

FINANCE AND GENERAL PURPOSES

SUBJECT:	Middlebeck – Transfer of Open Space and Public Assets
REPORT BY:	Matthew Gleadell

1. Recommendations

- 1.1 That NSDC are informed that NTC does not wish to take on Middlebeck Phase 1 Public Open Space but would wish to enter into discussions with NSDC to identify where NTC may be able to support the development of Middlebeck green spaces, which may include the option to acquire assets that are akin to NTC's existing asset base, in particular play areas.

2. Background

Section 106 Agreement

- 2.1 On the 29th November 2011 a contract known as a s106 Agreement was entered into between a number of organisations including the developer of Middlebeck and Newark & Sherwood District Council. Newark Town Council was not a party to that contract.
- 2.2 The s106 Agreement detailed the contractual framework for the development, creation, delivery and future maintenance of a large range of public infrastructure that would form part of the Middlebeck development.
- 2.3 Within the various infrastructure detailed is green space, play areas, walkways and footpaths, public landscaping, country parks, a fishing lake, the banks of drainage attenuation ponds, sports pitches and various other publicly accessible infrastructure ('Public Open Space')
- 2.4 The s106 Agreement set out clear procedures for the transfer of the ownership of Public Open Space to NSDC, alongside payment by the developer to NSDC of a financial package designed to support the maintenance costs of the Public Open Space.
- 2.5 The various Public Open Space will be developed in different stages as the entire development progresses. The full lifetime of the development will likely span over 20 years with the Public Open Space being transferred to NSDC in phases.
- 2.6 The first phase of Public Open Space for transfer is now ready to be actioned and passed into public ownership.

Devolution Agreement

- 2.7 In 2015 Newark Town Council took over ownership of a variety of assets that had belonged to NSDC. This was documented in what was known as a 'Devolution Agreement'.
- 2.8 The Devolution Agreement included the following clause.

FUTURE OPEN SPACE PROVISION

Where further open space provision comes forward within the parish of Newark principally through residential development schemes, the District Council will consult with

the Town Council to clarify whether it wishes to take on responsibility for its future ownership and maintenance.

The Town Council agrees that it will accept a freehold transfer from the developer of any strategic open space provision within the parish of Newark subject to receipt of a commuted payment from the developer in respect of future maintenance.

2.9 NSDC have now formally approached NTC to clarify their intent as to the Public Open Space in the first phase of Middlebeck.

2.10 The size and scale of Middlebeck is significant and as such I have been involved in regular discussions with NSDC and to a lesser extent the developer since commencing my role in 2022 and have both formally and informally kept the NTC membership aware of the status of the various discussions that have been ongoing through that period.

Phase 1 Assets

2.11 The extent of the Phase 1 Assets are detailed on the attached plan marked as Appendix 1.

2.12 Please note the wet area of Ribbon Pond is excluded and only the banks and land around the wet area is subject to maintenance needs under any asset transfer arrangement.

Legal Difficulties

2.11 Thus far all Contractual Agreements are between the developer and NSDC. If NTC is desirable of taking on the assets a legal mechanism would be required to make that happen. This may involve either a direct transfer from the developer with NTC taking the place of NSDC under the s106 Agreement or a separate transfer from NSDC to NTC. Whichever route is pursued some complex legal paperwork will be involved. Legal costs for managing any transfer and associated agreements would likely incur several thousand pounds worth of legal fees.

Insurance

2.12 If NTC wishes to take ownership of the land an assessment of the impact on the Councils insurance premium will be necessary; however, based on an overview of the assets involved provided to the Councils insurance relationship manager a cost of no more than £1500.00 per annum has been given as an estimate.

2.13 Future Maintenance

NTC currently outsources maintenance to NDSC under an agency Service Level Agreement which currently runs until the 31st March 2028 albeit a break clause allowing for termination in March 2026 exists subject to 12 months' notice being given.

Logistically it would make sense for a similar SLA arrangement to be made with NSDC for the Middlebeck assets, however, NSDC have indicated that they would only be willing to offer an SLA for grounds maintenance if a 20-year contract is entered into. NSDC would also wish to see legal advice given to NTC that confirms that a 20-year contract is legally possible. Concerns around procurement and best value implications arise.

2.14 NSDC have agreed a maintenance specification with the developer. The Developer of course is keen to ensure that the assets are suitably maintained and looked after so as to ensure that the maintenance levels are supportive of the development being attractive to potential buyers of properties being sold within Middlebeck. The details of the maintenance specification agreed are not available to NTC and are private between NSDC and the developer.

Consequently if NTC is to seek to take on the Open Space, NTC may need to commission some expert support to assess and evaluate the maintenance and repair specifications and costs associated with them.

- 2.15 The owner of the assets regardless of which Council that is, can expect regular enquiries, complaints and general logistical asset management requirements that would need to be met.

Strategic Ambition

- 2.15 NSDC's current position is that they would prefer to take on Middlebeck Public Open Space themselves. Members are referred to a recent NSDC report attached as Appendix 2. This report is extremely useful as the considerations for NSDC in taking the assets would apply equally to NTC.
- 2.16 NSDC are mindful of the future open space provision in Middlebeck including country parks and see the big potential for the entire area to become an asset not just to Newark but the wider district.
- 2.17 Members will note that NSDC have identified NTC's own financial challenges in their report.

Financial

- 2.18 Members will note from the NSDC report that the Open Space would be transferred with a £2million commuted sum which is the estimated cost of 20 years of maintenance.
- 2.19 The commuted sum would have to be ringfenced for use towards annual maintenance payments albeit there would be a level of annual return from the investment. In the absence of any specific restrictions within the s106 Agreement it is feasible that some of the returns from any investment might reasonably be utilised to support other services that are of benefit to Middlebeck residents. Where such services are not directly located in Middlebeck any decision to utilise funds elsewhere could be met with opposition.
- A £2,000,000 investment could reasonably expect to achieve a minimum of £60,000 per annum albeit, unless the investment secures at least £100,000 per annum the core balance of the funds will slowly diminish over time. After 20 years the theory is that the Public Open Space would become funded by way of local precept.

