

HATHERLEIGH TOWN COUNCIL
MINUTES OF MEETING HELD TUESDAY 8TH AUGUST 2023
7PM IN THE COMMUNITY CENTRE

Present: Cllr. Reddaway in the chair, Cllrs. Lewis, Laycock. Alford, Burrow, Laing-Trengove, Walters, Dist. Cllr. Wakeham, the Clerk, four members of the public

Apologies: Cllrs. Entwistle, Southwick, Dist. Cllr .Kimber

Declarations of interest None

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..PUBLIC SESSION

- a) Mr.C.Westlake spoke on planning app no 2345/23/FUL
b) Mr. J, Harrison spoke on planning app no. 2345/23/FUL
c) Mr.J,.Palmer spoke on planning app no. 2345/23/FUL
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PLANNING MATTERS

109. Applications to consider:-

- a) 1683/23/FUL Matthews land at Sx 521 105 2 poly tunnels/tool shed
Council had no objections
- b) 1234/23/FUL Thompson Upham Downham dwelling/retention of
Farm converted barn
Council objected for reasons of
a) access
b) over development of site
c) inappropriate scale
d) proximity to livestock sheds
& other working farm buildings
- c) 2213/23/FUL Hall Riverside replacement garage & store
Council had no objections

110. Approvals

- a) 2267/23/TEX Shaw 3 Pearse Close tree works

111.Refusals none advised

112. Any other planning matters:-

- a) 0529/22/FUL Bailey new d/h Lower Longwood
appeal dismissed

HATHERLEIGH MARKET

113. Cllr. Burrow reported as follows

a) Lease/finance agreements, construction agreements from Kingswood

as of 8.8.23 we have not yet received the new lease and finance agreements from Kingswood Homes.

b) Negotiated extras from Kingswood Homes – update – after discussions at the last working group - it was felt the following additional specification improvements should be considered :-

- 3 toilets (1 female, 1 male, 1 disabled) (£4,750 x 3 = £14,250)
- 10 E.V charging points in the car park (£19,000)
- Suitable number of infrared heating appliances around the internal perimeter of the building (£10,500 for 8x)
- Post and rail fencing around the paved market square with a suitable number of exterior power points fixed in the post and rail fencing (£16,200 for the fencing - need to know exact number of power points to provide price as it will involve extending mains)
- 4-6 litter bins – (£635.00 per bin)

c) Funding for £10k finance down payment

- There are 1,432 electors in Hatherleigh – we can borrow up to £5 per elector before we then need to seek permission from the Sec. of State for DULCH.
- Debbie Kimber proposing £10k payment upfront for the rent – so TC have the money for the finance deposit (but its not a loan) ; or
- Debbie Kimber puts £10k into the Friends of Hatherleigh Market bank account and the deposit is paid from there (if this is legally permissible) (and repaid to her out of the revenue from the market) ; or
- Alternative option – 3 Hatherleigh Residents have come forward with offers of financial support towards funding the £10k finance down payment. An option would be to split the £10k cost 3 ways (each paying £3,333) with a memorandum of understanding stating this money would be repaid to them (interest free) out of the future revenue from the market.
- Cllr. Burrow made clear the risks of this – if the project flounders and the market is not viable and the break clause is used and the keys are handed back, the finance deposit money is not repayable by the developer and those coming forward with finance money deposit, would lose this money.

d) Funding for legal fees (I.R.O £17,000)

- Moor Management, Hatherleigh Town Council, DR/Resonance
- Friends of Hatherleigh Market Funds (circa £3,200)
- **support available from DR (Diverse Regeneration) Resonance funding**
- from a repayable investment (loan) from Resonance which is an organisation that supports community initiatives
- We could apply for Stage A funding from their Community Land & Finance CiC
- Repayable investment of up to £10,000 to help the project get the fundamental requirements in place in order to move onto the Resonance investment panel for a decision on a more sizeable investment
- The “fundamental requirements” can be wide ranging but generally cover formation of a Community Benefit Society, adoption of model rules, setting up a bank account etc. along with a community management plan and assistance if required to deliver the actions along with a community share offer.
- Once these steps and conditions are met then we could proceed to further rounds of more significant loan investment.
- The DR work with Resonance in the role of Community Co-ordinator and comes as part of the Stage A funding package
- This is generally in the form of up to three days support initially and our fee is payable from the Stage A award funding award
- The DR can provide support with governance review, management strategy, bid writing for other funds, consultation, running events etc.
- Resonance are open to approach from all groups and projects where a community owned asset is the goal
- Their advisor also made me aware of the Community Shares Booster Fund – more information available on their website

e) Expression of interest – community ownership fund

– Chris Shears to be tasked with submitting this

f) Business Case Scrutiny (BIP Business Information Point (Neil Jory)
Cllr Burrow Has emailed Cllr. Neil Jory (who has agreed to be part of the working group) to ask BIP to support with scrutinising the business case, provided him with a copy of the Heads of Terms document so he can understand the new deal on the table, and asked for his advice on ownership structure – e.g. Hatherleigh Town Council ownership vc CIG ownership.

