

Date: 3 October 2016

Dear Sir/Madam,

COUNCIL MEETING – 11 OCTOBER 2016

Notice is hereby given that a meeting of the Newark and Sherwood District Council will be held in the Council Chamber, Kelham Hall on Tuesday, 11 October 2016 at 6.00pm.

Yours faithfully



A.W. Muter
Chief Executive

AGENDA

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- | | | |
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| 1. | Apologies for absence | |
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| 3. | Declarations of Interests by Members and Officers | |
| 4. | Declaration of any Intentions to Record the Meeting | |
| 5. | Communications which the Chairman or the Chief Executive may wish to lay before the Council | |
| 6. | Communications which the Leader of the Council and Committee Chairmen may wish to lay before the Council | |
| 7. | Questions from Members of the Public | |

8.	In accordance with Rule No. 10 to receive Petitions from Members of the Council (if any)	
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MINUTES FOR NOTING

17.	(a) Policy & Finance Committee – 22 September 2016	PF1 – PF7 (Exempt) PF8– PF12
	(b) Economic Development Committee – 14 September 2016	ED1 – ED7 (Exempt ED8 – ED9)
	(c) Homes & Communities Committee – 12 September 2016	HC1 – HC7 (Exempt) HC8 – HC9
	(d) Leisure & Environment – 20 September 2016	LE1 – LE7
	(e) General Purposes Committee – 8 September 2016	GP1 – GP3
	(f) Licensing Committee – 8 September 2016	L1 – L3
	(g) Planning Committee	
	(i) 2 August 2016	PL1 – PL9
	(ii) 6 September 2016	PL10 – PL17
	(iii) 13 September 2016	PL18 – PL21
	(iv) 4 October 2016	To follow
	(h) Audit and Accounts Committee	
	(i) 13 July 2016	AA1 – AA4
	(ii) 7 September 2016	AA5 – AA8
	(i) Councillors' Commission – 31 May 2016	CC1 – CC6

NOTES:

- (1) The Conservative Group will meet at 5.00pm in Room G21 prior to the Council Meeting.
- (2) The Labour Group will meet at 5.00pm in Room G23 prior to the Council Meeting.
- (3) The Independent Group will meet at 5.00pm in Room F19 prior to the Council Meeting.
- (4) Tea and coffee will be available in the Group Meeting Rooms.

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **NEWARK & SHERWOOD DISTRICT COUNCIL** held in the Council Chamber, Kelham Hall, Newark on Tuesday 12 July 2016 at 6.00pm.

PRESENT: Councillor A.C. Roberts (Chairman)
Councillor Mrs L.M.J. Tift (Vice-Chairman)

Councillors: D. Batey, R.V. Blaney, Mrs B.M. Brooks, Mrs C. Brooks, Mrs I. Brown, M. Buttery, M. Cope, Mrs R. Crowe, R.A. Crowe, Mrs G.E. Dawn, P.C. Duncan, K. Girling, G.P. Handley, R.J. Jackson, J. Lee, D.J. Lloyd, Mrs S.M. Michael, N. Mison, D.R Payne, P. Peacock, Mrs P. Rainbow, Mrs S.E. Saddington, Mrs S. Soar, D. Staples, F. Taylor, D. Thompson, Mrs A.A. Truswell, I. Walker, K. Walker, B. Wells, T. Wendels and Mrs Y. Woodhead.

APOLOGIES FOR ABSENCE: Councillors: Mrs K. Arnold, D.J. Clarke, Mrs M. Dobson and R.B. Laughton.

18. MINUTES

AGREED that the minutes of the Annual Meeting held on 17 May 2016 be approved as a correct record and signed by the Chairman, subject to the inclusion of Councillor Mrs R. Crowe in the list of attendees.

19. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS

NOTED: - (a) the list of interests declared as shown in the schedule circulated at the meeting; and
(b) the additional interest which was declared at the meeting as follows:-

<u>Member</u>	<u>Agenda Item No.</u>
Councillor T. Wendels	Agenda Item No. 16(g)(iii) - Delegated Decisions – Planning Committee – 5 July 2016 - Minute No. 30 – Land to the rear of Franklyn, Lower Kirklington Road, Southwell (15/02179/FUL) – Disclosable Pecuniary Interest as owner of part of the application site.

20. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

Other than the Council recording in accordance with usual practice, there were no declarations of intention to record the meeting.

21. COMMUNICATIONS FROM THE CHAIRMAN AND CHIEF EXECUTIVE

The Chairman advised of additional information in respect of Agenda Item No. 11 –

Appointment of Representatives on Outside Bodies.

The Chairman also proposed suspension of Standing Orders in accordance with Council Procedure Rule 2.4 in order to change the order of the agenda to enable Agenda Item No. 13 – Reservation of Decision – Tourism Report to be taken at the end of the meeting as the content was exempt. On being put to the meeting this was AGREED unanimously.

22. NEWARK AND SHERWOOD DISTRICT COUNCIL'S STRATEGIC PRIORITIES

The Council considered the report of the Chief Executive which outlined the proposals and consultation findings for the Council's strategic priorities for the next four years.

Following the May 2015 elections the Policy & Finance Committee considered the work which should be undertaken to bring together information about the challenges faced by the district so that consideration could be given to new strategic priorities. A report was subsequently considered by the Council on 10 March 2016 and it was agreed to consult upon a set of proposed priorities as set out in Appendix A to the report.

It was proposed that the Council continues to use the themes of People, Place, Prosperity and Public Service as themes to frame its strategic priorities and that the themes were of equal importance. These themes would be used to illustrate the impact of four groups of strategic priorities: Homes; The economy; Safety and cleanliness; and Healthiness. The report set out the consultation findings.

AGREED (unanimously) that the proposed priorities as set out in Appendix A to the report be approved.

23. PROPOSED CHANGES TO THE CONSTITUTION

The Council considered the report of the Deputy Chief Executive which proposed various amendments to the Council's Constitution as recommended by the Councillors' Commission at their meeting held on 31 May 2016.

The report set out the specific recommendations from the Councillors' Commission in respect of Appointments of Representatives on Outside Bodies; Members' Allowances (Planning Committee); Protocol for Members on Dealing with Planning Matters; Presentation of Performance Management Information; and Standards Issues.

Outside Bodies

AGREED (unanimously) that:

- (a) any person appointed as the Council's representative on an outside body should be required to report back regularly to the Council through the appropriate Committee and this should be made clear as a term of their appointment; and
- (b) no payment of expenses shall be made to any person appointed as

the Council's representative on an outside body unless they are an officer or elected Member of the Council.

Members' Allowances - Planning Committee

AGREED (unanimously) that the process for payment of a subsistence allowance for Members of the Planning Committee for attending site visits be introduced in accordance with the wording set out in the report (with any claims for the period 1 March 2016 to 12 July 2016 and therefore outside of this process needing to be submitted no later than 1 September 2016).

Protocol for Members on Dealing with Planning Matters

AGREED (unanimously) that paragraphs 11.8 and 11.9 of the Protocol for Members on dealing with planning matters be amended as set out in the report.

Presentation of Performance Management Information

AGREED (unanimously) that:

- (a) the remit of the Audit & Accounts Committee should not be extended to include performance management of the Council's activities, but rather that a monitoring and scrutiny role be retained by the Policy & Finance Committee and Operational Committees;
- (b) in future performance management information be reported as exceptions reports only and that performance management information be placed on the Members extranet for inspection and review; and
- (c) the position be reviewed by the Councillors' Commission in twelve months to review the effectiveness of the new arrangements.

Standards Issues

AGREED (unanimously) that:

- (a) an annual summary report regarding code of conduct complaints and information relating to the completion of Register of Members' Interests by town and parish councillors be submitted to the Policy & Finance Committee and endorsed by Full Council; and
- (b) the Monitoring Officer be given the discretion to submit individual reports to the Policy & Finance Committee regarding Code of Conduct complaints in exceptional circumstances.

24. APPOINTMENT OF REPRESENTATIVE ON OUTSIDE BODY

The Council considered the report of the Chief Executive in relation to appointments of representatives to certain outside bodies following the Annual Meeting.

AGREED (unanimously) that the following appointments be made:

Newark and Sherwood Health Forum - Councillors Mrs S. Michael; N. Mison and D. Staples.

Nottinghamshire County Council Health Scrutiny Committee - Councillor D. Staples (Councillor N. Mison appointed as substitute).

Nottinghamshire Health and Wellbeing Board - Councillor N. Mison (Councillor D. Staples appointed as substitute).

25. AMENDMENTS TO REGULATION 123 LIST OF INFRASTRUCTURE TO BE FUNDED BY THE COMMUNITY INFRASTRUCTURE LEVY

The Council considered the report of the Deputy Chief Executive which sought approval for changes to the Regulation 123 List of Projects to be funded by the Community Infrastructure Levy (CIL) in advance of a wider review of CIL that was to follow the Council's Development Plan Review at the end of 2016. The report sought approval to add one item to the list (the A1 Overbridge at Balderton) and to delete three other items already delivered.

The report provided a detailed explanation as to the reasons for the addition of the A1 Overbridge and the six week statutory consultation undertaken. Also reported were the reasons for the removal of the three highway schemes at the Main Street and Bowbridge Road junctions with London Road; and the Bowbridge Road/Hawton Lane junction. It was noted that these schemes had all been completed without the need for any CIL monies expenditure.

In response to a question relating to the possible re-inclusion of Ollerton Roundabout Improvements on the 123 List, the Council were informed that it would form part of the overall CIL Review and that discussions would need to be held with Nottinghamshire County Council.

AGREED (unanimously) that:

- (a) the A1 Overbridge at Balderton be added to the CIL 123 List as a key piece of strategic infrastructure and that this be a priority for CIL receipts spend in order to mitigate highway impacts of development around Fernwood as required; and
- (b) the 3 no. highway projects already delivered be removed from the CIL 123 list.

(Councillor T. Wendels arrived during the discussion of this item.)

26. QUESTIONS FROM MEMBERS OF THE COUNCIL

Details of the question put forward from Councillor Mrs S. Soar and the reply given are attached as Appendix A to these minutes.

27. MINUTES FOR NOTING

- (a) Policy & Finance Committee – 30 June 2016
- (b) Economic Development Committee – 15 June 2016
- (c) Homes & Communities Committee – 13 June 2016
- (d) Leisure & Environment Committee – 28 June 2016
- (e) General Purposes Committee – 16 June 2016
- (f) Licensing Committee – 16 June 2016
- (g) Planning Committee Meetings – 7 June, 14 June and 5 July 2016

28. EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 4 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

29. RESERVATION OF DECISION - ECONOMIC DEVELOPMENT COMMITTEE- 15 JUNE 2016- TOURISM REPORT

The Council considered the exempt report in relation to the tourism offer within Newark & Sherwood which had been reserved at the Economic Development Committee meeting held on 15 June 2016.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

Meeting closed at 7.20pm.

Chairman

QUESTIONS FROM MEMBERS OF THE COUNCIL

Question from Councillor Mrs S. Soar to the Chairman of the Policy & Finance Committee:

In the light of public reports of anti-racial and anti-immigration abuse in the country as a whole, has the Council been made aware of any such incidents locally?

Will the Leader of the District Council join the Labour Group in expressing our commitment to a tolerant society in which differences are valued and respected and not seen as a reason for abuse?

Reply from Councillor R.V. Blaney:

On a factual note, Nottinghamshire Police have confirmed that we have experienced no change in reported hate crimes within Newark and Sherwood during the two week period post referendum result. We have recorded three hate crimes across the district during the two week period, but this is exactly the same number that we recorded in the same period last year – although I accept that even one is one too many. Nottinghamshire Police have confirmed that the three hate crimes reported have no apparent connection with the outcome of the referendum, however, and as would be expected, we are keeping a close eye on reported hate crime at the moment and will tackle any incidents that occur in a proportionate manner involving all necessary partner agencies. We will continue to monitor and react to recorded hate crimes so as to ensure that any interventions are supported fully by all relevant members of the Community Safety Partnership.

On a personal note, I am sure that all members of Council will share my passionate belief that anti-racial and anti-immigration abuse has no place in our country. It must be condemned wherever it occurs and we must all work to ensure we create an integrated and tolerant society of which we can all be proud.

POLITICAL COMPOSITION OF THE COUNCIL AND ALLOCATION OF SEATS ON COMMITTEES TO POLITICAL GROUPS

1.0 Purpose of Report

1.1 To consider proposals for the allocation of seats on Committees to Political Groups, as required by Council Procedure Rule No. 17.6.

2.0 Background Information

2.1 As Members will recall the allocation of seats to Committees was last considered at the Annual Meeting held on 17 May 2016. The allocation of seats requires a further review at this meeting following the District Ward by-election for the Balderton South Ward held on 21 July 2016.

2.2 The result of the by-election was as follows:

Lydia Hurst (Conservative)	483 votes
Marylyn Rayner (Liberal Democrat)	103 votes

2.3 As a result, the political composition is as follows: -

	<u>No. of Seats</u>
Conservative	24
Labour	12
Independent	3

2.4 Based on the Committee structure the following calculation can be made:-

a) No of seats on Council = 39

% of total seats held by each Group (rounded) =

	%
Conservative	61.54
Labour	30.77
Independent	7.69
	100%

b) Based on the existing Committee structure there will be a total of 97 seats on Committees which must comply with political balance rules.

The allocation of seats to each Group on these Committees would be:-

			<u>Rounded</u>
Conservative	97 x 61.54%	59.69	60
Labour	97 x 30.77%	29.84	30
Independent	97 x 7.69%	7.45	7

c) The number of seats allocated on Committees to each Political Group is as follows:

Conservative	60
Labour	30
Independent	7

2.5 The allocation of seats on Committees at the Annual Meeting in May was based on 38 Members as there was the one vacancy at that time. The effect of the revised allocation of seats to each political group is that the Conservative Group takes one seat from the Independent Group. It is proposed that this change be on the Mansfield and District Crematorium Joint Committee which is reflected in the revised matrix which is attached as Appendix A to the report.

2.6 The Conservative Group may also want to consider any change in their committee membership following the by-election.

3.0 **RECOMMENDATIONS that the Council:-**

- (a) agree the allocation of seats to political groups in accordance with Appendix A to the report; and**
- (b) the Conservative Group nominate a Member to sit on the Mansfield and District Crematorium Joint Committee and propose any further changes in committee membership.**

Background Papers

Nil

For further information please contact Nigel Hill on 01636 655243.

A.W. Muter
Chief Executive

**ALLOCATION OF SEATS TO
POLITICAL GROUPS**

Committee	Conservative	Labour	Independent	Total
Policy and Finance	5	2	0	7
Homes and Communities	7	4	1	12
Leisure and Environment	7	4	1	12
Economic Development	8	3	1	12
Planning Committee	9	5	1	15
General Purposes	9	5	1	15
Licensing	9	5	1	15
Audit and Accounts Committee	4	1	1	6
Mansfield & District Crematorium Joint Committee*	2	1	0	3
Councillors' Commission	5	2	1	8
Gilstrap Trustees	3	2	0	5

* (includes other local authority members)

APPOINTMENT OF REPRESENTATIVES ON OUTSIDE BODIES

1.0 Purpose of Report

1.1 To change one District Council nomination on the Newark & Sherwood Health Forum.

2.0 Background Information

2.1 At the Council Meeting on 12 July 2016, appointments were made to the Newark & Sherwood Health Forum. Councillors Mrs Michael; Mison and Staples were all appointed.

2.2 Following the Balderton South by-election the Conservative Group have indicated that they wish to change one of their nominations on the Forum.

2.3 Councillor Mrs L. Hurst is to replace Councillor Mrs S. Michael.

3.0 RECOMMENDATION

That Councillor Mrs L. Hurst replaces Councillor Mrs S. Michael as one of the Council's representatives on the Newark & Sherwood Health Forum.

Background Papers

Nil

For further information please contact Nigel Hill on Ext. 5243.

A.W. Muter
Chief Executive

APPOINTMENT OF EXTERNAL AUDITORS

1.0 Purpose of Report

- 1.1 To summarise the changes to the arrangements for appointing External Auditors following the closure of the Audit Commission, and the end of the transitional arrangements at the conclusion of the 2017/18 audits.
- 1.2 The Council need to consider the options available and put in place new arrangements in time to make a first appointment by 31 December 2017.

2.0 Background Information

- 2.1 The Local Audit and Accountability Act 2014 brought to a close the Audit Commission and established transitional arrangements for the appointment of external auditors and the setting of audit fees for all local government and NHS bodies in England. On 5 October 2015 the Secretary of State Communities and Local Government (CLG) determined that the transitional arrangements for local government bodies would be extended by one year to also include the audit of the accounts for 2017/18.
- 2.2 The Council's current external auditor is KPMG, this appointment having been made under at a contract let by the Audit Commission. Following closure of the Audit Commission the contract is currently managed by Public Sector Audit Appointments Limited (PSAA), the transitional body set up by the LGA with delegated authority from the Secretary of State at CLG. Over recent years we have benefited from a reduction in fees in the order of 50% compared with historic levels. This has been the result of a combination of factors including new contracts negotiated nationally with the firms of accountants and savings from the closure of the Audit Commission. The Council's current external audit fees are £48,329 for the 2015/16 accounts.
- 2.3 When the current transitional arrangements come to an end on 31 March 2018, the Council will be able to move to local appointment of the auditor. There are a number of ways this can be done, each with varying risks and opportunities. Current fees are based on discounted rates offered by the firms in return for substantial market share. When the contracts were last negotiated nationally by the Audit Commission they covered NHS and local government bodies and offered maximum economies of scale.
- 2.4 The scope of the audit will still be specified nationally, the National Audit Office (NAO) is responsible for writing the Code of Audit Practice which all firms appointed to carry out the Council's audit must follow. Not all accounting firms will be eligible to compete for the work, they will need to demonstrate that they have the required skills and experience and be registered with a Registered Supervising Body approved by the Financial Reporting Council. The registration process has not yet commenced and so the number of firms is not known but it is reasonable to expect that the list of eligible firms may include the top 10 or 12 firms in the country, including our current auditor. It is unlikely that small local independent firms will meet the eligibility criteria.

3.0 Options for Local Appointment of External Auditors

3.1 There are three broad options open to the Council under the Local Audit and Accountability Act 2014 (the Act):

3.2 Option 1: To Make a Stand Alone Appointment

In order to make a stand-alone appointment the Council will need to set up an Auditor Panel. The members of the panel must be wholly, or a majority independent members as defined by the Act. Independent members for this purpose are independent appointees, this excludes current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority input to assessing bids and choosing which firm of accountants to award a contract for the Council's external audit. A new independent auditor panel established by the Council will be responsible for selecting the auditor.

Advantages/Benefit

Setting up an auditor panel allows the Council to take maximum advantage of the new local appointment regime and have some local input to the decision.

Disadvantages/Risks

Recruitment and servicing of the Auditor Panel, running the bidding exercise and negotiating the contract is estimated by the LGA to cost in the order of £15,000 plus ongoing expenses and allowances.

The Council will not be able to take advantage of reduced fees that may be available through joint or national procurement contracts.

The assessment of bids and decision on awarding contracts will be taken by a majority of independent appointees and not by elected members.

3.3 Option 2: Set up a Joint Auditor Panel/Local Joint Procurement Arrangements

The Act enables the Council to join with other authorities to establish a joint auditor panel. Again this will need to be constituted of wholly or a majority of independent appointees (members). Further legal advice will be required on the exact constitution of such a panel having regard to the obligations of each Council under the Act and the Council would need to liaise with other local authorities to assess the appetite for such an arrangement.

Advantages/Benefits

The costs of setting up the panel, running the bidding exercise and negotiating the contract will be shared across a number of authorities.

There is greater opportunity for negotiating some economies of scale by being able to offer a larger combined contract value to the firms.

Disadvantages/Risks

The decision making body will be further removed from local input, with potentially no input from elected members where a wholly independent auditor panel is used or possible only one elected member representing each Council, depending on the constitution agreed with the other bodies involved.

The choice of auditor could be complicated where individual Councils have independence issues. An independence issue occurs where the auditor has recently or is currently carrying out work such as consultancy or advisory work for the Council. Where this occurs some auditors may be prevented from being appointed by the terms of their professional standards. There is a risk that if the joint auditor panel choose a firm that is conflicted for this Council then the Council may still need to make a separate appointment which would require the set-up of its own independent Auditor Panel at a late stage in the process, and with all the attendant costs and loss of economies possible through joint procurement.

3.4 **Option 3: Opt-in to a sector led body**

In response to the consultation on the new arrangement the LGA successfully lobbied for Councils to be able to 'opt-in' to a Sector Led Body (SLB) appointed by the Secretary of State under the Act. An SLB would have the ability to negotiate contracts with the firms nationally, maximising the opportunities for the most economic and efficient approach to procurement of external audit on behalf of the whole sector. The government have confirmed that Public Sector Audit Appointments Limited (PSAA), the transitional body set up by the LGA, has been specified as an appointing person under the provisions of the Local Audit and Accountability Act 2014 (the 2014 Act) and the Local Audit (Appointing Person) Regulations 2015. This means that PSAA will make auditor appointments to relevant principal local government bodies that choose to opt into the national appointment arrangements being developed, for audits of the accounts from 2018/19.

Advantages/Benefits

The costs of setting up the appointment arrangements and negotiating fees would be shared across all opt-in authorities.

By offering large contract values the firms would be able to offer better rates and lower fees than are likely to result from local negotiation.

Any conflicts at individual authorities would be managed by the SLB who would have a number of contracted firms to call upon.

The appointment process would not be ceded to locally appointed independent members but instead to a separate body set up to act in the collective interests of the 'opt-in' authorities.

Disadvantages/Risks

Individual elected members will have less opportunity for direct involvement in the appointment process other than through the LGA and/or stakeholder representative groups.

4.0 **The Way Forward**

- 4.1 The Council have until 31 December 2017 to make an appointment. In practical terms this means one of the options outlined in this report will need to be in place by spring 2017 in order that the contract negotiation process can be carried out during 2017.

- 4.2 The Local Audit (Appointing Person) Regulations 2015 require that a principal authority may only make the decision to opt into the appointing person arrangement by the members of the authority meeting as a whole.

5.0 Legal Implications

- 5.1 Section 7 of the Local Audit and Accountability Act 2014 (the Act) requires a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year. Section 8 governs the procedure for appointment including that the authority must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Section 8 provides that where a relevant authority is a local authority operating executive arrangements, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the authority under those arrangements.
- 5.2 Section 12 makes provision for the failure to appoint a local auditor: the authority must immediately inform the Secretary of State, who may direct the authority to appoint the auditor named in the direction or appoint a local auditor on behalf of the authority.
- 5.3 Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a Sector Led Body to become the appointing person.

6.0 Financial Implications

- 6.1 Current external audit fees levels are likely to increase when the current contracts end in 2018.
- 6.2 The cost of establishing a local or joint Auditor Panel outlined in options 1 and 2 above would need to be estimated and included in the Council's budget for 2017/18. This will include the cost of recruiting independent appointees (members), servicing the Panel, running a bidding and tender evaluation process, letting a contract and paying members fees and allowances.
- 6.3 Opting-in to a national SLB provides maximum opportunity to limit the extent of any increases in audit fees by entering in to a large scale collective procurement arrangement and would remove the majority of the costs of establishing an auditor panel.

7.0 RECOMMENDATION

That the Council opt into the National Appointment Arrangements with Public Sector Audit Appointments Limited (PSAA), the transitional body set up by the Local Government Association.

Background Papers

Nil.

For further information please contact Nicky Lovely on 01636 655317.

A.W. Muter
Chief Executive

ANNUAL TREASURY REPORT 2015/16

1. Background Information

- 1.1. The Council's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management ('the Code') which requires local authorities to produce annually Prudential Indicators and a Treasury Management Strategy Statement on the likely financing and investment activity. The Code also recommends that members are informed of treasury management activities at least twice a year. Scrutiny of treasury policy, strategy and activity is delegated to the Audit and Accounts Committee.
- 1.2. Treasury management is defined as: 'The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'
- 1.3. Overall responsibility for treasury management remains with the Council. No treasury management activity is without risk; the effective identification and management of risk are integral to the Council's treasury management strategy.

