

	AGENDA ITEM NO.
Report Cover Sheet	
Name of Meeting:	Executive
Date of Meeting:	25 th March 2008
Report Title:	Rural Initiatives Grants
Summary of report:	The Executive considers applications for Rural Initiatives Grants in the light of the criteria and budgetary implications.
For further information please contact (report author);	Roger Wyton, Principal Accountant (01926 456808 roger.wyton@warwickdc.gov.uk)
Business Unit:	Finance
Would the recommended decision be contrary to the policy framework:	No
Would the recommended decision be contrary to the budgetary framework:	No
Wards of the District directly affected by this decision:	Barford, Sherbourne, Wasperton, Hatton and Norton Lindsey
Key Decision?	No
Included within the Forward Plan?	No
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No
Date and name of meeting when issue was last considered and relevant minute number:	N/A
Background Papers:	Rural Initiatives Scheme details as amended in April 2007 Rural Initiatives Scheme Applications file no. 105 onwards. Correspondence with the Applicants.

Consultation Undertaken		
Below is a table of the Council's regular consultees. However not all have to be consulted on every matter and if there was no obligation to consult with a specific consultee they will be marked as n/a.		
Consultees	Yes/ No	Who
Other Committees	N/A	
Ward Councillors	N/A	
Portfolio Holders	Yes	Customer and Community Services – Felicity Bunker
Other Councillors	N/A	
Warwick District Council recognised Trades Unions	N/A	
Other Warwick District Council Service Areas	N/A	
Project partners	N/A	
Parish/Town Council	N/A	
Highways Authority	N/A	
Residents	N/A	
Citizens Panel	N/A	
Other consultees	N/A	
Officer Approval		
With regard to officer approval all reports must be approved by the report authors relevant director, Finance Services and Legal Services.		
Officer Approval	Date	Name
Relevant Director(s)	22/02/2008	Mary Hawkins
Chief Executive		
CMT	28/02/2008	
Section 151 Officer	22/02/2008	Mary Hawkins
Legal		Simon Best

Finance		None – report from Finance
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. RECOMMENDATION(S)

- 1.1 That the Executive considers for approval the requests for grants under the Council's Rural Initiatives Scheme as shown in paragraph 6 and Appendix 1.
- 1.2 That the Executive approves bringing forward £11,000 to 2007/08 from the 2008/09 Rural Initiatives Grants budget in order to provide adequate funds for the grants in this report.

2. REASON(S) FOR THE RECOMMENDATION(S)

- 2.1 To provide funding to help the schemes progress.

3. ALTERNATIVE OPTION(S) CONSIDERED

- 3.1 The Council has only a specific capital budget to provide grants of this nature and therefore there are no alternatives if the Council is to provide funding for Rural Initiatives.
- 3.2 Members may choose not to approve the grant funding, or to vary the amount awarded.

4. BUDGETARY FRAMEWORK

- 4.1 The Council has a £80,000 budget for Rural Initiatives grants approved for 2007-2008, supplemented by a further £1,887 unallocated at the end of 2006 - 2007. Approval, in full, of the applications described in paragraph 6 and further outlined in Appendix 2 would cost £40,189 which would overdraw the 2007/08 budget by £10,916. The Council recently approved a budget of £100,000 for Rural Initiatives grants in 2008/09 and it is recommended that £11,000 of this budget is brought forward to 2007/08 in order to provide funding for the current applications should they be approved.

5. POLICY FRAMEWORK

- 5.1 The assistance provided to applicants under this scheme will contribute to the Council's Objective of targeting resources to the areas of greatest need.
- 5.2 The appendix attached to this report details how the scheme contributes to the Council's Corporate Objectives (2004-2007).

6. APPLICATIONS RECEIVED

6.1 Barford Village Community Shop

The Executive has received two previous applications in respect of re-establishing a village shop in Barford and has approved a total grant of £35,649. Since the last application in June 2007, the costs of the project have increased by £68,000 from £203,000 to £271,000 whilst funding actually in hand or promised has remained relatively static and currently stands at £167,000 leading to a funding gap of £104,000. The principal causes of the increased expenditure are a) electrical supply £3,500 b) increased professional and other fees £13,200 c) increased building costs £21,300 d) construction of a Post Office giro room, counter etc. £16,000 e) new children's climbing frame and safety mat, kitchenette, tables and

chairs etc for Internet Café / Community Area £8,600 and f) increased stock £5,000.

Part of the increased professional fees relates to legal fees incurred in negotiating a lease with the Joint Parish Council to enable building on land adjacent to the village hall which is required as a result of the enlargement of the building from 700 sq.ft to 1,000 sq.ft.

