

URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Subject: Newark R&M Cricket Club Project

Appropriate Committee:

Trustee Board of the Gilstrap and William Edward Knight Charities

Details of Item (including reason(s) for use of urgency procedure):

The meeting of the Board of Trustees for the Gilstrap & WE Knight Charities was cancelled on Tuesday 5 April due to a high number of absences. The Board were due to consider the report which is attached as an appendix to this urgency item.

The Cricket Club has since contacted the Clerk to the Board to request that a decision on this report is taken as soon as possible. The Club is facing the challenge of confirming the relevant contract urgently to secure the current price for the main bulk of the materials. Prices are going up and based on the suppliers update the cost will increase by a further £12,000. Our understanding is that the contractor has said that if the order is placed without delay, the supplier will honour the quote.

Financial Implications

The current unallocated reserve balance for the trust is £27,250.57. It is recommended that £27,000 of the balance is offered to the Club with the remainder, as per para 3.4, be left to cover any administration costs for winding-up the Charity.

Decision

To offer the balance of the unallocated reserve of £27,000 to the Newark R&M Cricket Club in respect of their ground development project in accordance with paragraph 3.4 of the report.

Reason for Urgency

To ensure the development can proceed within the current costing envelope as any delay would result in additional costs.

Members Consulted:

Councillor Mrs Rita Crowe – Chairman
Councillor Max Cope (Voting Member)
Councillor Keith Girling (Voting Member)
Councillor Laurence Goff (Voting Member)
Councillor Simon Haynes (Voting Member)
Councillor David Lloyd –Leader of the Council

cc (Non-Voting Members) for information
Councillor Robert Crowe
Councillor Jack Kellas
Councillor Mathew Skinner

Signed

A handwritten signature in black ink, appearing to read 'Sanjiv Kohli', enclosed within a hand-drawn oval shape.

Sanjiv Kohli
Deputy Chief Executive, Director of Resources and S151 Officer

Date: 8 April 2022

APPENDIX

TRUSTEE BOARD OF THE GILSTRAP AND WILLIAM EDWARD KNIGHT CHARITIES

5 APRIL 2022

NEWARK R&M CRICKET CLUB PROJECT - UPDATE

1.0 Purpose of Report

- 1.1 To provide an update on progress made by Newark R&M Cricket Club in respect of their Ground Development Project.

2.0 Background Information

- 2.1 The Board will be aware that the redevelopment of the former RHP Sports & Social Ground resulted in the loss of the cricket pitch. In order to satisfy Sport England's Planning Policy requirements it was agreed to provide a replacement pitch in a timely manner to mitigate this loss.
- 2.2 The District Council has been working in partnership with Newark R&M Cricket Club (the Club), the English Cricket Board (ECB) and Newark Town Council to develop a phased scheme, which would deliver the replacement pitch and associated infrastructure at the Club's Kelham Road site.
- 2.3 Phase 1 of the project is complete and Phase 2 involves the provision of new changing rooms. The changing rooms have been designed in accordance with the technical requirements of the ECB and Sport England in order to ensure that the building is both accessible and compliant with current regulations.
- 2.4 In terms of funding Phase 2 of the project, the Trustee Board has initially approved grant funding of £100,000 towards this from the WE Knight Charity. The rest of the funds required to deliver Phase 2 is made up of a mix of funding from Newark Town Council, NCC, other funding partners and Club funds.
- 2.5 At its meeting of 2 October 2020 the Trustee Board resolved to approve a request for further funding of £13,134 towards the installation of a platform lift for the changing room building to make it accessible.

3.0 Update

- 3.1 A verbal update was provided at the last meeting of the Trustee Board in January. Several local companies had been approached to tender for the changing room construction works. The Club had received three responses but all three exceeded the current amount of available funding. The Club advised that it was exploring additional funding sources and cost reductions.
- 3.2 The Club has now provided a further update. Due to the design and siting requirements for the project the cost envelope is significant, and the costs of materials continues to rise. Costs have risen by approximately £20,000 since the last estimate which has in effect nullified the savings identified through the value engineering exercise that has been carried out. The Club therefore considered at a meeting on 23 March whether to continue with the project. The Club has decided that in the interim it will seek to deliver the new pavilion as a shell building, and then seek to secure additional funding to complete the project. The rationale for this is that costs are only likely to increase in

the short to medium term, and that postponing the project will only perpetuate the gap funding challenge. The District Council is working with the Club to identify other options for further funding.

3.3 The Club has requested that the Trustee Board contributes additional funding to the project. Its aim is to secure sufficient funding to reduce the funding gap to an amount that can be secured with a manageable loan. The Club's letter dated 23 March 2022 is attached as the **Appendix** to this report.