2. Economic Background

- 2.1. The UK economy slowed in 2015 with GDP growth falling to 2.3% from a robust 3.0% the year before. CPI inflation hovered around 0.0% through 2015 with deflationary spells in April, September and October. The prolonged spell of low inflation was attributed to the continued collapse in the price of oil, the appreciation of sterling since 2013 pushing down import prices and weaker than anticipated wage growth resulting in subdued unit labour costs.
- 2.2. CPI picked up to 0.3% year/year in February, but this was still well below the Bank of England's 2% inflation target. The labour market continued to improve through 2015 and the latest figures (Jan 2016) showing the employment rate at 74.1% (the highest rate since comparable records began in 1971) and the unemployment rate at a 12 year low of 5.1%. The Bank of England's MPC (Monetary Policy Committee) made no change to policy, maintaining the Bank Rate at 0.5% (in March it entered its eighth year at 0.5%) and asset purchases (Quantitative Easing) at £375bn. In its Inflation Reports and monthly monetary policy meeting minutes, the Bank was at pains to stress and reiterate that when interest rates do begin to rise they were expected to do so more gradually and to a lower level than in recent cycles.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at ***Appendix A***.

- 2.3. The United Kingdom's vote to leave the European Union brought turbulence in UK and European markets. Arlingclose have been keeping us up to date with regular emails. A summary of the impact is shown in ***Appendix B***.

3. Local Context

- 3.1. At 31/03/2016 the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £123m, while usable reserves and working capital which are the underlying resources available for investment were £42.5m.
- 3.2. At 31/03/2016, the Council had £92m of borrowing and £15m of investments. The Council's current strategy is to maintain borrowing below the underlying level indicated by the CFR, and to use internal resources to cover the gap. This is referred to as internal borrowing.
- 3.3. The Council has an increasing CFR over the next 2 years due to the capital programme and there may be a requirement to borrow up to £7.5m over the forecast period. However, if reserve levels permit, internal borrowing will be considered.

4. Borrowing Strategy

4.1. Borrowing Activity in 2015/16

	Balance 1/4/15 £000	New Borrowing £000	Debt Maturing £000	Balance 31/3/16 £000
CFR	122,145			123,584
Short Term Borrowing	3,827	11,792	11,983	3,636
Long Term Borrowing	90,159	0	2,017	88,142
Total Borrowing	93,986	11,792	14,000	91,778
Other Long Term Liabilities	224	0	0	224
Total External Debt	94,210	11,792	14,000	92,002
Increase/(Decrease) in Borrowing £000				(2,208)

- 4.2. The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
- 4.3. Affordability remained an important influence on the Council's borrowing strategy alongside the "cost of carry" - consideration that, for any borrowing undertaken ahead of need, the proceeds would have to be invested in the money markets at rates of interest significantly lower than the cost of borrowing. As short-term interest rates have remained, and are likely to remain lower than long-term rates, at least over the forthcoming two years, the Council determined it was more cost effective in the short-term to use internal resources instead of borrowing.
- 4.4. The benefits of internal borrowing were monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose assists the Council with this 'cost of carry' and breakeven analysis.

- 4.5. **LOBOs:** The Council holds £16.5m of LOBO (Lender’s Option Borrower’s Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. £3.5m of these LOBOS had options during the year, none of which were exercised by the lender.
- 4.6. **Debt Rescheduling:** The premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Council’s portfolio and therefore unattractive for debt rescheduling activity. No rescheduling activity was undertaken as a consequence.
- 4.7. **Abolition of the PWLB:** In January 2015 the Department of Communities and Local Government (CLG) confirmed that HM Treasury (HMT) would be taking the necessary steps to abolish the Public Works Loans Board. HMT has confirmed however that its lending function will continue unaffected and local authorities will retain access to borrowing rates which offer good value for money. The Council intends to consider using the PWLB’s replacement as a potential source of borrowing if required.

5. Investment Activity

5.1. Investment Activity in 2015/16

	Balance 1/4/15 £000	New Investments £000	Investments Redeemed £000	Balance 31/3/16 £000
Short Term Investments	17,088	135,425	137,961	14,552
Long Term Investments	0	0	0	0
Total Investments	17,088	135,425	137,961	14,552
Increase/(Decrease) in Investments £000				(2,536)

- 5.2. The Council has held invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2015/16 the Council’s investment balances have ranged between £13.6 and £29.3 million. The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council’s aim is to achieve a yield commensurate with these principles.
- 5.3. Security of capital remained the Council’s main objective. This was maintained by following the Council’s counterparty policy as set out in its Treasury Management Strategy Statement for 2015/16.
- 5.4. Counterparty credit quality is assessed and monitored by Arlingclose, the Council’s treasury advisors, with reference to credit ratings; credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. Arlingclose provide recommendations for suitable counterparties and maximum investment periods.

A more detailed counterparty update has been provided by Arlingclose and is attached at **Appendix C**.

- 5.5. **Investments with Icelandic Banks** – Following a partial repayment in 2012, a further final amount of £297,943.62 was received on 24th September 2015. The Council has recovered 96.9% of its original investment of £2,000,000.

6. Compliance with Prudential Indicators

- 6.1. The Council can confirm that it has complied with its Prudential Indicators for 2015/16, which were set on 10th March 2015 as part of the Council’s Treasury Management Strategy Statement.
- 6.2. **Interest Rate Exposure:** These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates for both borrowing and investments. The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments. The figure shown below for the variable rate for investments has exceeded the limit, although the Net effect is within the limit. All our investments are short term and there were no fixed rates that were comparable to variable rates, over the short term.

	Approved Limit for 2015/16 £m	Maximum during 2015/16 £m
<u>Fixed Rate</u>		
Borrowing	118.7	90.2
Investments	-5.3	0
Net Upper Limit for Fixed Rate Exposure	113.4	90.2
<i>Compliance with Limit</i>		<i>Yes</i>
<u>Variable Rate</u>		
Borrowing	29.6	4.4
Investments	-24.7	-29.3
Net Upper Limit for Variable Rate Exposure	4.9	-24.9
<i>Compliance with Limit</i>		<i>Yes</i>

- 6.3. **Maturity Structure of Fixed Rate Borrowing.** This indicator is to limit large concentrations of fixed rate debt and control the Council’s exposure to refinancing risk.

	Upper Limit %	Fixed Rate Borrowing 31/03/16 £m	Fixed Rate Borrowing 31/3/16 %	Compliance?
Under 12 months	15%	10.5	11.9%	Yes
12 months to 2 years	15%	4.5	5.1%	Yes
2 years to 5 years	30%	10.6	12%	Yes

5 years to 10 years	100%	23.2	26.3%	Yes
10 years and above	100%	39.4	44.7%	Yes

6.4. **Principal Sums Invested for over 364 Days.** All investments were made on a short-term basis and there were no investments for more than 364 days.

6.5. **Authorised Limit and Operational Boundary for External Debt.** The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of their indebted status. This is a statutory limit which should not be breached. The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included within the Authorised Limit. The s151 Officer confirms that there were no breaches to the Authorised Limit and the Operational Boundary during 2015/16; borrowing at its peak was £94.6m.

	Approved Operational Boundary 2015/16 £m	Authorised Limit 2015/16 £m	Actual External Debt 31/03/16 £m
Borrowing	128.3	148.3	91.7
Other Long Term Liabilities	0.4	0.6	0.2
Total	128.7	148.9	91.9

6.6. In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary of the treasury management activity during 2015/16. None of the Prudential Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

6.7. The Council also confirms that during 2015/16 it complied with its Treasury Management Policy Statement and Treasury Management Practices.

7. RECOMMENDATION

That the Treasury outturn position for 2015/16 be noted.

Background Papers

Nil.

For further information please contact Tara Beesley, Accountant, on extn. 5328.

Nicky Lovely
Business Manager & Chief Financial Officer – Financial Services

Growth, Inflation, Employment: The UK economy slowed in 2015 with GDP growth falling to 2.3% from a robust 3.0% the year before. CPI inflation hovered around 0.0% through 2015 with deflationary spells in April, September and October. The prolonged spell of low inflation was attributed to the continued collapse in the price of oil from \$67 a barrel in May 2015 to just under \$28 a barrel in January 2016, the appreciation of sterling since 2013 pushing down import prices and weaker than anticipated wage growth resulting in subdued unit labour costs. CPI picked up to 0.3% year/year in February, but this was still well below the Bank of England's 2% inflation target. The labour market continued to improve through 2015 and in Q1 2016, the latest figures (Jan 2016) showing the employment rate at 74.1% (the highest rate since comparable records began in 1971) and the unemployment rate at a 12 year low of 5.1%. Wage growth has however remained modest at around 2.2% excluding bonuses, but after a long period of negative real wage growth (i.e. after inflation) real earnings were positive and growing at their fastest rate in eight years, boosting consumers' spending power.

Global Influences: The slowdown in the Chinese economy became the largest threat to the South East Asian region, particularly on economies with a large trade dependency on China and also to prospects for global growth as a whole. The effect of the Chinese authorities' intervention in their currency and equity markets was temporary and led to high market volatility as a consequence. There were falls in prices of equities and risky assets and a widening in corporate credit spreads. As the global economy entered 2016 there was high uncertainty about growth, the outcome of the US presidential election and the consequences of June's referendum on whether the UK is to remain in the EU. Between February and March 2016 sterling had depreciated by around 3%, a significant proportion of the decline reflecting the uncertainty surrounding the referendum result.

UK Monetary Policy: The Bank of England's MPC (Monetary Policy Committee) made no change to policy, maintaining the Bank Rate at 0.5% (in March it entered its eighth year at 0.5%) and asset purchases (Quantitative Easing) at £375bn. In its *Inflation Reports* and monthly monetary policy meeting minutes, the Bank was at pains to stress and reiterate that when interest rates do begin to rise they were expected to do so more gradually and to a lower level than in recent cycles.

Improvement in household spending, business fixed investment, a strong housing sector and solid employment gains in the US allowed the Federal Reserve to raise rates in December 2015 for the first time in nine years to take the new Federal funds range to 0.25%-0.50%. Despite signalling four further rate hikes in 2016, the Fed chose not to increase rates further in Q1 and markets pared back expectations to no more than two further hikes this year.

However central bankers in the Eurozone, Switzerland, Sweden and Japan were forced to take policy rates into negative territory. The European Central Bank also announced a range of measures to inject sustained economic recovery and boost domestic inflation which included an increase in asset purchases (Quantitative Easing).

Market Reaction: From June 2015 gilt yields were driven lower by the weakening in Chinese growth, the knock-on effects of the fall in its stock market, the continuing fall in the price of oil and commodities and acceptance of diminishing effectiveness of central bankers' unconventional policy actions. Added to this was the heightened uncertainty surrounding the outcome of the UK

referendum on its continued membership of the EU as well as the US presidential elections which culminated in a significant volatility and in equities and corporate bond yields.

10-year gilt yields moved from 1.58% on 31/03/2015 to a high of 2.19% in June before falling back and ending the financial year at 1.42%. The pattern for 20-year gilts was similar, the yield rose from 2.15% in March 2015 to a high of 2.71% in June before falling back to 2.14% in March 2016. The FTSE All Share Index fell 7.3% from 3664 to 3395 and the MSCI World Index fell 5.3% from 1741 to 1648 over the 12 months to 31 March 2016.

Money Market Data and PWLB Rates

The average, low and high rates correspond to the rates during the financial year rather than those in the tables below.

Please note that the PWLB rates below are Standard Rates. Authorities eligible for the Certainty Rate can borrow at a 0.20% reduction.

Table 1: Bank Rate, Money Market Rates

Date	Bank Rate	O/N LIBID	7-day LIBID	1-month LIBID	3-month LIBID	6-month LIBID	12-month LIBID	2-yr SWAP Bid	3-yr SWAP Bid	5-yr SWAP Bid
01/04/2015	0.50	0.35	0.46	0.43	0.51	0.76	0.97	0.87	1.05	1.32
30/04/2015	0.50	0.35	0.48	0.43	0.52	0.74	0.98	1.00	1.21	1.51
31/05/2015	0.50	0.43	0.50	0.43	0.52	0.75	0.98	0.97	1.18	1.49
30/06/2015	0.50	0.35	0.45	0.43	0.52	0.79	0.99	1.09	1.35	1.68
31/07/2015	0.50	0.32	0.43	0.43	0.53	0.79	1.01	1.10	1.33	1.66
31/08/2015	0.50	0.42	0.40	0.43	0.54	0.82	1.02	1.03	1.24	1.61
30/09/2015	0.50	0.37	0.41	0.43	0.54	0.74	1.00	0.93	1.11	1.41
31/10/2015	0.50	0.36	0.41	0.43	0.54	0.77	1.00	0.97	1.16	1.49
30/11/2015	0.50	0.30	0.42	0.43	0.54	0.88	1.00	0.93	1.10	1.39
31/12/2015	0.50	0.43	0.35	0.43	0.54	0.76	1.01	1.09	1.30	1.58
31/01/2016	0.50	0.43	0.42	0.43	0.54	0.71	0.99	0.77	0.89	1.14
29/02/2016	0.50	0.25	0.43	0.43	0.54	0.73	0.99	0.71	0.74	0.85
31/03/2016	0.50	0.30	0.44	0.52	0.62	0.71	0.93	0.79	0.84	1.00
Average	0.50	0.38	0.45	0.43	0.54	0.76	0.99	0.96	1.14	1.43
Maximum	0.50	0.48	0.58	0.57	0.66	0.92	1.02	1.17	1.44	1.81
Minimum	0.50	0.17	0.35	0.43	0.51	0.55	0.84	0.68	0.73	0.85
Spread	--	0.31	0.23	0.14	0.15	0.37	0.18	0.49	0.71	0.96

Table 2: PWLB Borrowing Rates - Fixed Rate, Maturity Loans

Change Date	Notice No	1 year	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2015	127/15	1.33	2.10	2.69	3.24	3.37	3.32	3.31
30/04/2015	166/15	1.41	2.27	2.90	3.44	3.55	3.50	3.48
31/05/2015	204/15	1.44	2.26	2.90	3.44	3.54	3.48	3.45
30/06/2015	248/15	1.48	2.44	3.13	3.65	3.72	3.64	3.60
31/07/2015	294/15	1.54	2.45	3.07	3.56	3.62	3.54	3.49
31/08/2015	334/15	1.47	2.30	2.92	3.47	3.54	3.44	3.40
30/09/2015	379/15	1.44	2.19	2.79	3.42	3.50	3.42	3.39
31/10/2015	423/15	1.44	2.38	2.93	3.56	3.65	3.56	3.53

30/11/2015	465/15	1.42	2.23	2.85	3.48	3.54	3.42	3.39
31/12/2015	505/15	1.41	2.38	3.01	3.61	3.68	3.56	3.53
31/01/2016	040/16	1.24	1.96	2.62	3.28	3.37	3.23	3.20
29/02/2016	082/16	1.27	1.73	2.43	3.23	3.36	3.24	3.19
31/03/2016	124/16	1.33	1.81	2.48	3.21	3.30	3.16	3.12
	Low	1.21	1.67	2.30	3.06	3.17	3.05	3.01
	Average	1.41	2.20	2.85	3.46	3.54	3.45	3.42
	High	1.55	2.55	3.26	3.79	3.87	3.80	3.78

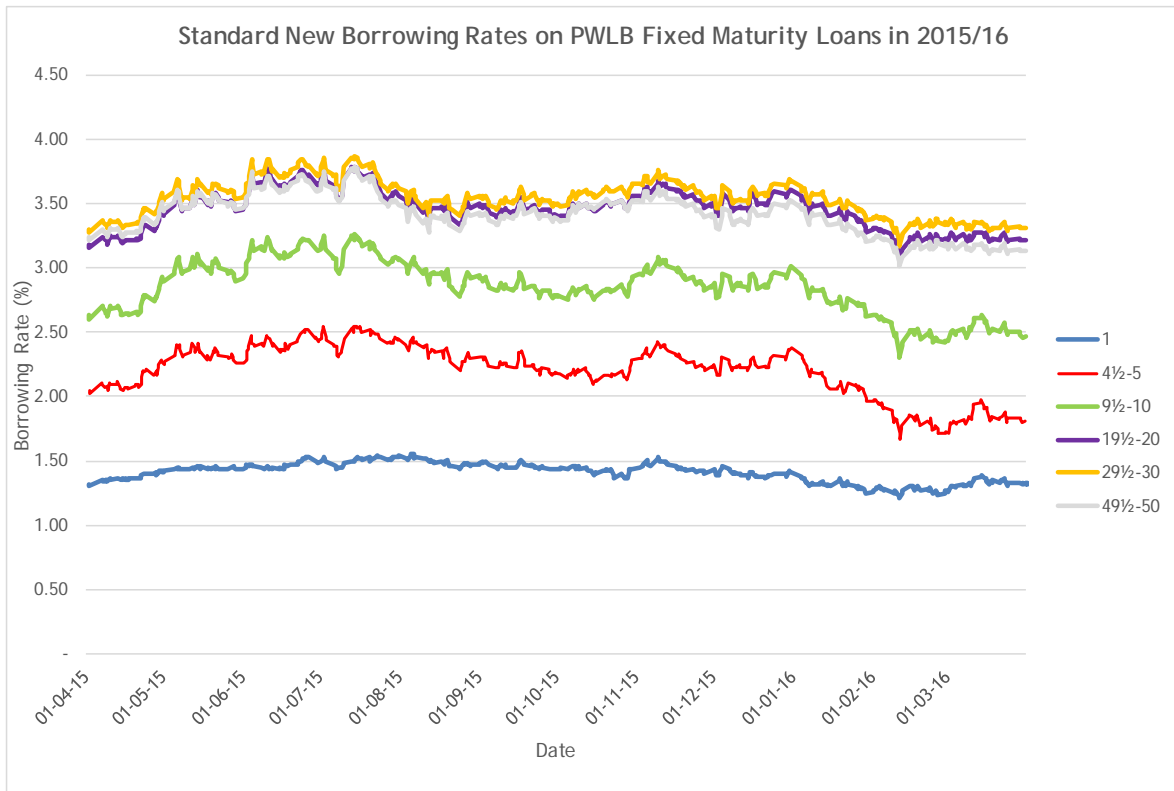


Table 3: PWLB Borrowing Rates - Fixed Rate, Equal Instalment of Principal (EIP) Loans

Change Date	Notice No	4½-5 yrs	9½-10 yrs	19½-20 yrs	29½-30 yrs	39½-40 yrs	49½-50 yrs
01/04/2015	127/15	1.66	2.14	2.71	3.03	3.24	3.35
30/04/2015	166/15	1.79	2.31	2.92	3.24	3.45	3.54
31/05/2015	204/15	1.78	2.30	2.93	3.26	3.45	3.53
30/06/2015	248/15	1.90	2.49	3.15	3.47	3.65	3.72
31/07/2015	294/15	1.96	2.50	3.09	3.39	3.57	3.63
31/08/2015	334/15	1.83	2.34	2.94	3.27	3.48	3.55
30/09/2015	379/15	1.76	2.23	2.82	3.19	3.43	3.51
31/10/2015	423/15	1.81	2.32	2.96	3.33	3.57	3.66
30/11/2015	465/15	1.79	2.27	2.87	3.25	3.49	3.56
31/12/2015	505/15	1.89	2.42	3.03	3.39	3.62	3.70
31/01/2016	040/15	1.54	2.00	2.65	3.04	3.29	3.38
29/02/2016	082/16	1.42	1.77	2.46	2.95	3.24	3.36
31/03/2016	124/16	1.50	1.85	2.51	2.96	3.22	3.31
	Low	1.36	1.70	2.33	2.78	3.07	3.18
	Average	1.76	2.25	2.88	3.24	3.47	3.55

	High	1.99	2.60	3.28	3.61	3.79	3.87
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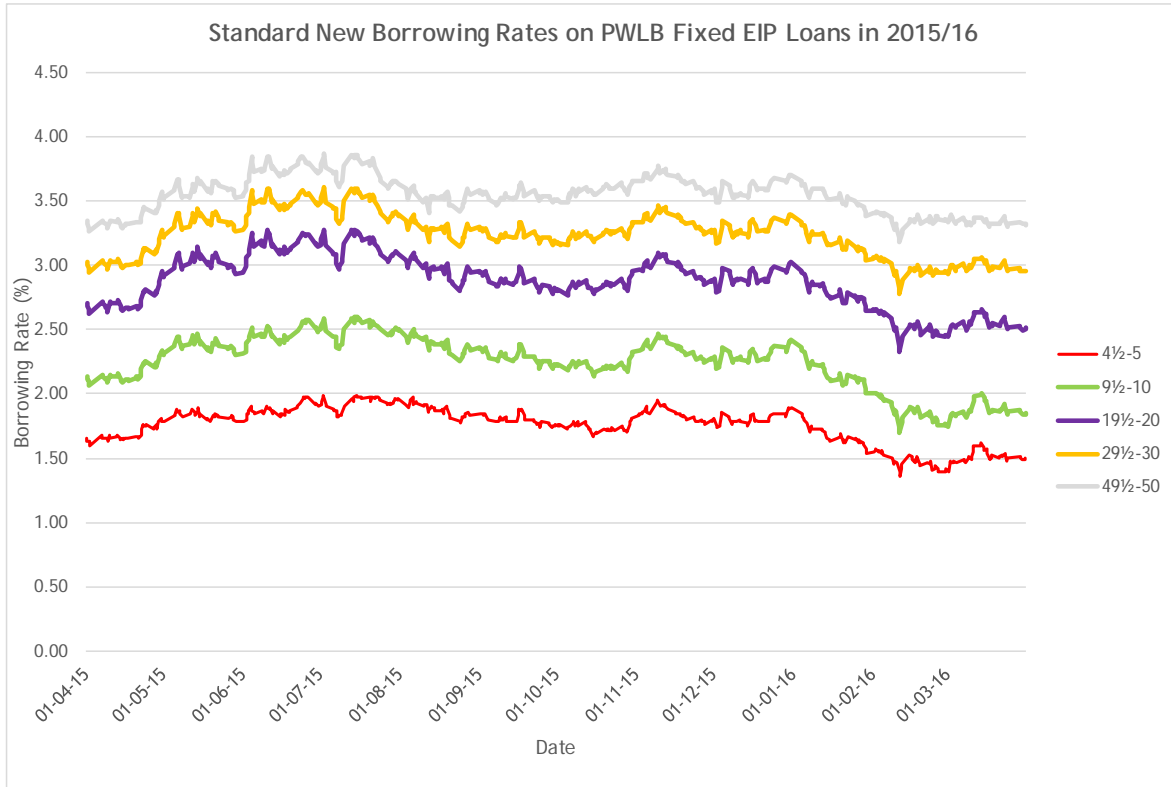


Table 4: PWLB Variable Rates

	1-M Rate	3-M Rate	6-M Rate	1-M Rate	3-M Rate	6-M Rate
	Pre-CSR	Pre-CSR	Pre-CSR	Post-CSR	Post-CSR	Post-CSR
01/04/2015	0.62	0.63	0.66	1.52	1.53	1.56
30/04/2015	0.62	0.64	0.67	1.52	1.54	1.57
31/05/2015	0.62	0.65	0.68	1.52	1.55	1.58
30/06/2015	0.62	0.66	0.70	1.52	1.56	1.60
31/07/2015	0.62	0.66	0.72	1.52	1.56	1.62
31/08/2015	0.62	0.66	0.70	1.52	1.56	1.60
30/09/2015	0.66	0.67	0.76	1.56	1.57	1.66
31/10/2015	0.66	0.67	0.76	1.46	1.56	1.57
30/11/2015	0.64	0.67	0.72	1.54	1.57	1.62
31/12/2015	0.63	0.65	0.72	1.53	1.55	1.62
31/01/2016	0.64	0.66	0.69	1.54	1.56	1.59
29/02/2016	0.63	0.65	0.68	1.53	1.55	1.58
31/03/2016	0.61	0.65	0.67	1.51	1.55	1.57
Low	0.61	0.61	0.66	1.51	1.51	1.56
Average	0.63	0.66	0.71	1.53	1.56	1.61
High	0.67	0.69	0.78	1.57	1.59	1.68

Brexit Update

Underlying assumptions:

The economic trajectory for the UK has been immeasurably altered following the vote to leave the EU. The long-term position of the UK economy will be largely dependent on the agreements the government is able to secure with the EU and other countries.

