

Drainage at Brightling Road following Business Plan & Buildings & and Land Committee meeting with regards to budgets and ear marked reserves.

At the last meeting of the above committee a request was made to add the drainage as an ear marked reserve based over a number of years (Unspecified)

The estimates for the drainage total between £40,000 - £150,000

Ear Marked Reserves would be required between

£8000 pa for 5 years (based on the lower estimate)

£30,000 pa for 5 years (based on the higher estimate)

£4000 pa for 10 years (based on the lower estimate)

£15,000 pa for 10 years (based on the higher estimate)

£2667 pa for 15 years (based on the lower estimate)

£10,000 pa for 15 years (based on the lower estimate)

A public works loan of £40,000 at the rate of 5% pa (rate at present based on 25 years is around 3.99%)

The total repayment calculates as below

Rate	Annuity		EIP				
	Rate	1/2 Yearly	Rate	Initial 1/2 Yearly	Reduces by	Total	
%	Cost (£)	Cost (£)	%	Costs (£)	each 1/2 year (£)	Cost (£)	
19% not over	3.79	5,475.63	213,549.57	3.67	6,598.65	70.58	205,050.00
20% not over	3.83	5,401.95	216,078.00	3.71	6,532.50	69.56	207,041.25
20% not over	3.87	5,333.20	218,661.20	3.74	6,463.54	68.41	208,905.00
21% not over	3.90	5,264.21	221,096.82	3.77	6,398.93	67.32	210,791.25
21% not over	3.93	5,199.45	223,576.35	3.81	6,345.87	66.45	212,865.00
22% not over	3.96	5,138.64	226,100.16	3.84	6,289.09	65.45	214,800.00
22% not over	3.99	5,081.53	228,668.85	3.87	6,235.83	64.50	216,757.50
23% not over	4.02	5,027.88	231,282.48	3.89	6,178.37	63.42	218,561.25
23% not over	4.05	4,977.49	233,942.03	3.92	6,131.49	62.55	220,560.00
24% not over	4.07	4,925.17	236,408.16	3.95	6,087.50	61.72	222,581.25
24% not over	4.09	4,875.67	238,907.83	3.97	6,038.72	60.77	224,437.50
25% not over	4.12	4,833.89	241,694.50	3.99	5,992.50	59.85	226,308.75
25% not over	4.14	4,789.59	244,269.09	4.02	5,956.18	59.12	228,390.00

With a 1/2 yearly repayment figure of £6000 (£12000 per year)

This indicates a better option would be to make an ear marked reserve each year to 15 years at the higher rate (as prices are likely to increase) of £10,000 pa This at present equates to an increase in the precept of 4.64% for this ear marked reserve alone but with no interest payments.