

**Heads of Terms or Memorandum of Understanding
between Cornhill Parish Council (CPC)
and
Cornhill Community Action Ltd (CCAL)
*(limited by Guarantee)***

Background

- CPC is in the process of negotiating a Community Asset Transfer with Northumberland County Council (NCC) under the terms of which CPC becomes the freeholder of the former Cornhill First School and its contiguous playing field situated in the village of Cornhill on Tweed.
- CPC intends that the whole site be developed for the well-being, social, environmental and economic benefit of the community.
- The residents of the parish having been consulted about the nature of the development, CPC will use its best endeavours to develop the site in accordance with the preferences expressed.
- CPC intends itself to undertake the development and ongoing management of the land as a registered Village Green and to outsource the conversion, letting and management of the former school building to CCAL by means of a ten-year renewable lease from CPC in the Law Society standard format.
- The directors and subscribers of CCAL have the expertise and experience to carry out the conversion, letting and management of the former school building.
- The directors and subscribers of CCAL have the ability, knowledge and experience to obtain external funding.

Functions of CCAL

- CCAL will prepare plans and specifications for the conversion of the school building and will obtain planning permission for the change of use and will deposit a Building Notice or apply for approval under the Building Regulations as may be most appropriate.
- CCAL will nominate builders and specialist suppliers either by priced contract or by dayworks as may be most appropriate for the various building functions. CCAL will provide daily supervision of the building work.
- CCAL will endeavour to obtain external funding for the conversion and refurbishment of the building and requests the assistance of NCC in so doing.
- CCAL will reinstate water and electrical services, in which regard CCAL requests the assistance of NCC in recovering the costs from a third party.

- CCAL will endeavour to let vacant units of the building to tenants such as are best fitted to the wishes of the community as expressed at the public meeting. CCAL will offer renewable sub-leases for periods between one and ten years, using Law Society standard forms. Lettings will generally be on the basis of shared services in proportion to the floor area of the relevant unit.
- CCAL will maintain the structure and exterior of the building in good order.
- CCAL proposes to install two public electric vehicle charging points together with a 10kW photo-voltaic array.
- After the end of each financial year CCAL will remit any operating profit remaining after expenses and retentions to CPC for the purposes of the Village Green.
- In addition to the above, CCAL will act as an umbrella organisation for the activities of the former Cornhill Community Action Group and also for other people who may wish to contribute to either part of the CAT project but who do not wish to be either parish councillors or company subscribers.

Insurance

- In the context of the previous paragraph an officer of CCAL will deposit a Risk Assessment for each such activity with the Parish Clerk in order to validate the conditions of the CPC Policy of Insurance.
- A building is conventionally insured by the freeholder. Thus CPC will insure the former school building for full reinstatement value but CCAL will reimburse to CPC any additional premium applicable

Remuneration

In accordance with the Articles of Association of CCAL no member of CCAL will be remunerated in any form for any activity of CCAL.

*These revised Heads of Terms were agreed by both parties
on 13th November 2020*