

Ringwood Town Council

Ringwood Gateway, The Furlong, Ringwood, Hampshire BH24 1AT

Tel: 01425 473883

www.ringwood.gov.uk

SUMMONS

Dear Member

20th January 2022

You are hereby summoned to attend a meeting of the Town Council at the Forest Suite, Ringwood Gateway on 26th January 2022 at 7.00pm.



Mr C Wilkins
Town Clerk

AGENDA

1. PUBLIC PARTICIPATION

There will be an opportunity for public participation for a period of up to 15 minutes at the start of the meeting

2. To receive Apologies for Absence

3. To receive Declarations of Interest

4. POLICE REPORT

i) Introduction to and report from Luke Stubbs, Deputy Police and Crime Commissioner for Hampshire; and

ii) To receive a report from Ringwood Neighbourhood Police Team on operational matters from Inspector Darren Ord and Sergeant Helen Andrews

5. To approve as a correct record the minutes of the meeting held on 15th December 2021

6. To receive Minutes of Committees and approve recommendations contained therein:-

Recreation, Leisure & Open Spaces

DATE :- 5th January 2022

Planning, Town & Environment

DATE:- 7th January 2022

Policy & Finance

DATE:- 19th January 2022

(RECOMMENDATION: Council Budget 2022-23 (*P/5997 refers*) – see separate agenda item)

7. COUNCIL BUDGET 2022 - 23

To consider a recommendation from Policy and Finance Committee to approve the budget and precept for 2022-23(*P/5997 refers*) (*Report A*)

8. SPORTS DEVELOPMENT PROJECT AT LONG LANE

To consider the Town Clerk's report (*Report B*) on the Football Development Project

9. To receive such communications as the Town Mayor may desire to lay before the Council (Councillors are reminded that no decision taking may take place as a result of this item)
10. To Receive Reports from Ringwood Town Councillors (Councillors are reminded that no decision taking may take place as a result of this item)
11. To receive Reports from County and District Councillors (Councillors are reminded that no decision taking may take place as a result of this item)
12. Forthcoming Meetings – to note the following dates:

Recreation, Leisure & Open Spaces	7.00pm	Wednesday 2 nd February 2022
Planning, Town & Environment	10.00am	Friday 4 th February 2022
Policy & Finance	7.00pm	Wednesday 16 th February 2022
Full Council	7.00pm	Wednesday 23 rd February 2022

13. EXCLUSION OF THE PRESS AND PUBLIC

To consider exclusion of the press and public from the meeting, in accordance with the Public Bodies (Admission to Meetings) Act 1960, section 1(2), to transact business for which publicity would be prejudicial to the public interest by reason of its confidential nature

14. BICKERLEY LEGAL MATTER

To consider the Town Clerk's report (*Confidential Report C*)

If you would like further information on any of the agenda items, please contact Mr Chris Wilkins, Town Clerk, on 01425 484720 or chris.wilkins@ringwood.gov.uk

Council Members:

Chairman: Cllr Tony Ring, Town Mayor
 Vice-Chairman: Cllr Philip Day, Deputy Mayor
 Cllr Andy Briers
 Cllr Gareth DeBoos
 Cllr Hilary Edge
 Cllr Rae Frederick
 Cllr John Haywood
 Cllr Jeremy Heron
 Cllr Peter Kelleher
 Cllr Darren Loose
 Cllr Gloria O'Reilly
 Cllr Steve Rippon-Swaine
 Cllr Derek Scott
 Cllr Glenys Turner

Student Advisors:

TOWN COUNCIL – 26th JANUARY 2022
BUDGET 2022/2023

1. INTRODUCTION

- 1.1** Policy & Finance Committee members considered a draft budget for 2022/23 at their meetings in December and January. These meetings of the Policy & Finance Committee recommended several changes which have been incorporated into this draft budget. This report sets out the revised proposals for the 2022/23 budget and consequent Precept and Council Tax for approval by Full Council.
- 1.2** This report also includes an update to the revised budget for 2021/22.