The short to medium-term outlook is somewhat more downbeat due to the uncertainty generated by the result and the forthcoming negotiations (notwithstanding the Olympic and summer feel-good effects). The rapid installation of a new prime minister and cabinet lessened the political uncertainty, and the government/Bank of England have been proactive in tackling the economic uncertainty.

PMI data, and consumer and business confidence surveys published for July showed a significant downturn in business activity. An overreaction was always expected due to the unexpected result and confidence indicators, particularly consumer confidence, have experienced a limited recovery.

Over the medium term, economic and political uncertainty will likely dampen investment intentions and tighten credit availability, prompting lower activity levels and potentially a rise in unemployment. These effects will dampen economic growth through the second half of 2016.

UK CPI inflation (currently 0.6% year/year) will rise close to target over the coming year as previous rises in commodity prices and the sharp depreciation in sterling begin to drive up imported material costs for companies.

The rise in inflation is highly unlikely to prompt monetary tightening by the Bank of England, with policymakers looking through import-led CPI spikes to the negative effects of Brexit on economic activity and, ultimately, inflation.

There is a debatable benefit to further interest rate cuts (particularly with regard to financial stability). Negative Bank Rate is currently perceived by policymakers to be counterproductive, but there is a possibility of close-to-zero Bank Rate. QE will be used to limit the upward movement in bond yields.

Following significant global fiscal and monetary stimulus, the short term outlook for the global economy is somewhat brighter than a few months ago. However, financial market volatility is likely at various points because the stimulus has only delayed the fallout from the build-up of public and private sector debt (particularly in developing economies, e.g. China).

Arlingclose remains comfortable with clients making unsecured investments in UK institutions for the periods outlined in our counterparty packs.

Counterparty Update

The transposition of two European Union directives into UK legislation placed the burden of rescuing failing EU banks disproportionately onto unsecured institutional investors which include local authorities and pension funds. During the year, all three credit ratings agencies reviewed their ratings to reflect the loss of government support for most financial institutions and the potential for loss given default as a result of new bail-in regimes in many countries. Despite reductions in government support many institutions saw upgrades due to an improvement in their underlying strength and an assessment that the level of loss given default is low.

Fitch reviewed the credit ratings of multiple institutions in May. Most UK banks had their support rating revised from 1 (denoting an extremely high probability of support) to 5 (denoting external support cannot be relied upon). This resulted in the downgrade of the long-term ratings of Royal Bank of Scotland (RBS), Deutsche Bank, Bank Nederlandse Gemeeten and ING. JP Morgan Chase and the Lloyds Banking Group however both received one notch upgrades.

Moody's concluded its review in June and upgraded the long-term ratings of Close Brothers, Standard Chartered Bank, ING Bank, Goldman Sachs International, HSBC, RBS, Coventry Building Society, Leeds Building Society, Nationwide Building Society, Svenska Handelsbanken and Landesbank Hessen-Thuringen.

S&P reviewed UK and German banks in June, downgrading the long-term ratings of Barclays, RBS and Deutsche Bank. S&P also revised the outlook of the UK as a whole to negative from stable, citing concerns around the referendum on EU membership and its effect on the economy.

At the end of July 2015, Arlingclose advised an extension of recommended durations for unsecured investments in certain UK and European institutions following improvements in the global economic situation and the receding threat of another Eurozone crisis. A similar extension was advised for some non-European banks in September, with the Danish Danske Bank being added as a new recommended counterparty and certain non-rated UK building societies also being extended.

In December the Bank of England released the results of its latest stress tests on the seven largest UK banks and building societies which showed that the Royal Bank of Scotland and Standard Chartered Bank were the weakest performers. However, the regulator did not require either bank to submit revised capital plans, since both firms had already improved their ratios over the year.

In January 2016, Arlingclose supplemented its existing investment advice with a counterparty list of high quality bond issuers, including recommended cash and duration limits. As part of this, Bank Nederlandse Gemeeten was moved to the list of bond issuers from the unsecured bank lending list and assigned an increased recommended duration limit of 5 years. The Council did not make use of these long-term investment options during 2015/16.

The first quarter of 2016 was characterised by financial market volatility and a weakening outlook for global economic growth. In March 2016, following the publication of many banks' 2015 full-year results, Arlingclose advised the suspension of Deutsche Bank and Standard

Chartered Bank from the counterparty list for unsecured investments. Both banks recorded large losses and despite improving capital adequacy this will call 2016 performance into question, especially if market volatility continues. Standard Chartered had seen various rating actions taken against it by the rating agencies and a rising CDS level throughout the year. Arlingclose will continue to monitor both banks.

The end of bank bail-outs, the introduction of bail-ins, and the preference being given to large numbers of depositors other than local authorities means that the risks of making unsecured deposits continues to be elevated relative to other investment options. The Authority therefore increasingly favoured pooled funds over unsecured bank and building society deposits.

CONTRACT PROCEDURE RULES

1.0 Purpose of Report

1.1 To approve revisions to the Council's Contract Procedure Rules (CPRs).

2.0 Background Information

2.1 The Council adopted its current CPRs in October 2013 and only minor amendments have been made in the interim. They have been fully reviewed and updated to cover changes introduced by the Public Contracts Regulations 2015 and to address recommendations made by Internal Audit following recent procurement audits. Furthermore, as the Council moves towards being more risk aware than risk averse, consideration has been given to making the CPRs less restrictive by introducing an element of flexibility whilst maintaining adequate checks and balances.

2.2 All Business Units within the Council have an involvement in Procurement, ranging from low-value revenue purchases under £5,000 to high value capital projects which are subject to EU public procurement directives. The CPRs provide a framework of control to achieve proper administration of the Council's procurement activities. They apply to all officers and Members and to all transactions that impact on public funds.

2.3 Policy & Finance Committee reviewed the proposed revisions to the Contract Procedure Rules on 22 September 2016 and agreed that:

- (a) The revised Contract Procedure Rules be recommended to Full Council for adoption; and
- (b) The Contract Procedure Rules be reviewed in two years' time, or earlier, if there were any significant changes in the way the Council manages its procurement and contracting activities resulting from legislative changes.

2.4 A copy of the revised CPRs is attached as an **appendix** to the report.

3.0 Key Amendments

3.1 Legislative Updates

3.1.1 Current EU thresholds valid from 01/01/2016 to 31/12/2017 are as follows:

- Goods & Services: £164,176
- Works: £4,104,394

3.1.2 To ensure compliance with the Public Contracts Regulation 2015, an OPEN tender process must be used on all procurements for **Goods, Services & Works** with a total value below the prevailing EU **Goods & Services** threshold, currently £164,176 [Rule 3.2].

- 3.1.3 In order to comply with the Public Contracts Regulations 2015, provision is made in all contracts for 30-day payment terms throughout the supply chain [Rule 18.1.2(ii)]
- 3.1.4 The need to demonstrate compliance with the Public Services (Social Value) Act 2012 in the case of above EU threshold public services contracts [Rule 6.1(xiv)]
- 3.1.5 The need to consider safeguarding requirements [Rule 18.1.3(xvii)]
- 3.2 Competition Requirements
- 3.2.1 A flow chart replaces the original table to provide guidance to Contract Officers regarding the appropriate competitive procurement procedure to use. Contract Officers must calculate the total value of the contract, taking into account what scope there might be for expansion of the initial requirements [Rule 9.1.1].
- 3.3 Exemptions to Contract Procedure Rules
- 3.3.1 No exemption can be applied for if the total lifetime value of a proposed contract is likely to exceed the relevant **EU threshold** [Rule 4.2];
- 3.3.2 In the case of **Goods & Services**, if the total lifetime contract value is under the EU threshold, a partial or total exemption may be granted with the written approval of the Council's Section 151 Officer, effectively removing the need for the approval of the Chief Executive and without reference to the Policy & Finance Committee [Rule 4.3];
- 3.3.3 For **Works** contracts with an estimated total value under the EU threshold, a partial or total exemption may be granted with the written approval of both the Council's Chief Executive and Section 151 Officer and without reference to the Policy & Finance Committee [Rule 4.3].
- 3.3.4 The above exemption provisions would allow for the acceptance of a single tender in justifiable circumstances.
- 3.3.5 Any application for exemption is required to demonstrate valid reasons for not going through an open competition process together with a risk assessment [Rule 4.3]. The following clause is deleted: *"In exceptional circumstances the Policy & Finance Committee has the power to waive any requirements (other than legal ones) within these Contract Procedure Rules for specific projects. Any such decision must follow the presentation of a detailed report setting out the basis for the recommendations. Any such reports must include the comments of the Section 151 Officer and the Business Manager - Human Resources and Legal"*.
- 3.4 Contract Extensions
- 3.4.1 An extension to an existing below EU threshold contract no longer requires the approval of the Council or Policy & Finance Committee, just the Section 151 Officer [Rule 4.8(ii)].
- 3.4.2 EU contracts or framework agreements may be modified without a new procurement procedure, but only in clearly defined situations as provided for under the Public Contracts Regulations 2015 [Rule 4.8(i)].

3.5 Risk Management

- 3.5.1 The need to identify, assess and manage risks throughout the procurement lifecycle and to nominate a suitable Officer to manage the contract once awarded [Rules 6.1, 23 & 24].

3.6 General

- 3.6.1 Less prescriptive about the records that need to be kept in the case of procurements under £75,000 [Rule 7.1]. Record retention rules have been updated by reference to the Council's Retention & Disposal Policy [Rule 7.3].
- 3.6.2 Suppliers/Contractors engaged to deliver Services and Works contracts with a total value in excess of £250,000 should be subject to an initial Equifax commercial credit check in order to assess their financial viability with periodic checks being carried out throughout the term of an awarded contract [Rules 8.1.2 and 24.1.1(vi)]
- 3.6.3 Duplicated and/or superfluous text has been removed in an attempt to 'streamline' the CPRs. Some text has been re-positioned or re-formatted.
- 3.6.4 Greater emphasis on the need for Contract Officers to seek and follow legal, financial, HR and procurement advice [Rules 2.1.2(iv); 2.1.3; 3.2; 3.10.3].
- 3.6.5 Contract Officers must seek the advice and guidance of the Business Manager – Procurement prior to commencing any procurement process which could lead to the appointment of consultants [Rule 9.5.1]. A consultant's brief must adequately describe the scope of the services to be provided, including ALL potential phases of work [Rule 9.5.3].

4.0 Further Considerations

- 4.1 The Public Contracts Regulations 2015 stipulate that local authorities are required to publish on the national **Contracts Finder** portal any new procurement opportunities with a contract value above £25,000. This is in addition to, or instead of, any other portal (e.g. *Source Nottinghamshire* or *EastMidsTenders*) or publications route the local authority may currently use.

The requirement to publish on **Contracts Finder** applies where a contracting authority advertises an opportunity. Where a contracting authority is satisfied it is lawful not to advertise an opportunity and chooses not to advertise at all (e.g. because it has internal policies such as standing orders which do not require a competition), the requirement to advertise on **Contracts Finder** does not apply to that contract.

- 4.2 The Council's existing CPRs stipulate that advertising of contracts between £5k and £50k is discretionary; for contracts between £50k and the EU threshold advertising is mandatory. The proposed revisions to the CPR thresholds [Rule 9.1.1] mean that the Council would only be required to advertise contracts with a total value above £75k, effectively circumventing the £25k rule. Contracts under £75k would not have to be advertised and the Council would simply resort to securing three quotes.

4.3 By increasing the threshold value at which contract opportunities must be advertised and formally tendered (from £50,000 to £75,000) and by allowing a single quotation to be obtained for individual requirements valued under £10,000 (currently £5,000), the administrative burden and cost of managing more resource-intensive tender processes for both the Council and potential bidders will be significantly reduced which should be of particular benefit to smaller local businesses seeking to supply the Council.

5.0 **RECOMMENDATIONS**

- a) **the revised Contract Procedure Rules, which form part of the Council's Constitution, be approved; and**
- b) **the Contract Procedure Rules be reviewed in two years' time, or sooner, if there are any significant changes in the way the Council manages its procurement and contracting activities resulting from legislative changes.**

Background Papers

Nil.

For further information please contact John King, Business Manager – Procurement on 01636 655479.

Karen White
Director – Safety

A BRIEF GUIDE TO CONTRACT PROCEDURE RULES (June 2016 revision)**SECTION 1: SCOPE OF CONTRACT PROCEDURE RULES**

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All costs stated in these Contract Procedure Rules are exclusive of VAT, staff costs and fees.
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A BRIEF GUIDE TO CONTRACT PROCEDURE RULES

These Contract Procedure Rules (issued in accordance with section 135 of the 1972 Local Government Act) are intended to promote good purchasing practice and public accountability and deter corruption. They are designed to safeguard the interests of the Council, its Members and its employees. Following the rules is the best defence against allegations that a purchase has been made incorrectly or fraudulently.

These rules should be read in conjunction with the Council's Financial Regulations and Purchasing Card Procedure (as appropriate).

They apply to all activities of the Council, and where the Council is a lead authority in any joint procurement, shared service, partnership or collaborative arrangement.

All Officers (including temporary or agency workers) and Members must comply with these Contract Procedure Rules for all relevant contracts (see Rule 5 Relevant Contracts). They lay down minimum requirements and a more thorough procedure may be appropriate for a particular contract. Any breaches will be considered to be a disciplinary matter.

In accordance with the Constitution, Council shall have the power to make amendments from time to time to these Contract Procedure Rules.

If, after reading these Contract Procedure Rules, you require further guidance or clarification, or you are not sure how best to comply with the Rules, then please contact your Line Manager, the Head of Internal Audit or the Business Manager - Procurement.

Terms used in this document are defined in the Definitions Appendix at the end of this document.

SECTION 1: SCOPE OF CONTRACT PROCEDURE RULES

1. BASIC PRINCIPLES

1.1 All purchasing and disposal procedures must:

- (i) Achieve [Value For Money](#) for public money spent
- (ii) Be consistent with the highest standards of integrity
- (iii) Ensure fairness in allocating public contracts
- (iv) Comply with all legal requirements
- (v) Ensure that [non-commercial considerations](#) do not influence any contracting decision
- (vi) Support the Council's corporate and Business Unit vision and priorities

2. OFFICER RESPONSIBILITIES

2.1 Contract Officers

2.1.1 Contract Officers responsible for purchasing or disposal must comply with these Contract Procedure Rules, Financial Regulations, Standing Orders, Officers Code of Conduct and with all UK Government legislation and European Union binding legal requirements. Contract Officers must ensure that any agents, [consultants](#) and contractual partners acting on their behalf also comply. It is the responsibility of officers to ensure that they are aware of and fully understand these requirements.

2.1.2 Prior to any procurement exercise, Contract Officers must:

- (i) Check the Council's register of recurring contracts to see if a suitable corporate contract exists before seeking to let another contract; where a suitable corporate contract exists, this must be used unless there is an auditable reason not to
- (ii) Advise the Business Manager - Procurement of their intention to let or re-let a contract with a Total Value in excess of £75,000 a minimum of six months in advance of placing an advertisement to invite tenders

During any procurement exercise, Contract Officers must:

- (iii) Keep relevant records
- (iv) Seek and follow all necessary legal, financial and professional advice
- (v) Be able to demonstrate the achievement of [Value for Money](#)

2.1.3 When any employee either of the Council or of a service provider may be affected by any transfer arrangement, Contract Officers must ensure that the Transfer of Undertaking (Protection of Employment) (TUPE) issues are considered and obtain legal and HR advice before proceeding with inviting tenders or quotations.

2.2 Chief Officers

2.2.1 Chief Officers must:

- (i) Ensure that their staff (including temporary and agency staff) comply with these Contract Procedure Rules and are suitably trained
- (ii) Ensure that details of all current contracts are recorded on the Council's corporate register of recurring contracts
- (iii) Ensure that all completed contracts are passed to legal for safe keeping
- (iv) Ensure that any Contract Procedure Rules exemptions provided for under Rule 4 are duly recorded using the form on the [Procurement Intranet Pages](#)

3. PROCUREMENT OPTIONS

- 3.1 Officers need to consider what procurement method is most likely to achieve the purchasing objectives, in consultation with the Business Manager – Procurement.
- 3.2 For all procurements of Goods, Services or Works with a total value BELOW the prevailing EU Goods & Services threshold an **Open** tender procedure must be used. Advice must be sought from the Business Manager – Procurement.
- 3.3 For all procurements with a total value ABOVE the prevailing EU threshold for either Goods/Services or Works, the **Open** tender procedure should normally be used. However, there are exceptions and Contract Officers must consult with the Business Manager - Procurement before making a final decision on the appropriate procurement method.
- 3.4 For purchasing where there is no on-going commitment the Council's purchasing cards should be used where possible. Such purchases will be ad hoc and with no time bound commitment. Anything other than this must be referred to the Business Manager - Procurement.
- 3.5 Regardless of the procurement option used, all Crown Commercial Service (CCS) guidance and EU/UK legislation must be adhered to.
- 3.6 Where it is a Capital Programme scheme, the recommendation in the Council's guidelines on project management must be adhered to.
- 3.7 The Business Manager – Procurement must be consulted prior to commencing any procurement process using framework agreements established by the Crown Commercial Service (CCS) or other Public Sector Buying Organisations (PSBOs). The terms and conditions of contract applicable to any CCS or PSBO framework agreements, including the requirement to undertake competition between providers, must be fully complied with.

3.8 Collaborative Procurement Arrangements

- 3.8.1 In order to secure [Value for Money](#), the Council may enter into collaborative procurement arrangements. The Contract Officer must consult the Section 151 Officer, the Business Manager - Human Resources & Legal and the Business Manager - Procurement where the purchase is to be made using collaborative procurement arrangements with another local authority, government department, statutory undertaker or Public Sector Buying Organisation
- 3.8.2 In order to allow the development of joint procurement, shared services, partnerships or collaborative arrangements, the Section 151 Officer shall have delegated authority to permit the use of the Contract Procedure Rules of a local authority partner. The Contract Officer must also consult with the Business Manager – Procurement and the Business Manager - Human Resources & Legal to ensure compliance with all legal requirements.
- 3.8.3 All purchases made via a Public Sector Buying Organisation (PSBO) (e.g. ESPO, YPO, CCS) are deemed to comply with these Contract Procedure Rules and no exemption is required. However, purchases above the EU threshold must be let under the [EU procedure](#), unless the PSBO has satisfied this requirement already by letting their contract in accordance with the [EU procedure](#) on behalf of the Council and other eligible users.

3.9 Private Finance Initiatives

- 3.9.1 Contracts entered into concerning Private Finance Initiatives shall be undertaken in accordance with relevant legislation. The Contract Officer shall refer to the Legal Section and the Section 151 Officer prior to a contract being entered into concerning Private Finance Initiatives.

3.10 [Framework Agreements](#)

- 3.10.1 The Business Manager - Procurement must be consulted prior to commencing any process which could lead to the use of a [framework agreement](#).
- 3.10.2 [Framework agreements](#) must only be used where the Council is either a named participant or where the Council is considered a recognisable class of contracting authority under the terms of the framework agreement.
- 3.10.3 Contracts based on [framework agreements](#) may be awarded by either:
- (i) Applying the terms laid down in the [framework agreement](#) (where such terms are sufficiently precise to cover the particular call-off) without reopening competition, or
 - (ii) Where the terms laid down in the [framework agreement](#) are not precise enough or complete for the particular call-off, by holding a mini competition.

Advice must be sought from the Business Manager – Procurement.

4. EXEMPTIONS

- 4.1 **The Contract Procedure Rules must be followed. This is to ensure open and transparent competition and protect the Council from any undue risk of challenges of anti-competitive behaviour.**
- 4.2 Where the total lifetime value of a proposed contract is likely to exceed the [EU threshold](#), a Chief Officer has no delegated powers and no exemption can be applied for.
- 4.3 For Supplies and/or Services contracts where the total lifetime value is below the EU threshold, an exemption to all or part of the requirements under section 9.1.1 may be granted with the written approval of the Council's Section 151 Officer. For Works contracts with an estimated total value below the EU threshold, an exemption to all or part of the requirements under section 9.1.1 may be granted with the written approval of the Council's Chief Executive and the Section 151 Officer. Any application for exemption is required to demonstrate valid reasons for not going through an open competition process together with a risk assessment.
- 4.4 Any contract entered into through collaboration with other Local Authorities or other public bodies, where a competitive process has been followed that complies with the Contract Procedure Rules of the leading organisation, will be deemed to comply with these Contract Procedure Rules and no exemption is required. However, advice must be sought from the Business Manager - Procurement.
- 4.5 Where an exemption is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to Council services, approval must be sought from the Section 151 Officer, or in the event of his absence the Deputy Section 151 Officer or in his absence, the Chief Executive or the relevant Business Unit Manager. Where this situation arises a report must be sent to the next Policy & Finance Committee to support the action taken.
- 4.6 All exemptions, and the reasons for them, must be recorded using the Contract Procedure Rules Exemption form contained in the [Procurement Intranet Pages](#). Exemptions shall be detailed by the Contract Officer and signed by the relevant Director and Section 151 Officer and a copy sent to the Head of Internal Audit for subsequent scrutiny.
- 4.7 The use of e-procurement technology does not negate the requirement to comply with all elements of these Contract Procedure Rules, particularly those relating to competition and [Value for Money](#).
- 4.8 Competitive tenders are not required in any of the following circumstances:

- (i) EU contracts or framework agreements may be modified without a new procurement procedure only in clearly defined situations as provided for under Regulation 72 of the Public Contracts Regulations 2015.
- (ii) The work to be executed or goods or materials to be supplied or the services to be provided constitute an extension of an existing **below EU threshold** contract provided that such an extension has received approval by the Section 151 Officer. The Business Manager - Procurement must be consulted and must be satisfied that the extension is in accordance with procurement legislation.
- (iii) The work to be executed or the goods or materials to be supplied consists of repairs to or the supply of parts to existing proprietary machinery or plant by the manufacturers or their agents. The Business Manager – Procurement must be consulted and be satisfied that [Value For Money](#) is being achieved.
- (iv) The estimated expenditure is less than £10,000 provided that the appropriate Chief Officer shall take reasonable steps to secure the order at the most competitive price.
- (v) The purchase is by or at public auction, including online auction facilities (e.g. eBay) and the total value of the procurement is below the prevailing EU threshold.

5. **RELEVANT CONTRACTS**

5.1 All relevant contracts must comply with these Contract Procedure Rules. A relevant contract is any arrangement made by, or on behalf of, the Council for the carrying out of works or for the supply of goods, materials or services. These include arrangements for:

- (i) The supply or disposal of goods
- (ii) The hire, rental or lease of goods or equipment
- (iii) The delivery of services, including (but not limited to) those related to:
 - (a) The recruitment of non direct employees/agency staff
 - (b) Land and property transactions (also covered by [Financial Regulations](#))
 - (c) Financial and consultancy services

5.2 Contracts for the sale of land and property must be conducted in accordance with these Contract Procedure Rules or a process approved by the Section 151 Officer and with the approval of the Policy & Finance Committee.

