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| Title of Report: | Loan Application Approvals |
| Committee Report Submitted To: | Corporate, Policy and Resources |
| Date of Meeting: | 28 January 2020 |
| For Decision or For Information | For Decision |

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| Linkage to Council Strategy (2019-23) | |
| Strategic Theme | Governance |
| Outcome | Budget Management |
| Lead Officer | Chief Finance Officer |

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|------------------------------------|---------------|
| Budgetary Considerations | |
| Cost of Proposal | £329,989 |
| Included in Current Year Estimates | YES/NO |
| Capital/Revenue | Capital |
| Code | MRP |
| Staffing Costs | |

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|--|--|--------|-------|
| Screening Requirements | Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals. | | |
| Section 75 Screening | Screening Completed: | Yes/No | Date: |
| | EQIA Required and Completed: | Yes/No | Date: |
| Rural Needs Assessment (RNA) | Screening Completed | Yes/No | Date: |
| | RNA Required and Completed: | Yes/No | Date: |
| Data Protection Impact Assessment (DPIA) | Screening Completed: | Yes/No | Date: |
| | DPIA Required and Completed: | Yes/No | Date: |

1.1 Background

Department for Communities regulation requires that Council approve any loan application prior to drawdown of that loan from Government Accounts Branch or other source of finance. Council has set an affordable borrowing limit by way of the prudential indicators approved in conjunction with the striking of the rate, these loans are within that limit and therefore the loans can be sought.

1.2 Loan Timings

Whilst the approval is being sought from Council at this stage to source the loans as detailed below officers are not intending to action these immediately rather given the recent increase in bank base interest rate the approval is sought meaning officers are in a position to react to any further market changes as and when these occur. All loans will be secured at the best possible rate and that rate be fixed for the duration of the loan.

1.3 Detail

Council has instigated a number of projects and approval is now required to allow officers to put in place loan finance for the purposes listed below together with the amount of loan finance required and the term. Each of the projects listed has been completed utilizing Council's available working capital to finance them however each was predicated upon loan finance being ultimately providing the financing capability therefore these loans are required to replenish our working capital.