Community Interest

- 2.20 Due to the Town Council currently navigating a number of existing projects and internal challenges and not having the same level of resource and knowledge of NSDC in terms of managing large green infrastructure it would seem prudent to conclude that NSDC are at present better placed to manage the process of taking land from developer ownership to Council ownership.
- 2.21 It is recognised that concerns have been expressed that despite council tax receipts from Middlebeck that NTC does not provide any assets or services in Middlebeck. NSDC are however open to working on some joint projects within Middlebeck that may allow NTC opportunity to provide some benefit to Middlebeck residents in return for the very small part of their Council Tax that comes to NTC.

Future Phases

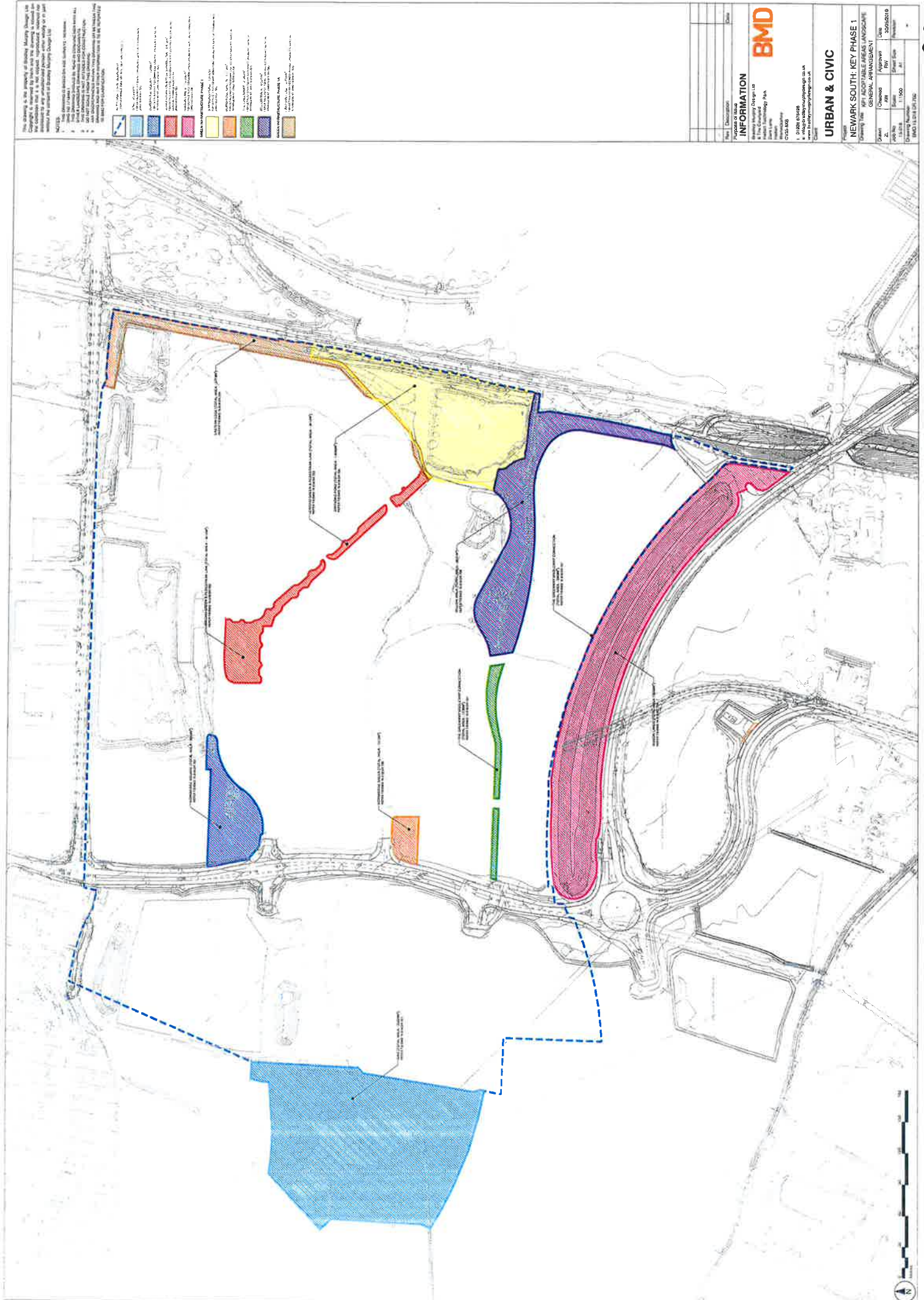
- 2.22 Future phases of Middlebeck will generate further significant Public Open Space assets. Not all of these will be within the Newark boundary. Under the principal of Devolution those further assets that are in Newark would also likely come to NTC. It would be very difficult to cherry pick at each Phase depending on circumstances at the time.
- 2.23 NTC is presently feeling the financial strain of having taken on assets in 2015. There is a danger that NTC may create a future challenge for itself of a similar nature by taking on further assets now that NTC struggles to fund when initial support funding runs out. That

said it is impossible to predict the future, and decisions can only be based on current facts and reasonable expectations of what may happen.

3.0 Financial, Legal, Equality, Environmental & Risk Issues

- 3.1 **Financial** – If NTC is insistent on taking the Phase 1 Open Space it is estimated that some initial up front legal and consultancy costs of up to £10,000 could be expected.