2. REVISED BUDGET 2021/22

- 2.1** Attached for the Committee's consideration are the following documents:-
- Appendix A – Draft summary Council budget, including actual spend 2019/20, and 2020/21, original and revised budgets 2021/22 and revised draft proposals for 2022/23.
- Appendix B – Provisions at 1st April 2021, and estimated balances at 31st March 2022 and 2023, based on the revised budget 2021/22 and the updated proposals for 2022/23.
- Appendix C – Summary of budget preparation assumptions, movements and balances.
- 2.2** In December, it was reported that there is likely to be a modest net underspend in 2021/22. Expenditure is likely to fall below that predicted in the revised budget, but almost all of that reduction would otherwise have been funded from reserves and so the net revenue budget outturn remains broadly on track.
- 2.3** The forecast outturn is for a net surplus on the revenue account of around £9,000. However, this is predicated on a transfer from the General Reserve of £3,000 so the net transfer to the General Reserve is now predicted to be around £6,000.
- 2.4** Reserves at the start of the year amounted to £579,996. (£292,545 General reserve plus £287,451 earmarked reserves and deposits). The transfer to the General Fund together with the net transfer from earmarked reserves of around £30,000 will reduce the total value of reserves to £556,000. Note that the actual outturn will depend on the performance of a number of projects which are being funded from reserves, such as the Columbarium project.
- 2.5** Planned and predicted movements on reserves are detailed in Appendix B.

3. DRAFT BUDGET 2022/23

- 3.1** As in previous years, the draft budget has been prepared on an incremental basis. The original budget for 2021/22 has been adjusted for known and unavoidable changes, one off items approved for the current year have been removed and a modest range of estimates for inflation have been applied together with a Council Tax increase of 3%. This increase, taken with the increase in the Council Tax Base, will generate a Town Council Precept of £553,949. The draft budget was discussed at the December meeting at which time it was noted that, based on the assumptions applied, a net transfer from the General Reserve of £7,000 would be required.

- 3.2** Some small adjustments were discussed and during the intervening period further scrutiny of budgets has been undertaken in attempt to reduce the required transfer from the General Fund. In particular, remaining budget provisions for unpredictable or reactive spend, such as vandalism repairs, have been removed on the assumption that, should expenditure be necessary, costs will be met from reserves. This has reduced the budget requirement but does increase the risk of unplanned expenditure. These adjustments have reduced the projected budget shortfall by £1,450.
- 3.3** However, it has also been announced that we will no longer be able to use red diesel from April 2022. We currently use around 6,000 litres of diesel per annum, of which a third is red diesel. At the margins we achieved during 2021/22, the difference in price was around 35 pence per litre. At the same time, diesel prices have risen from £1.15 per litre to £1.30 per litre. These two factors will add around £1,500 per year to fuel costs.
- 3.4** The budget inflation assumptions are included in Appendix C.
- 3.5** The proposed base budget, after allowing for adjustments and unavoidable inflation, is therefore £532,103. Net transfers to reserves increase the budget requirement to £ 558,030 before any new bids are considered.
- 3.6** Proposals for new growth or additional spend of £17,700 have been approved, of which £14,600 will be funded from reserves. The other committees have considered their budgets and all new bids which they put forward were considered at the December meeting of this committee. It was agreed that the following proposals be taken forward and included in the budget for 2022/23:

Policy & Finance:

1. Carvers Clubhouse replacement benches	£1,600
2. Buildings Surveys	£2,000

Recreation & Leisure:

1. Carvers Playpark picnic bench	£1,000
2. Memorial Tree and bench	£2,100
3. Carvers Strategic plan	£10,000

Planning, Town & Environment:

1. Support for REAL working Group	£1,000
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Total cost of new bids: £17,700

Earmarked reserves will fund £14,600 of this leaving a balance of £3,100 to be funded from the revenue Account.