| Project | Term | Legacy Location | Opening Capital Works WIP | 2016/17 Works Spend | 2017/18 Works Spend | 2018/19 Works Spend | 2019/20 Works Spend | Closing Capital Works WIP | Capital Disposal Receipts | Capital Grant Receipts | Net Cost to Council | Legacy Borrowing | Proposed New Loan | MRP - Annual Impact |
|---|-------------|-----------------|---------------------------|---------------------|---------------------|---------------------|---------------------|---------------------------|---------------------------|------------------------|----------------------|------------------|----------------------|---------------------|
| Kilrea Sports Centre Car Park Upgrade | 10 | Coleraine | 0.00 | 42,475.01 | | | | 42,475.01 | | | 42,475.01 | | 42,000 | 4,200 |
| ICT Phase 3 - 2017/18, including Intangibles | 3 | CCAG | 0.00 | 9,008.89 | 188,184.28 | | | 197,193.17 | | | 197,193.17 | | 197,000 | 65,667 |
| Solar PV Phase 2 | 10 | CCAG | 0.00 | | 183,901.27 | 2,901.14 | | 186,802.41 | | | 186,802.41 | | 187,000 | 18,700 |
| Coleraine Marina Gangway/Pontoons | 10 | Coleraine | 0.00 | | 174,060.09 | | | 174,060.09 | | | 174,060.09 | | 174,000 | 17,400 |
| Festive Lighting | 5 | Limavady | 0.00 | | 233,260.93 | | | 233,260.93 | | | 233,260.93 | | 233,000 | 46,600 |
| Citroen Berlingo x 3 | 5 | CCAG | 0.00 | | 29,650.00 | | | 29,650.00 | | | 29,650.00 | | 30,000 | 6,000 |
| Ford Transit x 5 | 5 | CCAG | 0.00 | | 74,000.00 | | | 74,000.00 | | | 74,000.00 | | 74,000 | 14,800 |
| Dennis Olympus Refuse Collection Vehicle x 4 | 7 | CCAG | 0.00 | | 603,050.00 | | | 603,050.00 | 35,355.02 | | 567,694.98 | | 568,000 | 81,143 |
| KB Tractor | 7 | CCAG | 0.00 | | 36,137.39 | | | 36,137.39 | | | 36,137.39 | | 36,000 | 5,143 |
| Nifty Trailer/Cherry Picker | 7 | CCAG | 0.00 | | 25,825.00 | | | 25,825.00 | | | 25,825.00 | | 26,000 | 3,714 |
| Low Level Access Platform Portstewart Strand | 10 | Coleraine | 0.00 | | 31,707.30 | | | 31,707.30 | | | 31,707.30 | | 32,000 | 3,200 |
| Portandhu Harbour Redevelopment | 25 | Coleraine | 0.00 | | 76,081.47 | | | 76,081.47 | | | 76,081.47 | | 76,000 | 3,040 |
| Portrush Town Hall Refurbishment | 25 | Coleraine | 0.00 | | 190,355.90 | | | 190,355.90 | | | 190,355.90 | | 190,000 | 7,600 |
| Berne Road Café Conversion from Toilets | 25 | Coleraine | 0.00 | 52,653.45 | | | | 52,653.45 | | | 52,653.45 | | 53,000 | 2,120 |
| Play Area, The Crescent, Portstewart | 10 | Coleraine | 0.00 | | 130,136.04 | | | 130,136.04 | | | 130,136.04 | | 130,000 | 13,000 |
| Play Area, Main Street, Feeny | 10 | Limavady | 0.00 | | 78,573.96 | | | 78,573.96 | | | 78,573.96 | | 79,000 | 7,900 |
| Brown Bin Garden & Food Waste | 10 | CCAG | 0.00 | | 246,008.00 | 424,979.78 | | 670,987.78 | | | 670,987.78 | | 671,000 | 67,100 |
| Cushendall Caravan Park Upgrade | 10 | Moyle | 0.00 | | 182,925.15 | | | 182,925.15 | | | 182,925.15 | | 183,000 | 18,300 |
| Car Parks - Phase 1 Upgrades | 13 | Coleraine | 0.00 | | 235,043.51 | | | 235,043.51 | | | 235,043.51 | | 235,000 | 18,077 |
| Carrick Dhu - Minor Works | 10 | Coleraine | 0.00 | | 11,658.21 | 11,163.90 | | 22,822.11 | | | 22,822.11 | | 23,000 | 2,300 |
| Dungiven Sports Centre NEW Loan2 | 30 | Limavady | 0.00 | | 15,022.76 | 57,253.73 | | 72,276.49 | | -49,684.07 | 121,960.56 | | 122,000 | 4,067 |
| Drumeen Drive Play Area, Garvagh | 10 | Coleraine | 0.00 | | 57,146.00 | | | 57,146.00 | | | 57,146.00 | | 57,000 | 5,700 |
| Dunluce Avenue Car Park Upgrade, Portrush | 13 | Coleraine | 0.00 | | | 201,392.16 | | 201,392.16 | | 22,544.00 | 178,848.16 | | 179,000 | 13,769 |
| Railway Place Car Park Upgrade, Coleraine | 13 | Coleraine | 0.00 | | | 13,095.91 | | 13,095.91 | | | 13,095.91 | | 13,000 | 1,000 |
| Juniper Hill Caravan park - Minor Works | 10 | Coleraine | 0.00 | | | 16,957.00 | | 16,957.00 | | | 16,957.00 | | 17,000 | 1,700 |
| Land Purchases Drumaduff Landfill Site Phase 1 | 30 | Limavady | 0.00 | | | 153,095.28 | | 153,095.28 | | | 153,095.28 | | 153,000 | 5,100 |
| Portballintrae Harbour Upgrade | 25 | Coleraine | 0.00 | | | 791,986.34 | | 791,986.34 | | | 791,986.34 | | 792,000 | 31,680 |
| Dunluce Avenue Toilet Block Portrush | 25 | Coleraine | 0.00 | | | 250,094.44 | | 250,094.44 | | | 250,094.44 | | 250,000 | 10,000 |
