

Killamarsh Parish Council

Killamarsh Sports Centre, Killamarsh Community Campus
Stanley Street. Killamarsh, S21 1EL

Tel: 0114 247 2260

Email: parish.office@Killamarsh-pc.gov.uk

Website: www.killamarsh-pc.gov.uk



Draft minutes are subject to approval at the next council meeting.

Minutes of An Extraordinary Meeting of Killamarsh Parish Council Held Remotely on Wednesday 13th January 2021 Via Zoom Video Conference

Commenced: 7.00pm – Concluded: 8.07pm

Councillors Present: Steve Clough [Chairman], Kevin Bone, Pat Bone, Nick Challenger, Chris Curzon, Barry Jones, Carol Lacey, Stuart Mullins, Mo Potts, Bill Rice, Lillian Robinson, Eva Thompson, Nick Whitehead, John Windle

Absent Councillors: None

Officers: Safia Kauser [Locum Parish Clerk, minute taker]

Members of the Public: Five members of the public

(1) Item 1: Chairman's Opening Remarks

To receive the Chairman's opening remarks. The Chairman will notify those present about the holding of virtual meetings.

The Chairman informed those present who had joined the meeting via video to use the 'raise your hand' facility to speak and those members who had joined by telephone were advised to state their name and be permitted to speak when asked to do so by the Chair.

(2) Item 1: Apologies for Absence

To receive and approve apologies for absence and reasons given to the Clerk prior to the meeting.

All members were present.

(3) Item 3: Declarations of Disclosable Pecuniary and Other Interests

Item 3.1 - To receive declarations of disclosable pecuniary interests (DPI) and personal and prejudicial interests from members on matters to be considered at the meeting in accordance with the Localism Act 2011 (section 30 to 33). Officers are required to make a formal declaration about council contracts where the employee has a financial interest in accordance with the LGA 1972, s117.

Cllrs Clough and Whitehead declared an interest in item 7 due to their dual role as district councillors.

Item 3.2 - To receive, consider and record councillors requests for DPI dispensation (section 31 Localism Act 2011) in connection with items on this agenda. Applications for this must be made in writing to the Clerk prior to the meeting.

None declared.

(4) Item 4: Adjournment for Public Participation

To adjourn the meeting for 15 minutes to allow members of the public to make representation on the

	<p>business of the agenda for the meeting. No resolutions can made be under public participation.</p> <p>No members of the public requested to take part in public participation.</p>
<p>(5)</p>	<p>Item 5: Exclusion of Press and Public - Public Bodies (Admission to Meetings Act) 1960</p> <p>To consider and resolve any agenda items that require the exclusion of the Press and Public in accordance with the Public Bodies (Admissions to Meetings) Act 1960 for matters appertaining to confidential or exempt information.</p> <p>Note: The Locum Clerk recommends that the press and public are excluded for:</p> <ul style="list-style-type: none"> • Agenda item 7 due to the commercial interests relating to the future viability of the sports centre that would prejudice the ongoing negotiations; • Agenda item 8 due to commercially sensitive information contained in tendering documents; • Agenda item 9 due to commercially sensitive information relating to proposals in contracts. <p>RESOLVED:</p> <p>1) In accordance with the Public Bodies (Admissions to Meetings) Act 1960; that in view of the confidential nature of the business about to be transacted, it is advisable in the public interest that the press and public be temporarily excluded from agenda item 7 due to the commercial interests relating to the future viability of the sports centre that would prejudice the ongoing negotiations; agenda item 8 due to commercially sensitive information contained in tendering documents and agenda item 9 due to commercially sensitive information relating to proposals in contracts. <i>(All in favour; 1 against; 0 abstentions)</i></p>
<p>(6)</p>	<p>Item 6: Minutes</p> <p>To approve the draft minutes of the Full Parish Council meeting held on the 14th December 2020.</p> <p>RESOLVED:</p> <p>1) That the draft minutes of the full parish council meeting held on the 14th December 2020 are approved as a true and accurate record of proceedings subject to the changes/additions: 'Bread Charity – it committed £5,000 and it was not given'. <i>(All in Favour)</i></p> <p><i>*All members of the public left the meeting.</i></p>
<p>(7)</p>	<p>Item 7: Subsidy Reduction Plan</p> <p>Item 7.1 - To consider the subsidy reduction plans from North East Derbyshire District (NEDDC) and to agree the outline proposals in principle, subject to legal advice, options appraisal and risk management assessment (confidential outline proposals enclosed).</p> <p>Members discussed various aspects of the proposals from NEDDC and all agreed that the Parish Council would financially benefit from this long term agreement. The Locum Clerk had provided members with NALC legal topic notes on negotiations and leases.</p> <p><u>Statement of Proposals - Why the Sports Centre is important to maintain and enhance</u></p> <p>Killamarsh Sports Centre is a key facility for the residents of Killamarsh and the surrounding area. It provides an accessible and affordable facility for a very wide variety of residents. It is a base for community and youth sports and health activities, and that can be expanded over time. It is also a driver of footfall into the town centre, helping the local shops and economy. It is also a vital part of the health and wellbeing of residents, which Covid has shown to be even more important in recent times. It is also the location of the Parish Suite, and this proposal helps ensure a sustainable future for that facility.</p> <p><u>Statement - Current Situation</u></p> <p>The current financial situation of the facility is that it is a net cost to Killamarsh Parish Council of around</p>