- 3.7** the base budget of £558,030 will therefore increase to £561,130. The anticipated precept, noted above is £553,949, a shortfall of £7,181. Members might consider applying all or some of the remaining balance of the Covid relief grant of £2,917 received last year from NFDC, to reduce this shortfall.
- 3.8** Reserves movements are summarised in appendix B. The opening balance on earmarked reserves is expected to be £242,562 whilst budgeted transfers to reserves will increase this by £38,400. Transfers to the revenue budget from reserves amount to £12,472 whilst a further £14,600 will be used to support growth projects during the year. This means that the predicted balance of earmarked reserves at 31st March 2022 will be £253,890. The budget proposals set out here would therefore result in a net increase in total reserves of £4,147 in 2022/23, before any irregular expenditure that may necessitate an additional transfer from reserves. At this stage it is impossible to predict the level of CIL

receipts that might be expected, but these too will be added to earmarked reserves. These plans include a draw on the General reserve of £7,141 which will reduce that reserve to £291,185 by year end.

- 3.9 The proposed budget will result in an increase in the precept of £22,093 or 4.15%. However, the increase in the Council Tax base will limit the increase in Council tax to 3.0% resulting in a band D equivalent council Tax of £101.36. This represents an increase of £2.95 per annum.

4. FINANCIAL IMPLICATIONS

- 4.1 The proposed budget, including the new bids, requires an increase in the Council tax of 3.0% together with a transfer from the general Reserve of £7,181 in order to achieve a balanced budget.
- 4.2 Many of the individual budgets have been shaved, frozen or cut for the last few years and there is consequently an increasing risk that the overall budget is vulnerable to any unexpected pressures. This may result in an increased reliance on the General Reserve to meet unexpected costs or cost increases.
- 4.3 Similarly, the transfer of "irregular" spend from the budget will also place a greater reliance on Earmarked Reserves to meet unplanned expenditure such as building repairs, vandalism and so on. Consideration should be given to whether the current approach to building and maintaining earmarked reserves is sufficient to meet this additional burden.

5. RECOMMENDATIONS

- 5.1 Subject to any amendments made at this meeting, **it is recommended that:-**
- 5.2 Members approve the draft budget.
- 5.3 Members approve a precept of £553,949 and consequent 3.0% increase in the Council Tax which will take the Band D equivalent Council Tax contribution for the Town Council to £101.36.

For any further information, please contact:

Rory Fitzgerald	or	Chris Wilkins
Finance Officer		Town Clerk
Tele: 01425 484723		Tele: 01425 484720