Background Papers:	Working papers
Lead Officer:	Matthew Gleadell Tel: 01636 684801 Email: matthew.gleadell@newark.gov.uk





Report to: Cabinet Meeting: 24 September 2024

Portfolio Holders: Councillor Emma Oldham, Biodiversity & Environmental Services
Councillor Paul Peacock, Strategy, Performance & Finance

Director Leads: Matthew Finch, Director - Communities & Environment
Matt Lamb, Director - Planning & Growth

Lead Officer: Ben Stacey, Street Scene Manager, Environmental Services, Ext 5738

Report Summary	
Type of Report	Open report, key decision
Report Title	Proposal to Adopt the Land and Ongoing Maintenance of the Middlebeck Phase One Development
Purpose of Report	To put forward a proposal for Member consideration that would see land from the first phase of the Middlebeck Development being maintained by NSDC over the next 20 years through a commuted sum payment of £2million.
Recommendations	<p>That Cabinet:</p> <ul style="list-style-type: none"> a) approve, subject to appropriate legal mechanisms and formal decision from Newark Town Council it does not wish to take on the land, the Council entering into a long-term arrangement to adopt and maintain the open space from the first phase of the Middlebeck development in Newark; b) approve the maintenance of the land in return for a £2million commuted sum agreed with the developer, Urban & Civic; c) agrees that, at the end of the 20-year period, ongoing maintenance of the land would be funded from the Council's own resources; d) approves that delegated authority be given to the Council's Directors - Communities & Environment and Planning & Growth, in consultation with the Portfolio Holders, to enter into an appropriate legally-binding contract with the developer Urban & Civic, as detailed at paragraph 2.6 of the report; and e) approves that Newark Town Council be formally approached for a decision about whether it wishes to take on responsibility for the future ownership and

	<p>maintenance of the land in line with the principles set out in the Devolution Agreement.</p>
<p>Alternative Options Considered</p>	<p>The existing S106 Planning legal agreements set out that the land will be passported to Newark & Sherwood District Council in stages when certain housebuilding milestones are reached. A management company option, which exist in some other parts of the district, is not deemed to be viable by the developer, with sales in the first phase not having this mechanism incorporated. Homeowners would understandably have an expectation that an additional charge in this regard would not be placed upon them. The Council could look to passport the land and the funding to the Town Council which does have precepting powers to fund the maintenance of the land once the commuted sum has been defrayed. This was envisaged in the devolution deal with the Town Council in that they would have the first option on any new space in their administrative boundary. The Middlebeck Open Space crosses town and parish boundaries, stretching beyond the devolution agreement. Moreover, Members may be aware of the financial challenges the Town Council faces, irrespective of the additional challenge that comes with an asset of the size and scale of future Open Space cumulatively across Middlebeck which incorporates open space in every phase and new country parks. Informal discussions with the Town Council have seen these concerns raised, but there is not yet a formal decision from the Town not to take on the land or otherwise.</p>
<p>Reason for Recommendations</p>	<p>The recommendations align with the Community Plan objectives in relation to biodiversity, the environment and climate change. As set out in the report, the development has the potential to help the Council meet objectives set out in the community plan, thereby offering value beyond the £2-million commuted sum to maintain the open spaces.</p>

1.0 Background

- 1.1 Land south of Newark is one of the strategic sites included with the Newark & Sherwood Core Strategy, which aims to provide a significant element of the growth in Newark & Sherwood over a 25-year period.
- 1.2 Outline planning permission was granted to Catesby Estates (Residential) Ltd in November 2011 for the development and the proposal included provision for 3150 dwellings, two local centres, two primary schools, community buildings, 50 hectares of commercial development, open space and access roads, including the Southern Link Road. Subsequently, in January 2014, a number of variations were made to the earlier permission which sought to address various phasing and delivery issues. Catesby Estates (Residential) Ltd was also subsequently purchased by Urban & Civic.
- 1.3 At the time land south of Newark was consented the District Council agreed to take on the public open space as part of the new development, something it now does not

normally do. In the agreement, which was signed in November 2011, it was envisaged that the public open space would be transferred to the district council in three distinct phases when a certain number of houses were built and the Council was satisfied that the elements of open space had been delivered satisfactorily.

- 1.4** Urban & Civic are close to reaching that first milestone of 650 homes which has led to conversations between the developer and the district council about when and how the transfer would occur and to revisit the commuted sum calculations that would have been undertaken in 2011. It is clear that the some of the assumptions at the time of consent have now moved on significantly, alongside the developer providing more open space that originally envisaged, which is a welcome change from a place-making perspective. This has also provided NSDC with an opportunity to consider how the public open space can further enhance the ambitions set out in the Council's new Community Plan.

2.0 Proposal/Details of Options Considered

- 2.1** The Community Plan 2023/27 references a number of objectives which would be enhanced through the potential of the public open space in both Phase 1 and subsequent phases. Within Phase 1, the Council would take on core Street Scene services such as litter collection, street sweeping and litter bin emptying, but also the following:

- Tree maintenance for 267 juvenile trees
- Maintenance for 572 linear metres of hedgerow
- More than 1,000 metres squared of planted shrubbery
- 35,000 metres squared of amenity grass
- 14,500 metres squared of meadow grassland
- More than 600 metres squared of wildflower meadows
- 150 linear metres of water planting
- 1 Large Children's Play Area
- Cycle and pedestrian bridleways in excess of 2,500 linear metres.

- 2.2** Through the development, the Council would be taking on assets which would have the potential to meet the following aspirations set out in the Community Plan:

- Improve health and wellbeing
- Protect and enhance the district's natural environment and green spaces
- Reduce the impact of climate change

- 2.3** Furthermore, members will be aware that the latest Resident Survey showed the growing importance our residents were placing on parks and open spaces. Over recent times this has led the Council to plant or giveaway in excess of 20,000 trees, invest £350,000 in improving play parks at ten sites across Newark and Sherwood and work in partnership with Newark Town Council to deliver a £500,000 transformation of Sherwood Avenue Park in Newark. The Council also operates five green flag parks across the district – Sconce and Devon Park, the Castle Gardens and the Queen Elizabeth Memorial Gardens in Newark and Vicar Water at Clipstone and Sherwood Heath in Ollerton.

- 2.4** As a result, there are very practical advantages that taking on the open land would enable. These include:

- Ownership of play parks to continue our drive to maintain and improve standards and accessibility across the district
- More directly owned open space to deliver or enable tree planting initiatives
- Similarly, the Council would have more available land to deliver other greening initiatives such as wetland, habitat recovery, wildflower meadows, orchards and naturalised rain gardens
- The ability to do more in partnership with others including those within the Council's Biodiversity and Conservation Opportunities Partnership
- As Phase 1 neighbours the Sustrans, enabling control of bridleways and pathways to encourage active travel including cycling to school
- Delivering a base similar to the one at the Queen Elizabeth Memorial Garden to provide outreach services from our Park Rangers, including Forest Schools and build a relationship with the primary school in Middlebeck
- Working towards a 'Friends Group' to have residents directly involved in the future development of the site
- Linked to the above, there would be scope to work towards another Green Flag park for Newark and Sherwood
- New employment opportunities within the district council, including an apprentice.

