

LEADER PORTFOLIO HOLDER DECISION – 3 MARCH 2022

LOAN FACILITY TO NEW FOREST ENTERPRISE CENTRE

1. INTRODUCTION

- 1.1 To approve the grant of a loan facility to the New Forest Enterprise Centre for the purposes of repairing the Centre roof and other repairs and improvements.

2. BACKGROUND

- 2.1 The Council has a long-standing relationship with the New Forest Enterprise Centre Rushington. The Council leases the premises and buildings to the Centre and until recently was the guarantor of a loan agreement to the Centre, which has recently been repaid in full and in line with the original terms.
- 2.2 Following repayment of the loan, the board of directors of the New Forest Enterprise Centre has decided to carry out significant and overdue repairs to the Centre's roof, vertical cladding, rainwater goods and related works which are required to maintain the integrity of the buildings for the future.
- 2.3 The Council's Portfolio Holder Finance, Investment & Corporate Services represents the Council as a Director of the New Forest Enterprise Centre and will therefore not be party to any decision to award a loan; the matter will therefore be decided by the Leader of the Council.

3. OFFER OF LOAN FACILITY

- 3.1 In order to support the urgent repairs to the Building, the Council is prepared to offer a loan facility for up to a maximum figure of £600,000.00 repayable by 31 March 2025 at a commercial rate of interest, and with the New Forest Enterprise Centre paying an arrangement fee.

4. CONCLUSION

- 4.1 To approve the grant of the Loan Facility to the New Forest Enterprise Centre

5. FINANCIAL IMPLICATIONS

- 5.1 The Council will receive an arrangement fee when the loan agreement is signed, and a commercial rate of interest will be paid on sums drawn down at a rate of 4.75% above the Bank of England Base Rate.

6. CRIME & DISORDER, ENVIRONMENTAL AND EQUALITY & DIVERSITY IMPLICATIONS

- 6.1 There are none.

7. RECOMMENDATIONS

- 7.1 It is recommended the Council enter into a loan agreement which will include the terms set out in this report.

8. PORTFOLIO HOLDER ENDORSEMENT

I have agreed to the recommendation of this report.

Sign: Cllr Edward Heron

Date: 3 March 2022

Date Notice of Decision given: 3 March 2022

Last Day for Call-In: 10 March 2022

For further information contact:

Background Papers: None

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