RINGWOOD TOWN COUNCIL
BUDGET AND REVISED BUDGET 2021/22 AND
DRAFT BUDGET 2022/23

Appendix A

A

1	2	4	5	6	7	8	9	10
	Committee	Actual 19/20 £	Actual 20/21 £	Budget 21/22 £	Revised Budget 21/22 £	Inflation £	Known Changes* £	Draft 22/23 £
	Policy & Finance							
	Expenditure	442,866	397,503	442,395	441,275	12,949	-2,283	453,151
	Income	-156,471	-127,112	-145,140	-162,430	-4,976	-4,830	-154,945
	Net Expenditure	286,395	270,391	297,255	278,845	7,974	-7,113	298,205
	Transfers to Reserves	29,792	16,500	16,500	16,500	0	0	16,500
	Transfers from Reserves	-26,168	-8,172	-1,000	-3,780	0	-8,242	-9,242
	Growth bids and adjustments (net of transfers from reserves and income)							0
	Committee net expenditure	290,019	278,719	312,755	291,565	7,974	-15,355	305,463
	Recreation & Leisure							
	Expenditure	223,763	219,923	258,003	277,114	6,220	-55,476	207,997
	Income	-34,273	-33,984	-31,657	-30,636	-950	100	-32,507
	Net Expenditure	189,490	185,939	226,346	246,478	5,270	-55,376	175,490
	Transfers to Reserves	19,900	17,900	17,900	17,900	0	0	17,900
	Transfers from Reserves	-35,500	-14,654	-54,500	-65,393	0	54,500	0
	Growth bids and adjustments (net of transfers from reserves and income)							2,100
	Committee net expenditure	173,890	189,185	189,746	198,985	5,270	-876	195,490
	Cemeteries							
	Expenditure	43,687	42,913	46,733	52,993	1,660	10,612	59,005
	Income	-34,073	-36,240	-46,031	-40,945	-1,341	6,836	-40,550
	Net Expenditure	9,614	6,673	702	12,048	319	17,448	18,454
	Transfers to Reserves	4,000	4,000	4,000	4,000	0	0	4,000
	Transfers from Reserves	-230	-230	-230	-5,156	0	0	-230
	Growth bids and adjustments (net of transfers from reserves and income)							0
	Committee net expenditure	13,384	10,443	4,472	10,892	319	17,448	22,224
	Allotments							
	Expenditure	11,782	11,725	12,667	12,838	426	5,365	18,458
	Income	-5,209	-5,374	-5,306	-5,500	-159	0	-5,465
	Net Expenditure	6,573	6,351	7,361	7,338	267	5,365	12,993
	Transfers to Reserves	0	0	0	0	0	0	0
	Transfers from Reserves	0	0	0	0	0	0	0
	Growth bids and adjustments (net of transfers from reserves and income)							0
	Committee net expenditure	6,573	6,351	7,361	7,338	267	5,365	12,993
	Planning, Town & Environment							
	Expenditure	20,985	25,600	41,243	39,763	619	-3,802	37,060
	Income	-1,100	-9,225	-15,650	-19,350	0	5,550	-10,100
	Net Expenditure	19,885	16,375	25,593	20,413	619	1,748	26,960
	Transfers to Reserves	0	0	0	0	0	0	0
	Transfers from Reserves	-5,170	-1,120	-4,000	-2,167	0	1,000	-3,000
	Growth bids and adjustments (net of transfers from reserves and income)							1,000
	Committee net expenditure	14,715	15,255	21,593	18,246	619	2,748	24,960
	Total Base Expenditure	743,083	697,664	801,040	823,983			775,671
	Total Income	-231,126	-211,935	-243,784	-258,861			-243,568
	Total transfer to reserves	53,692	38,400	38,400	38,400			38,400
	Total Transfer from reserves	-67,068	-24,176	-59,730	-76,496			-12,472
	Total New Bids							17,700
	Less funded from earmarked reserves							-14,600
	Total Budget Requirement	498,581	499,953	535,927	527,026			561,130
	Precept	497,549	519,907	531,856	531,856			553,949
	Covid Relief grant			4,071	4,071			0
	Transfer to/-from General Reserve	-1,032	19,954	0	8,901			-7,181