2.5 Subject to contract, Newark & Sherwood has agreed a commuted sum of £2million to take on and maintain the public open land for a period of 20 years. This is inclusive not just of maintenance costs, but also repairs and renewals which would be required over that period. The figure is also inclusive of annual inflation.

2.6 From a procedural perspective, the open space within Phase 1 that would be subject to this £2-million sum covering the next 20 years comprises some maintenance costs from those envisaged (and therefore covered by) the original S106 agreements, together with the additional quantum of open space which have gone in over-and-above that S106 requirement.

2.7 There remain two possible ways to secure the £2million payment, either via a revised Planning S106 agreement or a contract for works agreement, which would sit outside of any planning agreement. At the time of writing it is considered that both options should be kept open, allowing the respective legal teams to determine the appropriate mechanisms. However, the critical outcomes are to:

- a) To secure the £2m payment to take on the Phase 1 Public Open Space on the terms detailed at paragraph 2.5;
- b) To ensure sufficient funding remains within the S106 Planning Agreements after this £2m payment (the original S106 agreements contain various 'capped' amounts with respect to payments which any £2m should not unreasonably prejudice)
- c) To ensure that a schedule of costs for future open space, based on those negotiated for Phase 1 inform future phases, plus indexation.

2.8 Subject to appropriate legal mechanisms being agreed, the commuted sum methodology and handover process would also repeat for the subsequent delivery of

Phases 2 and 3, which currently have outline planning position. These would see the potential addition of sports pitches and country parks. Building a relationship with the developer to take on those further phases will also enable the Council to shape their delivery in line with greater strategic and operational alignment.

Alternative Options Considered

- 2.9** As set out in paragraph 1.3, Newark & Sherwood agreed to take on the open public land, although this is not something it would normally now do. Whilst there are good examples of Management Companies, many residents simply do not understand the model and are often looking to NSDC to resolve issues that simply are not in our gift to fix. Delivering the service in-house will drive up service standards, ensure greater consistency of approach and accountability to residents. Gaining a legal agreement at the outset of phase 1 to guide subsequent phases will also mitigate the risk of future residents being asked to pay a ManCo contribution as well as Council Tax.
- 2.10** An alternative approach would be to passport the land and the commuted sum to the Town Council who would then be able to tender the works, which the Council could bid for, or they could directly deliver themselves. This would not apply for the full Middlebeck site given the open space crosses other parish boundaries. Irrespective, the main advantage of this model to NSDC would be that the Town Council would be responsible for the ongoing maintenance of the land when the commuted sum had been defrayed through its precepting powers. However, over the intervening period, the Council would be unable to control standards, promote consistency and take advantage of the opportunities outlined above as they link to the Community Plan. At this time, the Town Council has informally raised concerns about their ongoing ability to finance the services into the longer-term. Nevertheless, given the Devolution Agreement, it is considered necessary to approach the Town Council for a formal decision about whether they wish to take on responsibility for its future ownership and maintenance. If they wish to, they could then seek to enter into their own negotiations with the developer for a commuted sum to do so.
- 2.11** At the present time there are many developments linked to Middlebeck or around it which could deliver open space. Having control over the future development of the open space at Middlebeck will give Newark and Sherwood District Council greater ability to control how these developments may link together and be coordinated.

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Financial Implications (FIN24-25/4958)

- 3.1** The commuted sum has been calculated in consultation with both Environmental Services and Financial Services, including estimates for running costs, repairs and

renewals (such as fencing, benches, play areas, bridleways and Paths) and maintenance, averaged out across the 20-year period.

- 3.2 The costs associated with completing the legal agreement will be passed on to the developer, in line with normal practice.
- 3.3 Once agreed, the land to be transferred to the Council will need an independent valuation and added to the asset register, in order for it to be recognised in the Council's Balance Sheet within Property Plant and Equipment. The cost of this valuation can be contained within existing budgets.
- 3.4 Once the Legal agreement is finalised, this will set out the terms of the payment and once receipted, will be held on the Council's balance sheet and drawn down in equal annual instalments to cover the additional running costs, including staffing, maintenance and machinery required in taking on the additional land. At the end of the 20-year period, these additional costs will need to be funded from the Council's own resources.

4.0 Legal Implications

- 4.1 There are a number of clauses within the relevant s106 agreement as varied by the deeds of variation which would require further variation to facilitate the proposals set out in this report and to not prejudice the Council in future transactions relating to the wider site. The responsibility of this function falls within the remit of the Planning Committee with further delegation to the Director of Planning and Growth within the constitution. In addition to this there is a delegation to the Business Manager – Planning Development in the Planning Committee Scheme of Delegation to Officers which would provide the authority for the required variation to the original s106 agreement.
- 4.2 The original s106 agreement requires that the transfer of the land under the agreement be for a nominal consideration. It would be anticipated that the Council would recover their costs for the legal transaction required for the land transfer from Urban & Civic but this would have to be negotiated.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None

FINANCE AND GENERAL PURPOSES

SUBJECT:	Defibrillator ('Defibs') Requests
REPORT BY:	Matthew Gleadell

1. Recommendations

- 1.1 That NTC supports the applications for new Defibrillators set out in this report.

2. Background

- 2.1 2 requests for new defibrillators in Newark have been received as set out in Appendix 1.
- 2.2 Both requests require input and support from NTC.
- 2.3 The clear life saving benefits of access to a defib are such that it would be hard not to seek to support these requests however the financial and logistical implications cannot be ignored.
- 2.4 NTC already maintains a Defibrillator in the market square and has recently acquired a Defib to support events in the Town Hall. The new Defib will be registered on the national data base but does not appear yet.

3.0 Financial, Legal, Equality, Environmental & Risk Issues

- 3.1 **Financial** – An annual budget for replacement batteries, pads and electricity costs would be needed for each Defibrillator. An annual budget for this would be recommended at £300.00 per unit.

Legal – In so far as One Stop is concerned, legal agreements with the building owner would need to be secured.