5.3 Relevant contracts do not include:

- (i) Contracts of employment which make an individual a direct employee of the Council
- (ii) Treasury management deals for borrowing or investment which will be dealt with in accordance with the latest Treasury Management Strategy approved by Council

SECTION 2: COMMON REQUIREMENTS

6. STEPS PRIOR TO PURCHASE

6.1 The Contract Officer must appraise the purchase, in a manner commensurate with its complexity and value, and taking into account any guidance contained in the [Procurement Intranet Pages](#), by:

- (i) Ensuring there is sufficient time to complete the purchase process
- (ii) Appraising the need for the expenditure and its priority
- (iii) Assessing the feasibility of the proposed order/tender
- (iv) Ensuring there is sufficient budget
- (v) Assessing and managing risks identified with the procurement process; financial risks should be assessed in consultation with the Section 151 Officer
- (vi) Considering which procurement method is most likely to achieve the purchasing objectives in consultation with the Business Manager - Procurement
- (vii) Consulting users as appropriate about the proposed procurement method, contract standards, contract performance (refer to Rule 19) and user satisfaction monitoring
- (viii) Preparing a robust specification of requirements
- (ix) Consulting, where appropriate, with a suitable Technical Officer
- (x) Drafting the terms and conditions that are to apply to the proposed contract. Consultation must take place with legal services prior to the terms and conditions being finalised
- (xi) Setting out these matters in writing per Rule 7. Records
- (xii) Considering project management arrangements, including nominating a suitable officer to manage the contract once awarded
- (xiii) Considering the requirements for [constructional contracts](#)
- (xiv) Considering how the procurement of above EU threshold public Services contracts may improve the economic, social and environmental well-being of the District in order to demonstrate compliance with the Public Services (Social Value) Act 2012. Well-being considerations must be relevant and proportionate to the subject matter of the contract and enforceable within the constraints of existing EU legislation.
- (xv) Confirming that there is Member or delegated approval for the expenditure and the purchase accords with the approved scheme of delegation as set out in the Constitution

7. RECORDS

7.1 Where the [total value](#) of the procurement is less than £75,000, the Contract Officer must ensure an appropriate audit trail exists in the form of written &/or electronic records to evidence that the procurement process has been carried out in compliance with the Council's Contract Procedure Rules and secures Value for Money.

7.2 Where the total value of the procurement exceeds £75,000 the Contract Officer must record and keep:

- (i) Documented work undertaken pre tender as detailed in Rule 6. Steps prior to Purchase
- (ii) The method for obtaining bids and the basis for the selection of tenderers
- (iii) Any contracting decision and the reasons for it
- (iv) Any exemption under Rule 4 together with the reasons for it including a copy of the exemption form. See 4.5
- (v) The award criteria in descending order of importance
- (vi) Tender documents sent to and received from candidates
- (vii) Pre-tender market research
- (viii) Supporting documentation relating to tender examination
- (ix) Clarification and post-tender negotiation (to include minutes of meetings)
- (x) The contract documents
- (xi) Contract monitoring undertaken during the life of the contract
- (xii) Post-contract evaluation and monitoring
- (xiii) Written records of communications with candidates and with the successful contractor throughout the period of the contract

7.3 All hard copy and electronic records relating to procurement activities including but not limited to tendering procedures and contracts must be retained by the Contract Officer in accordance with the Council's Retention & Disposal Policy and Retention and Disposal Schedule (Contracts & Tendering).

7.4 Business Unit Managers must supply the Business Manager – Procurement such information as is required to populate a central contracts register.

7.5 All signed contracts must be passed to the Business Manager - Human Resources & Legal for safekeeping.

7.6 The tender record log must be kept by the Business Manager - Democratic Services. A copy must be kept by the Contract Officer.

8. ADVERTISING

8.1 Identifying and Assessing Potential Candidates

8.1.1 Contract opportunities must be advertised in accordance with the provisions of rule 9.1.1 and in consultation with the Business Manager – Procurement.

8.1.2 Contract Officers are responsible for ensuring that all candidates for a relevant contract are suitably assessed. The assessment process shall establish that the potential candidates have sound:

- (i) Economic and financial standing
- (ii) Technical ability and capacity to fulfil the requirements of the authority.

The only exception to this process is direct purchases where the goods are received prior to payment being made.

Suppliers/Contractors engaged to deliver Services and Works contracts with a total value in excess of £250,000 should be subject to an Equifax commercial credit check in order to assess their financial viability.

SECTION 3: CONDUCTING PURCHASE AND DISPOSAL

9. COMPETITION REQUIREMENTS: PURCHASE, DISPOSAL & PARTNERSHIPS

9.1 Purchasing – Competition Requirements

9.1.1 Where an option to proceed with a competitive procurement exercise has been chosen, the following flow chart will determine the appropriate procedure to use.



⁽¹⁾ When calculating the total lifetime value of a contract to appoint a consultant, ALL potential phases of work must be considered.

⁽²⁾ The use of a RESTRICTED tender process with a separate pre-qualification stage is not permitted under the Public Contracts Regulations 2015 for **Supplies, Services and Works** contracts if the total value is under £164,176. However, the RESTRICTED tender process can be used for Works contracts above £164,176.

⁽³⁾ The EU thresholds applicable from 01/01/2016 to 31/12/2017:-

- Supplies & Services contracts: £164,176
- Works contracts: £4,104,394
- Light Touch Regime for Health, Social, Education and certain other Service Contracts: £589,148

- 9.1.2 The Contract Officer must calculate the [total value](#) of the contract, taking into account what scope there might be for expansion on the initial requirements.
- 9.1.3 Where it can be demonstrated that there are insufficient suitably qualified candidates to meet the competition requirement, Contract Officers must consult with the Business Manager –Procurement for further guidance.
- 9.1.4 A Contract Officer must not enter into separate contracts nor select a method of calculating the [total value](#) in order to circumvent the application of these Contract Procedure Rules or to evade EU thresholds.
- 9.1.5 A Contract Officer may choose to go out to tender following the procedures laid out in the flowchart at 9.1.1 above, for an amount less than that specified. However, all other correct contract procedure rules must still be followed.

9.2 **Assets for Disposal**

- 9.2.1 Prior to disposal the surplus asset must be offered for internal use elsewhere in the Council.
- 9.2.2 Assets for disposal with an estimated [total value](#) of over £500 must be disposed of by competitive tender or public auction (including online auction facilities such as eBay) unless written approval is obtained from the Section 151 Officer for a different method of disposal to be used. The method of disposal of surplus or obsolete stocks/stores or assets other than land must be formally agreed with the Section 151 Officer.
- 9.2.3 The Contract Officer must ensure that any regulations relating to safe and proper disposal are followed.

9.3 **Providing Services to External Purchasers**

- 9.3.1 The Chief Executive, Monitoring Officer, the Section 151 Officer, the Business Manager – Procurement and [Financial Regulations](#) must be consulted where contracts to undertake work on behalf of organisations other than the Council are to be considered.

9.4 **Collaborative and Partnership Arrangements**

- 9.4.1 Collaborative and partnership arrangements are subject to all UK and EU procurement legislation and must follow these Contract Procedure Rules. If in doubt, Contract Officers must seek the advice of the Business Manager - Human Resources & Legal and the Business Manager - Procurement.

9.5 The Appointment of Consultants to Provide Services

- 9.5.1 Contract Officers must seek the advice and guidance of the Business Manager – Procurement prior to commencing any procurement process which could lead to the appointment of consultants.
- 9.5.2 [Consultants](#), including technical and management consultants, shall be selected and commissions awarded in accordance with the procedures detailed within these Contract Procedure Rules and as outlined in the flowchart under Rule 9.1.1.
- 9.5.3 The engagement of a consultant shall follow the agreement of a brief that adequately describes the scope of the services to be provided (inclusive of ALL potential phases of work and associated costs) and shall be subject to completion of a formal letter or contract of appointment.
- 9.5.4 Records of consultancy appointments shall be maintained in accordance with Rule 7.
- 9.5.5 Consultants shall be required to provide evidence of, and maintain professional indemnity [insurance](#) policies to the satisfaction of the relevant Chief Officer after consultation with the Section 151 Officer or in his absence the Deputy Section 151 Officer for the periods specified in the respective agreement and any subsequent liability.
- 9.5.6 All consultancy appointments should clearly stipulate that the copyright in any report or other work or information created as a result of the contract shall be assigned by the contractor to the Council absolutely with full title guarantee.
- 9.5.7 It is the responsibility of the person arranging the consultancy contract to determine whether or not payments are to be made to the consultant’s employer, to the consultant directly or to a personal service company (PSC). This is a limited company owned by the consultant and is commonly used to reduce tax and National Insurance liability. If payment is to be to the contractor personally or through a personal service company, advice must be sought from the S151 Officer and the Business Manager HR and Legal before any appointment is made.

10. PRE-TENDER MARKET RESEARCH AND CONSULTATION

- 10.1 The Contract Officer responsible for the purchase:
- (i) Should seek advice from the Business Manager - Procurement
 - (ii) May consult potential suppliers prior to the issue of the invitation to tender in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, **provided** this does not prejudice the objective selection of any potential candidate, but;
 - (iii) Must not seek or accept technical advice on the preparation of an Invitation to Tender or Quotation from anyone who may have a commercial interest in them, if this may prejudice the equal treatment of all potential candidates or

distort competition. This applies to all contracts and is especially relevant in the case of software contracts.

11. CONTRACT AWARD CRITERIA

11.1 The Contract Officer must define award criteria that are appropriate to the purchase and designed to secure an outcome giving demonstrable [Value for Money](#) for the Council. The basic criteria shall be:

- (i) 'Most economically advantageous tender', where considerations other than price also apply, or;
- (ii) 'Lowest price' where payment is to be made by the authority
- (iii) 'Highest price' if payment is to be received

If the first criterion is adopted a whole life costing approach is applicable and must be further defined by reference to sub-criteria which may refer only to relevant considerations.

These may include price, service, quality of goods, running costs, technical merit, previous experience, delivery date, cost effectiveness, quality, relevant environmental considerations, aesthetic and functional characteristics (including security and control features), safety, after-sales services, technical assistance and any other relevant matters.

The extent and weighting of these sub criteria must be decided, declared and documented prior to first advertising the contract opportunity.

The Contract Officer shall ensure the weighting of non-financial criteria within a proposed contract ensures equal treatment of all potential contractors and does not preclude, or give undue preference to, any contractor, and that all dealings with contractors are undertaken on a fair and equitable basis.

11.2 Award criteria must not include:

- (i) [Non-commercial considerations](#)
- (ii) Matters that discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement

12. INVITATIONS TO TENDER/QUOTATIONS

12.1 The Invitation to Tender or Quotation shall state that no tender will be considered unless it is received by the date, time and conditions stipulated in the Invitation to Tender or Quotation.

12.2 The conditions applying to Invitations to Tender shall include the following:

- (a) A specification that describes the Council's requirements in sufficient detail to enable the submission of competitive offers or descriptions contained in bills of quantities, including details of workmanship, health and safety and quality
- (b) The relevant British, European or International standards that apply to the subject matter of the contract in order to describe the required quality.
- (c) A requirement for tenderers to declare that the tender content, price or any other figure or particulars concerning the tender have not been disclosed by the tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose)
- (d) A requirement for tenderers to complete fully and sign all tender documents including a form of tender and certificates relating to canvassing and non-collusion.
- (e) Notification that tenders are submitted to the Council on the basis that they are compiled at the tenderer's expense.
- (f) A description of the award procedure and, unless defined in a prior advertisement, a definition of the award criteria in objective terms and if possible in descending order of importance, including any non-financial criteria.
- (g) Notification that tenders must be enclosed in a securely sealed plain envelope or container which bears the word 'tender' followed by the subject to which it relates (but no other name or mark indicating the sender) and the date and time by which tenders must be returned and marked for the attention of the 'The Chief Executive'.
- (h) Tenders received by fax or other electronic means (e.g. e-mail) will be rejected, unless they have been sought in accordance with an electronic tendering system approved by the Section 151 Officer and the Business Manager - Human Resources & Legal.
- (i) The method by which any arithmetical errors discovered in the submitted tenders is to be dealt with; in particular, whether the overall price prevails over the rates in the tender or vice versa.

12.3 All invitations to tender or quotations must specify the terms and conditions of contract that will apply (see Rule 18).

12.4 The invitation to tender or quotation must state that the Council does not bind itself to accept the lowest tender, or any tender (after the application of financial and non-financial criteria).

12.5 All candidates invited to tender or quote must be issued with the same information at the same time and subject to the same conditions. Should questions arise during the tendering period which in the Council's judgement are of material significance then Contract Officers must write to all tenderers to explain the nature of the question and our formal reply.

13. SHORTLISTING

- 13.1 Any shortlisting must have regard to the financial and technical standards relevant to the contract and the award criteria. Special rules apply in respect of the [EU procedure](#).

14. SUBMISSION, RECEIPT AND OPENING OF TENDERS/QUOTATIONS

- 14.1 Candidates must be given an adequate period in which to prepare and submit a proper quotation or tender, consistent with the complexity of the contract requirement. Normally at least four weeks should be allowed for submission of tenders. The EU procedure lays down specific time periods (see guidance in the [Procurement Intranet Pages](#)).
- 14.2 All tenders must be marked for the attention of and returned to the Chief Executive.
- 14.3 Tenders received by electronic means must be rejected, unless they have been sought in accordance with an electronic tendering system approved by the Section 151 Officer and the Business Manager - Human Resources & Legal.
- 14.4 Tenders not received by the specified time and date must not be considered unless the conditions detailed under 14.11 prevail.
- 14.5 Tenders that do not comply with the requirements of 12.2 must be rejected and recorded as such on the Tender Log Sheet.
- 14.6 The Business Manager - Democratic Services shall be responsible for the safekeeping of tenders until the appointed time of opening. Each tender must be:
- (i) Suitably recorded so as to subsequently verify the date and precise time it was received;
 - (ii) Adequately protected immediately on receipt to guard against amendment of its contents;
 - (iii) Recorded immediately on receipt in the Tender Record Log.
- 14.7 The Chief Executive must ensure that all tenders are opened at the same time when the period for their submission has ended. Tenders must be opened in the presence of a Chief Officer and one officer representing the Chief Executive. The Contract Officer or his or her representative must be present, but may not open the Tenders. Where the [total value](#) is more than the [EU threshold](#), one officer must be the Section 151 Officer or his representative
- 14.8 Upon opening, a summary of the main terms of each tender must be recorded in the Tender Record Log, i.e. significant issues that are unique to each tender submission and were not stated in the tender invitation documents such as tender sum, construction period, etc. If it is not possible to determine the total value of a bid from a bidder's Form of Tender for the purpose of recording it on the Tender Record Log, then the officers in attendance are required to initial all key tender documents

in blue ink. The Tender Record Log must be signed by two officers, one on behalf of the Chief Executive.

14.9 The tender record log must be in a form approved by the Monitoring Officer and the Section 151 Officer.

14.10 Following tender opening, all tenders must be promptly passed to the Contract Officer responsible for evaluation.

14.11 Treatment of Late Tenders:

- (i) Any tender received after the specified date and time must not be considered, unless the Chief Officer with the approval of the Section 151 Officer and the Business Manager - Human Resources & Legal consider that circumstances warrant it, such as where there is evidence of posting in time for delivery by the due date and time in the normal course of post delivery (Note: in this instance, the other tenders must not have been opened). Appropriate supporting documentation must be maintained to substantiate the Chief Officer's decision.
- (ii) Under no circumstances must any late tender be considered after the other tenders have been opened.
- (iii) Any tender submitted after the specified date and time must be returned promptly to the tenderer by the appropriate Chief Officer unless accepted in accordance with 14.11 (i).
- (iv) Any tender excluded from the tender opening process may be opened to enable it to be returned promptly but no details of the tender shall be disclosed.

14.12 The Contract Officer must not disclose the names of Candidates to any staff involved in the receipt, custody or opening of Tenders.

15. CLARIFICATION PROCEDURES AND POST-TENDER NEGOTIATION

15.1 Providing clarification of an invitation to tender to potential or actual candidates or seeking clarification of a tender, whether in writing or by way of a meeting, is permitted. However, discussions with tenderers after submission of a tender and before the award of a contract with a view to obtaining adjustments in price, delivery or content (i.e. post-tender negotiations) must be the exception rather than the rule. In particular, they must not be conducted in an [EU procedure](#) where this might distort competition, especially with regard to price. Where information is provided, this must be provided to all candidates.

15.2 If post-tender negotiations are necessary after a single-stage tender or after the second stage of a two-stage tender, then such negotiations shall only be undertaken with the tenderer who is identified as having submitted the best tender and after all unsuccessful candidates have been informed. During negotiations tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the tender documents. Officers appointed by the Chief

Officer to carry out post-tender negotiations should ensure that there are recorded minutes of all negotiation meetings and that both parties agree actions in writing.

- 15.3 Post-tender negotiation must only be conducted in accordance with the guidance issued by the Business Manager - Human Resources & Legal who, together with the Business Manager – Procurement, must be consulted wherever it is proposed to enter into post-tender negotiation. Negotiations must be conducted by a team of at least two Officers, one of whom must be appointed by the Section 151 Officer and be from a Business Unit independent to that leading the negotiations.
- 15.4 Where post-tender negotiation results in a fundamental change to the specification or contract terms (as agreed by the Business Manager – Procurement and the Business Manager - Human Resources & Legal on an individual basis), the contract must not be awarded but re-tendered.

16. EVALUATION, AWARD OF CONTRACT, AND DEBRIEFING CANDIDATES

- 16.1 Apart from the debriefing required or permitted by these Contract Procedure Rules, the confidentiality of quotations, tenders and the identity of Candidates must be preserved at all times and information about one candidate's response must not be given to another candidate.
- 16.2 Tenders shall be promptly examined for adequacy, completeness (including Health and Safety competence) and accuracy by the Contract Officer and/or appropriate Technical Officer.
- 16.3 Tenders must be evaluated and contracts awarded in accordance with the award criteria. During this process, Contract Officers shall ensure that submitted tender prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily. Where there are significant differences, these must be reported to the appropriate Chief Officer and the Section 151 Officer immediately.
- 16.4 The arithmetic in compliant tenders must be checked. If arithmetical errors or discrepancies are found which would affect the tender figure (in an otherwise successful tender), they should be notified to the tenderer, who should be requested to confirm or withdraw their tender. Alternatively, if the rates in the tender, rather than the overall price, were stated within the tender invitation as being dominant, an amended tender price may be requested to accord with the rates given by the tenderer.
- 16.5 If the tenderer withdraws, or fails to confirm their tender within 10 working days or such period as agreed, the next tender is to be examined and dealt with in the same way. Any exception to the above procedure may only be authorised by the Business Manager - Human Resources & Legal or the Section 151 Officer, after consideration of a suitable report prepared by the Contract Officer, or the Technical Officer who examined the tender.

16.6 All unsuccessful tenderers shall be notified promptly and in accordance with the contract conditions, EU and English law.

16.7 For contracts with a total value above the [EU threshold](#):

16.7.1 The Contract Officer must notify all candidates in writing, simultaneously and as soon as possible of the intention to award the contract to the successful candidate. The Contract Officer must provide unsuccessful candidates with a period of at least ten calendar days in which to challenge the decision before the Contract Officer awards the contract. If the decision is challenged by an unsuccessful Candidate then the Contract Officer shall not award the contract and shall immediately seek the advice of the Business Manager - Human Resources & Legal and the Business Manager - Procurement.

16.7.2 The Contract Officer must debrief in writing all those candidates who submitted a bid about the characteristics and relative advantages of the leading bidder. No information, other than the following, should be given without taking the advice of the Business Manager - Human Resources & Legal:

- (i) How the award criteria were applied
- (ii) The prices or range of prices submitted, in either case not correlated to candidates' names
- (iii) The names of candidates where there were three or more candidates, but not correlated to the prices or range of prices submitted.

16.7.3 If a candidate requests in writing the reasons for a contracting decision, the Contract Officer must give the reasons in writing within 15 days of the request. If requested, the Contract Officer may also give the debriefing information at Rule 16.7.2 above to candidates who were deselected in a pre-tender shortlisting process.

16.8 For contracts with a total value below the [EU threshold](#):

16.8.1 Rules in 16.7 apply except regarding Rule 16.7.2 where the Contract Officer shall be prepared to offer a debrief, if requested.

17.0 INCOME GENERATING CONTRACTS

17.1 Contracts generating income shall only be entered into if the relevant Chief Officer is satisfied that:

- (i) The relevant power to provide a service (for a service contract) and the resources and time required have been properly identified and the proposed contract is in the best interests of the Council;
- (ii) Where the income is to be generated by the granting of a concession, e.g. the opportunity to an external provider to provide an income generating service at a Council event and the estimated value of the concession is:

- (a) below £10,000 then a minimum of three potential concessionaires should be invited to make offers to the Council
 - (b) above £10,000 then the opportunity should be advertised in accordance with the flowchart under Rule 9.1.1.
- and the offers submitted should be evaluated to assess which offer is most economically advantageous to the Council.

17.2 The terms of any contract shall be clearly set out in writing.

SECTION 4: CONTRACT AND OTHER FORMALITIES

18. CONTRACT DOCUMENTS

18.1 Relevant Contracts

18.1.1 All relevant contracts shall be in writing in a form approved by the Business Manager - Human Resources & Legal or their nominated representative.

18.1.2 All relevant contracts, irrespective of value, shall clearly specify:

- (i) What is to be supplied (i.e. the works, materials, services, matters or things to be furnished, had or done) per the specification, bills of quantity or descriptions supplied as part of the tender process
- (ii) The provisions for payment (i.e. the price to be paid and when). The Public Contracts Regulations 2015 require that every contract a contracting authority enters into must provide that payment will be made to the contractor no later than 30 days from the date from which the relevant invoice is regarded as valid and undisputed. This provision also applies to a sub-contract awarded by the contractor and also any sub-sub-contract which the sub-contractor in turn awards
- (iii) The time, or times, within which the contract is to be performed
- (iv) The provisions for the Council to terminate the contract.
- (v) The address at which the works or services are to be undertaken
- (vi) A right of access by the Council to relevant documentation and records held by the Contractor or on their behalf, for monitoring and audit purposes if relevant.
- (vii) [Whistleblowing Policy](#)

18.1.3 Additional contractual requirements must include where relevant:

- (i) [Assignment requirements](#)
- (ii) [Nominated sub contractors and nominated supplier requirements](#)
- (iii) [Liquidated damages](#) requirements
- (iv) Any [insurance](#) requirements
- (v) [Health and safety](#) requirements
- (vi) Ombudsman requirements
- (vii) Data protection requirements
- (viii) That charter standards are to be met
- (ix) Equality and Diversity legislation requirements
- (x) Freedom of Information Act requirements
- (xi) [Consultants](#) requirements
- (xii) [Cartels and anti collusion requirements](#)
- (xiii) Necessity for security to be provided.
- (xiv) Business continuity arrangements
- (xv) Disability Discrimination Act requirements
- (xvi) Race relations requirements

(xvii) Safeguarding requirements

18.1.4 The formal advice of the Business Manager - Human Resources & Legal must be sought for the following contracts:

- (i) Where the [total value](#) exceeds £75,000 or involves the purchase of application software
- (ii) Those involving leasing arrangements
- (iii) Where it is proposed to use a supplier's own terms
- (iv) Those that are complex in any other way

18.2 Contract Formalities

18.2.1 Agreements shall be completed as follows:

Total Value	Method of Completion	By
Below EU threshold	Signature	Please refer to list of officers authorised to sign contracts
Above EU threshold	Advice must be sought from the Business Manager - Human Resources & Legal as to whether the contract should be signed or sealed	Please refer to list of officers authorised to sign contracts Also see Rule 18.3

18.2.2 All contracts must be concluded formally in writing before the supply, service or construction work begins, except in exceptional circumstances, and then only with the written consent of the Business Manager - Human Resources & Legal, after consultation with the Section 151 Officer.

18.2.3 The Officer responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind the company.

18.3 Sealing

18.3.1 Where contracts are to be sealed they must be forwarded to Legal Services for entry in the Seal Register and the affixing and attesting of the Seal. They must be accompanied by the relevant Council or Committee authority.