With regard to the increased building costs, 3 tenders were received and the contract has been awarded to the lowest priced builder but over the last year since the June 07 application, construction costs have increased thus the tender accepted exceeded the original estimate. It was assumed that the Post Office facilities would be included in the budget allocated for the main building. However, the current Post Office facility has been very successful in increasing turnover so a larger facility than previously anticipated is now required. In addition, the Post Office has specified that its own preferred sub contractor must be used to build the facility, both of these factors have led to increased costs which have been partially met by an additional £5,000 contribution from the Joint Parish Council.

The Internet Café / Community Area specification has increased as a new children's climbing frame is being provided which was not in the original specification and there will be disabled access for the first time to the green from Church Street. In addition, the Joint Parish Council has requested that wrought iron fencing rather than the original plain wooden fencing be used as it is more in keeping with the area.

To enable a start on the project it has been split into 2 phases. Phase 1 to create a watertight shell is due to commence on 25th February 2008 and will be funded from the funds raised thus far. It is hoped to then follow on with the completion works (phase 2) so that the shop can open in summer 2008. The extent of progress on this phase will be dependent on how successful fund raising efforts are in attracting the remaining £104,000. As well as the current application for additional Rural Initiatives grant, applications are in hand to Enterprising Access to Services, Barford in Need Trust and Barford Community Charity from which it is fairly certain a further £34,000 will be raised. This will then leave a funding gap of £70,000. The group are optimistic that further donations and/or loans may be forthcoming from villagers but cannot be certain of the total amount at this point in time although £35,000 is hoped for. Depending on the level of loans or donations actually pledged this would leave as a minimum an unfunded gap of £35,000 and it is therefore recommended that the Executive considers awarding a further grant of £35,000 which make a total of £70,649 in all.

6.2 Hatton Village Hall

Hatton Village Hall Committee is seeking a Rural Initiatives grant towards the replacement of the failing gas boiler in the village hall. The boiler provides all the heating in the building and is becoming very unreliable and expensive to maintain. The Village Hall committee has requested a grant of £500 from the Parish Council and is contributing £2,401 from its own resources leaving £3,000 to be funded by this application. For information, the Village Hall received a Rural Initiatives grant of £2,075 in July 2007 towards the replacement of the floor in the George Lyons room and as at 31st December 2006 had some £90,000 in reserves, although the 2007 accounts are still in preparation the position at 31st December 2007 is not expected to change significantly. However these reserves are being held as a

sinking fund to cover the costs of any future substantial expenditure needed on the fabric of the building. The reserves also provide an investment income which contributes to financing the day to day running costs of the hall.

It is recommended that the Executive considers awarding a grant of £3,000 which equates to 51% of the total project cost including VAT.

6.3 Wasperton Village Hall

The Wasperton Village Hall treasurer has made an application for a grant towards further replacement windows and redecorations following installation of a damp course in the Village Hall. The application is for 75% of the estimated costs of £2,252 which is in excess of the 50% maximum normally granted. The treasurer is requesting the increased grant due to the poor state of the hall's finances. The hall was last renovated over 20 years ago and during the last 4 years over £5,000 has been spent on a rolling programme of targeted repairs which has included some replacement windows, repair of crumbling chimney stacks and installation of a damp proof course. However, the Village Hall's resources and means of raising income have been very limited despite strenuous fund raising efforts to the extent that at 31st December 2007 it only had available resources of just under £2,000 which is insufficient to meet the cost of the currently proposed repairs and provide a reasonable safety margin against unforeseen expenditure. It is considered essential to undertake the proposed repairs as soon as possible in order to ensure that the Village Hall remains weather proof and efficient to heat. A small committee is to be formed shortly which will put the hall's finances on a much sounder footing with regard to pricing hire charges, fund raising and establishing a maintenance fund.

In view of the hall's financial circumstances, It is recommended that the Executive considers awarding a grant of £1,689 which equates to 75% of the total project cost including VAT.

6.4 Norton Lindsey Parish Council

Norton Lindsey Parish Council has recently taken responsibility for the hamlet of Lower Norton and is about to enter into a dialogue with the hamlet's residents to provide them with the ability to communicate with the Parish Council and vice versa. The Parish Council is therefore proposing to erect a notice board in Lower Norton to ensure that the residents are informed of the Parish Council's activities and its interactions with the district and county councils and is requesting a Rural Initiatives grant to help defray the cost.

At the end of March 2007 the Parish Council had financial reserves amounting to £66,706 and it can be seen in appendix 1C that the Parish Council reserves increased considerably during 2005/06. This was due to a sum of £54,500 received from the County Council resulting from the disposal of land used for waste disposal. This sum is subject to a condition that it should be used on capital expenditure and so has been earmarked to provide a) the Parish Council contribution towards the installation of a new children's playground in Norton Lindsey. It should be mentioned here that the Play Group in charge of this project has itself received a Rural Initiatives grant towards the project and b) the enlargement of the Village Hall. Both of these items are considered essential due to the increased population within the village.

The total cost is estimated to be £1,000 and it is recommended that the Executive considers awarding a grant of £500 which equates to 50% of the total project cost excluding VAT.