£335,000 a year, and that is set to rise significantly, and will require significant precept rises over the next few years to keep the facility open. It is a large facility and operating it is a large undertaking and requires a scale that a Parish Council will find difficult to achieve at best - in practise operating these sorts of facilities is far more effectively done as part of a group of facilities, to give the economies of scale, breadth of management experience, customer offering of a group of facilities and the focus needed to make them viable in the long term.

Statement - The facility is currently significantly under-utilised.

Mainly this is because the facility is in need of significant investment to bring it up to the standard expected in 2021, both in quality and range of facilities, and in operational issues. Achieving the required level of investment is not something that a Parish Council should realistically be undertaking. Going forwards the facility will also need significant investment to keep it at the required standard, and for example to reduce its carbon footprint. NEDDC are already undertaking this type of work for their existing Leisure Centres, and are well placed to do this for Killamarsh Sports Centre, whereas it is a very major undertaking for a Parish Council.

Statement - Proposal

The proposal is for NEDDC take over the operation facility and whole site (minus the Clock building) from April 2021, via a 50 year lease at peppercorn rate, from Killamarsh Parish Council to NE Derbyshire District Council. NEDDC will invest 900k of capital improvement, to improve the gym areas, fitness suites, the reception area, to introduce a cafe, and other work as determined to improve the facility. It is recognised that it will take 3 or more years to improve that financial situation and complete the capital investment, so Killamarsh Parish Council will contribute on a tapering basis to the costs for up to 5 years, with the planned contributions of £250k, £150k, £75k, £0k, £0k then no further contributions. However there is a risk of the cost reductions not being achieved, so as a safety net, if the cost reductions are not met, then following a review, the contributions could be increased to a maximum over the 5 years of £250k, £150k, £100k, £100k, £100k, and then no further contributions. It is worth noting that NEDDC have a strong track record of reducing the net costs of Leisure facilities, and there is good reason to believe they will achieve the cost reductions, but even if the safety net does need invoking, it still provides a large cost reduction to KPC in years 3, 4 and 5, and even more after that. And of course if the safety net did need invoking, it would be likely that if KPC were still operating the facility, they would almost certainly be in an even worse financial position. To accommodate the needs of Killamarsh Parish Council, the option of them moving their office space from inside the Sports Centre, to the empty Housing Office, will be investigated, which will have the benefit of making the parish offices more accessible to residents. The Parish Suite is incorporated into the Sports Centre, and will still be required by the Parish Council. This could be done by means of a 50 year lease/rental agreement back from NEDDC to KPC of the space, on a commercial rental basis. This is estimated at about £22,000 per year. KPC would be responsible for the internals of the space, and NEDDC for the building and so on. This considerably de-risks the situation for KPC, e.g. if a boiler needed replacement. KPC would be responsible for utility bills, insurance of the internals, rates, and any work on the interior of the Parish Suite.

A key requirement is to increase the parking provision by 30 spaces or so. As described in the previous 'Subsidy Reduction Plan' the best way to achieve this, and also to greatly improve the aesthetics of the site, including the prominence of and access to the Parish Suite, is removal of the current Library and Youth Club buildings. This will require some joined up thinking about the site as a whole, but one viable approach would be for the Library to be incorporated into the Sports Centre itself, and for the Youth Club to make use of space within the Sports Centre and Parish Suite on a 'room rental' basis, which would likely make the Youth Club much more financially viable, and give them a more flexible situation to function within, instead of having the responsibility and costs of operating their own building. The proposal is subject to condition surveys being analysed and the outcome of that analysis. Existing staff will be transferred via TUPE.

Discussion Points by Parish Councillors

- Car park, library and youth centre – One member was against the plans for the car park. It was noted that the independent elements of the library and youth centre building would need to be considered and any consultations would be carried out by NEDDC. The library could potentially be rehoused in the Sports Centre. Members would not want to lose any of these services.
- Figures – All members were happy with the figures as it would bring in substantial long term savings. Given the current climate with the parish council finances and Covid-19, this seemed to be the viable option going forward as failure to agree to this could result in an annual increases in the precept.
- Offices – These were discussed and the Housing Office was suggested as an alternative venue which would only require a peppercorn rent. If the offices remained at the Sports Centre then the council would be charged commercial rates for rent. It was suggested that this should be fixed for a five year period to be negotiated with NEDDC.
- Parish Suite – The rent payable on the parish suite would be £22,000 per annum. This figure is to be queried to clarify if the cost includes the parish council offices.