18.3.2 Contracts shall be sealed in accordance with the Council's Constitution.

18.3.3 Advice must be sought from the Business Manager - Human Resources & Legal whether a contract should be sealed when:

- (i) The Council may wish to enforce the contract more than six years after its end;
- or
- (ii) The price paid or received under the contract is a nominal price and does not reflect the value of the goods or services; or

- (iii) There is any doubt about the authority of the person signing for the other contracting party, or
- (iv) The [total value](#) exceeds the [EU threshold](#).

19. BONDS AND PARENT COMPANY GUARANTEES

- 19.1 The Contract Officer, when assessing the contractor's financial viability, shall consider whether the Council requires security for due performance of the contract.
- 19.2 The Contract Officer must consult the Section 151 Officer about whether a Parent Company Guarantee is necessary when a Candidate is a subsidiary of a parent company and the [total value](#) exceeds the [EU threshold](#).
- 19.3 Where security is considered to be appropriate and required, the Contract Officer, in consultation with the appropriate officers, shall specify in the tender the nature and amount of the security to be given. This as a minimum shall be at least 10% of the total value of the contract.
- 19.4 The security shall be obtained by the contractor in a format, and from an institution or bank approved by the Section 151 Officer.

20. PREVENTION OF CORRUPTION AND COLLUSION

- 20.1 The Contract Officer must comply with the Officer's Code of Conduct and must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the Contract Officer to prove that anything received was not received corruptly. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in Rule 20.2 below.
- 20.2 The following clause must be put in every written Council contract:

"The Council may terminate this contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor's behalf do any of the following things:

- a) Offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the Contractor does not know what has been done), or*
- b) Commit an offence under the Bribery Act 2010 or Section 117(2) of the Local Government Act 1972, or*
- c) Commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees.*

Any clause limiting the Contractor's liability shall not apply to this clause."

20.3 The Contract Officer and/or Technical Officer shall undertake periodic reviews of tenders submitted by successful tenderers to consider the potential for tenderer collusion and cartels.

20.4 All Officers, Members, potential and existing contractors must be made aware of the Council's [Whistleblowing Policy](#).

21. DECLARATION OF INTERESTS

21.1 If it comes to the knowledge of a Member or an employee of the authority that a contract in which he or she has a personal or prejudicial interest has been or is proposed to be entered into by the Council, he or she shall immediately give written notice to the Monitoring Officer.

21.2 Such written notice is required irrespective of whether the interest is direct or indirect. Interests are defined in the Members and Officers [Codes of Conduct](#).

21.3 A shareholding in a body less than a total nominal value of £1,000 or 1% of the nominal value of the issued share capital (whichever is the less) is not an interest for the purposes of these Contract Procedure Rules.

21.4 The Monitoring Officer shall maintain a record of all declarations of interests notified by Members and Officers.

21.5 The Monitoring Officer shall ensure that the attention of all Members is drawn to the National Code of Local Government Conduct.

SECTION 5: CONTRACT MANAGEMENT

22. MANAGING CONTRACTS

- 22.1 Contract management should be proportionate to the total value, risk and complexity of the contract.
- 22.2 Contract Officers must follow the procedures set out in these Contract Procedure Rules as well as the good practice guidance on contract management available on the Council's [Procurement Intranet Pages](#).

23. RISK ASSESSMENT

- 23.1 A risk register must be prepared for all contracts with a total value over the [EU threshold](#) to ensure that identified contract risks are managed by named Officers over the lifetime of the contract.
- 23.2 For all contracts with a potential value under the EU threshold, Contract Officers must, where appropriate, undertake risk assessments and, for identified risks, ensure contingency and risk mitigation measures are in place.

24. CURRENCY OF CONTRACT PROCEDURES

24.1 Monitoring and Review

- 24.1.1 During the life of the contract, the Contract Officer must closely monitor and address the following areas:
- (i) Performance
 - (ii) Compliance with specification and contract
 - (iii) Cost
 - (iv) Any [Value for Money](#) requirements
 - (v) User satisfaction
 - (vi) On-going economic and financial standing of the supplier/contractor. Periodic Equifax commercial credit reports are to be sought for all suppliers/contractors linked to major programmes and projects being delivered by the Council with a total value in excess of £250,000 and for the duration of the contract.
 - (vii) On-going technical ability and capacity of the supplier/contractor
 - (viii) On-going risk assessment & risk mitigation
- 24.1.2 Contract Officers must keep management aware of progress, so that any required corrective action can be taken promptly
- 24.1.3 Appropriate supporting documentation shall be maintained to substantiate the monitoring undertaken.

24.1.4 In respect of construction contracts:

- (i) The Contract Officer shall report progress to the Capital Programme Monitoring Group on a regular basis and in an agreed format.
- (ii) Where there is any unforeseen specification adjustments which occur during the construction phase, the Contract Officer must seek to find savings within the total project budget and advise CMT to ensure they agree the savings are realistic. Alternatively, they must seek additional funding via a report to Policy & Finance Committee where the amount is in excess of delegated authority.
- (iii) Where savings cannot be found the Contract Officer must advise CMT as soon as practicable.
- (iv) The Section 151 Officer must be kept informed of any additional costs and potential savings. The Section 151 Officer will report these to Policy & Finance Committee.

24.1.5 All contracts which have a value higher than the [EU threshold](#) limits, or which are high risk, are to be subject to periodic formal review with the contractor.

24.1.6 A risk register should be established for all contracts exceeding the EU threshold to ensure that contract outcomes are fully delivered.

24.2 Certificates/Interim Payments

24.2.1 No certificate of work performed on a contract shall be raised prior to the signing of the contract, subject to compliance with appropriate contract conditions. Any exceptions to this requirement must be approved by the Monitoring Officer and the Section 151 Officer.

24.2.2 Interim payments to contractors shall only be made by the Section 151 Officer or his nominated officer on receipt of an approved form of certificate signed by an authorised officer.

24.2.3 Where a performance bond is required for a contract, no payment is to be made until the bond has been received. Any exceptions to this requirement must be approved by the Monitoring Officer and the Section 151 Officer.

24.2.4 Any contractual retention monies shall be deducted from payments in accordance with contract conditions.

24.3 Variations to the Contract

24.3.1 EU contracts or framework agreements may be modified without a new procurement procedure only in clearly defined situations as provided for under Regulation 72 of the Public Contracts Regulations 2015.

24.3.2 In the case of contracts with a total value below the EU threshold, permissible grounds for amendment include the following:

- (i) Any variations made to the contract in accordance with the terms of the contract.
- (ii) Variations approved and authorised by the Contract Officer together with the appropriate Business Manager.
- (iii) Major variations (which result in the value of the contract increasing by more than 20% of the original contract sum or £50,000, whichever is the lesser) shall require the prior approval of the Contract Officer, or if appropriate, the Policy & Finance Committee or Council

24.3.3 Concerning construction contracts, variations to the contract shall only be made on approved forms.

24.3.4 The Contract Officer shall inform the Section 151 Officer and the Policy & Finance Committee of substantial variations likely to result in over or under-spends.

24.4 Extensions of Time/ Contract Completion

24.4.1 The Contract Officer shall ensure that extensions of time concerning constructional contracts are considered in accordance with the terms of the Contract.

24.4.2 The Contract Officer shall take due regard to actual contract progress, all appropriate supporting documentation, and all other extenuating circumstances when considering an extension of time.

24.4.3 Extensions of time shall only be awarded on the issue of approved forms by the Contract Officer.

24.4.4 The Contract Officer shall ensure that the procedures for contract completion are in accordance with the terms of the contract.

24.4.5 Approved forms shall be used for indicating contract completion by the Contract Officer.

24.5 Price Fluctuations

24.5.1 The Contract Officer shall ensure that the basis of price fluctuations, where applicable, is appropriate and properly detailed in the tender/contract documentation and shall take advice from the Section 151 Officer or his nominee.

24.5.2 The Contract Officer shall ensure that any price fluctuations are valid, in accordance with the terms of the contract, and correctly included in interim valuations where appropriate.

24.6 Contractual Claims

24.6.1 The Contract Officer shall ensure that the calculation of sums due to the contractor for loss and/or expense claims is in accordance with the terms of the contract.

24.6.2 The Contract Officer shall take due regard to all appropriate supporting documentation when considering a contractor's contractual claim.

24.7 Cancellations (including Determinations)

24.7.1 The Contract Officer must refer any attempt to cancel a contract or any situation where the right to cancel a contract might arise, to the Legal Section for advice before any acknowledgement or notice is issued.

24.7.2 Cancellations shall only be made in accordance with the terms of the contract, or in conjunction with offences made under the Bribery Act 2010 or section 117(2) of the Local Government Act 1972

24.8 Liquidations and Bankruptcies

24.8.1 The Contract Officer shall ensure that all actions taken in the event of a contractor liquidation or bankruptcy are in accordance with the conditions of contract.

24.8.2 For construction contracts, the Contract Officer shall:

- (a) Notify the Monitoring Officer immediately.
- (b) Secure the site in question
- (c) Ensure that outstanding works are completed as soon as possible
- (d) Ensure that the remaining work is undertaken in the most economic, effective and efficient manner
- (e) Ensure that appropriate claims are lodged with the receiver/liquidator
- (f) Ensure that the appropriate bondsperson is notified
- (g) Ensure appropriate [insurance](#) is obtained

24.8.3 The Contract Officer shall take advice from the Monitoring Officer and Section 151 Officer of the procedures to be followed in the event of a liquidation or bankruptcy and ensure that such procedures are adhered to in the event of such a situation occurring.

24.9 Final Accounts

24.9.1 The Contract Officer shall ensure that final account and certificate procedures are in accordance with the terms of the contract.

24.9.2 The Contract Officer shall ensure that final accounts submitted by the contractor are complete and accurate.

24.9.3 The final payment shall not be made until the Section 151 Officer has given approval following consideration of the final account and supporting documents.

24.9.4 The Section 151 Officer (or his authorised representative) shall have right of access to, and examination of, sites and supporting documentation at various stages of work, in conjunction with such explanations as required. Such visits shall be undertaken, and documentation reviewed, with an appropriate Technical Officer or the Contract Officer.

25. POST CONTRACT PROCEDURES

25.1 Recovering Liquidated and Ascertained Damages

25.1.1 The Contract Officer shall ensure that liquidated and ascertained damages are calculated whenever unauthorised delay occurs on contracts.

25.1.2 Liquidated and ascertained damages shall be promptly deducted in accordance with the terms of the contract. The Section 151 Officer shall be promptly notified of the existence of liquidated damages.

25.2 Post Contract Reporting

25.2.1 The Contract Officer shall ensure that, where appropriate, accurate and timely management information is provided at the completion of the contract.

25.2.2 Where the [total value](#) of the contract exceeds the [EU threshold](#), the Contract Officer must make a written report to the relevant Chief Officer considering:

- (i) If weaknesses in control procedures have occurred;
- (ii) That corrective action, where necessary, has been taken;
- (iii) To what extent the original objectives of the contract have been achieved.

SECTION 6: DEFINITIONS

Agent: A person or organisation acting on behalf of the Council or on behalf of another organisation.

Award Criteria: The criteria by which the successful quotation or tender is to be selected (see further Rules 11 and 12.2f).

Award Procedure: The procedure for awarding a contract as specified in Rules 9, 11 and 16.

Best Value: The duty, which Part I of the Local Government Act 1999 places on local authorities, to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by the Council. This terminology has now in many instances been superseded by [Value for Money](#).

Bond: An insurance policy: if the contractor does not do what it has promised under a contract with the Council, the Council can claim from the insurer the sum of money specified in the bond (often 10% of the contract value). A bond is intended to protect the Council against a level of cost arising from the contractor's failure.

Business Manager - Procurement: The Officer charged with providing strategic direction and advice to secure [Value for Money](#) in the Council's procurement activities.

Candidate: Any person who asks or is invited to submit a quotation or tender.

Chief Executive: Relates to the Head of the Council's Paid Service

Chief Officer: Relates to the Chief Executive, Deputy Chief Executive and Directors.

Code of Conduct: The code regulating conduct of Officers as set out in the Council's Constitution.

Committee: A committee that has power to make decisions for the Council, including a joint committee with another local authority.

Constitution: The constitutional document approved by the Council which:

- Allocates powers and responsibility within the Council and between it and others
- Delegates authority to act to Committees and Officers
- Regulates the behaviour of individuals and groups through rules of procedure, codes and protocols.

Contract: Any agreement between the Council and any other party, which is intended to be legally binding. The term therefore applies to all contracts, together with all orders placed on behalf of the Council.

Contractor: Any company, partnership, sole trader, individual, local or public utility used in connection with the supply of goods, materials, professional or technical services, or for the supply of works.

Consultant: Someone employed to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, and where the Council has no ready access to employees with the skills, experience or capacity to undertake the work.

Contracting Decision: Any of the following decisions:

- Withdrawal of invitation to tender
- Whom to invite to submit a quotation or tender
- Shortlisting
- Award of contract
- Any decision to terminate a contract.

Contract Officer: The officer designated by the Chief Officer to deal with the contract in question.

Council: Deemed to include reference to Committees or an officer acting in accordance with delegated authority on behalf of the Council,

Deputy Section 151 Officer: Relates to the officer formally designated to act as deputy to the Section 151 Officer

EU Procedure: The procedure required by the EU where the [total value](#) exceeds the [EU threshold](#)

EU Threshold: The contract value at which the EU Public Procurement Directives apply at the time the contract is advertised.

Financial Regulations: The financial regulations specifying responsibilities for financial matters detailed in the Council's Constitution.

Framework Agreement: It is an agreement between one or more authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged. Used in the case of repetitive purchases to choose suppliers who, when required will be able to meet the Council's purchasing needs. A framework does not include a commitment by the purchaser to guarantee a volume of work to a supplier. Framework agreements may be used in conjunction with any procedure. If the total value of all call offs over the life of the framework lifetime is estimated to be above the relevant EU threshold then the EU rules governing advertising and awarding the contract must be applied as if it were a contract.

Gateway Review: A formal evaluation of the project at the conclusion of a Key stage to determine whether or not the project should proceed to the next stage.

Head of Internal Audit: Relates to the officer identified by the provider of internal audit services to the Council and duly appointed by the Section 151 Officer as the lead officer for Internal Audit.

High Risk: A high-risk purchase is one that presents the potential for substantial exposure on the Council's part if it were to fail or go wrong, as determined by the Business Manager - Community Safety.

High Value: A high-value purchase is where the value exceeds the EU threshold values.

Invitation to Tender: Invitation to tender documents in the form required by these Contract Procedure Rules.

Line Manager: The Officer's immediate superior or the Officer designated by the Chief Officer to exercise the role reserved to the line manager by these Contract Procedure Rules.

Monitoring Officer: Relates to the Officer formally designated under Section 5 of the 1989 Act (destination and reports of Monitoring Officer) or, if that person is unable to act owing to absence or illness the person nominated as his/her deputy under Subsection 7 of that Act.

Nominated Officer: Relates to an officer given appropriate delegated authority by the Chief Officer.

Nominated Suppliers and Sub-contractors: Those persons specified in a main contract for the discharge of any part of that contract.

Non-commercial Considerations:

- a) The terms and conditions of employment by contractors of their workers or the composition of, the arrangements for the promotion, transfer or training of or the other opportunities afforded to, their workforces ('workforce matters').
- b) Whether the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only.
- c) Any involvement of the business activities or interests of contractors with irrelevant fields of government policy.
- d) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons ('industrial disputes').
- e) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors.
- f) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees.

- g) Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support.
- h) Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984 or the Building (Scotland) Act 1959.

Workforce matters and industrial disputes, as defined in paragraphs (a) and (d), cease to be [non-commercial considerations](#) to the extent necessary or expedient to comply with Best Value; or where there is a transfer of staff to which the Transfer of Undertakings (Protection of Employment) Regulations 1981 (TUPE) may apply.

Parent Company Guarantee: A contract that binds the parent of a subsidiary company as follows: if the subsidiary company fails to do what it has promised under a contract with the Council, the Council can require the parent company to do so instead.

Procurement Intranet Pages: The suite of guidance documents, together with a number of standard documents and forms, which support the implementation of these Contract Procedure Rules. The guidance is available on the Council's intranet.

Quotation: A quotation of price and any other relevant matter (without the formal issue of an invitation to tender).

Relevant Contract: Contracts to which these Contract Procedure Rules apply (see Rule 5).

Section 151 Officer: Relates to the designated Responsible Financial Officer. This is a statutory post appointed by full Council to have responsibility for the financial affairs of the Council as required by Section 151 of the Local Government Act 1972.

Shortlisting: The process of selecting Candidates who are to be invited to quote or bid or to proceed to final evaluation.

Standards: Set by professional bodies in respect of technical, engineering, environmental and quality issues.

Technical Officer: Relates to an appropriate officer with detailed technical knowledge of the contract in question

Tender: A Candidate's proposal submitted in response to an invitation to tender.

Tender Record Log: The log maintained by the Business Manager - Democratic Services to record details of Tenders

Total Value: Please refer to the Public Contracts Regulations 2015 Part 2 (6) Methods for calculating the estimated value of a procurement. When calculating the total value of a contract to appoint a consultant, ALL potential phases of work must be considered.

TUPE Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006 No.246): Subject to certain conditions, these regulations apply where responsibility for the

delivery of works or services for the authority is transferred from one organisation (e.g. private contractor, local authority in-house team) to another (e.g. following a contracting-out or competitive tendering process) and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to protect the rights of employees in such transfers, enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.

Unforeseeable emergency: Urgency in this instance is defined as circumstances beyond the Council's control, and not due to a lack of expeditious action being taken internally

Value for Money: Value for Money is not the lowest possible price; it combines goods or services that fully meet your needs, with the level of quality required, delivery at the time you need it, and at an appropriate price.

Whole Life Costing: Whole cost of ownership including acquisition costs, operational costs and end life costs.

HYPERLINK INFORMATION:

CONSTRUCTIONAL CONTRACTS

- (i) The contract officer shall ensure that necessary action is taken to initiate appropriate contract details (such as drawings, costings etc).
- (ii) A brief, suitably authorised and approved by appropriate officers, shall be initiated, where appropriate, prior to the tender stage, which supports the project appraisal process.
- (iii) Where appropriate, a project team should be set up to ensure that all necessary processes relating to project appraisal have been considered and undertaken.

ASSIGNMENT

Every formal contract either for the execution of work, or the supply of goods or materials, or the provision of services, shall contain a provision that :

The contractor shall be prohibited from transferring or assigning directly or indirectly, to any person or persons whatever, any portion of this contract without the written permission of the Council. Sub-letting of any part(s) of the work, except to the extent permitted in writing by the Council, shall be prohibited.

NOMINATED SUB-CONTRACTORS AND NOMINATED SUPPLIERS

Tenders for sub-contracts to be performed, or services to be provided, or goods or materials to be supplied by nominated sub contractors or nominated suppliers, shall be invited in accordance with the methods prescribed in Rule 12.

Tenders shall be administered by the Contract officer in accordance with the arrangements prescribed in the Contract Procedure Rules

The Contract Officer shall consider the requirement for a method statement to be included in the contract, which considers the extent to which nominated sub-contractors or suppliers are used and how they are chosen.

LIQUIDATED DAMAGES

Contracts which are estimated to exceed £75,000 in value or amount and which are for the execution of works (or for the supply of goods, materials or services by a particular date or series of dates), or which are for a lesser value if appropriate, shall provide for liquidated damages.

Liquidated damages shall be assessed by the Contract Officer in conjunction with the appropriate Technical Officer if applicable. Such damages shall be determined on a relevant and suitable basis, which is properly substantiated by appropriate supporting documentation.

Where liquidated or ascertained damages are not considered to be appropriate within a contract by the Contract Officer, the approval of the appropriate Chief Officer and Section 151 Officer must be obtained.

The requirement for liquidated or ascertained damages for contracts estimated to be £75,000 or less is at the Contract Officer's discretion, bearing in mind the risk that delays in the completion of small value contracts could result in the delay of more important contracts.

INSURANCE (employers' liability, public liability insurance, professional liability/indemnity where appropriate)

In connection with the carrying out of all works, irrespective of value, the contractor shall indemnify the Council and provide such insurance as may be required under the conditions of the contract. This shall, as a minimum, indemnify the Authority against injury and damage to persons and property. The minimum value for any one occasion or series of occasions arising out of one event shall be based upon:

- (a) Circumstances relevant to the particular contract in question, or
- (b) A minimum value periodically determined by the Section 151 Officer

The Contract Officer shall ensure that the appropriate insurance documents have been submitted by the contractor in conjunction with the contract conditions.

The Contract Officer shall ensure that the adequacy of the submitted insurance documents is confirmed by the Council's Insurance Officer.

The Contract Officer shall ensure that insurance cover is maintained throughout both the period of the contract and the maintenance period (where appropriate).

HEALTH AND SAFETY

Contracts must include the requirements of work and safety management as per the guidance issued by the Risk and Resilience Section

The Contract Officer shall consider the Health and Safety aspects of all relevant contracts in conjunction with the Business Manager - Community Safety.

The Contract Officer shall refer to the Council's Health and Safety guidance for Officers regarding the Control of Contractors where appropriate.

The Contract Officer shall supply to the contractor all necessary Health and Safety information.

In connection with the carrying out of all works, irrespective of value, the contractor shall provide to the Council Health and Safety details as may be required by Statute and under the conditions of the contract.

The Contract Officer shall ensure that the appropriate Health and Safety details have been submitted by the contractor in conjunction with the contract conditions.

The Contract Officer shall ensure the adequacy of the submitted Health and Safety documents, in conjunction with the appropriate Technical Officer as appropriate.

WHISTLEBLOWING POLICY

The Contract Officer shall ensure that contract documents include the Council's [Whistleblowing](#) Policy.

The contract documents shall state that the Contractor shall ensure that staff employed by the Contractor (including sub-contractor staff where appropriate) are aware of the Council's Whistleblowing Policy and the arrangements to be followed in the event of them having any concerns and wishing to make a disclosure.

CARTELS AND ANTI COLLUSION

The Contract Officer shall ensure that contract documents include a declaration of non-collusion, which is a fundamental term of the contract. This declaration should cover collusion with associated or affiliated companies or subsidiaries as well as unrelated competitors.

The Contract Officer shall ensure that the contractor is aware that it is a requirement that a list of all affiliates and subsidiaries is included as part of the tender return.

There shall be a clear statement within the contract documents that:

- While returned documents will be treated in the strictest confidence, they will be made available to Trading Standards Departments, the Office of Fair Trading and other appropriate regulators where appropriate;
- The Public Register of Restrictive Agreements will be consulted where appropriate.

The Contract Officer shall ensure that a signed declaration of non-collusion is received from each contractor invited to tender.

ENGAGEMENT OF CONSULTANTS

It shall be a condition of the engagement of any consultant (not being an officer of the Council) who is to be responsible to the Council for the supervision of a contract on its behalf (which may include aspects such as design and preparation of a specification), that in relation to that contract he shall:

- (i) Comply with these Contract Procedure Rules and the Council's Financial Regulations as though he were an officer, subject also to the proviso that any modification or changes to the Council's procedures (to be followed in inviting and opening tenders) be approved in advance by the responsible Contract Officer, through whom all liaison with the Council shall occur.
- (ii) At any time during the carrying out of the contract, produce to the Monitoring Officer, Section 151 Officer, or the Contract Officer, or their authorised representative(s), on request, all records maintained by him in relation to the contract.
- (iii) On completion of a contract, pass all such records to the appropriate Contract Officer; and;
- (iv) In connection with building construction or engineering schemes, appropriate "as built" drawings shall be handed over to the authority within six months of completion.

All consultants shall be engaged using, where appropriate, standard terms and conditions set by the appropriate professional body. Payment shall be in accordance with agreed schedules of service and scales of fees, or lump sum fees, modified as necessary to reflect individual circumstances.