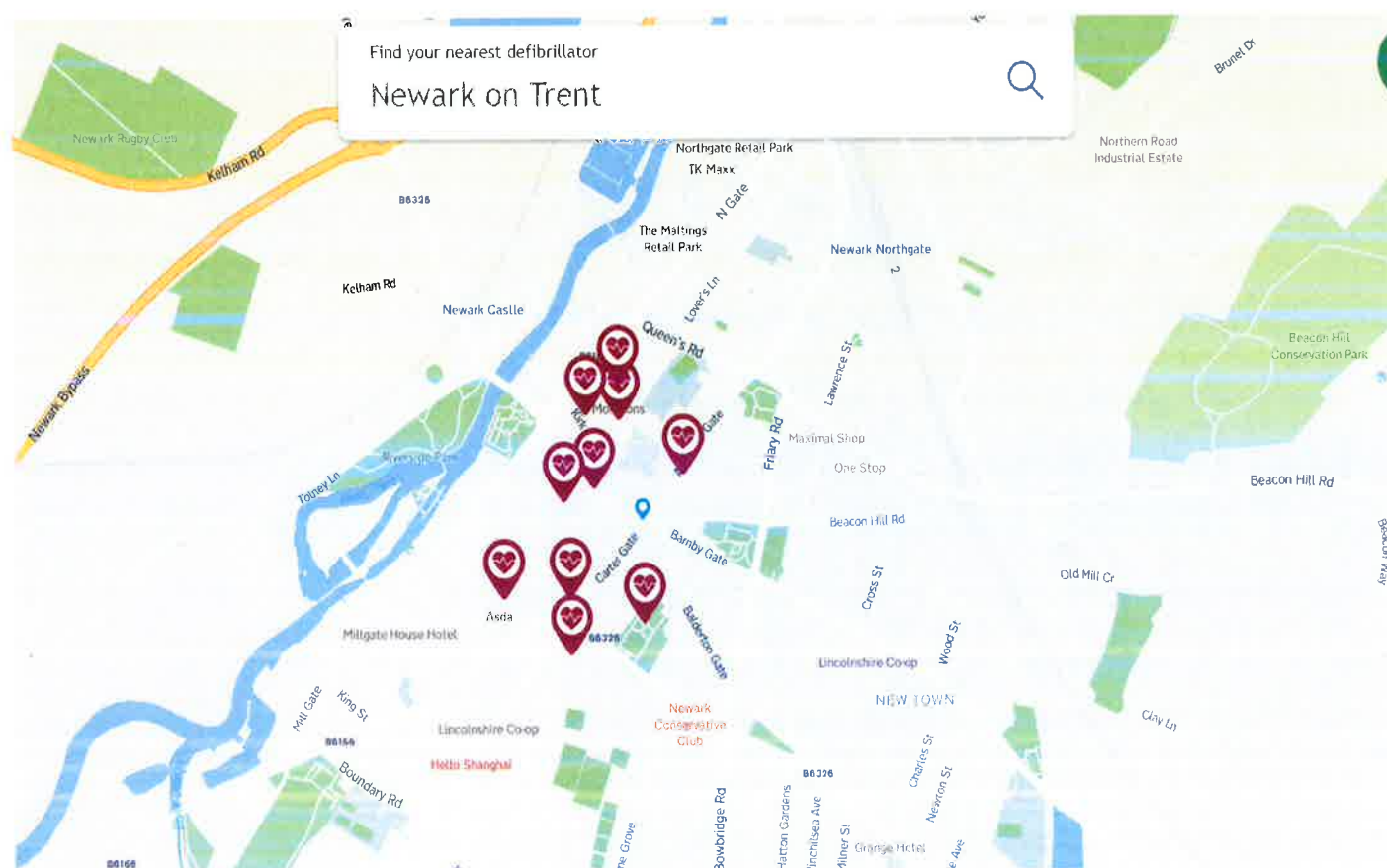
Risk – There is a risk of a precedent being set whereby NTC becomes the community go to authority for providing new Defibs in different locations across Newark. Of course there are huge positives to providing a network of Defibs however there is always a cost for doing so.

Background Papers:	Working papers
Lead Officer:	Matthew Gleadell Tel: 01636 684801 Email: matthew.gleadell@newark.gov.uk

APPENDIX 1 – DEFIBRILLATOR PROPOSALS

Details	Defib 1	Defib 2
Proposed Location	Beaumont Bowls Pavilion	One Stop – Blatherwick Road
Applicant	Belvedere Bowls Club	County Councillor
Is location NTC owned?	Yes	No
Is consent from landowner secured ?	N/A	No
NTC funding required	The applicant is seeking funding for the Defib and at this stage no up front costs for NTC is envisaged.	No but subject to external grant being secured. NTC are being asked to complete the application and take responsibility. The County Councillor is offering £750.00 match funding towards a grant application. Grants are first come first served on a government scheme so are not guaranteed.
Other Issues	24-hour access is required. The site is currently locked up at night. An option to locate on the rear wall and accessed from London Road car park is possible but may require additional funding to create the access space which NTC may be asked to assist with.	The proposed location requires consent from the landowner.

Existing registered Defibs in Newark are shown on the map below.



FINANCE & GENERAL PURPOSES COMMITTEE

SUBJECT:	Civic Trust Plaques
REPORT BY:	Matthew Gleadell

1. Recommendations

- 1.1 That members utilise the Councils grant fund budget to pay 50% of the cost of the Civic Trust plaque at £132.50 but advise the Civic Trust that funding cannot be guaranteed into the future and that any further funding requests will have to be dealt with through any formal grant scheme that may exist at the time.

