

HATHERLEIGH MARKET

146. Cllr. Burrow gave the following updates

a) MARKET DELIVERY TIMESCALE – Kingswood Homes plan to complete the remaining commercial shop units and finish the market site (in whatever form) with or without the additional fit out/sides) by April 2024 - this now gives us some certainty around when the market will be ready

b) LEAD TIME FOR ORDERING GLASS – Paul Jones had confirmed that there is an 8-week lead time on ordering the glass for the sides of the building and that they need HTC to make a decision about whether or not we wish to go ahead with ordering the glass by the end of November 2023. Effectively they are asking HTC to make a decision about whether to underwrite the costs of the additional fit out by the end of November. If no decision can be made by HTC in November then the building will be delivered without the additional fit out, alternatively the original lease deal offered to Debbie Kimber can still go ahead and she underwrites the costs of the fit out as originally planned

c) COSTINGS FOR ADDITIONAL CHANGES TO FIT OUT SPEC

- **£4,795 per additional WC**
- **£5,750 external 32amp socket ring to car park needs to be installed prior to commencement of external works**
- **£75 per l/m - supply and lay cable ducting for EV charging points**
- **£3,000 total estimated ducting costs for infrastructure for 5 EV charging point spaces**
- **£5,000 total estimated ducting costs for infrastructure for 10 x EV charging point spaces**

- Adding a total of between £13,545 - £15,545 to the existing £110,000 additional fit out cost if we want the above extras
- Taking the total additional fit out costs to circa £125,545

d) EXPECTED UPFRONT COSTS

- Finance down payment (for additional fit out) £10,000
- Professional fees for legal work £10,355 + vat
- Professional fees stamp duty land tax advice £1,500 + vat
- Professional fees valuation of market £4,950 + vat
- Stamp duty land tax £45,000

Based on initial discussions with Westcotts it would appear that the lease transaction will incur a stamp duty land tax liability of circa £45,000 higher than the circa £6,000 originally indicated in the original expected upfront cost document. This stamp duty will be payable in one go on signing (completing the lease)

Total upfront expected costs for securing the market site for the next 5 years = £190,711

£65,166 of seed capital required for professional fees and stamp duty to get the project started

d) OPTIOS FOR HOW £65k COSTS COULD BE FINANCED

- WDBC funding – Cllr. Jory has been able to earmark £10k of grant funding towards the scheme and is investigating if other funds might be available from Sec.106 planning money
- Local Community Investment – we hold public meetings to explain the vision of the project, why we feel it is important to act and see if there is an appetite for local investment in the project
- Spoken with the Plunkett Foundation (charity set up to support community enterprises such as this) they have recommended if we go down this route we adopt

a democratic 1 member 1 vote no matter how much they invest

- **KWH finance – opened up dialogue with Paul Jones who has confirmed they would be prepared to finance the £65k expected upfront costs. We have an offer of bridging finance (of up to £75k at 11% for 5 years) from Kingswood Homes to give us breathing room to secure alternative financing for our pre-start costs (allowing us to explore financing from Public Works Board Loan, further grant funding or community investment – or a mixture of all 3)**

e) PUBLIC STATEMENT REGARDING THE MARKET read out draft public statement explaining that HTC are currently in negotiations with Kingswood Homes to lease and that a working group had been created to support with this. The draft statement was approved with no amendments and Cllr. Burrow was tasked with publishing it on the council website.

EXCLUSION OF PUBLIC AND PRESS

The Chair moved that in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press with the exception of Cllr. Neil Jory of West Devon Borough Council be excluded from the meeting during consideration of the Hatherleigh market financial forecasts in order to avoid the likely disclosure to them of exempt information as defined in para.3 of part 1 of Schedule 12A of the Act

All agreed to moving into Part 2