The Contract Officer shall ensure that any consultants engaged hold appropriate professional indemnity [insurance](#), the extent of which shall be at the discretion of the Contract Officer dependent upon the complexity, scope and value of the scheme.

Ownership of intellectual property shall remain with the Authority at all times.

ADOPTION OF THE SOUTHWELL NEIGHBOURHOOD PLAN

1.0 Purpose of Report

- 1.1 To advise the Council of the result of the Southwell Neighbourhood Plan Referendum and to seek approval from Council to formally adopt the Southwell Neighbourhood Plan as a Development Plan Document (DPD) and make appropriate changes to the policies map within the Newark & Sherwood Local Development Framework (LDF).

2.0 Background Information

- 2.1 Southwell Neighbourhood Area was designated in December 2012 and since that time the Town Council has worked on the production of their Neighbourhood Plan, assisted by Planning Officers of this Council. The first stage of public consultation was carried out on a draft plan in February and March 2015. Following consideration of responses this was developed into the version submitted to this Council on 2 November 2015.
- 2.2 Having established that the plan met the necessary legal and procedural requirements, details of the plan were made available on the Council's and the Neighbourhood Plan's website, at District and Town Council offices and at Southwell library for a period between 12 November 2015 and 8 January 2016. The District Council also fulfilled its obligation to directly notify those who were notified by Southwell Town Council at the draft consultation stage that the plan had been received.
- 2.3 During this consultation period the District Council considered its own response to the plan. The 25 November 2015 Economic Development Committee approved the broad areas of response and gave delegated authority to the Deputy Chief Executive, in conjunction with the Local Development Framework Task Group, to formulate the detailed response to be submitted to the independent examiner.
- 2.4 An independent examiner was appointed in agreement with Southwell Town Council during the consultation period and at close of consultation the twelve responses that had been received, together with the District Councils own response, were submitted to the independent examiner.
- 2.5 On 13 March 2016 the final version of the independent examiners report was received. This concluded that the plan met the basic conditions and could proceed to referendum subject to modifications. These included those requested by the District Council and additional modifications made by the examiner.
- 2.6 Southwell Town Council confirmed that they wished the plan to proceed to referendum in accordance with the independent examiners recommendations. Consequently, the 17 May 2016 meeting of this Full Council authorised the Chief Executive, acting as Returning Officer, to arrange a referendum as soon as practicable after August 2016.

2.7 The Southwell Neighbourhood Plan referendum was held on Thursday, 22 September and posed the question, 'Do you want Newark and Sherwood District Council to use the neighbourhood plan for Southwell to help it decide planning applications in the neighbourhood area?' This resulted in a yes vote of 1351, a no vote of 109 with one ballot paper void for uncertainty. This represented a turnout of 26.9%.

3.0 Adopting the Southwell Neighbourhood Plan

3.1 In order for the neighbourhood plan to be 'made' it needs to be formally adopted by this Council. This decision then needs to be sent to Southwell Town Council in the form of a statement and publicised on the Council's website and in the local press. The Policies Map will also need minor amendment to reflect the adoption. Thereafter, the plan is made available at Council offices, on the website and Southwell library in the same way as other planning documents.

3.2 Once the plan is made it becomes part of the development plan for the district and its policies carry equal weight to those of the Core Strategy and Allocations and Development Management DPD in the consideration of planning applications and appeals.

4.0 Financial Implications

4.1 There are no costs associated with making the Southwell Neighbourhood Plan. Costs already incurred in producing the plan and carrying out the referendum are covered by funds received from central government.

5.0 RECOMMENDATIONS that:

- a) **the report be noted;**
- b) **the Council adopt the Referendum Version of the Southwell Neighbourhood Plan as part of the Development Plan and Local Development Framework for Newark and Sherwood; and**
- c) **the Council approves appropriate amendments to the Policies Map.**

Background Papers

Referendum Version of the Southwell Neighbourhood Plan – available to view on the Councils website at:

<http://www.newark-sherwooddc.gov.uk/planningpolicy/southwellneighbourhoodplan/>

For further information please contact Richard Exton on extension 5859.

Kirsty Cole
Deputy Chief Executive

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in Room G21, Kelham Hall, Newark on Thursday, 22 September 2016 at 6.00pm.

PRESENT: Councillor R.V. Blaney (Chairman)
Councillor D.J. Lloyd (Vice- Chairman)

Councillors: P.C. Duncan, R.J. Jackson, R.B. Laughton and D. Staples.

SUBSTITUTE: Councillor P. Peacock for Mrs A.A. Truswell.

ALSO IN Councillor: T. Wendels.

ATTENDANCE:

24. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Mrs A.A. Truswell.

25. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

Councillor R.J. Jackson declared a personal interest in Agenda Item No. 14b – Newark Livestock Market Assistance.

26. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

The Chairman advised that the proceedings were being audio recorded by the Council.

27. MINUTES FROM THE MEETING HELD ON 30 JUNE 2016

The minutes from the meeting held on 30 June 2016 were agreed as a correct record and signed by the Chairman.

28. EQUALITIES CONSULTATION UPDATE AND DRAFT EQUALITY AND DIVERSITY STRATEGY 2016 - 2020

The Director - Safety presented a report which provided an update on the outcomes from the consultation undertaken on the draft Equalities and Diversity Strategy for 2016 - 2020 and sought approval of the final strategy.

The strategy was attached as Appendix A to the report and the consultation findings were summarised in Appendix B to the report. It was reported that 35 responses had been received from local residents and stakeholders and 21 responses from employees and that the majority of all respondents agreed or strongly agreed with the proposed equality objectives.

Officers were asked to consider what action could be taken in order to achieve an employment base more representative of ethnic minorities.

AGREED (unanimously) that:

- (a) the consultation responses are noted;
- (b) the proposed Equality and Diversity Strategy for the period 2016 - 2020, as set out in Appendix A of the report, be approved; and
- (c) officers be asked to consider what action could be taken in order to achieve a more representative employment base.

Reason for Decision

To keep Members informed of progress with the Council's equalities obligations and to finalise and adopt the Equality and Diversity Strategy for the period 2016 - 2020.

29. RESPONSE TO GOVERNMENT CONSULTATION ON 100% BUSINESS RATES RETENTION

The Business Manager and Chief Financial Officer- Financial Services presented a report which set out a proposed response to the government consultation which sought views on how a system of 100% business rates retention might work. The closing date for responses was 26 September 2016. A proposed response was set out at Appendix A to the report.

In considering the proposed response the Committee identified specific points which required amendment and requested additional points be added to the response in respect of questions three and four. Points to be included within these areas were in relation to comments that it should not just be Combined Authorities that have the option to pool budgets, all budgets could be pooled from County Councils with the exception of social care and issues around discretionary and mandatory relief.

AGREED (unanimously) that:

- (a) the Members comments on the 100% Business Rates Retention consultation be incorporated into the proposed response; and
- (b) subject to those comments being added, the consultation response be approved for submission to the Department of Communities and Local Government by the Business Manager and Chief Financial Officer - Financial Services.

Reason for Decision

To ensure that the Council's opinion on the matters set out in the consultation document are submitted to the Department for Communities and Local Government.

30. CONTRACT PROCEDURE RULES

The Director- Safety presented a report which advised of the review and updating of the Council's Contract Procedure Rules (CPRs). The Council adopted its current CPRs in October 2013 and only minor amendments had been made in the interim. The CPRs had been fully reviewed and updated to cover changes introduced by the Public Contracts Regulations 2015 and to address recommendations made by Internal Audit following recent procurement audits. Furthermore, as the Council moves towards being more risk aware than adverse, consideration had been given to making the CPRs less restrictive by introducing an element of flexibility whilst maintaining adequate checks and balances. The key amendments to the CPRs were highlighted in the report.

The Committee welcomed the revisions which would be of particular benefit to smaller local businesses seeking to supply the Council, but considered that appropriate mechanisms needed to be put in place to ensure that local businesses were aware of potential opportunities.

AGREED (unanimously) that:

- (a) the revised Contract Procedure Rules be recommended to Full Council for adoption; and
- (b) the Contract Procedure Rules be reviewed in two years' time, or earlier, if there were any significant changes in the way the Council manages its procurement and contracting activities resulting from legislative changes.

Reason for Decision

To provide a reviewed and updated set of Contract Procedure Rules for the Council.

31. COUNCIL'S ANNUAL BUDGET 2017/18 OVERALL STRATEGY

The Assistant Business Manager – Financial Services presented a report which introduced the Annual Budget Strategy. The Council's Constitution required that the Council's Section 151 Officer present a report on the overall Budget Strategy to the Policy & Finance Committee. This report was to cover the form of budget presentation, levels of inflation for pay and prices and average level for increases in fees and charges. The report also considered the financial policies previously approved by the Policy & Finance Committee.

The budget process would result in the setting of the budget and the Council Tax for 2017/18, together with the Medium Term Financial plan covering the next four years.

The report gave details of the updated Council's financial policies and gave some context in terms of the financial environment. The report also set out proposals for the 2017/18 budget including details of the amount of savings likely to be required, provision for inflation and increases in fees and charges.

The Committee considered the estimates of savings required over four years which totalled £840,000. This estimate was based on estimates of government grant and retained business rates and assumed an annual 2% increase in Council Tax. The Committee felt that opportunities for future savings should be explored straight away in order to reduce the estimated financial burdens in later years.

AGREED (with 5 votes for and 2 abstentions) that:

- (a) the overall budget strategy be approved;
- (b) budget officers continue work on the assessment of various budget proposals affecting services for consideration in setting the Council's budget;
- (c) in respect of the Corporate Charging Policy any future increase in charges be rounded to the nearest 5p; and
- (d) the functional Committees be requested to look at opportunities for savings in 2017/18, and also any investment potentials which would increase and support revenue income levels, in order to reduce the projected burdens in future years.

Reason for Decision

To enable the Council's budget process to proceed encompassing agreed inflation and salaries and wages rates for 2017/18 to 2021/22.

32. CAPITAL MONITORING PROGRAMME TO 31 JULY 2016

The Financial Services Accountant presented a report which monitored the progress of the overall capital programme since the last progress report to the Committee on 30 June 2016. Appendices A and B to the report provided details of the capital projects over their whole life to illustrate total budget, expenditure, progress and explanations for any amendments. Appendix C to the report listed any proposed amendments to the capital programmes since it was last approved on 30 June 2016. Appendix D to the report listed all the current schemes with expenditure to date against the latest budget approved by the Policy & Finance Committee on 30 June 2016 and the consequent overall financing position was shown at Appendix E to the report.

The Financial Services Accountant advised that final figures for the CCTV works programme were still unknown, therefore delegated authority was sought to allocate capital programme funding to this project once final figures had been agreed.

AGREED (unanimously) that:

- (a) the variations listed in Appendix C to the report be approved and the Programme shown in Appendix D to the report be accepted as the latest Capital Programme; and

- (b) in respect of the CCTV works programme delegated authority be given to the Director – Safety following consultation with the Chairman, Vice – Chairman and Opposition Spokesperson of the Policy & Finance Committee and the Chairman of the Homes & Communities Committee, to allocate capital funding of up to £500,000 following the final evaluation of the tender.

Reason for Decision

To enable the Capital Programme to be amended to reflect changes to resources available and better clarity of the cost and phasing of projects.

33. MOVING AHEAD UPDATE - SOUTHWELL AND OLLERTON

The Moving Ahead Programme Manager presented a report which provided an update on the developments of providing council services in Southwell and Ollerton. In Southwell it had been agreed with the County Council that the Council could deliver a service from the library in Southwell. The Council service will be open Tuesday and Thursday mornings with the exact opening times currently being agreed. The service was on target to commence late September 2016.

In respect of provision of services in Ollerton it was reported that due to resource changes within the CCG there had been a delay with the progression of the project. However, in the last couple of months there had been momentum, primarily due to the One Public Estate (OPE) initiative. OPE provided practical support and funding to councils to deliver property focused programmes in collaboration with central government and other public sector partners. A bid had been submitted to the OPE for funding for the feasibility stage of the public sector hub on the Ollerton triangle site. An announcement of the successful bids was still awaited, however discussions were continuing on a regular basis with the CCG and other partners on the project.

In addition it was understood that the aspiration to develop the old Courtaulds site into a public sector hub/health facility was a long term project and if the scheme was approved it was likely to be a number of years before it was operational.

AGREED (unanimously) that the report be noted with further updates being presented to the Committee.

Reason for Decision

To keep Members informed of the latest development in the delivery of services in Ollerton and Southwell.

34. CORPORATE PEER CHALLENGE UPDATE

The Deputy Chief Executive presented a report which informed Members of initial findings of the Corporate Peer Challenge for the Council which took place in July 2016. At the end of the review, initial feedback was provided ahead of a more

detailed feedback report which will be circulated to all Members of the Council when received. Overall the messages and observations which were fed back to the Council at the end of the Peer Challenge in July 2016 were extremely positive.

AGREED (unanimously) that a report be brought to the next meeting of the Committee with recommended action notes arising from the Peer Challenge.

Reason for Decision

To advise Members of the findings of the Corporate Peer Challenge in July 2016.

35. EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

36. KEEPERS COTTAGE - OPTIONS APPRAISAL

The Committee considered the exempt report presented by the Deputy Chief Executive relating to the future of the Keepers Cottage building.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

37. URGENCY ITEM - FORMER MUNICIPAL BUILDINGS, 20 BALDERTONGATE

The Committee noted the urgency item in relation to 20 Baldertongate, Newark.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

38. SPORTS HUB, BOWBRIDGE ROAD, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the Sports Hub at Bowbridge Road, Newark.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

39. DISCRETIONARY BUSINESS RATES RELIEF POLICY (WHERE THE LOCALISM ACT APPLIES)

The Committee considered the late exempt report presented by the Business Manager – Economic Growth and Tourism in relation to discretionary business rates relief.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

40. NEWARK LIVESTOCK MARKET ASSISTANCE

The Committee considered the late exempt report presented by the Director- Safety in relation to the Newark Livestock Market.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

Meeting closed at 8.35 pm.

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **ECONOMIC DEVELOPMENT COMMITTEE** held on Wednesday, 14 September 2016 in Room G21, Kelham Hall at 6.00pm

PRESENT: Councillor D.J. Lloyd (Chairman)
Councillor K. Girling (Vice-Chairman)

Councillors: R.V. Blaney (ex-officio), Mrs R. Crowe, G.P. Handley,
P. Peacock, A.C. Roberts, F. Taylor, T. Wendels and
Mrs Y. Woodhead

78. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors: D. Bates, M.G. Cope, Mrs G.E. Dawn and Mrs Y. Woodhead. Councillor Mrs K. Arnold was to act as substitute for Councillor Batey but also submitted her apologies.

79. DECLARATION OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

80. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

NOTED: that an audio recording was to be made of the meeting by the Council.

81. MINUTES OF THE MEETINGS HELD ON 15 JUNE 2016

AGREED (unanimously) that the Minutes of the meetings held on 15 June 2016 be approved as a correct record and signed by the Chairman.

82. MATTERS ARISING

Minute No. 71 – Car Parking

A Member of the Committee queried as to the latest position in relation to the introduction of cashless parking in all Council car parks in Newark. It was noted that at the previous meeting it had been agreed that cashless parking would be with effect from 1 September 2016 but to-date it had not been introduced. In response, Members were advised that its introduction was imminent.

In relation to the issues of parking at Pelham Street, Members were informed that a meeting had taken place with residents and consultation had been undertaken with Nottinghamshire County Council. A letter was to be sent to the residents setting out the facts in relation to the matter.

83. PRESENTATION IN RELATION TO NEWARK CASTLE, VICAR WATER AND SCONCE & DEVON PARKS

The Committee received a joint presentation by the Business Manager – Parks & Amenities and the Castle Warden – Projects Officer in relation to the Council's parks: Devon; Sconce; Vicar Water; and Sherwood Heath and also Newark Castle.

The presentation contained information as to the ongoing work at the parks and the events that had been held throughout the year which had been well attended by the local communities.

A Member of the Committee congratulated the Officers stating how well kept and run they were. He commented that the Sconce itself appeared to be underutilised and whether more could be done to promote it. The Business Manager advised that the augmented reality application directed the user to the sconce itself but that he was open to suggestions and ideas as to how this might be enhanced further.

In relation to the Castle, the Castle Warden advised that over half of the comments on trip advisor were of a positive nature and that lessons had been learnt from negative reviews. She advised that if a poor comment was left she would respond by informing the author as to other attractions either within the immediate vicinity of the Castle itself or within Newark. She also gave information as to the tours available at the Castle and often this resulted in a further response which was positive.

It was noted that the King John Exhibition had attracted some 1800 visitors but that the space it had been held in appeared to be a little restrictive. The Castle Warden advised that there had been a steady flow of visitors and that the number at any one time had been managed by keeping some on the lower floor until those on the upper floor had descended. Leaflets and an application for smart phones had been produced and developed for those unable to gain access due to a disability. Also a tour of the Castle dungeons had been filmed which was available to view.

In response to whether there was any indication that Castle visitors went on to visit the National Civil War Centre, the Castle Warden advised that she would estimate that approximately 75% did visit either that same day or at a later date. She also advised that when the new visitor hub had opened all the staff that worked at the Castle went on the tour in order for them to promote or answer any questions with a degree of certainty and actual personal experience.

Members noted that the notice boards and signage, specifically at the Castle and Vicars Water were poor and in need of some maintenance. The Business Manager acknowledged that the condition of the boards and signs required attention and advised that there was a programme of replacement due to commence in 2017.

AGREED (unanimously) that the presentation be noted and the Officers thanked for their attendance.

84. PLANNING PROCESS IN RELATION TO THE ADOPTION OF PUBLIC OPEN SPACES

The Committee considered the report of the Business Manager – Planning Policy in relation to the adoption of an advisory note for Developer Contributions and Planning Obligations Supplementary Guidance (SPD) which highlighted to developers the latest position in relation to Public Open Space adoption.

The report provided Members with background information as to the importance of securing sustainable development of new housing schemes which provided good design and the integration of appropriate greenspace. In order to achieve this, the District Council required developers to provide public open space on site in line with Policy DM3 of the Allocations & Development Management DPD and the Developer Contributions & Planning Obligations SPD.

It was acknowledged that the rules and regulations in relation to the payment of Section 106 monies was very complicated and a Member queried whether the District Council had a responsibility to a developer to ensure that such monies were not ‘fritted away’ by a Town or Parish Council who had taken on responsibility for the maintenance of the public open space. Another Member commented that this was not real devolution to Town or Parish Councils and that if a management company was awarded the contract for the maintenance of the open space it would be likely that they would need to be prompted to carry out their duties and responsibilities.

In response, the Business Manager advised that the District Council must ensure that any contract with a management company was set up to allow the residents a degree of influence with the company. He also advised that it was the developer’s decision on who to hand over the maintenance of the open space to and not that of the District Council. He further noted that this would be focussed on larger settlements where the Town or Parish Councils would be more likely to be able to make an offer to maintain the open space.

AGREED (unanimously) that:

- (a) the report be noted; and
- (b) Appendix A be adopted as an Advisory Note to accompany the Developer Contributions and Planning Obligations SPD for the purposes of determining planning applications.

85. LOCAL DEVELOPMENT FRAMEWORK PROGRESS REPORT

The Committee considered the report presented by the Business Manager – Planning Policy which sought to inform Members as to the progress of the various elements of the Local Development Framework (LDF), including the Community Infrastructure Levy (CIL) contained within the Local Development Scheme (LDS) timetable.

The report set out the progress of each element of the Plan Review, these being: Plan Review: Preferred Approach (Strategy); Preferred Approach (Settlements and Sites);

Preferred Approach (Town Centre and Retail; and CIL (Preliminary Draft Charging Schedule).

It was noted that some Parish Councils had not been aware of the consultation events in relation to the Preferred Approach (Strategy) but that further consultation would be carried out in October.

AGREED (unanimously) that the report be noted.

86. HAWTONVILLE COMMUNITY CENTRE UPDATE

The Committee considered the report presented by the Business Manager – Strategic Housing which sought to update Members on the future use of Hawtonville Community Centre further to completion of the Hawtonville Neighbourhood Study and the Centre’s identification as a key ‘place’ option.

The report set out the Committees previous considerations and decisions in relation to the use of the Centre and provided the latest position in relation the Newark & Sherwood Play Support Group and their funding application together with information on the wider context of the Centre e.g. Hawtonville Open Spaces Project; and the Community Development Worker.

Some Members of the Committee commented that the building was out of date and despite residents stating their desire to keep the building they did not actually use it. It was one Member’s view that the Hawtonville estate was well served without the need to keep this building, adding that he would rather see it demolished with the ensuing land being used for the development of much needed social housing.

It was noted that work was ongoing with existing organisations and that this required little officer resource. Whilst acknowledging the continued works, a Member stated that there would be a point in time when it was considered that despite the residents desire to retain the building, the Council should investigate what other purpose the land could be used for.

Members of the Committee had differing views on how to progress the matter, with one Member favouring the Council’s continued promotion of the building for use by a community organisation with others noting the change in peoples’ habits that had led to the decreased usage of the building.

It was noted that the bid by the Newark & Sherwood Play Support Group for funding had failed. In response to whether alternative funding existed, the Business Manager advised that there were other opportunities but it was all reliant on the bidding process.

A Member of the Committee referred to the survey that had been carried out by Positive Funding some 3 to 4 years previously at a cost of approximately £300k, the results of which had found that the Hawtonville Estate was well served. The Member added that there was no need for another survey as more than one had been carried out in the past at a financial cost to the Council.

AGREED (unanimously) that:

- (a) the report be noted; and
- (b) The proposals as set out in paragraph 6.1 to the report be agreed subject to the addition of:
 - (c) an investigation be held into the option for the potential redevelopment of the site for housing.

87. NEWARK CASTLE GATEHOUSE TOWER PROJECT

The Committee considered the report presented by the Business Manager – Parks & Amenities which sought to advise Members of the progress on the project to carry out major improvements to the Gatehouse Tower at Newark Castle and which sought approval for a resubmittal of the Stage 1 Heritage Lottery Fund (HLF) application.

Paragraph 2.2 of the report set out the background to the current position and that a Stage 1 bid had been submitted to the HLF in November 2015 with a subsequent rejection letter being received in April 2016. However, the letter had indicated that the rejection had been down to the lack of available funds together with advice on how the Council's bid could be strengthened should the Council decide to re-submit it.

A Member of the Committee sought clarification on the costs involved with re-submission of an enhanced Stage 1 bid stating that the costs appeared to be high for 18 months of work. It was noted that the timetable was set by the HLF and a successful bid would reap many benefits for the Castle and its visitors. Members agreed that they would wish to see more unified approach to the promotion of the Castle and the NCWC in Newark e.g. dual ticketing so visitors attended both attractions. The Business Manager advised that this was very much on the agenda moving forward as the HLF had insisted on the approach.

The Chief Executive advised that the first submission of the bid to the HLF and its subsequent refusal had been reviewed but that the proposed amended bid and associated costs and potential income streams had yet to be reviewed by the Corporate Management Team.

Whilst acknowledging the comments of the Chief Executive, a Member stated that the proposal to put a roof on part of the Castle would contribute to savings against the constant repairs carried out at present and improve the sustainability of the building. The Business Manager confirmed that that would be the case and that the HLF would be asked to contribute to the repairs to other projects e.g. the Gatehouse. The success of the bid would provide the Council with the opportunity to carry out a significant phase of works.

A Member commented that he would wish to see a delay in the re-submission of Phase 1 until more definite costs were known. He added that the Business Plan for the NCWC had failed and that the number of visitors was not that as initially anticipated which had led to additional monies being put into the attraction and that

was something he would not wish to see happen with the Newark Castle Gatehouse Tower Project.

Another Member reiterated the previous comments in relation to the reduction in the repairs bill should the roofing works be carried out, adding that if the HLF had indicated their interest in the project then the Business Plan required finessing.

