

Full Council

Date:	26 February 2019
Title:	Thame Town Cricket Club – Loan for Cricket Nets
Contact Officer:	Graham Hunt, Town Clerk

Purpose of the Report

1. The purpose of this report is to enable a decision on whether to provide the opportunity of a community loan to Thame Town Cricket Club to assist with installation of new Cricket Nets.

Background

2. The Thame Town Cricket Club Pavilion re-build project has necessitated the relocation of the cricket nets. The re-provisioning of the cricket nets has always been outside of the re-build project, to be funded separately by Thame Town Cricket Club, for full reinstatement in advance of the 2019 cricket season.
3. Thame Town Cricket Club have so far raised around £25k towards the total cost of £60k and are continuing their efforts to secure further funds.
4. The hope is that they secure full funding, but in the event of that not being possible in the timescales, the Club have asked if Thame Town Council can lend funds, if necessary.
5. Any loan would be subject to the Town Council's Loan Policy and Investment Strategy.
6. Thame Town Cricket Club already have an interest free £40k loan (approx. £30.5k outstanding) from the Town Council to cover part of their contribution to the Cricket Pavilion re-build funding.

Proposal

7. That the Town Council provides an unsecured loan facility of up to £35k to Thame Town Cricket Club, repayable over 10 years, at an annual interest rate of the Public Works Loan Board (PWLB) five year equal instalment payment (EIP) fixed rate plus a premium of 0.5%. At 20/2/19 that would equate to 2.26%. That interest rate to be updated annually, one month in advance of the anniversary of the loan.
8. That in the event of Thame Town Cricket Club taking up the loan, or any portion of it, that the Town Clerk will prepare the relevant Loan Agreement / Repayment Schedule in line with other current loans to the Cricket and Rugby Clubs.

Resource Appraisal

9. The funds would be provided from the Capital Receipts Reserve as managed by Rathbones – with the opportunity of growth/loss and income being replaced by a guaranteed interest return.
10. The amount is within the overall Loan Book limit.

Risk Assessment

11. There is always a risk in any loan, but that is managed through the Loan Policy, Investment Strategy and Loan Agreement.

Legal Powers

12. General Power of Competence, Localism Act 2011.

Report Author: Graham Hunt, Town Clerk

Recommendation

The Council is recommended:

- i) To resolve that a community loan facility of up to £35k is made available to Thame Town Cricket Club, subject to the detail in this supporting report.***