2. Background

- 2.1 Some years ago, the Town Council used to annually support the Newark Civic Trust in paying 50% of the cost of special awards given by the Trust to developers of historic buildings.
- 2.2 The award scheme is designed to encourage high standards of historic building conservation and that have a positive impact on the historic built environment of Newark.
- 2.3 It has been 5 years since an award was last made. The Trust has recently made a new award and is seeking Town Council support once again for 50% of the cost of the plaque.
- 2.4 The cost of the award is £265.00 and as such £132.50 is being sought as per historic tradition.
- 2.5 The Trust advises that awards are not made very often and at best up to 2 per annum is the most that can be expected.
- 2.5



3.0 Financial, Legal, Equality, Environmental & Risk Issues

3.1 Contained in the report.

Background Papers:	Working papers
Lead Officer:	Matthew Gleadell Tel: 01636 684801 Email: matthew.gleadell@newark.gov.uk

FINANCE AND GENERAL PURPOSES

SUBJECT:	Cemetery War Memorial – Public Request for Additional Name Inscriptions
REPORT BY:	Matthew Gleadell

1. Recommendations

- 1.1 That at this time due to serious financial constraints that the request to add names to the war memorial is not actioned at the cost of the Council. In no way should this be viewed as a lack of recognition or appreciation for the sacrifice of those individuals whose names are missing. Newark has already in the past created a lasting tribute to them. Those tributes now hang on the walls of Newark's most prominent place of worship.
- 1.2 That the Council will at the earliest opportunity explore the opportunity to secure external funding for the required work to be carried out. The War Memorials Trust may for example be able to assist financially.

2. Background

- 2.1 A war memorial bearing the names of serviceman who died in both World War's is located in Newark Cemetery (see image below).
- 2.2 The Council has been approached by a resident who has identified that there are names missing from the memorial. Those names were previously featured on stone plaques in the former St Augustine's Church. Those very plaques are now located in St Mary's Church. One of the plaques specifically includes the names of serviceman from the Worcester and Sherwood Forresters.
- 2.3 An initial quote has been obtained for the work needing to add the names. The cost amounts to approximately £5250. This is based on there being approximately 120 names at a cost of £2.70 per letter plus labour costs.

3.0 Financial, Legal, Equality, Environmental & Risk Issues

- 3.1 Contained in the report.

Background Papers:	Working papers
Lead Officer:	Matthew Gleadell Tel: 01636 684801 Email: matthew.gleadell@newark.gov.uk



FINANCE & GENERAL PURPOSES COMMITTEE

SUBJECT:	Recording and Live Streaming of Newark Town Council Meetings
REPORT BY:	Matthew Gleadell

1. Recommendations

- 1.1
 - a) That members consider the indicative costs of acquiring relevant audio visual equipment and determine if they wish to adopt live streaming / recording of Council meetings.
 - b) If recording and live streaming is adopted that only FGP and Full Council (or equivalent – see 2.12) meetings are live streamed.
 - c) If members pursue live streaming that the equipment is supplied and installed by the contractor that provided the hearing loop system to ensure compatibility between the systems.

2. Background

- 2.1 In response to a member motion, costings have been sought for setting up an audio-visual system that will allow the Council to live stream some or all of its meetings.
- 2.2 Initial costings arise at around £3000-£3500 dependant on the specification of the equipment that is utilised.
- 2.3 Due to the historic nature of the building mobile equipment is preferred to avoid hard wired infrastructure that damages the fabric of the building.
- 2.4 To allow for the equipment to be used in different rooms mobile equipment is also considered advantageous.
- 2.5 The equipment considered is also designed to deal with potential legislation changes that may allow hybrid Council meetings to be held.
- 2.6 The equipment considered is also designed to integrate with our existing hearing loop technology.
- 2.7 The equipment is also designed to provide opportunity for it to be used to support professional conferences and meetings being held in the building.

Equipment Proposed and Purpose

- 2.8
 1. PTZ camera with tripod that will allow for easy set up of a view in any given meeting room. Remote controlled operation of the camera view with zoom and scan features.
 2. Video Production System Hardware – This will allow for graphics to be added to the picture to ensure a professional look and feel and also help for use to support external conferences and meeting room hire.
 3. A 43" screen mounted onto a mobile trolley. This will allow for a view of the stream within the meeting room but also allow for a view of Microsoft Teams if hybrid meetings are ever permitted. (Alternatively the existing projector system can be

utilised albeit the projector is cumbersome and requires more heavy hardware in a system that is already hardware heavy).

4. Mounted speakers that will allow for amplification of any sound from a hybrid meeting so that those in the room can hear those speaking via the online meeting.

- 2.9 The Hospitality Manager has estimated that the full audio-visual package to allow for a live stream of a conference or business meeting could potentially warrant a hire charge of up to £500.00. There is therefore the potential over time to recover the cost of the proposed equipment. Caution should be taken in this area however as conferences is an area still being developed and demand is yet to be demonstrated or proven.
- 2.10 If members do wish to proceed with a live stream option a you tube channel for the Council will be set up.
- 2.11 In terms of member involvement in meetings a live recorded situation may be uncomfortable to some members who feel then less able to participate. Members may ask if this serves to dilute democracy.
- 2.12 It is recommended that if the live stream option is pursued only FGP and Full Council meetings (or equivalent if any reorganisation of governance is adopted) would be live streamed in the first instance. There is a resource requirement to set up the equipment and a level of technical expertise to ensure the continuity of the stream and deal with any technical glitches. That resource may not always be available for some of the smaller sub committee and working group meetings.
- 2.13 NSDC report that their streams will be viewed by between 2 and 20 people on average depending on the agenda content however they state that certain media outlets will view and then enable wider reporting of the Councils business.

Financial, Legal, Equality, Environmental & Risk Issues

- 3.1 **Financial** – The proposed cost is on the threshold of the point at which more than 1 quote is required under financial regulations. The proposed contractor to supply and set up has already provided the hearing loop system and as such in order that the 2 systems co ordinate with each other it is suggested that the same contractor is utilised. The contractor has been extremely helpful and supportive with the hearing loop and as such are highly recommended. There is no formal budget for the proposed expenditure and as such members may wish to defer the cost until the start of the new financial year where a budget provision can be made and commence any live streaming of meetings at the start of the new civic year in May 2025.

Risk Issues – There is a risk of IT failure during a meeting that then detracts from the meeting itself. It is understood that NSDC occasionally encounter difficulties. It will likely be the Clerk and Deputy Clerk due to their presence at meetings that will undertake training to set up and operate the equipment. Any difficulties may take away from their ability to as effectively advise and guide the meeting.

