



Report No: 2024/06-2

Report on Redesigning and Extending the Parish Newsletter

Report created by the Clerk (Gaynor White)

To be considered by the Full Council on 27 June 2024

Introduction

This report provides a detailed analysis and recommendations regarding the potential redesign and extension of the parish newsletter. The main aspects covered include the potential incorporation of advertisements, the appointment of an editor, cost implications, policy for advertisements, VAT considerations, environmental impact, and strategies to reduce paper use.

A. Redesigning and Extending the Parish Newsletter

The proposal by Cllr B Ahier and Cllr B McShee aims to enhance the parish newsletter both in terms of design and content. This includes increasing the number of pages, improving the layout (various options are available on Canva), and incorporating more community news, events, and features to better serve and engage our residents.

B. Permitting the Use of Adverts within the Newsletter

To support the expanded newsletter, it is proposed to include advertisements. This would help offset the increased costs. The advertisement pricing structure is suggested as follows:

- **Small Advert:** £25 (black and white), £35 (colour)
- **Half Page:** £50 (black and white), £70 (colour)
- **Full Page:** £100 (black and white), £140 (colour)
- **Repeat Adverts:** 10% discount on each subsequent issue
- **Concessions:** 20% discount for local small businesses and community groups

It is, however, important to note the following **legal view** from the National Association of Local Councils:

*NALC 's longstanding legal view is that local councils have **no power to carry commercial advertising**. Section 142 (1) of the Local Government Act 1972 enables local councils to carry or provide information (as such, advertising) concerning the services available within the council's area provided by the council or other local authorities and other authorities specified in subsection (1B) or by government bodies or charities and other voluntary organisations, and other information relating*

to the functions of the relevant council (for example, details of burial charges). My view of the section is that local councils could advertise community organisations that come within the section 142 definition in their newsletters etc. but they **cannot advertise local businesses or commercial organisations**.

The proposed advertisement policy must, therefore, exclude commercial advertisements and focus on community organisations, local authorities, government bodies, charities, and other voluntary organisations.

C. Establishing a Policy on Who and What Can Be Advertised

A clear advertising policy is necessary to maintain the integrity and relevance of the newsletter. The proposed policy includes:

- Advertisements must be from community organisations, local authorities, government bodies, charities, and other voluntary organisations as per Section 142 of the Local Government Act 1972.
- No advertisements for political parties, gambling, adult content, or local businesses and commercial organisations (based on the legal advice from NALC).
- Preference for adverts promoting community events, local services, and non-profit organisations.

D. Appointing an Editor

Given that the Assistant Clerk lacks the time to produce a larger newsletter, it would be necessary to appoint a part-time editor. Based on the model used by Normandy Parish Council, the cost of an editor is estimated at £682 per quarter (£2,728 per year). The editor would be responsible for content curation, layout design, and co-ordination with advertisers.

The Assistant Clerk would still have to write Parish articles to be submitted to the editor.

Below are the editor costs incurred by Normandy Parish Council (as at June 2024).

Description	Quantity	Unit Price	VAT	Amount
THE VILLAGER - ADMIN Contacting organisations to obtain copy and images Chasing up copy to hit deadlines Sending copy and images to appropriate personnel for editing and proof reading Approx: 20 articles/organisations to be dealt with	1.00	210.00	20%	210.00
THE VILLAGER - PRODUCTION - PRINT/PDF VERSION Production of Parish Magazine Putting edited copy and images on page Proofs supplied in pdf format Approved artwork supplied to printer in print pdf format £26 per page	12.00	26.00	20%	312.00
THE VILLAGER - PRODUCTION - ACCESSIBLE VERSION Adapt the content of the magazine to comply with accessibility requirements £10 per page	12.00	10.00	20%	120.00
LIAISING WITH PRINTERS Co-ordinating with printers for quantity and delivery Delivery of batches of printed magazines to distribution points around the village	1.00	40.00	20%	40.00

E. Increased Delivery Costs

The increased size of the newsletter will lead to higher delivery costs. The current delivery contractor has confirmed that he would charge £110 & VAT per thousand. If 3,600 copies were still printed at 16 pages per copy, the cost would increase to £440 & VAT per quarter.

The current delivery contractor is the only company willing to assist with this task. If, for any reason, this company were no longer willing to deliver the newsletters, it would no longer be feasible to issue printed paper copies to individual properties – unless councillors were willing to assist with this significant and strenuous task. Paper copies could be left at key public locations across the Parish (i.e. the village halls, post offices, churches, noticeboards etc.).