AGREED (by 7 votes for with 1 against) that:

- (a) the re-submission of a Stage 1 Heritage Lottery Fund bid towards improvements to the Gatehouse at Newark Castle be approved;
- (b) the increase in project costs and the increase in the Council's Phase 1 contribution be supported and the potential Phase 2 contribution be noted and recommended to the Policy & Finance Committee; and
- (c) following the submission of Phase 1, more work be undertaken to ascertain the throughput and income and to have a view to aligning the heritage attractions into a single entity in Newark.

88. ECONOMIC GROWTH UPDATE

The Committee considered the report presented by the Business Manager – Economic Growth which sought to update Members on the current and planned activities within the Economic Growth Business Unit.

The report set out the three main objectives of the Economic Growth Strategy that had been agreed on 26 March 2014 and provided details of the proposals for each of the projects within Inward Investment and Business Growth.

In relation to paragraph 3.4.1 – Fork Lift Truck (FLT) and Low Level Order Pickers training Members were informed that work was carried out with Ambitions Personnel who undertook a great deal of recruitment for FLT drivers. A great detail of work was also being undertaken at the Ollerton outreach and the pilot minibuss service assisted people in getting to their place of work.

In relation to the HGV Pilot it was noted that the HGV work academy open day was poorly attended and an alternative provided was being sought.

Paragraph 3.4.4 provided details of the Future First Expo 2017 which was to take place at the Newark Showground in May 2017 and would provide attendees with a broader range of information than the previously held Jobs Fair.

AGREED (unanimously) that the activities undertaken within the Economic Growth Team be endorsed.

89. EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items of business on the grounds that they

involved the likely disclosure of exempt information as defined in Paragraphs 3 and 4 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

90. PROPOSED SUPPORT FOR LOCAL BUSINESS

The Committee considered the exempt report presented by the Business Manager – Economic Growth in relation to the request for support for a local business.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972.)

The meeting closed at 8.05pm

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **HOMES & COMMUNITIES COMMITTEE** held on Monday, 12 September 2016 in Room G21, Kelham Hall at 6.00pm.

PRESENT: Councillor R.B. Laughton (Chairman)
Councillor T. Wendels (Vice-Chairman)

Councillors: Mrs K. Arnold, R.V. Blaney (ex-officio), Mrs B.M. Brooks, Mrs. C. Brooks, Mrs I. Brown, M. Buttery, R. Crowe, Mrs S.M. Michael, A.C. Roberts and Mrs A.A. Truswell (substitute)

SUBSTITUTES: Councillor Mrs A.A. Truswell substituting for Councillor D. Thompson

ALSO IN ATTENDANCE: Councillors: P.C. Duncan and Mrs L. Hurst

Prior to the commencement of the meeting, the Chairman advised the Committee that he was amending the running order of the Agenda and taking Agenda Item No. 8 – Update on Review of CCTV after Agenda Item No. 11. This was due to the circulation of additional exempt information about the matter.

63. APOLOGIES FOR ABSENCE

Apologies for absence were submitted by Councillors K. Girling and D. Thompson

64. DECLARATION OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that the following Member declared an interest in the item shown below:

Councillor T. Wendels	Agenda Item No. 8 – Update on Review of CCTV – Disclosable Pecuniary Interest – Employee of Nottinghamshire Police Authority.
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65. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

NOTED: that there would be an audio recording of the meeting.

66. MINUTES OF THE MEETING HELD ON 13 JUNE 2016

AGREED (unanimously) that the Minutes of the meeting held on 13 June 2016 be approved as a correct record and signed by the Chairman.

67. NEW COUNCIL HOUSING ALLOCATION SCHEME

The Committee considered the report presented by the Business Manager – Housing & Safeguarding which sought to provide Members with an overview of the responses received from statutory consultation, to present the revised Council Housing Allocations Scheme for adoption and the timetable for implementation using online self-service options by April 2017.

The Chairman of the Committee took the opportunity to thank the Business Manager, the officers within the Project Team, Newark and Sherwood Homes' officers and elected Members who had worked on the development of the Scheme, noting the work and commitment undertaken by all parties.

A Member of the Committee queried whether it would be possible, in future months, to make any amendments to the Scheme should it be considered necessary. The Business Manager advised that the Project Team would be in situ for a period of twelve months from the Scheme's launch and that its performance would be monitored and reported back to Committee. It was also noted that Newark and Sherwood Homes would monitor the performance of the Scheme.

AGREED (unanimously) that the new Housing Allocation Scheme and Implementation Plan for its publication and launch in April 2017 be approved.

68. PERFORMANCE MONITORING: NEWARK AND SHERWOOD HOMES AND THE HOUSING REVENUE ACCOUNT

The Committee considered the report presented by the Business Manager – Strategic Housing in relation to the operations of Newark and Sherwood Homes (NSH) in accordance with the Management Agreement and Annual Delivery Plan together with an update on current performance of the Housing Revenue Account (HRA).

The report provided detailed background information as to how the Key Performance Indicators had been developed and who would be responsible for their monitoring. Details of NSH performance were reported together with an update on current progress of the 2016/17 Annual Delivery Plan. The report also set out information on the performance of the HRA as of 30 June 2016.

AGREED (unanimously) that the strategic performance information supplied in relation to the activities of Newark and Sherwood Homes and the Housing Revenue Account be noted.

69. AN UPDATE ON FLOOD PREVENTION SCHEMES IN NEWARK & SHERWOOD

The Committee considered the report presented by the Business Manager – Community Safety which sought to update Members on the current position of proposed flood alleviation schemes within the district. The report also included a recommendation for capital budget expenditure for major flood alleviation.

The report provided some background information together with the latest position of the four schemes within the district namely: Girton; Lowdham; Gunthorpe and Southwell.

Girton

It was noted that the cost of the proposed Scheme for Girton was high in comparison to the relatively low number of properties that would be protected with a Member of the Committee querying whether it would be more cost effective to protect each individual property. In response, the Business Manager advised that due to the nature of the flooding, whereby flood waters rose through the floors of the properties, this was not an appropriate method of flood alleviation.

Southwell

Members expressed their disappointment about the length of time it had taken to formulate the options to improve the situation in Southwell, stating that the flooding had occurred in 2013 and only now were the proposals coming forward. Members added that it was hoped that a meaningful solution could be developed by both Nottinghamshire County Council and the Environment Agency.

Southwell and Lowdham

In noting the sums of money put aside for major flood alleviation funding, a Member of the Committee stated that it was hoped that the £400,000 could be maintained and carried forward into future year's budgets if it had not been allocated. It was further noted that the sum of money put aside by this Council was far in excess of the contribution of Nottinghamshire County Council (NCC) in percentage/pro rata terms, however, NCC were also putting £500,000 into their capital schemes for flood prevention.

Gunthorpe

The written report had noted that the Environment Agency were to carry out an Outline Business Case (OBC) and were seeking contributions towards the cost of that. However, the Business Manager informed Members that subsequently to the report being written, he had been informed that funding from this Council was not presently required to enable the OBC to be undertaken. A report would be presented to Committee on the findings of the OBC and Members would be asked at that time whether they wished to make a contribution towards any flood alleviation scheme.

AGREED That the current situation regarding the flood alleviation schemes within the District be noted and financial contributions for these schemes be brought back to the Committee when detailed costings had been confirmed.

70. THE BETTER CARE FUND (BCF) – PROPOSED SCHEMES FOR 2016-17

The Committee considered the report presented by the Business Manager – Environmental Health which sought to update Members on the schemes that had been identified for potential funding from the Council’s allocation of the Better Care fund budget.

The report set out the main focus of the Care Act 2014 and listed the six overarching themes that had been structured by NCC being: 7 day service provision and access; supporting integration; transforming patient satisfaction; protecting social care services; accelerating discharge; and infrastructure, enablers and other developments. It also provided information in relation to the Disabled Facilities Grants (DFG); and use of the DFG and social care allocation of the BCF, with the schemes which sat below that being listed.

In considering the report a Member of the Committee referred to paragraph 4.29 relating to the Handy Person Adaptations Scheme stating that this service appeared to be extremely generous and did not appear to be means tested. In response, Members were informed that there was a nominal charge for using the scheme but further clarification of the cost of this was required. Members were also informed that this Scheme was to be reviewed in the near future, the findings of which would be reported to Committee.

In relation to the two schemes that had been rejected by the Better Care Fund Programme Board, namely a Housing Support Worker (hospital discharge scheme) and private sector stock condition survey, it was reported that the reason for refusal had been that the Board did not consider them to be capital schemes. If the Council chose to support them through existing available budgets, the survey would be a one off cost and the housing Support Worker would be for a twelve month period.

AGREED (by 10 votes for with 1 abstention) that:

- (a) the range of funding options proposed for the use of the Better Care Fund DFG/Social Care Fund allocation be noted and that all the schemes listed therein be supported;
- (b) further reports on spend against the schemes and future options for the Better Care Fund be presented to future meetings;
- (c) the Private Sector Housing Stock Condition Survey be carried out and funded from the monies returned from the Decent Homes Grants;
- (d) the hospital discharge scheme be implemented and funding from the homelessness reserve be used for that purpose for a period of twelve months;
- (e) appropriate changes be made to the DFG Policy in light of the proposals put forward in the report.

71. CESSATION OF THE FIRST CONTACT SIGNPOSTING SCHEME

The Committee considered the report presented by the Business Manager – Housing & Safeguarding which informed Members of the decision taken by NCC to cease the First Contact Signposting Scheme with effect from 30 September 2016.

The report set out the background to the Scheme and its focus and aims since its launch in 2005. Paragraph 3.0 of the report highlighted the feedback from a NCC consultation carried out with service users, partner organisations, voluntary and community sector organisations following which their Adult Social Care Committee in July 2016 determined to cease the running of the Scheme. Also included in the report was information in relation to the Connect Service and Notts. Help Yourself and the services those Schemes provided.

AGREED (unanimously) that Nottinghamshire County Council's decision to cease the First Contact Signposting Scheme with effect from 30 September 2016 be noted.

72. EMPTY HOMES

The Committee considered the report presented by the Business Manager – Strategic Housing which provided Members with information on the current position with empty homes in the district.

The report set out some of the common reasons and contributory factors as to why homes became and/or remained empty and provided statistical information of the local situation with figures taken from Council Tax records. It was reported that since 2010 the number of long term empty homes had reduced by over 200 units, due in part to work undertaken by the Council's Revenues & Benefits Business Unit working in partnership with Liberata and also the introduction in 2013 of the zero discount for long term empty properties together with the introduction of a 50% Council Tax premium for properties that had been empty for two years or more.

Also reported was information as to the enforcement approach taken by Environmental Health, details of the Empty Homes Programme, funding for which could be bid for from the Homes & Communities Agency, provisions within the Housing & Planning Act 2016 that might assist the process of tackling empty homes and rogue private sector landlords and how the issue was dealt with by both Mansfield and Ashfield District Councils.

Members expressed their frustration at the number of long term empty properties within the district which could be brought back into use which would in turn potentially assist with reducing the number of people waiting for housing.

AGREED (unanimously) that:

- (a) the report be noted; and
- (b) the proposals set out below be approved:

- (i) Officers to further explore the feasibility of sharing an Empty Homes Officer resource with neighbouring local authorities;
- (ii) under the Council's Housing Growth agenda and utilisation of the Housing Revenue Account Business Plan, financial modelling is undertaken to appraise whether the HRA can sustain a targeted programme of empty homes acquisition (looking at the requirement for both revenue and capital resources), along with consideration of the legal implications, enforcement activity, options for intervention, evidence of need and time frames for delivery; and
- (iii) the findings of the above activities to be reported back to a future meeting of the Committee.

Councillor Mrs A.A. Truswell left the meeting prior to the commencement of the following item.

Councillor T. Wendels, having declared a disclosable pecuniary interest left the meeting prior to the commencement of the following item and therefore did not take part in any discussion or vote thereon.

73. AN UPDATE ON THE REVIEW OF CCTV

The Committee considered the report presented by the Business Manager – Community Safety which updated Members on the agreed actions from the CCTV review report that had been presented to Committee on 13 June 2016.

The report highlighted the agreed actions from the previous meeting and provided information as to the Head of Terms with the Nottinghamshire Police Authority. The report also made note of the progress on the relocation project and the consultation letter which had been forwarded to Ollerton & Boughton, Newark and Southwell Town Councils and Clipstone Parish Council. Financial information was also provided as to the actual savings of switching to a wireless transmission of data from the current fibre optic line.

The Business Manager advised Members of the responses received from the Town Councils and that Clipstone Parish Council had requested a meeting prior to formulating their response. It was proposed to invite the Town and Parish Councils to Kelham Hall to visit the control room to provide them with reassurance as to the quality and clarity of images and also to provide clarity as to the proposed charging mechanism. It was reported that the service had performance indicators linked to proactive incidents and currently 23% of all incidents recorded arose from the proactive actions of CCTV operators.

Following discussion of the open report the Chairman recommended to the Committee that the press and public be excluded during discussion of the additional exempt information. Members voted unanimously as follows:

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of this item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

74. AN UPDATE ON THE REVIEW OF CCTV – ADDENDUM REPORT

The Committee considered the exempt report presented by the Business Manager – Community Safety.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

The meeting closed at 7.30pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **LEISURE & ENVIRONMENT COMMITTEE** held in Room G21, Kelham Hall, Newark on Tuesday, 20 September 2016 at 6.00 pm.

PRESENT: Councillor P.C. Duncan (Chairman)

Councillors: R.V. Blaney (Ex-Officio), M.G. Cope, R.J. Jackson, J.D. Lee, N.B. Mison, D.B. Staples, Mrs L.M.J. Tift, K. Walker and B. Wells.

ALSO IN

ATTENDANCE: Councillors: Mrs R. Crowe and I. Walker.

14. APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor D. Clarke.

15. MINUTES OF THE MEETING HELD ON 28 JUNE 2016

AGREED that the Minutes of the meeting held on 28 June 2016, be approved as a correct record and signed by the Chairman.

16. DECLARATION OF INTERESTS BY MEMBERS AND OFFICERS

NOTED that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

17. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman advised that the proceedings were being audio recorded by the Council.

18. WASTE RECYCLING AND CLEANSING PRESENTATION

A presentation regarding waste, recycling and cleansing was provided by the Business Manager Waste, Litter & Recycling; Assistant Business Manager Waste, Litter and Recycling; and the Environmental Projects Officer.

Following the presentation a question and answer session ensued as follows:

A Member asked whether the Council was at a maximum regarding recycling.

The Business Manager Waste, Litter & Recycling confirmed that the green waste scheme was growing. Other Council's provided a glass collection service; Newark & Sherwood however did not have that option due to the terms of the contract with Nottinghamshire County Council. The contract was due to be renewed in 2019 and the collection of glass would be considered at that time. Education regarding recycling was also a key factor for increasing the percentile, but funding would need to be invested in order to achieve that.

A Member commented on the compost bin programme that took place in the 1980's and 1990's and the large amount of interest that had generated at that time. Newark and Sherwood providing the largest amount of compost bins in the district. The figures for the home composting however were not taken into account for the Authority's recycling percentile, the Council's recycling rate was therefore higher than what was actually recorded. The Member asked what percentage of waste was composted in the district.

The Business Manager Waste, Litter & Recycling confirmed that there was no hard evidence regarding what was being composted.

A Member commented on the battery collection being provided by the waste collectors and suggested containers for batteries to be disposed in, rather than them being thrown in with the residual waste. A question was also raised regarding fly tipping and whether that would increase due to the registration service having taken place at the recycling centres.

The Business Manager Waste, Litter & Recycling confirmed that Nottinghamshire County Council had decided to implement the registration scheme and had confirmed that this system would not have an impact on fly tipping. The Business Manager commented that whilst he understood the point regarding not taking on other County's waste, it would cost the Local Authority more regarding any potential increase in fly tipping.

A Member commented on the increase in litter around the district and asked whether that was an increasing problem and whether that could be reduced. He also asked whether fly tippers were being prosecuted within the district. The Business Manager Waste, Litter & Recycling confirmed that litter was an increasing problem which was down to English mentality. Litter picking on certain roads such as the A1 and A56 was not permitted due to Health and Safety, but with additional work through training that could be achieved. Regarding fly tipping prosecutions, there were only two members of staff available to put court cases together, this procedure was time consuming and costly. The Magistrates Court however were taking fly tipping seriously and larger fines were being enforced.

The Chairman on behalf of the Committee thanked the Officers for their informative presentation and their staff for the first class service that was provided to the district.

AGREED (unanimously) that the presentation be noted.

19. REVIEW OF PEST CONTROL SERVICE AND DOG WARDEN SERVICE

The Committee considered the report presented by the Business Manager Environmental Health and Licensing, which updated Members on the review of the Pest Control and Dog Warden service.

Discussions between Newark and Bassetlaw had taken place and detailed work had been undertaken in drafting contract and tender documents for provision of the Dog Warden Service. Bassetlaw were leading on the procurement of the service but with input from both the Environmental Business Unit and Procurement Business Unit from Newark and Sherwood District Council.

Further discussions had taken place regarding Pest Control with Rushcliffe Borough Council with regard to the use of the 'Streetwise' company as a vehicle for a partnership to deliver the pest control service for Newark and Sherwood. At the present time Streetwise operated within the Rushcliffe Borough area providing ground maintenance and some cleansing functions. Rushcliffe Borough Council was currently considering whether Streetwise was a suitable delivery mechanism for their pest control service. Discussions had taken place with Rushcliffe to examine the possibility of Streetwise providing a similar grounds maintenance service within Newark and Sherwood. The discussions had revealed that there was a substantial amount of further work on the potential governance models to be put in place prior to this option being considered. The pest control services from Rushcliffe was not yet part of Streetwise delivery model and therefore it was assumed that incorporating pest control from Newark and Sherwood would not be achievable in the short or medium term and certainly not before the commencement of the 2017-18 financial year.

Members agreed with the commencement of the Dog Warden Service with Bassetlaw District Council.

Members discussed the Pest Control Service and a Member sought clarification as to how the Council could help with the transition to the private sector if the Council were minded to do that. The Business Manager Environmental Health and Licensing commented that advice could be submitted on the Council's website regarding how the pest could be treated. The website could also sign post to local pest control providers.

A Member commented on the difficulty the Council would have to operate the pest control service with just one employee. It was however important if the service was outsourced that the Council sign post people to local pest control providers or the customer's details were taken and passed on to a provider.

A Member sought clarification should a resident not have the financial means to pay for this service. The Director – Community confirmed that the Council had enforcement powers in order to enforce action to remove vermin. In certain instances the Council would determine the correct action to retrieve any outstanding payments. If there was a genuine hardship case, the Council could leave the debt against the property. This cause of action would only be undertaken in a genuine hardship case.

A Member asked what the annual revenue saving would be if the service was outsourced. The Business Manager Environmental Health and Licensing confirmed a saving of £12,000 - £15,000 per annum after any income generated.

Members commented on the actual cost of providing the service when the private sector was providing a much cheaper service. A Member raised concern regarding another service being lost when the Council could operate with one member of staff and provide a third party service when that employee was not available. The issue of offering discounts for residents on benefits was also commented upon.

(Councillor R.J. Jackson left the meeting during the discussion of this item).

AGREED (with 5 votes for and 3 votes against) that:

- (a) the progress in relation to the dog warden services be noted; and
- (b) the pest control service be discontinued and the Council provide a sign post service to the Council's website and staff.

20. BREASTFEEDING FRIENDLY PLACES

The Committee considered the report presented by the Business Manager Environmental Health and Licensing, which updated Members on information regarding the implementation of breastfeeding friendly places, which was a key strategic action within the County Health and Wellbeing plan.

Members fully supported the proposals and commented that breastfeeding was a natural process and there should not be any issues, provided that discretion and consideration be applied for others.

AGREED (unanimously) that:

- (a) the plans to implement breastfeeding friendly places across 2016/17;
- (b) Newark & Sherwood District Council becomes a breastfeeding friendly organisation; and
- (c) officers work with the County Council to identify and support the scheme within the Newark & Sherwood District.

21. MANSFIELD AND DISTRICT CREMATORIUM JOINT COMMITTEE – ANNUAL STATEMENT OF ACCOUNTS

The Committee considered the report presented by the Business Manager Financial Services, which presented the Annual Statement of Accounts for the Mansfield and District Crematorium Joint Committee. The relevant Minute from the 27 June 2016 meeting of the Mansfield and District Crematorium Joint Committee was also appended to the report for information.

The Business Manager Financial Services informed Members that the Council received an income of £79,000, from the Crematorium Joint Committee, for the period 2015/16. It was confirmed that the Council also provided an Audit service to the Crematorium for which a recharge was made.

AGREED (unanimously) that the Annual Statement of Accounts for the Mansfield and District Crematorium Joint Committee be noted.

22. ACTIVE FOR TODAY – EARLY ENGAGEMENT WITH LEISURE AND ENVIRONMENT COMMITTEE OVER THE 2017/18 BUSINESS PLAN

The Committee considered the report presented by the Director – Customers, which

provided Members with an early view of Active4Today's development thoughts ahead of the presentation of its business plan for 2017/18 in November, as well as an update on the work undertaken in relation to the Company's reserves.

A report from the Managing Director – Active4Today was also presented by the Managing Director which provided the Committee with an update on the performance of Active4Today up to the end August 2016. Areas of unknowns had been presented to Members at the 28 June 2016 Committee; the report provided further information on the areas of unknowns as these through time become less opaque on business development. The report also provided information regarding Active4Today's current position; overview of performance, including the key performance points and proposed business plan ideas for 2017/18.

A Member sought clarification regarding GP referrals and whether Active4Today was helping to improve the life styles of people being referred and whether the facilities on offer were being used. The Manager Director confirmed that the GP referral scheme had changed two years ago, as there was not a good retention of GP referrals and the service was very resource hungry. The system was changed and the individuals were put onto a low start direct debit to encourage them to complete the programme.

A Member commented on the success of the exercise seating plan that was being undertaken at Blidworth Leisure Centre, which would improve people's life styles. The fall in numbers using Leisure Centres was also commented on by a Member, which also showed similar results to that of UK Athletic statistics. A robust model was suggested to encourage people to use the Leisure Centres. Support for the Active cards was also given as the cards provided the required data and also could promote special offers.

Members commented on the usage drops that were reported and the peaks and troughs regarding usage of the Leisure Centres. The Manager Director confirmed that the trends in usage were normal when comparisons were made over a number of years. January to March were high months, whilst May to July were low usage months. Members were reminded that usage did not mean an income drop as customers paid via direct debit.

A Member asked whether there was more certainty on the forecasting as unknowns reduced. The Managing Director confirmed that some uncertainty would continue as the new Fitness Centre had no historical data albeit this was growing with experience.

Members sought clarification regarding information relating to the Sports Nottinghamshire survey. The Managing Director confirmed that a summary of the Sport Nottinghamshire survey would be circulated to Members of the Committee.

A Member commented on the priorities for the future and suggested that the centres should be used at all times and equally that those on lower incomes should be encouraged and engaged, especially the 65+ and under 18 year olds.

(Councillor Mrs L.M.J. Tift left the meeting during the discussion of this item).

AGREED (unanimously) that:

- (a) the work undertaken to quantify expenditure items be noted;
- (b) the items put forward by Active4Today for consideration within its 2017/18 Business plan be noted; and
- (c) a summary of the Sport Nottinghamshire Survey be circulated to Members of the Leisure and Environment Committee.

23. THE BETTER CARE FUND PROPOSED SCHEMES FOR 2016/17

The Committee considered the report presented by the Business Manager Environmental Health and Licensing, which provided an update on the schemes that had been identified for potential funding from the district's allocation of the Better Care Fund budget.

The Business Manager Environmental Health and Licensing informed the Committee that he had been informed that the funding allocation for the 2016/17 financial year would be available sometime this month and would be a two year allocation.

The Vice-Chairman commented that the recommendations had been approved by the Health and Wellbeing Board with the inclusion of an additional proposal which was also approved, that decision making would be given back to the Better Care Fund Board, which would speed up the decision making process.

