

West Rainton Parish Council

62 Trevelyan Place
Peterlee
County Durham
SR8 2NL

Tel: 0790 080 0540

Email: westraintonparishcouncil@yahoo.co.uk

7 February 2018

Mr C Morgan
Durham AAP Co-ordinator
Durham County Council
Town Hall
Market Place
Durham
DH1 3NJ

Dear Mr Morgan

Future of Jubilee Hall - West Rainton

Thank you for your email of 30 January and proposed response to the Parish Council.

Having read your draft letter, and discussed it with the Chair and Vice Chair, I think there remain some aspects requiring elaboration or clarification.

Could you please confirm in your letter the source and amount of the grant funding available for the proposed purchase of Jubilee Hall and implementation of new management arrangements.

(It is understood that there is a balance of £112K in the community chest capital fund that has been ring-fenced for this purpose. Could you please confirm and forward a copy of the grant application form and grant conditions/guidance notes with your letter).

It would also be helpful if you could confirm what progress DCC would expect by the end of March for this funding to remain ring-fenced. As you have acknowledged, more time will be required by the Parish Council to fully consider the implications of purchase and potential options for future management arrangements. Could you please confirm there is no time restriction on the Parish Council to fully consider this proposal?

The report from the Community Association (CA) specifically mentioned that DCC had advised that a Charitable Incorporated Organisation (CIO) should be set up. It is difficult to see how such an "arm's length" body could be accountable to the Parish Council. Your letter confirms that the preferred option of DCC is for the Parish Council to purchase and take over the running of the hall. This suggests that the

Parish Council, if it agreed to submit an application for grant funding to purchase the hall, would be at liberty to determine what management arrangements it would put in place to manage it in future, as part of its grant application. There seems to be some contradiction here.

Could you please confirm if there are any conditions on any grant funding with regard to future management arrangements or whether the Parish Council is free to decide what form of management arrangements the hall would be under post purchase. Could you please also confirm that if the latter is the case, that DCC would assist with providing advice on all potential options and not just the setting up of a CIO.

Could you please also confirm that if the Parish Council did consider that a CIO was the most appropriate management option that the Parish Council would be at liberty to specify who would be involved in this management structure?

Some concerns have been raised about the role of the funding committee referred to in your letter. As you have confirmed that the purchase of the hall by the Parish Council is DCC's preferred option, why is necessary for further approval to be sought internally? If further approval within DCC is necessary in support of this option/proposal, this implies that the application could be rejected by DCC at a later date.

Could you please confirm that the funding committee has approved the proposed transfer of ownership to the Parish Council and it taking over the running of the hall, (regardless of whatever format that may take), and what the process will be for consideration of any grant application from the Parish Council.

Could you please also confirm what role the "Community Panel" will have in the approval process given the reference to the funding committee? Could it decline the application even if approved by the funding committee?

The proposal, as presented by the CA quotes that, "the valuation is likely to be determined by the DCC assets survey, which valued the building between 65K and 85K depending on a quick or protracted sale. It is anticipated that the higher end would be an acceptable purchase price." As the Parish Council is advised to undertake its own independent valuation this would suggest this is not the case. I fully understand why it would be prudent for the Parish Council to do so if it agreed to purchase the hall however, this may result in a different valuation. If the proposal has been made on the expectation of a purchase price of £85K based on DCC's valuation and it is assumed, condition survey, would a grant application for a significantly lower or higher valuation be acceptable to DCC? There would be little point in incurring expenditure on an independent valuation if DCC figures had to be applied.

Could you please confirm DCC requirements in this regard?

It would be of helpful if you could forward a copy of the DCC asset survey to confirm the figures quoted in the CA report with your letter.

Some concerns have been raised about the potential legalities of the proposed transfer of ownership to the Parish Council. Firstly in relation to a bequest from its former owner that it was given to the community and this may therefore prevent its

sale and secondly in relation to outstanding secured loans on the building. Could you please confirm that DCC has taken legal and financial advice confirming that the proposed transfer is possible?

As the Parish Council has not agreed to purchase the hall, only to consider this after firstly clarifying the proposal with DCC, I think reference in the letter to the next steps is not relevant as clearly we are still at the stage of clarifying the position with DCC. However, I note your reference to, "the agreement made". Could you please clarify what this refers in your letter and provide a copy in support.

It is inevitable that once the Parish Council is in a position to move forward from this initial confirmation and clarification stage, legal and valuation costs are likely to be incurred to allow full consideration of the proposed transfer. In view of the above, we are clearly not yet at a stage where we could provide any estimates of these, but it would be helpful if confirmation could be provided by DCC now that grant funding would be available for these purposes.

Yours sincerely

Mark Ramshaw

Parish Clerk

West Rainton Parish Council