig Hall reopening.

It is expected that within a suitable period the day-to-day management and operation will be handed over to the Trustees of the Greig Hall Charitable Incorporated Organisation. This CIO is a charity and recently been formed for this purpose. The CIO has been created as an Association model which allows members of the community to become members of the charity rather than leaving complete control in the hands of a small number of trustees.

### **The outside appearance of the Greig Hall is dishevelled. How will you fix that without more funds being available?**

We have a small army of volunteers that have committed to supporting the Greig Hall in any way they can. The cost of improving the appearance of the exterior around the Hall is mostly labour intensive and will be substantially met by the active participation of the volunteers. If there are others out there that would like to join this merry group, please contact the Town Clerk. Any material costs are included in the 'jobs to be completed' programme.

### **Why does the Town Council need a loan to pay for the heating system?**

The Town Council is obliged to keep general reserves of £150,000 (equal to half of the precept). It is anticipated that the Town Council's reserves will be at this level at the end of this financial year. There are therefore no additional funds available to pay for the heating system.

As the funds are being raised by way of a loan, existing services provided by Alcester Town Council will be unaffected.

### **How can I be sure this loan will be exclusive to installing a new heating system?**

Justification for the loan has to be submitted and approved by the Secretary of State and expenditure will be independently audited.

### **Can the Hall be opened without a heating system?**

Anyone who attended the Greig Hall Christmas Fayre on 4<sup>th</sup> December 2021 will know that the Hall was very cold despite some temporary heaters being used. Although it might be possible to run events in high summer without heating, the UK climate is such that a modern heating system is essential for a 21<sup>st</sup> century facility.

### **What happened to the old heating system?**

The old gas fired central heating system was condemned and had been removed.

### **What sort of heating system is proposed?**

In view of the costs involved, the Town Council will need to go out to national tender for the new heating system.

Three options are being explored:

- Gas fired central heating system

- Air sourced heat pump and ventilation system
- A combination of the above.

The preference is to find a “green” solution provided that it is viable for the Hall.

### **What are the terms of the proposed loan?**

Town and parish councils are allowed to borrow from the Public Works Loan Board at a favourable rate of interest.

The proposal is to borrow £100,000 over a term of 10 years. The loan will be on a fixed rate annuity basis. Currently (14/12/21) the interest rate is 1.52%.

The repayments would be circa £11,000 per annum each year for the 10 year term.

### **Does the Town Council have any other loans?**

The Town Council has two outstanding loans:

- £46,045 as at 1/4/21 on a loan taken out to support the Greig Hall in 2008. This loan expires in April 2025.
- £21,022 as at 1/4/21 on a loan taken out to purchase the land at Stratford Road in 2009. This loan expires in April 2029.

### **How will the loan payments be funded?**

The loan payments will be paid out of the precept which is the sum of money that Alcester Town Council request each year from Stratford District Council to cover its running costs and is collected via the council tax.

The precept request for 2022-23 has been set at £306,536. This includes the additional £11,000 for the new loan. This compares to the precept in 2021-22 of £286,277.

Residents will be only too aware that all costs are rising at the moment and inflation is currently at about 5%. This has a direct impact on all Town Council costs and as a result requires the precept to be increased. The Town Clerk has sought to reduce overheads this year wherever possible in an attempt to minimise the impact on Council taxpayers.

The impact on a Band D Council taxpayer of this year’s precept will be an increase in the Town Council element of the Council Tax from £134.36 per annum to £137.60 per annum. (£3.24 per annum).

It is the intention that once the Greig Hall CIO is operating the Hall and is in profit, reimbursement of future loan payments may be agreed with the CIO to avoid the loan payments falling on Council taxpayers for any longer than necessary.

### **When will the Greig Hall be open?**

If Alcester Town Council is successful in seeking approval for the loan the plan is to open the Greig Hall as early as possible after Spring this year.

January 2022

Vanessa Lowe, Town Clerk