Background Papers:	Working papers
Lead Officer:	Matthew Gleadell Tel: 01636 684801 Email: matthew.gleadell@newark.gov.uk

FINANCE AND GENERAL PURPOSES

SUBJECT:	Budget 25/26 – Initial Considerations
REPORT BY:	Matthew Gleadell

1. Recommendations

- 1.1 That members note and engage in a level of debate regarding the contents of this report albeit no formal decisions are sought from officers at this time.

2. Background

- 2.1 The Council must finalise its budget for the 25/26 financial year and in turn confirm its Precept and Council Tax requirements by the end of January 2025.
- 2.2 This report sets out some initial considerations / factors which members will need to be mindful of as the budget is progressed over a number of meetings between now and the end of January. Whilst some debate over some of the factors will be helpful to understand how the membership feels about certain factors, no formal decisions are necessary at this time.
- 2.3 Members will need no reminding that there are very acute financial challenges not just for Newark Town Council but for the local government sector generally. Difficult decisions are required.
- 2.4 Regrettably there are some significant expenditure increases that the Council will face in the 25/26 financial year and which will then continue for subsequent years. Those increases are detailed below. Before dealing with those however a reminder of the current situation with the councils Precept is provided.
- 2.5 The current precept is £1,227,058.00.
- 2.6 The current tax base is 9226.
- 2.7 The current Band D charge for Newark Town Council is £133.00.
(£133.00 Band D Cost x 9226 Tax Base = £1,227,058.00 Precept).
Remember that the Tax Base is the total number of Band D equivalents.
- 2.8 The estimated tax base increase for 25/26 is 220*. This allows for an increase in the Precept of £29,220.00 without increasing individual Council Tax payments for the Newark Town Council element of the Council Tax.

*The final tax base figure will be confirmed in early December.

- 2.9 Appendix 1 sets out the financial impact of differing levels of increase in the NTC element of individual Council Tax based on the forecast Tax Base.

SIGNIFICANT EXPENDITURE INCREASES

National Insurance

- 2.10 The impact of the recent National Insurance increase is expected to add a cost of approximately **£35,000** to the Councils payroll costs based on current staffing levels.
- 2.11 The government announced during the budget that it would reimburse the local government sector for the extra cost of National Insurance. It was immediately apparent to the Town and Parish sector that the finer detail of the budget had seemingly failed to include the Town and Parish sector as part of the broader 'local government sector'. Representatives from NALC (National Association of Local Councils) and SLCC (Society of Local Council Clerks) have since contacted Government for clarity. The government have responded directly to SLCC in an email worded as follows.

'I wanted to reach out following the Budget increase in Employer National Insurance contributions and what it means for parish and town councils. We are conscious that this will impact the finances of town and parish councils and have been discussing the implications of these changes with colleagues at the Treasury. I'm writing to confirm that town and parish councils will not be included in a package to compensate public sector bodies for this rise.'

The policy set by the Chancellor is to compensate those who are direct public sector employees funded out of public money. Parish councils are not directly funded by central government and so do not fall into this category.'

We recognise that this will require town and parish councils to make some difficult financial decisions, and in particular that many may need to raise their precept, and that some may need to make staffing cuts in order to meet these new costs. We understand neither of these decisions will be taken lightly by your members.'

Much like NTC the financial cost of the increased National Insurance is significant for many of the larger Town Councils across the country. Many Clerks are naturally concerned by the financial impact the increased NI will have on their Councils finances. The sector is planning further lobbying and I will keep members informed of any progress on this issue.

Insurance

- 2.12 The Councils current insurance provider is encouraging the Council to budget for a likely premium increase of up to **£20,000**.
- 2.13 The Council has been locked in with an insurance provider for the last 3 years. The longer-term deals help to reduce premiums. As the 3 years expires after 24/25 the 25/26 premium is set to increase quite significantly.
- 2.14 The reason for the increase is that the insurance sector is currently seeking to recover huge costs they have incurred in handling flood claims in the last few years.
- 2.15 I met with a number of other insurance providers at the recent SLCC conference. There is broad recognition that our insurer is the cheapest in the sector. Competitors were therefore pushing areas where their cover levels are superior and generally accepted they could not compete on cost with our existing provider for a Council of our size. Despite that formal quotes will be sought in any event.

Gas and Electricity

- 2.16 As was reported as part of the current year budget process the Council is now facing large increases in the cost of gas and electricity. Those increases are estimated at around **£55,000**.

- 2.17 The Council has been locked into supply rates that were fixed prior to the Russian invasion of the Ukraine which almost immediately resulted in energy costs increasing significantly. So far, the Council has avoided those increases albeit budget provision was made in the current financial year for electricity increases to take effect in the final quarter of 24/25 financial year.

Summary – Headline Expenditure Increases

The combined financial impact of the headline expenditure increases is a foreecast £110,000. Presently this equates to around a 6-7% increase in Council Tax to cover those costs without regard for any savings or wider budget assessment. The sum is however significant and adds further challenge to the Council medium term financial forecasts.

The 3 items above are simply the headline increases. A cautious budget will factor in general inflation-based increases across all expenditure. Based on current inflation rates of 1.7% (September 2024) a current inflation increase across all expenditure would amount to £37,500. Of course, more detailed budgets will be presented at a later meeting and the above figure is given for general context.

INCOME INCREASES and COST SAVINGS

- 2.18 There are a number of areas where the Council will be able to factor in some increases in income however in some areas it will be hard to accurately forecast that income. This is further explained below.

HOSPITALITY

- 2.19 The Council is now actively working to develop the Town Hall as a hospitality venue. Early indications following the appointment of a new hospitality sales manager are very encouraging however the full potential will not be evident for some time to come. It will be a risk to budget for the income we hope to achieve and certainly as RFO I would advocate for a cautious approach as to forecasted income and then take account of any excess income over budget in the subsequent financial year.

- 2.20 The Council is now pursuing a refreshment sales provision in Sherwood Avenue. Subject to planning consent this will hopefully proceed in readiness to launch in the spring of 2025. An income and profit is expected to be generated but again it will be difficult to budget confidently for this as there is no precedent for accurately assessing the likely income that might be generated. Business plans will set estimated income expectations but we until we are on the ground operating we will not know the full potential.