**RINGWOOD TOWN COUNCIL
BUDGET AND REVISED BUDGET 2021/22 AND
DRAFT BUDGET 2022/23**

Appendix A

A

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	Description	Actual 19/20 £	Actual 20/21 £	Budget 21/22 £	Revised Budget 21/22 £	Inflation £	Known Changes* £	Draft 22/23 £
Expenditure:								
	Policy & Finance	442,866	397,503	442,395	441,275	12,949	-2,283	453,151
	Recreation & Leisure	223,763	219,923	258,003	277,114	6,220	-55,476	207,997
	Cemeteries	43,687	42,913	46,733	52,993	1,660	10,612	59,005
	Allotments	11,782	11,725	12,667	12,838	426	5,365	18,458
	Planning, Town & Environment	20,985	25,600	41,243	39,763	619	-3,802	37,060
	Council Total Expenditure	743,083	697,664	801,040	823,983	21,874	-45,584	775,671
Income:								
	Policy & Finance	-156,471	-127,112	-145,140	-162,430	-4,976	-4,830	-154,945
	Recreation & Leisure	-34,273	-33,984	-31,657	-30,636	-950	100	-32,507
	Cemeteries	-34,073	-36,240	-46,031	-40,945	-1,341	6,836	-40,550
	Allotments	-5,209	-5,374	-5,306	-5,500	-159	0	-5,465
	Planning, Town & Environment	-1,100	-9,225	-15,650	-19,350	0	5,550	-10,100
	Council Total Income	-231,126	-211,935	-243,784	-258,861	-7,426	7,656	-243,568
	Council Net Expenditure before transfers	511,957	485,729	557,257	565,122	14,449	-37,928	532,102
Add Transfers to Provisions								
	Policy & Finance	29,792	16,500	16,500	16,500			16,500
	Recreation & Leisure	19,900	17,900	17,900	17,900			17,900
	Cemeteries	4,000	4,000	4,000	4,000			4,000
	Allotments	0	0	0	0			0
	Planning, Town & Environment	0	0	0	0			0
	Total transfers to provisions	53,692	38,400	38,400	38,400			38,400
Less Transfers from Provisions								
	Policy & Finance	-26,168	-8,172	-1,000	-3,780			-9,242
	Recreation & Leisure	-35,500	-14,654	-54,500	-65,393			0
	Cemeteries	-230	-230	-230	-5,156			-230
	Allotments	0	0	0	0			0
	Planning, Town & Environment	-5,170	-1,120	-4,000	-2,167			-3,000
	Total transfers from Provisions	-67,068	-24,176	-59,730	-76,496			-12,472
	Total Budget Requirement before new bids	498,581	499,953	535,927	527,026	14,449	-37,928	558,030
New Bids 2021/22 (net of income)								
	Policy & Finance							3,600
	Recreation & Leisure							13,100
	Cemeteries							0
	Allotments							0
	Planning, Town & Environment							1,000
	Less Funded from Provisions							-14,600
	Council's Net Budget	498,581	499,953	535,927	527,026			561,130
	Transfers from(-) or to General Reserve	-1,032	19,954	0	8,901			-7,181
	Covid Relief Grant			-4071	-4071			0
	Council Precept (to be met by Council Tax Payers)	497,549	519,907	531,856	531,856			553,949
	Council Tax Base	5285.2	5362	5404.3	5404.3			5,465.0
	Council Tax	94.14	96.96	98.41	98.41			101.36

RESERVES AND PROVISIONS - MOVEMENT & ESTIMATED BALANCES

1st April 2021 to 31st March 2023

	Actual Balance 01/04/21 £	Planned Transfers 2021/22 (revised):				Estimated Balance 01/04/22 £	Planned and Proposed Movements 2022/23:					Estimated Balance 31/03/23 £
		from Revenue £	to Revenue £	Cash Receipts £	between provisions £		from Revenue £	to revenue		Capital & Other Receipts £	between provisions £	
								base budget £	Growth £			
<u>EARMARKED PROVISIONS</u>												
I.T. & Equipment	13,900	4,500				18,400	4,500		0			22,900
Gateway	25,000	0				25,000	0		0			25,000
Cemetery	18,000	4,000	-22,000		3,000	3,000	4,000		0			7,000
Buildings Reserve	28,567	5,000				33,567	5,000	-200	-2,000			36,367
Election	11,274	1,500				12,774	1,500		0			14,274
Vehicle & Machinery	16,365	11,000	-4,793			22,572	11,000		0			33,572
Play Equipment	15,258	6,900	-19,500		500	3,158	6,900		-1,000			9,058
Memorials	3,000				-3,000	0			0			0
Christmas Lights	0					0			0			0
Carvers Clubhouse	27,025	2,500	-1,200			28,325	2,500	-1,042	-1,600			28,183
Ringwood Events	8,828					8,828		-8,000	0			828
Memorial Lantern	1,354					1,354			0			1,354
Carvers Grounds	11,300		-10,000			1,300			0			1,300
Infrastructure & Open Spaces	19,343	3,000	-6,026			16,317	3,000		-10,000			9,317
Neighbourhood Plan	3,000		-1,000			2,000		-2,000	0			0
Total Provisions	202,215	38,400	-64,519		500	176,596	38,400	-11,242	-14,600	0	0	189,154
<u>RESERVES</u>												
Earmarked Reserves:												
Dev Contribs	3,663		-1,000			2,663		-1,000	0			1,663
Cem Maint	1,210		-230			980		-230	0			750
Dev Cons(CIL)	45,635		-8,167	5,814		43,282			0	0		43,282
Capital Receipts	13,125			3,000		16,125			0	0		16,125
Grants Unapplied	6,988		-4,071			2,917		0	0	0		2,917
Loans Unapplied	0					0			0	0		0
Total Earmarked Reserves and Provisions	272,835	38,400	-77,987	8,814	500	242,562	38,400	-12,472	-14,600	0	0	253,890
General Reserve	292,545	8,901	-2,580		-500	298,366	0	-7,181			0	291,185
Total Reserves	565,380	47,301	-80,567	8,814	0	540,928	38,400	-19,653	-14,600	0	0	545,075