| PHASE 1 - September Committee | 10.1 | | 0.00 | 104,137.35 | 2,745,581.26 | 1,980,065.68 | 0.00 | 4,829,784.29 | 35,355.02 | -27,140.07 | 4,821,569.34 | 0.00 | 4,822,000.00 | 479,020.00 |
| REFCUS Community Grants - CCAG Funding Unit | 10 | CCAG | 0.00 | | 60,000.00 | 397,335.97 | | 457,335.97 | | | 457,335.97 | | 457,000 | 45,700 |
| REFCUS Portstewart EI Scheme - NEW Loan 2 | 25 | Coleraine | 0.00 | | | 134,390.41 | | 134,390.41 | | | 134,390.41 | | 134,000 | 5,360 |
| ICT Phase 4 - 2018/19 | 3 | CCAG | 0.00 | | | 442,853.19 | | 442,853.19 | | | 442,853.19 | | 443,000 | 147,667 |
| Mobile Staging for Events | 5 | CCAG | 0.00 | | | 8,808.00 | | 8,808.00 | | | 8,808.00 | | 9,000 | 1,800 |
| Riada Stadium CCTV | 10 | Ballymoney | 0.00 | | | 28,209.91 | | 28,209.91 | | | 28,209.91 | | 28,000 | 2,800 |
| Roe Valley Leisure Centre - Gym Equipment | 10 | Limavady | 0.00 | | | 29,650.00 | | 29,650.00 | | | 29,650.00 | | 30,000 | 3,000 |
| Roe Valley Leisure Centre - Changing Places | 10 | Limavady | 0.00 | | | 27,206.70 | | 27,206.70 | | | 27,206.70 | | 27,000 | 2,700 |
| RO-RO Containers x 8 - Compactor | 10 | CCAG | 0.00 | | | 29,400.00 | | 29,400.00 | | | 29,400.00 | | 29,000 | 2,900 |
| Portacabin for Depot (Offices) | 10 | Coleraine | 0.00 | | | 24,898.00 | | 24,898.00 | | | 24,898.00 | | 25,000 | 2,500 |
| Various Mowers and Groundworks Equipment | 7 | CCAG | 0.00 | | | 71,446.25 | | 71,446.25 | | | 71,446.25 | | 71,000 | 10,143 |
| Cloonavin - Fire Alarm System | 10 | Coleraine | 0.00 | | | 102,450.10 | | 102,450.10 | | | 102,450.10 | | 102,000 | 10,200 |
| Coleraine Boathouse - Fire Alarm System | 10 | Coleraine | 0.00 | | | 22,048.92 | | 22,048.92 | | | 22,048.92 | | 22,000 | 2,200 |
| Pit Mounted Weighbridge | 10 | Coleraine | 0.00 | | | 11,975.00 | | 11,975.00 | | | 11,975.00 | | 12,000 | 1,200 |
| Dog Warden Vehicle Proace Comfort | 7 | CCAG | 0.00 | | | 19,158.84 | | 19,158.84 | | | 19,158.84 | | 19,000 | 2,714 |
| 3 x Estates Vehicles, 1 Tractor and 1 Excavator | 7 | CCAG | 0.00 | | | 114,943.00 | | 114,943.00 | | | 114,943.00 | | 115,000.00 | 16,429.00 |
| 4 x Operations Vehicles | 7 | CCAG | 0.00 | | | 52,100.00 | | 52,100.00 | | | 52,100.00 | | 52,000.00 | 7,429.00 |
| LED Lighting - Phase 2 | 10 | CCAG | 0.00 | | | 160,431.04 | | 160,431.04 | | | 160,431.04 | | 160,000.00 | 16,000.00 |
| Letterloan Site Office Build | 10 | Coleraine | 0.00 | | | 28,553.44 | | 28,553.44 | | | 28,553.44 | | 29,000.00 | 2,900.00 |
| Emergency Generators | 10 | CCAG | 0.00 | | | 126,353.93 | | 126,353.93 | | 26,000.00 | 100,353.93 | | 100,000.00 | 10,000.00 |
| North Pier Portrush Rock Armour | 30 | Coleraine | 0.00 | | | 2,445,145.61 | 1,366,430.37 | 3,811,575.98 | | | 3,811,575.98 | | 3,812,000.00 | 127,067.00 |
| Macosquin Playing Fields - Floodlights | 10 | Coleraine | 0.00 | | | 13,640.62 | | 13,640.62 | | | 13,640.62 | | 14,000.00 | 1,400.00 |
| Railway Place Car Park - Fencing | 10 | Coleraine | 0.00 | | | 13,095.91 | | 13,095.91 | | | 13,095.91 | | 13,000.00 | 1,300.00 |
| PHASE 2 - January Committee | 13.5 | | 0.00 | 0.00 | 60,000.00 | 4,304,094.84 | 1,366,430.37 | 5,730,525.21 | 0.00 | 26,000.00 | 5,704,525.21 | 0.00 | 5,703,000.00 | 423,409.00 |
| Total Application | 11.7 | average years | 0.00 | 104,137.35 | 2,805,581.26 | 6,284,160.52 | 1,366,430.37 | 10,560,309.50 | 35,355.02 | -1,140.07 | 10,526,094.55 | 0.00 | 10,525,000.00 | 902,429.00 |

1.4 Previous Loans

Council last approved loans in September 2019 for £2.5m out of this list which does not equate to a particular period or year's capital activity, in addition there are other ongoing projects which will require financing in due course as Council progresses its capital programme. The highlighted loans have been actioned in December 2019. Each of these loans has been included in the estimates in terms of Minimum Revenue Provision (MRP) and interest therefore the cost of financing these loans has already been provided for.

In accordance with prudential indicators Council remains within its authorised limit of £80m if these loans were to be secured in their entirety.

1.5 Recommendation

It is recommended that Corporate, Policy and Resource Committee recommend to Council approval for the Chief Finance Officer to drawdown the loans as detailed in the table at 1.3 as and when required.