CEMETERY

- 2.21 In a year where some large increases in costs for delivery of services will arise as detailed in this report it would not be unreasonable to seek to pass on some of those costs to our service users. The Cemetery is a service that generates significant income. Carefully applied increases in fees for the 25/26 financial year could comfortably generate an additional £30,000 or more income. Through current ongoing Cemetery related consultations there have been suggestions from some respondents that those that wish to use the Cemetery should pay to cover its costs.

FLORAL DISPLAYS

- 2.22 Following the change to a more sustainable planting approach this year the floral display budget is expected to decrease by at least **£20,000**. On a financial level this move been a real success saving not only money but also staff time.

MAYORAL AND CIVIC

- 2.23 The current and active service priority questionnaire that is live on the Council website currently shows the Mayoral and Civic functions as the least valued service or undertaking that the Town Council provides.

There has been recent debate within Clerk forums between Clerks at other towns who have strong Mayoral and Civic traditions over how best to manage a step down of the costs involved in maintaining strong Mayoral and Civic traditions. A similar message is coming from other towns whereby the large majority of the tax paying public simply fail to see the benefit in a lot of the Mayoral traditional activity. Members are asked if against a fiercely difficult financial environment there is appetite to review the way in which the Mayoralty and civic undertakings are managed with a view to cost savings being made. This might involve the Mayor attending fewer events (especially those outside of Newark), fewer civic events and those that are held delivered with less costs involved, the Mayor organising their own transport albeit with reimbursement of transport costs. As an early estimate some modest dilution of the traditional Mayoral activity could generate savings of up to **£20,000**.

Long held traditions can be hard to move away from however there must be recognition that in difficult financial times difficult decisions will need to be made.

EVENTS

- 2.24 The 25/26 financial year will be the first year following the conclusion of the Newark Heart project which commits the Town Council to £200,000 of match funding towards town centre event activity.

Officers involved in event planning are keen to understand the Councils position on events for the next year in terms of budgets. There are clear cost savings in not hosting events like Newark Festival and Christmas Lights Switch On, however, these are popular local events and during difficult financial times taking away free to access events albeit financially advantageous may not be socially advantageous. Officers would welcome some early indication of the likelihood of continued support for the usual Town Council event budgets so that they can begin early planning accordingly.

Newark on Sea will of course be delivered at a much lower cost this year now that the infrastructure and equipment to deliver the event has been purchased by the Council.

- 2.25 **NEWARK ROYAL MARKET**

See Appendix 2.

ADDITIONAL MEETINGS

- 2.26 In recognition of the acute financial challenges facing the Council and the challenges involved in setting the budget some additional meeting dates in December and January that deal only with the budget and financial matters are earmarked.

The earmarked meeting dates are:

1. 18th December 2024

2. 15th January 2025

- 2.27 **DEVOLUTION**

Members are reminded that under the 2015 Devolution deal the Council receives an annual grant from Newark & Sherwood District Council. Those grants are currently due to cease in the 2027/2028 financial year. The 2026/2027 financial year will also see a big drop in the value of the grant based on current contractual terms. The grant amounts are determined by the tax base and currently in 2035 if the tax base does not grow to a defined level, further grants will once again be made. Based on current growth levels the defined tax base level at which grants would cease is not expected to be reached until the

2056/2057 financial year with a contractual grant liability between 2035 and 2057 of close to £4million pounds (this of course is a very long-term forecast and in a volatile world changes to circumstances that impact the figures are inevitable).

In the current financial year, the grant is £416,065.00.

Discussions have been held with NSDC with a view to re -profiling the grant structure on the basis that tax base growth has not been anywhere near the levels that had been forecast in 2015 and consequently there are far fewer council tax payers than had been expected and less people therefore to share the cost of local council tax needs and meet the costs of maintaining the devolved assets and services.

There is a consensus from NSDC officers that there is a shared willingness to reprofile the grant structure that will assist the Town Council in addressing medium term financial challenges. There is scope for a revised grant structure that is beneficial for both parties however it will not be in a way that shields the Town Council from having to make some difficult decisions in navigating difficult financial times.

3.0 Financial, Legal, Equality, Environmental & Risk Issues

3.1 Contained in the report.

Background Papers:	Working papers
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Appendix 1

The figures below assume a Tax Base increase of 220 to make the tax base 9446.

Percentage Increase in NTC Council Tax	Band D Cost (Current - £133.00)	Precept Value (Current £1,227,058)	Additional Income
1%	£134.33	£1,268,881	£41,823.00
2%	£135.66	£1,281,444	£54,386.00
3%	£136.99	£1,294,007	£66,949.00
4%	£138.32	£1,306,570	£79,512.00
5%	£139.65	£1,319,133	£92,075.00
6%	£140.98	£1,331,697	£104,639.00
7%	£142.31	£1,344,260	£117,202.00
8%	£143.64	£1,356,823	£129,765.00
9%	£144.97	£1,369,386	£142,328.00
10%	£146.30	£1,381,949	£154,891.00

Tax Base Explained

In order for members to fully understand the relationship between physical numbers of properties and the tax base, the table shows the Band D equivalent of 100 of each types of each band property.

100 of each Tax Band	Band D Equivalent
100 Band A properties would pay the same amount of Council Tax as	66.6 Band D Properties.
100 Band B properties would pay the same amount of Council Tax as	77.7 Band D Properties.
100 Band C Properties would pay the same amount of Council Tax as	88.8 Band D Properties
100 Band D properties would pay the same amount of Council Tax as	100 Band D Properties
100 Band E properties would pay the same amount of Council Tax as	122.2 Band D Properties
100 Band F would pay the same amount of Council Tax as	144.4 Band D Properties
100 Band G Properties would pay the same amount of Council Tax as	166.6.5 Band Properties
100 Band H Properties would pay the same amount of Council Tax as	200 Band D Properties

As Newark is mainly made up of Band A properties the number of physical properties in the parish is more than the Band D equivalent Tax Base number whereas in certain rural parishes in very affluent areas where the majority of houses are Band H, the tax base number for the parish will be bigger than the physical number of properties.