g) Ownership structure

• the following was emailed to Neil Jory by Cllr. Burrow

“We are still considering whether the new market would be best owned

•by Hatherleigh Town Council or by a community interest group (CIG) We would very much appreciate advice from you/BIP on this so we can properly discuss it at the next working group meeting. My current understanding is that if we went down the CIG route it might allow us to be more agile (be bound by less red-tape than the town council ownership route)

A CIG would also allow us to explore doing a community share offering which would be very helpful in our overall fundraising efforts.

From my brief research into this I understand that CIC/CIGs can take lot of different forms

I understand if we go down the CIC route, we would need to find and appoint suitable directors

I am also keen to understand what the legal and financial liabilities of those directors would be and what kind of directorial candidates we should be looking for.”

h) Revenue Generation / Market operator

•**Option 1 Hatherleigh Market Ltd leases the whole site for a fixed monthly amount and then takes the revenue from events run at the site (excluding car parking)**

Hatherleigh Market Ltd. Rents the site for 7 days a week for a fixed amount per month – and then organises a programme of revenue operating events on the site pays HTC/CIC rent and then keeps the rest of the revenue. HTC/CIC would get the parking revenue.

•**Option 2 Hatherleigh Market Ltd is appointed as a site manager, subcontractor and manages the diary of events. HTC/CIC get all the revenue and Hatherleigh Market Ltd. invoices HTC/CIC for managing the site (with OTE?)**

Debbie Kimber (on a self-employed basis) manages the site for HTC /CIC runs the Tuesday market herself, and then manages the diary for other events during the week and HTC/CIC would get all the revenue for the events. Debbie Kimber would invoice HTC/CIC for managing the programme of events.

l) Awareness raising/public consultation – discussions around planning the public consultation/awareness raising.

j) Car park – business rates – the Clerk has flagged up that based on other communications business rates would be payable on the market carpark. This has been raised with Chris Shears, requesting advice on what rates

would be payable on the whole site of market building (including fur and feathers) the paved market square and the car park. Also asked if there would be any rate relief schemes that may be applicable to us.

j) Other points:-

- £1million valuation – Cllr. Burrow sought clarification from Paul Jones (Director of Kingswood Homes) asking for their justification of the £1m valuation of the new market site:

“Can you come back to us with the cost / valuation breakdown illustrating how you arrived at this valuation for the site.”

Response from Paul Jones: *“The cost of the car park and the market building has cost in excess of £1.3million when looking at the value of the building as an alternative use it would be valued at close to £1.5million- we believe the figure of £1million plus the enhancements at £100k is fair and reasonable”*

- Andy Lane : to undertake a “Red Book” valuation of the site likely to cost in the region of £500-£800.

- Cllr Burrow. sought written confirmation from Paul Jones on what we would end up paying if we were able to buy the site from Kingswood Homes in the first five years:

*““call option to buy” in the lease – you indicated in your email response to Ben Bailey (this is fine, you would need to pay for the figure based at year 5 as the first 5 years is just covering the costs of the works)
Just so we understand this correctly – if we were using the call option to buy out the lease within the first 5 years the total price payable would be £1,110,000?”*

- Response from Paul Jones “yes this is correct”

Following this long and detailed report from Cllr.Burrow for which councillors expressed their gratitude - a debate took place on many of the points raised and it was resolved:

a) Following the up to date financial position supplied by the clerk that the balance held in the reserve account of £5,682.99 (set aside some years ago for a potential Road Traffic order) now be put towards cost of obtaining a valuation fee in order to start the project, and could also be used towards legal fees.

b) that a new bank account be set up “Hatherleigh Market” with possibly the Chair of the Council and Chair of the working group as signatories.

c) an open presentation/ public consultation day be arranged as soon as we had something concrete to report.

114. Date of next meeting September 12th 7pm

There being no further business, the Chairman thanked those present for their attendance and closed the meeting at 8.20pm

Signed.....chair.....dated