RESOLVED:

- 1) That Killamarsh Parish Council agrees in principle to the Subsidy Reduction Plan Proposals submitted by North East Derbyshire District Council (as outlined above) subject to working towards negotiations and a contract to be signed by the 31 March 2021. NEDDC are requested to note that the agreement is in principle therefore is not legally binding until both parties have signed the contract.

Item 7.2 - To consider the appointment of a working group to carry out further detailed discussions with NEDDC. The draft terms of reference for the working group are enclosed.

The Locum Clerk had drafted terms of reference for the working group comprising of three members. Members agreed that the working group should report to full council at all times and it should be made up of four members.

RESOLVED:

- 1) That a Subsidy Reduction Plan working group is appointed consisting of Councillors Clough, Challenger, Whitehead and Windle and that the terms of the working group are:
 - Purpose of the Working Group: The working group is responsible for carrying out detailed discussions with North East Derbyshire District Council (NEDDC) and for overseeing the development of the Subsidy Reduction Plan that would form the basis of a draft legal document that will be subject to full council approval. The specific responsibilities of the working group are:
 - 1) To collate copies of the land register and other legal documents for the Sports Centre to be submitted to the Parish Councils solicitors for review and to submit a copy to NEDDC.
 - 2) To review the draft terms of head agreement from NEDDC.
 - 3) To liaise with the Parish Councils solicitors and negotiate better terms of head with NEDDC.
 - 4) To review the proposals of the parish council office including any financial implications and temporary office accommodation during the period of refurbishment in the event that the offices remain in the Sports Centre.
 - 5) To explore other options and the financial implications for alternative parish council offices.
 - 6) To liaise with NEDDC on all financial, employment and logistical matters that would form part of the transfer process.
- 2) That the Subsidy Reduction Plan working group is required to provide full council with a progress report at all times.

<p>(8)</p>	<p><u>Item 8: Subsidy Reduction Plan (Appointment of a Legal Advisor)</u></p> <p>To consider the quotations received for the appointment of a legal advisor. Members may be need to review the scope of work as this may have changed since the initial quotations were obtained. The Locum Clerk recommends that once the scope of work is confirmed, the three companies are requested to revise their quotes (if required).</p> <p>Several calls were made to local solicitor firms in the area which were unsuccessful. These included:</p> <ul style="list-style-type: none"> ○ Banner Jones Solicitors – switchboard transferred call to a voicemail. ○ Foys Solicitors – Call was continuously ringing out with no answer. ○ Bryan and Armstrong Solicitors – No answer. <p>A research exercise was undertaken using the SLCC directory and internet search to source a solicitor with a local government experience/ business background. A scope of works was drafted based on the information available to the Locum Clerk at the time. Since the meeting was held with the District Council earlier this week, it had transpired that the scope of work which had already been issued to the solicitors was out of date and therefore needs to be revised once the council has received the terms of head agreement that can be provided to the interested parties to revise their quotes. A copy of the letter was provided to members that was issued to all three firms with a copy of the responses received. The ball park figures were in the region of £8,000.</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1) That a budget of £10,000 is allocated for legal fees towards the Subsidy Reduction Plan Proposals and be delegated to the Locum Parish Clerk in consultation with the Subsidy Reduction Plan Working Group members.
<p>(9)</p>	<p><u>Item 9: Youth Centre Building: Possible Underlet to Community Group</u></p> <p>To ascertain if Killamarsh Parish Council has any objections to this building being underlet to a community group that has approached Derbyshire County Council (documentation enclosed). Note: The Youth Centre building is subject to a ground lease from Killamarsh Parish Council which does not end until 2073. There is a user clause in the lease which restricts the building’s use to that of a youth club and for the delivery of services to the general public, but due to a recent rationalisation of the county council’s youth services the building is no longer in use as a youth club.</p> <p>Members were generally in support of the proposals as it met the legal requirements contained in the ground lease. It was noted that the group Killamarsh Town Team was constituted and had their own bank account.</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1) That Killamarsh Parish Council supports the proposals of the Youth Centre building submitted by Killamarsh Town Team to Derbyshire County Council as it meets the requirements in the ground lease. <i>(All in favour, 1 abstention)</i> <p>Action: Locum Parish Clerk to notify Derbyshire County Council.</p>
<p>(10)</p>	<p><u>Item 10: Date of the Next Council Meeting</u></p> <p><u>Item 10.1</u> - To note that an Extraordinary Parish council meeting will be held on Monday 18th January 2021 via Zoom Video Conference at 7.00pm.</p> <p>This was noted by members.</p> <hr/> <p><u>Item 10.2</u> - To note the date of the next scheduled meeting of the Parish Council to take place on Monday 25th January 2021.</p> <p>This was noted by members.</p> <p style="text-align: right;">There being no further business, the Chair closed the meeting at 8.07pm.</p>