3.4 It is proposed that the Trustee Board grants the balance of the unallocated reserve held by the WE Knight Charity to the Club, subject to the retention of a sufficient sum to cover any administrative costs for winding-up the Charity as a result of the whole endowment being spent. In the event the Club was ultimately not able to proceed with the project the grant funding would not be required; therefore action would not be taken to wind-up the Charity until confirmation was received that the project was to commence contractually and accordingly all WE Knight monies would be committed to and spent on progressing phase one of the build to deliver the shell of the changing rooms.

4.0 Financial Implications

4.1 The current unallocated reserve balance for the trust is £27,250.57. It is recommended that £27,000 of the balance is offered to the Club with the remainder, as per para 3.4, be left to cover any administration costs for winding-up the Charity.

5.0 RECOMMENDATION

That the Board note the update regarding the Newark R&M Cricket Club project and consider their request for further funding.

Background Papers

None

For further information please contact Sue Bearman on 01636 655935 or sue.bearman@newark-sherwooddc.gov.uk.

Sue Bearman
Assistant Director - Legal & Democratic Services

NEWARK R&M CRICKET CLUB



EST . 2010

23 March 2022

by email

Dear Ms Bearman (on behalf of the W.E. Knight Trust)

I am writing regarding Newark R&M Cricket Club's Ground Development Project, which the W.E. Knight Trust kindly committed to support financially.

In January, I advised the Club was managing a funding gap which emerged in the Project; largely due to the rapidly rising costs of building materials, as well as the complex engineering required to construct safe foundations on a site that is highly-vulnerable to flooding.

The Club currently has around £210,000 committed to the Project from the W.E. Knight Trust, Newark Town Council and Nottinghamshire County Council's Local Improvement Scheme. Following our initial tender, we were quoted various figures to complete the work fully in November 2021, of which the lowest was £290,640.84 (excluding VAT, which is payable by the Club) from a local contractor.

Since then, we engaged directly with that contractor to explore possible savings, while simultaneously exploring additional funding from third- parties. We have identified several such opportunities, although these will not be available in the immediate future. Unfortunately, during this time material costs have continued to rise dramatically. We have already seen an increase even since our initial quote, which almost consumes the savings identified.

Therefore, out of necessity, we are now proposing to approach the Project in two phases. The first will involve construction of the building and foundations itself, but omits other furnishings, fittings, M&E and external

—
KELHAM ROAD,
NEWARK-UPON-TRENT, NOTTINGHAMSHIRE
NG24 1BX



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works/drainage. This first phase of 'shell-only' construction is almost realisable within our current budget, inclusive of VAT and the recent increases in market prices. It will allow completion of the most expensive part of the works at current rates.

The Club will then continue to obtain funding for the remaining parts. We are confident we can achieve this, otherwise we would not be embarking upon an approach that will necessarily involve such a significant amount of further work and responsibility on the part of the Club. We are already exploring partnership funding with another local sports organisation and are aware of other opportunities likely to present themselves over the coming years.

We also anticipate a better prospect of internal fundraising with a tangible building in place and a more modest financial objective. However, we do not wish to delay construction any further while material prices continue to increase and consider this is the most cost-effective way to proceed.

We recognise that in 2016, when we first agreed the arrangements for this Project after the redevelopment of Elm Avenue, we planned to use the money to construct the changing room building in its entirety. We are deeply disappointed this has not been possible. Nevertheless, we have acted in the interests of delivering a sustainable and 'future-proofed' Project, without compromising safety or security. This has been led by a volunteer base who have grappled with the complex geography of the site, planning requirements and numerous global events, which have seriously frustrated our progress.

Therefore, we would be grateful for your continued support with our proposal and your permission to release the money kindly pledged to complete Phase 1 of the Project, as described. Noting there remains a balance of unallocated reserves in the W.E. Knight Trust Fund, we would also be grateful if you would consider making a further commitment of those funds. At present, we do remain under-budget even for Phase 1, but this further amount would close the gap and allow us to proceed immediately, subject to the assent of the other funding contributors (to whom we have also written).



Without that funding, we would remain determined to proceed and will seek an ECB loan, although we are concerned this is likely to take some time to administer and may take us beyond the expiry of our current quotation. If so, our approach could be jeopardised.

We are mindful of the generous commitment you have made and we have promised transparency and engagement to our donors. I understand you are meeting soon and I wonder if there would be a benefit to me attending that meeting. As always, I am more than happy to provide any further information you require or answer any questions you may have.

I look forward to hearing from you further. Yours sincerely,

Luc Chignell

Chairman

Newark R&M Cricket Club