

Ide Parish Council

Paper to support resolution to exercise the Option to Purchase Agreement for Victorian Orchard

For presentation at Extraordinary IPC meeting on 2 March 2022

1. The appeal for funds has been successful enough to proceed with purchasing the Victorian Orchard without the need to rely on the proposed loan from the PWLB.
2. This is because three donors to the Weir Meadow fund, whose gifts total £16,500, have declared that they are happy for their donations to be used for either the Weir Meadow project or the Orchard project, whichever makes best use of time and resources for the Council.
3. If we can buy the sites in series, not in parallel, by buying the Orchard first, we can make best use of the ability to reclaim VAT and use it again when we purchase Weir Meadow.
4. We are also relying on the grant from Viridor Credits for £31,025 to buy the Orchard. This grant has a time limit: it must be taken by 12 July 2022. If we were to run into difficulties or delay on securing the PWLB loan, we could potentially lose that grant, and lose our chance to buy the Orchard.
5. In addition, we are in discussions with the Church Commissioners and their agents about their request to vary the option agreement to grant Western Power Distribution (WPD) an easement over the Orchard to lay an electricity cable from the substation above St Ida's Close to Pynes Farm. The Council's position will be stronger and simpler if we are able to deal, as owners, with WPD direct. We would rather not complicate matters by varying the agreement that took so long to make, providing a further reason to exercise the option agreement as it stands without delay.
6. We need the following funds to buy the Orchard:

Purchase price inc VAT	£ 73,610
Legal fees inc VAT (est)	£ 1,200
Land registry	£ 45
Contingency (est)	£ 2,000
TOTAL	£ 76,855

7. We have raised the following funds available to buy it with:

Victorian Orchard	- in bank account	£ 38,711.76
Victorian Orchard	- Viridor grant pledge for site purchase	£ 31,025
Transfer from Weir Meadow fund		£ 16,500
Less RHS equipment grant		£ - 5,000
Less Viridor 10% Contributing Third Party Landfill Tax payment		£ - 3,344.90
TOTAL		£ 77,891.86

Surplus	£ 1,036.86
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8. The Weir Meadow and Joint Fund Raising Groups met together on 21 February 2022, in particular with David Howe, legal adviser, and Philip Willcock, accounting adviser, present. The group recommends that the Council proceeds with this resolution to go ahead and buy the Orchard without delay for the reasons given above.

NCA Bradley 24 Feb 2022
END