Leaflet holders would require to be purchased – minimum cost £100 & VAT.

F. Cost Analysis of Increased Size (to 16-pages) vs Advertisement Income

- **Proposed Expanded Newsletter Cost:** £700 per issue [costs to be confirmed by Knaphill Print Ltd within the next couple of days] (current cost £420 per quarter)
- **Editor costs** - £682 per issue (assuming the same editor prices apply)
- **Estimated Advertisement Income per Issue:**
 - 2 x Small Adverts (Colour): £70
 - 2 x Half Page Adverts (Colour): £140
 - 1 x Full Page Advert (Colour): £140
 - **Total Income:** £350
- **Discount for local charities based within the Parish?** Would charities based within the Parish boundary be required to pay for adverts? Any reduction would affect revenue predictions.
- **Distribution costs** – If 3,600 copies were printed there would be an increase delivery cost of £90 per quarter.

This may potentially result in an increased net cost of £702 per issue after advertisement income (if the anticipated income is achieved). No budget has been set aside for these extra costs within the 2024/2025 budget.

Normandy Parish Council – Advertising in The Villager – Cost and Sizes

Annual Cost (4 issues)

1/8-page size (91mm wide x 55mm high) - £30

1/4-page size (91mm wide x 115mm high) - £50

1/2-page size (188mm wide x 115mm high) - £80

One Insert Cost

1/8-page size (91mm wide x 55mm high) - £15

1/4-page size (91mm wide x 115mm high) - £25

1/2-page size (188mm wide x 115mm high) - £40

Artwork

Normandy Parish Council requests all artwork in high resolution pdf.

Normandy Parish Council – Income from adverts to cover the additional printing costs:

Normandy Parish Council's Clerk advised that, "Based on the above costs, we brought in £500 last year, but we have had a push for adverts over Spring and this is set to increase for this financial year.

"We also spent £150 on leaflet/magazine holders for community groups and for the village noticeboards".

G. VAT Implications

With regard to VAT implications due to advertising revenue, advice was sought from Mark Mulberry (Mulberry & Co Ltd), who advised:

"The VAT threshold for Parish Councils is £5,000 as this equates to £1k of VAT (unwritten rule).

"The advertising would be classed as a business transaction and as such the Parish Council needs to consider three main things:

- Financial size – in comparison to everything else Worplesdon Parish Council does - small means it would not be classed as business
- Frequency of transactions – low frequency does not indicate a truly business nature
- Profit motive – are you looking to make a profit or just cover costs – profit is business

"This should then give you an idea if the transactions in question are business or not – if business then you have to register for VAT".

HMRC Guidance on VAT - [2.4 Activities listed in Section 41A of the VAT Act 1994](#)

These activities are business activities, unless these are carried out at such a small scale as to be negligible:

- telecommunications
- supplying water, gas, electricity and steam
- transporting goods
- port and airport services
- passenger transport
- supplying new goods manufactured for sale
- certain activities of agricultural intervention agencies
- running trade fairs and exhibitions
- warehousing
- **the activities of commercial publicity bodies [commercial publicity means display of Advertisement Material and/or undertaking various promotional activities]**
- running staff shops, co-operatives, industrial canteens and the like
- certain commercial activities of radio and television bodies
- travel agents

H. Environmental Impact and Paper Use Reduction

The expansion of the newsletter would result in increased paper use and higher emissions related to printing and distribution, if the number of printed copies were to remain at 3,600. As the Parish Council is committed to reducing its carbon footprint, the following measures are proposed:

1. **Digital Edition:** Offer a digital version of the newsletter accessible via the Parish Council's website and emailed to residents who "opt-in".
2. **Recycled Paper:** Print the newsletter on recycled paper to minimise environmental impact.
3. **Eco-friendly Printing:** Use environmentally friendly inks and sustainable printing practices.
4. **Reduce Print Copies:** Encourage residents to choose the digital edition, thereby reducing the number of printed copies.
5. **Offset Emissions:** Investigate options for carbon offsetting to balance the emissions from printing and distribution [this may incur additional costs].