BUDGET ASSUMPTIONS 2022/23

Inflation (RPI) is currently running at 7.5% (for the year to December 2021). CPIH is 4.8% for the same period whilst the CPI is 5.4%. Note that some costs and expenditure are linked to inflation, whereas some "non contractual" expenditure is more discretionary and inflationary cost increases may be absorbed by reducing spend, although this may not be without consequence. Other expenditure may be fixed with no inflationary adjustment required. Each expenditure component in the budget has been allocated an inflation type (1-6) which may be modelled on this page.

ASSUMPTIONS:

	%	Type
1 Inflation		
- Pay	3.5%	1
- Utilities	5.0%	2
- Other Expenditure	4.0%	3
- Non contractual expenditure	0.0%	4
- Income	3.0%	5
- Fixed expenditure (i.e. no inflation)	0.0%	6

2 Council Tax Base increase	1.12%
Note, the Council Tax base for 2021/22 is	5,404.3

3 Use of General Reserve	£ 7,181
Use of Covid relief grant	0

The Band D equivalent Council Tax for 2021/22 is: 98.41

A target Council Tax increase of : 3.0%
 would increase the Council Tax to: 101.36

And require an additional transfer from reserves of: £0
 which would reduce total reserves to £ 545,075 by March 2023
 (given the assumptions in 1 - 3 on the left)

An increase of 1.12% (assumption 2) will increase the Council Tax base to: 5,465.0

The General Reserve is expected to be £298,366 at April 1st 2022. This transfer will reduce it to £291,185 by March 2023
 The balance of this grant at 1st April 2022 is expected to be £2,917

Net Budget Requirement and consequent Band D equivalent Council Tax

Based on the above assumptions together with any proposed new bids and adjustments:

	£
Base Budget 2022/2023	532,102
Net transfers to/from earmarked reserves	25,928
Growth Bids & Adjustments	17,700
- Less funded from earmarked reserves (inc. borrowing)	-14,600
- Less additional income generated	0
Net Budget requirement	561,130
Less funded from general reserve/Covid relief Grant	-7,181
Sum to be funded from Council Tax Payers (Precept)	553,949

Band D equivalent Council Tax 2022/23 101.36

The Council Tax for 2021/22 is £98.41 per Band D Equivalent

The budget requirement and resulting precept, as modelled, represents an increase of 3.00 % in the Council Tax

Summary movement on reserves:

	£
Opening reserves 1/4/2022:	
General Reserve	298,366
Earmarked Reserves & Provisions	242,562
Total Reserves 1/4/2022	540,928
Planned transfers in	38,400
Planned transfers out	-12,472
Plus Capital Receipts 22/23	0
Less Funding for growth	-14,600
Less use of general reserve	-7,181
Predicted reserves 31/3/2023	

General Reserve	291,185
Earmarked Reserves	253,890
Predicted Reserves 31/3/2023	545,075

An increase of one percent on the Council Tax will generate an increased precept of : £5,378
 For each increase of £1,000 in the precept requirement, a further £0.183 will be added to the Band D Council Tax

TOWN COUNCIL

26th January 2022

Report on Football Development Project

1. Introduction and reason for report

- 1.1 Work on this project to date has been focused on “de-risking” it – that is, conducting site investigations, obtaining planning permission, tendering the construction contracts and identifying the professional support needed and obtaining fee estimates. The aim of this is to reduce or eliminate uncertainty about costs and ensure that the project partners can provide or obtain the funding it needs without impairing their operational and financial viability.
- 1.2 This report presents a summary of this work, explains the provisional conclusions reached, sets out the implications for the business arrangements and seeks member decisions on some key details.