I. Summary of Financial Implications

Current Costs per Quarter (comprising four issues – excluding the annual report):

- **Printing Costs:** £420 + VAT
- **Delivery Costs:** £350 + VAT
- **Total Existing Costs per quarter:** £770 + VAT where applicable [plus annual report in June – an additional £420 & VAT]

Proposed Additional Costs:

- **Editor Cost:** £682 per quarter
- **Increased Printing Cost:** £280 per issue (£700 per quarter) [actual cost to be confirmed by Knaphill Print Ltd]
- **Increased Delivery Cost:** £90 per issue (£440 per quarter)
- **Total Proposed Additional Costs per quarter:** £1,052 & VAT

Total Proposed Costs per Quarter:

- **Printing Costs:** £420 (existing) + £280 (additional) = £700 + VAT [actual cost to be confirmed by Knaphill Print Ltd]
- **Delivery Costs:** £350 (existing) + £90 (additional) = £440 + VAT
- **Editor Cost:** £682 per quarter
- **Total Proposed Costs per Quarter:** £1,822 + VAT

Estimated Advertisement Income per Quarter:

- **Total Income per Issue:** £350

Net Cost per Quarter – assuming 3,600 copies are still printed:

- **Total Proposed Costs:** £1,822 + VAT
- **Total Advertisement Income:** £350
- **Net Cost per quarter:** £1,472 + VAT per quarter
- **Increased net cost which has not currently been budgeted for (assuming the anticipated advertising revenue is realised) = £1,388. If the advertising revenue is not achieved, the**

budget would need to increase by £2,788, unless the number of printed paper copies is reduced.

Pros and Cons of the Proposal

Pros

1. **Enhanced Community Engagement:** A larger and more comprehensive newsletter can provide more information, fostering greater community involvement and awareness.
2. **Small Revenue Potential:** Introducing limited advertisements could generate additional income to support the newsletter.
3. **Professional Quality:** Hiring a part-time professional editor may provide a higher quality publication, improving readability and aesthetics.
4. **Sustainability Initiatives:** Moving towards digital editions and using recycled paper can align with the Parish Council's environmental goals.
5. **Cost Offset:** Advertisement revenue will help offset the increased costs, reducing the financial burden on the Parish Council.

Cons

1. **Increased Costs:** The overall costs for producing and delivering the newsletter will increase, adding financial strain if advertising revenue does not meet expectations.
2. **Environmental Impact:** Despite measures to reduce it, the expanded newsletter will still result in increased paper use and emissions.
3. **Administrative Burden:** Managing advertisements, coordinating with an editor, and overseeing the larger publication is likely to add to the existing administrative workload associated with the parish newsletter.
4. **VAT Registration:** If advertising revenue and other taxable supplies exceed the VAT threshold, the Parish Council may need to register for VAT, adding complexity to financial management.
5. **Resident Resistance:** Some residents may prefer the current format or may not be interested in receiving a larger newsletter, potentially reducing its effectiveness. Similarly, residents may be significantly disappointed at receiving a larger paper copy when the environmental emphasis is on reducing paper use.

J. Is This the Best Way to Proceed?

The proposed redesign and extension of the parish newsletter may have significant potential benefits, including enhanced community engagement and increased (although limited) revenue opportunities. However, the increased costs, administrative burden, and environmental impact must be carefully considered.

The 2024/2025 budget for printing and distributing the parish newsletter is £4,500pa. If the newsletter were to be expanded, 3,600 copies were still to be produced and **no revenue** were raised from advertising (due to the limitations of S142 LGA 1972), the newsletter budget for 2025/2026 would need to increase to £7,288pa & RPI.

If the number of paper copies were to be reduced, it may be possible to increase the size of the newsletter, whilst maintaining the budget at the existing level of £4,500 or even to reduce this budget.

Clerk's Recommendations

1. **Resident Feedback:** Consider a survey of residents' opinions before commencing a trial and solicit feedback from residents to gauge the effectiveness and acceptance of the new format.
2. **Reduce the number of printed paper copies:** to offset the increased printing costs.
3. **Trial Period 2025/2026:** Implement the changes for a trial period of four issues to evaluate the financial and community impact.
4. **Monitor Financial Performance:** Closely monitor advertisement revenue and overall costs to ensure long-term financial sustainability.
5. **Environmental Monitoring:** Track the environmental impact and effectiveness of sustainability initiatives (editor responsibility).

By proceeding cautiously and evaluating the impact, the Parish Council can make an informed decision on whether to continue with the proposal to redesign and extend the newsletter.

Crime and Disorder

There would be no impact on crime and disorder as a result of this proposal whether approved or not.

Prepared by: Gaynor White, Clerk to Worplesdon Parish Council

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