2. Background information

- 2.1 Various physical and ecological investigations and surveys have been carried out on site (at significant expense, which has been met, in the first instance, by AFC Bournemouth Community Sports Trust – “the Trust”). None of these has thrown up any unexpected problems and they provide some assurance against unpleasant surprises when work starts.
- 2.2 Planning permission has been applied for and granted, subject to conditions. Some particulars and conditions (especially those relating to parking provision and highways requirements) have quite a significant effect on cost and discussions are continuing on how the planning objectives can be met without incurring unnecessary cost.
- 2.3 The contract for construction of the artificial turf pitch (ATP) has been awarded to Tiger Turf and Knights Brown has been appointed principal contractor for all the other works, based on the tenders they submitted. We are now able to work with both to agree how they will work together to deliver the project and how costs can be reduced.
- 2.4 Since this Council will be acting as the lead client in the project, a VAT consultant and a solicitor have been appointed to provide the specialist advice needed. Fee estimates have been agreed with each. Consultants are also assisting Ringwood Town F.C. and other project partners to pursue every source of grants and other forms of funding for the project.
- 2.5 At previous meetings members were advised that construction costs have risen significantly over recent months and these were likely to affect the cost of the project. More accurate information is now available and it is clear that the overall cost will be close to £3,000,000. This is significantly more than was expected when the budget was first prepared in the spring of 2021. Football Foundation has indicated a willingness to provide substantial additional grant support over and above that originally envisaged and normal for projects of this type. Furthermore, it is realistic to expect some success in outstanding funding applications and continuing “value-engineering” of the contracts. However, the best current estimate is that this will leave the project about £500,000 short of the capital funding it needs.
- 2.6 Every option for meeting this funding gap has been considered and explored thoroughly and for want of any realistic alternative, the Trust has proposed that this Council apply to Public Works Loan Board for a loan of £500,000 repayable over 40 years on the following conditions:

- 2.6.1 That the Trust will cover the full cost of the loan repayments for the full term of the loan;
- 2.6.2 That the term of the proposed lease to the Trust (previously agreed in principle as 40 years) be increased to 50 years;
- 2.6.3 That the loan repayments take the place of any other rent payable by the trust, initially at least; and
- 2.6.4 That the Town Council continue to provide grass-pitch maintenance as now and without any separate charge for this.

There would still need to be a new lease. This would still provide for the rent to be reviewed every three years. If, at any review, the financial situation of the Trust had altered to the point of making additional rent affordable then this would be payable from that time.

- 2.7 The proposal from the Trust would result in a net loss of income to this Council when compared with what had previously seemed possible. The Council currently receives a ground rent of £2,360 a year from the Club plus booking fees for the grass pitches (which has been highly variable over the last few years since it depends on usage but is typically a few thousand pounds a year). Agreeing to the Trust's proposal would mean (initially, at least) forgoing the rental income and put the booking fee income at risk along with any expectation of payment for the grass-pitch maintenance (which is currently done at the Council's expense anyway). Because this income reduction is highly uncertain (as to both the amount and when it would happen) at present, it was not possible to allow for it in the preparation of the 2022-23 budget but it may have some effect on the out-turn against that budget. Fuller information is expected before later budgets have to be planned.
- 2.8 Options are limited. As stated, no other means of filling the funding gap appear available at present. Accordingly, if the Council doesn't accept the Trust's proposal there is a significant risk that the project may have to be cancelled at this stage. This would entail the loss of any realistic prospect of securing an ATP for Ringwood in the foreseeable future (and without that it is hard to see how the Club could expand and diversify participation in football on the site). Moreover, it would leave the Club and the Council having to address the problems with the existing clubhouse without the assurance of any funding from Football Foundation, the Trust or the District Council.
- 2.9 This moment is also an opportunity to review the oversight and governance of this project. It is unusual (unprecedented even) for this Council to assume a leading role on a project of this complexity and size. The risks (especially financial risks to public funds) are significant and should be properly monitored. Is it entirely fair or safe to expect a single councillor and the Town Clerk to bear as much responsibility as they do at present?

3. Issues for decision

- 3.1 **Should the proposal from the Trust for filling the funding gap be agreed in principle?**
- 3.2 **Should any changes be made to the oversight and governance arrangements for the project?**

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