The Vice-Chairman also commented on the success rate of proposals that were accepted for this district compared to other districts. The proposals rejected for other districts were due to them not helping assisted living and therefore did not meet the specified criteria.

The Health and Wellbeing Board had received £839,000 of funding; taking away the mandatory and discretionary awarded funds, £33,000 was still outstanding for the year.

Clarification was sought regarding whether surplus money at the end of the financial year would be transferred over to the next financial year, or whether that money would be lost.

The Business Manager Environmental Health and Licensing confirmed that no clarity regarding transferring money had been made. The Director - Community however thought that any underspend would be retained by the County Council and used to bring forward Better Care Fund initiatives.

AGREED (unanimously) that:

- (a) Members support the range of funding options proposed for the use of the Better Care Fund DFG/Social Care fund allocation and the report be noted; and
- (b) further reports on spend against the schemes and future options for

the Better Care Fund be presented to future meetings.

24. HEALTH AND WELLBEING/HEALTH SCRUTINY

The Vice-Chairman informed the Committee of two Stakeholder Reference Group meetings that he had attended and a Health and Wellbeing Board meeting.

The Health and Wellbeing Board had discussed the Better Care Fund and the savings achieved by the Clinical Commissioning Group's (CCG) throughout the whole of Nottinghamshire. The initiative for the CCG was to try and reduce prescribed drug wastage.

The Stakeholder Reference Group had discussed the merging of Government Committees to save costs. The Trusts could not be merged but the sharing of facilities would be pursued.

Councillor D. Staples had also attended a further meeting of the Health and wellbeing Board which had discussed PRISM, which was a service, provided by clinicians within the community, the PRISM service would move to a seven day service in Newark.

Members were also informed of the website www.nottshelpyourself.org.uk, which had been promoted at the Board meeting. The Nottinghamshire Help Yourself site was a partnership between health, the voluntary sector and Nottinghamshire County Council to bring information and advice together in one central place in order for people to find the information they required easily.

The meeting closed at 7.55pm.

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the **GENERAL PURPOSES COMMITTEE** held on Thursday, 8 September 2016 in Room G21, Kelham Hall at 6.00pm.

PRESENT: Councillor Mrs R. Crowe (Chairman)
Councillor I. Walker (Vice - Chairman)

Councillors: Mrs K. Arnold, Mrs B.M. Brooks, D. Clarke, Mrs S.M. Michael, P. Peacock, Mrs S.E. Saddington, Mrs S. Soar, Mrs. L.M.J. Tift and I. Walker.

9. APOLOGIES FOR ABSENCE

Apologies for absence were submitted by Councillors Mrs I. Brown, M. Buttery, M.G. Cope and D.R. Payne.

10. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

11. DECLARATION OF INTENTION TO RECORD MEETING

NOTED: that there would be an audio recording of the meeting.

12. MINUTES OF MEETING HELD ON 16 JUNE 2016

AGREED that the Minutes of the meeting held on 16 June 2016 be approved as a correct record and signed by the Chairman.

13. REVIEW OF HACKNEY CARRIAGE AND PRIVATE HIRE LICENSING POLICY AND GUIDANCE

The Committee considered the report presented by the Business Manager – Environmental Health in relation to the proposed consultation of the revised Hackney Carriage & Private Hire Licensing Policy. Contained within the report was a summary of the proposed main changes, these being amendments to or the addition of: the knowledge test; relevance of convictions; vulnerable passengers; the sub-contracting by Private Hire Operators across administrative boundaries; special event vehicles; and allocation of penalty points for breaches of licensing conditions and of legislation and/or vehicle and driver conditions.

Members discussed in detail the implications of the use of sub-contracting across boundaries which had become permissible under the provisions of the Deregulation Act 2015. The Business Manager advised that a number of drivers were now operating within the district who had previously failed to meet this Council's standard to gain a licence but who had subsequently been awarded a Private Hire Licence by the licensing authority in Wolverhampton. It was noted that this was also the case within the Mansfield district.

Members were further advised that because the drivers were not licensed by this Council, there were no enforcement or inspection powers. However, should any complaints be received by members of the public these would be passed to Wolverhampton and pursued rigorously through their procedures and that Mansfield DC had indicated that they would also be following the same course of action.

A Member of the Committee queried as to why there was not a national policy rather than each local authority adopting their own procedures. In response, the Business Manager advised that approximately 2 years previously the Law Commission had carried out a study into the hackney carriage and private hire taxi licensing regime with a key recommendation from the findings being that a national standard should be adopted. The findings of the study were reported to the then coalition government but subsequently no changes had been affected.

In relation to passenger safety, specifically children travelling alone, a Member of the Committee queried as to who held the responsibility to monitor the suitability of the drivers. The Business Manager advised that each driver licensed by this Council were required to undergo safeguarding training but again, there was no national standard for this. It was noted that all the local authorities within Nottinghamshire had agreed and adopted the same standard. It was suggested that the aforementioned authority in Wolverhampton be advised that unless their drivers were required to undergo training they would not be permitted to work in this Council's district. The Business Manager again advised that because the drivers were not licensed by this Council there were no enforcement or inspection powers but that the issue would be raised with Wolverhampton's Safeguarding Board.

In response to a query as to whether obtaining licences from one authority to work in another was a national problem, the Business Manager advised that sub-contracting was popular but mostly for valid work reasons. However, it was becoming more of an issue in the District and was known to be an increasing problem in the Mansfield district and Rotherham. He advised that the matter would be raised at county group level who in turn met and held discussions at a national level.

It was noted that the Council's Hackney Carriage and Private Hire Driver's application form asked if the applicant had ever had a licence refused or revoked but that this was not necessarily a question on all application forms. It was acknowledged that should the driver have their licence revoked they could apply elsewhere and a licence be granted. This would then enable them to operate in this Council's area and there was no mechanism to stop that happening. The Business Manager advised that he would raise this at a national level and that it could also be raised with local MPs.

AGREED (unanimously) that:

- (a) the new Hackney Carriage and Private Hire Policy be noted;
- (b) the timetable for the review and consultation exercise, as reported in paragraph 4.1, be approved; and
- (c) the following recommendations be actioned by the Business Manager – Environmental Health:

- (i) the issue of Hackney Carriage & Private Hire Drivers undertaking Safeguarding Training be raised with the Licensing Authority in Wolverhampton;
- (ii) the issue of Hackney Carriage & Private Hire Drivers obtaining a licence from other licensing authorities and then operating in other areas be raised at a county level and request that it also be raised at a national level; and
- (iii) the issues surrounding the revocation of licences and subsequent granting of licences from other licensing authorities without any mechanism to prevent them operating in the district of where the licence was revoked be raised at a national level and with local MPs.

14. UPDATE ON PERFORMANCE AND ENFORCEMENT MATTERS

The Committee considered the report presented by the Licensing Manager in relation to the activity and performance of the Licensing Team together with details of current ongoing enforcement issues.

Information contained in the report related to the number of applications for the grants and renewals of licences for Hackney Carriage; Private Hire; and Ambulance Drivers together with those for Hackney Carriage and Private Hire Vehicles. Information was also provided in relation to Street Collections and House to House Collections. A note of ongoing enforcement activity was also listed with information as to what action had been taken to date.

AGREED that the report be noted.

The meeting closed at 6.29pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the **LICENSING COMMITTEE** held on Thursday, 8 September 2016 in Room G21, Kelham Hall immediately following the meeting of the General Purposes Committee.

PRESENT: Councillor Mrs R. Crowe (Chairman)
Councillor I. Walker (Vice - Chairman)

Councillors: Mrs K. Arnold, Mrs B.M. Brooks, D. Clarke, Mrs S.M. Michael, P. Peacock, Mrs S.E. Saddington, Mrs S. Soar, Mrs. L.M.J. Tift and I. Walker.

9. APOLOGIES FOR ABSENCE

Apologies for absence were submitted by Councillors Mrs I. Brown, M. Buttery, M.G. Cope and D.R. Payne.

10. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

11. DECLARATION OF INTENTION TO RECORD MEETING

NOTED: that there would be an audio recording of the meeting.

12. MINUTES OF MEETING HELD ON 17 MARCH 2016

AGREED that the Minutes of the meeting held on 16 June 2016 be approved as a correct record and signed by the Chairman.

13. LICENSING ACT TRAINING

The Committee considered the report presented by the Business Manager – Environmental Health in relation to Licensing Act training that had been held at the Hostess Restaurant in Mansfield on 1 July 2016.

It was noted that the feedback from the training had been positive and useful to both experienced and new Members to the licensing regime.

Some Members of the Committee commented that they considered the morning session to be of benefit but that the examples of poor practice in relation to hearings provided in the afternoon session had been of little use and that they would have preferred a more formal example of how a hearing should be conducted.

In relation to the venue, Members all agreed that the service and facilities provided were excellent.

AGREED (unanimously) that the above comments be fed back to the Nottinghamshire Authorities Licensing Group.

14. COUNTY WIDE BEST BAR NONE SCHEME

The Committee considered the report presented by the Business Manager – Environmental Health which provided an update on the progress of the County Wide Best Bar None Scheme.

The report provided background information to the scheme and listed a number of issues that it would look to promote in order to raise standards in licensed premises. Information was included as to the number of premises who had expressed an interest in joining the scheme in the first year and that the Red Lion in Farnsfield had been awarded the Best Village Pub in the countywide public vote. It was reported that applications for the second year were at the same level as the previous year but had been received from different premises.

AGREED (unanimously) that:

- (a) the progress of the Nottinghamshire County Best Bar None Scheme be noted; and
- (b) the proposals for both local and county wide award ceremonies be supported.

15. TEMPORARY EVENT NOTICES RECEIVED AND ACKNOWLEDGED BETWEEN 1 APRIL AND 30 JUNE 2016 INCLUSIVE

NOTED the Temporary Event Notices received and acknowledged between 1 April and 30 June 2016 inclusive.

16. UPDATE ON QUARTERLY PERFORMANCE AND ENFORCEMENT MATTERS

The Committee considered the report presented by the Licensing Manager in relation to the activity and performance of the Licensing Team together with details of current ongoing enforcement issues.

Information contained within the report related to the number of applications for the grant or variation of licences received between 1 April and 30 June 2016. Members queried whether any feedback had been received in relation to the Wellfest Premises Licence that had been granted following a Licensing Hearing. It was reported that three complaints had been received about the event, two of which were in relation to noise nuisance. One of the noise complaints had alleged that music had been playing after the licence terminal hour but this was found not to be the case. Concerns had also been raised about the behaviour of one of the acts but from speaking to the Safety Advisory Group after the event, this had been highlighted to the artistes and they had tailored their performance to their audience for that event.

AGREED (unanimously) that the reported be noted.

Prior to closing the meeting, the Chairman advised that she had held discussions with the Business Manager – Environmental Health in relation to items for inclusion on future agendas of the Committee. These items related to:

- Refresher training sessions to be held following Committee meetings if the agenda permitted;
- Update reports in relation to Pub Watch, giving information about attendees and numbers; and
- Update reports in relation to Licensing Applications in order that Members are kept briefed of what was happening across the district.

The Chairman also advised that the Committee were to be invited to a Night Time Economy visit in Newark and that this was likely to be in late November, commencing at approximately 23:00 hours.

The meeting closed at 6.50 pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 2 August 2016 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)

Councillors: D.M. Batey, R.V. Blaney, Mrs C. Brooks, R.A. Crowe, Mrs M. Dobson, G.P. Handley, J. Lee, N.B. Mison, Mrs P.J. Rainbow, Mrs L.M.J. Tift, I. Walker, B. Wells and Mrs Y. Woodhead

42. APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor Mrs S. E. Saddington.

43. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

NOTED that the following Members declared an interest in the items shown below:

<u>Member/Officer</u>	<u>Agenda Item</u>
Councillor D.R. Payne	Agenda Item No. 5 – Little Hollies, The Close, Averham (16/00859/FUL) – Non disclosable pecuniary interest, as the applicant was known to him.
	Agenda Item No. 14 – The Plough, Main Street, Coddington (16/00782/FUL) - Non disclosable pecuniary interest, as the applicant was known to him.

44. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

45. MINUTES OF THE MEETING HELD ON 5 JULY 2016

AGREED that the minutes of the meeting held on 5 July 2016 be approved as a correct record and signed by the Chairman.

46. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business as follows: Agenda items 14 and 11 were taken after item 5.

Having declared a non-disclosable pecuniary interest in minute No. 47 and 48 Councillor D.R. Payne left the meeting at this point. Councillor G.P. Handley – Vice Chairman took the Chair for the duration of both items.

47. LITTLE HOLLIES, THE CLOSE, AVERHAM (16/00859/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit held prior to the meeting, which sought full planning permission for the demolition of the garage and creation of a three bedroom house, formation of a new driveway for the existing dwelling, Little Hollies.

Members considered the application and took into account that three previous applications on this site had been refused and dismissed on appeal. The 5 year land supply was also discussed and Members felt that the Authority had evidence that the 5 year land supply had been met on the basis of the Objectively Assessed Need. It was therefore considered that the need criterion of Policy SP3 should attract weight, which together with the fact that applications for housing on this site had been refused three times and dismissed on appeal in the past should warrant refusal.

AGREED (with 11 votes for and 2 votes against) that contrary to Officer recommendation, full planning permission be refused for the reason of no proven need.

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
D. Batey	For
R.V. Blaney	For
Mrs C. Brooks	Against
R.A. Crowe	For
Mrs M. Dobson	For
G.P. Handley	For
J. Lee	For
N. Mison	For
D.R. Payne	Declared an interest and left the meeting
Mrs P.J. Rainbow	For
Mrs S.E. Saddington	Absent
Mrs L.M.J. Tift	Against
I. Walker	For
B. Wells	For
Mrs Y. Woodhead	For

48. THE PLOUGH, MAIN STREET, CODDINGTON (16/00782/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought alterations to the public house, to form three first floor apartments, the relocation of the car park and the erection of three dwellings which was a re-submission of 15/02253/FUL.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Coddington Parish

Council and the Planning Case Officer.

Councillor D. Armstrong, representing Coddington Parish Council, spoke against the application in accordance with the views of the Parish Council, as contained in the report.

Members considered the application and it was commented that there was not a housing need in Coddington as there was already extant permission for 8 bungalows and three further dwellings. There was also no need for a further public house as there was already one in the village. Concern was also raised regarding the existing traffic issues and that these would be exacerbated.

The Planning Officer informed Members that the previous application which was subject to an appeal had only been refused on the grounds of impact on amenity of neighbouring dwellings and highways issues relating to visibility splays on the previous car park layout and not on lack of housing need. The differences between the previous application in terms of proposed car park position and position of new dwellings relative to existing dwellings on Main Street were also clarified.

Members considered the advice of the Planning Officer but concluded that as the Council has a 5 year land supply based on its Objectively Assessed Need (which admittedly had not been tested via Plan Review) that the issue of lack of need should be a significant consideration which should outweigh other material planning considerations, including bringing back into use the public house.

Members also raised concerns regarding impact on neighbouring amenity of properties on Main Street on the basis that the distance between proposed dwellings and their parking spaces and existing dwellings was still insufficient, especially when considered alongside topography. Members finally raised concerns with increased traffic and greater vehicular movements (as a result of a larger car park and additional housing).

AGREED (with 11 votes for and 2 votes against) that contrary to Officer recommendation full planning permission be refused for the following reasons:

- (i) lack of proven local need which is not outweighed by other material considerations;
- (ii) impact on the highway from additional traffic generated by the development in a busy location close to a cross road junction; and
- (iii) impact on the amenity of dwellings on Main Street due to layout, proximity, and topography

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
D. Batey	For
R.V. Blaney	For
Mrs C. Brooks	Against
R.A. Crowe	For

Mrs M. Dobson	For
G.P. Handley	For
J. Lee	For
N. Mison	For
D.R. Payne	Declared an interest and left the meeting
Mrs P.J. Rainbow	For
Mrs S.E. Saddington	Absent
Mrs L.M.J. Tift	Against
I. Walker	For
B. Wells	For
Mrs Y. Woodhead	For

Councillor D.R. Payne returned to the meeting and resumed Chairman for the remaining items on the agenda.

49. NEWARK BOYS CLUB, GEORGE STREET. NEWARK (16/00314/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought planning permission for the conversion of the application building to form seven one bedroom residential apartments. Apartments 1, 2 and 3 were located on the basement floor, apartments 4, 5, 6 were duplex apartments, with living accommodation on the first floor and bedrooms within the attic floor. Apartment 7 had accommodation over the basement floor and first floor with a double height vaulted ceiling.

Councillor M. Skinner representing Newark Town Council spoke against the application in accordance with the views of the Town Council, as contained in the report.

Members considered the application and whilst some Members commented on the poor design leading to a dingy building other Members commended the design and application in view of bringing an old building back into use. It was also noted that the building was a recorded building of interest. Concerns were however raised regarding parking and highways issues.

AGREED (with 9 votes for, 4 votes against and 1 abstention) that full planning permission be approved subject to the conditions contained within the report.

50. 94 LOWER KIRKLINGTON ROAD, SOUTHWELL (16/00634/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the demolition of an existing garage within the curtilage of 94 Lower Kirklington Road followed by the erection of a two-storey, two-bedroom detached dwelling.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from local residents.

The Local Ward Member raised concerns regarding the proposal and felt that the

building would be overbearing and would lead to lack of light to the neighbouring properties. Existing problems regarding parking in the vicinity had been previously reported.

AGREED (unanimously) that full planning permission be refused for the reasons contained within the report.

51. WESLEY COTTAGE, CHAPEL LANE, OXTON (16/00772/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit held prior to the meeting, which sought planning permission for a resubmission of a currently extant consent (13/01132/FUL expired October 2016) for the erection of a first floor side extension, single storey side extension in addition to the construction of a detached garage.

Members considered the application and felt that the proposals would be suitable subject to the amendment of condition 1 to specify that the development shall not begin later than two years from the date of this permission bearing in mind the considerations outlined in the report.

AGREED (unanimously) that planning permission be approved subject to the conditions contained within the report and the amendment of condition 1 to specify that the development shall not begin later than two years from the date of this permission.

52. 53 WESTBROOK DRIVE, RAINWORTH (16/00625/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought planning permission for the erection of a part single storey and two storey rear extension in the position of the existing conservatory. A further single storey extension was also proposed to the front of the existing garage to create a link to the main house.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the Planning Case Officer.

Members considered the application and it was felt that whilst the garden was large enough to accommodate the scheme the house would be over-bearing on the neighbours. The detached house would look like a link house. It was commented that there was room for a development on this site, however this application was not the correct one.

AGREED (with 9 votes for and 5 votes against) that contrary to Officer recommendation full planning permission be refused on the following grounds:

- (i) over intensification; and
- (ii) impact on neighbouring properties by reason of the proposal being overbearing

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
D. Batey	Against
R.V. Blaney	Against
Mrs C. Brooks	For
R.A. Crowe	For
Mrs M. Dobson	For
G.P. Handley	For
J. Lee	For
N. Mison	Against
D.R. Payne	For
Mrs P.J. Rainbow	Against
Mrs S.E. Saddington	Absent
Mrs L.M.J. Tift	For
I. Walker	For
B. Wells	Against
Mrs Y. Woodhead	For

53. HARLOW FIELDS, STATION ROAD, EDINGLEY (16/00571/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought planning permission for the creation of an additional residential unit through the conversion of the existing blockwork rendered and tile outbuilding to form the dwelling, including a small rear extension.

Members considered the application and whilst some Members felt that the building was clearly in the open countryside and had limited architectural value, other Members considered the location to be good for a new dwelling with plenty of room and would put the building to good use and allow residents of the village to adapt their buildings to meet their changing needs. It was also commented that the removal of the roof, front wall and over-hang would essentially be a new build in the open countryside, which was contrary to planning policy.

AGREED (with 9 votes for and 5 votes against) that full planning permission be refused for the reasons contained within the report.

54. TENTERS COTTAGE, TENTERS LANE, EAKRING (16/00883/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought planning permission for the demolition of the southernmost existing cottage (No. 2 Tenters Cottage) and the erection of a replacement two bedroom cottage, demolition of derelict outbuildings (Nos 1 & 2 Tenters Cottage). The erection of a pair of two bedroom semi-detached cottages, the erection of three bedroom detached dwelling and the creation of a new access to No. 1 Tenters Cottage.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the Agent; Newark and Sherwood District Council Strategic Housing and the Planning Case Officer.

The Planning Officer informed the Committee that Condition 2 had been amended to reaffirm that phase B should be completed prior to the commencement of phase C.

Members considered the application and concern was raised regarding parking on Church Lane and also whether the phasing scheme was correct. Another Member confirmed that the phasing scheme had been written in order to prevent the semi-detached properties from being built until the renovation of the cottages had been completed. It was noted that the scheme would be an improvement and provide much needed houses.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report and the amendments to condition 2.

55. LAND TO THE REAR OF LOWFIELD COTTAGES, BOWBRIDGE LANE, BALDERTON (15/01250/OUTM)

The application was withdrawn from the agenda.

56. 8 WILLOW DRIVE, NORTH MUSKHAM (16/00155/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the erection of a terrace of three, two storey three bedroom dwellings.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the neighbour and Planning Case Officer.

Members considered the application was appropriate.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report.

57. TRENT VALLEY EQUESTRIAN CENTRE, OCCUPATION LANE, FISKERTON
(14/01428/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought consent for the change of use of the first floor educational classroom and storage rooms to holiday accommodation in connection with the equestrian business.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Trent Valley Drainage Board.

Members commented that the application would be an enhancement to the business. A Member also asked whether Health and Safety would be considered by the applicants in implementing the proposed change of use. Officers confirmed that this was covered by separate legislation, however any internal alterations to implement the change of use may require Building Regulations approval and an informative could be attached to any decision.

AGREED (unanimously) that full planning permission be granted, subject to the conditions contained within the report.

58. MEADOW LEA, NEWARK ROAD, KILVINGTON (16/00535/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the erection of two storey detached house as per planning permission 10/01728/FUL, originally this was presented as an application for a replacement dwelling, however with the agreement of the applicant the description of the development had been amended.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the agent and applicant in the form of two letters.

Members considered the application and felt that as there had always been a building in situ and given the previous clear intent to replace it, it would be unreasonable not to allow planning permission subject to a condition to specify that the development shall not begin later than one year from the date of this permission and other reasonable conditions delegated to officers.

AGREED (with 12 votes for and 2 votes against) that contrary to Officer recommendation, full planning permission be approved subject to the following:

- (i) a condition to specify that the development shall not begin later than one year from the date of this permission; and
- (ii) reasonable conditions delegated to officers.

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
D. Batey	For
R.V. Blaney	Against
Mrs C. Brooks	For
R.A. Crowe	For
Mrs M. Dobson	For
G.P. Handley	For
J. Lee	For
N. Mison	For
D.R. Payne	For
Mrs P.J. Rainbow	For
Mrs S.E. Saddington	Absent
Mrs L.M.J. Tift	For
I. Walker	For
B. Wells	Against
Mrs Y. Woodhead	For

59. APPEALS LODGED

NOTED that the report be noted.

60. APPEALS DETERMINED

NOTED that the report be noted.

The meeting closed at 6.10pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 6 September 2016 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)

Councillors: D.M. Batey, R.V. Blaney, Mrs C. Brooks, R.A. Crowe, Mrs M. Dobson, G.P. Handley, J. Lee, N.B. Mison, Mrs P.J. Rainbow, Mrs S. E. Saddington, Mrs L.M.J. Tift, I. Walker, B. Wells and Mrs Y. Woodhead.

ALSO IN

ATTENDANCE: Councillors: K.F. Girling and R.J. Jackson.

61. APOLOGIES FOR ABSENCE

There were none.

62. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

NOTED that the following Members declared an interest in the items shown below:

<u>Member/Officer</u>	<u>Agenda Item</u>
Councillors D.R. Payne and Mrs P.J. Rainbow	Agenda Item No. 14 – Site at Springfield Bungalow, Nottingham Road, Southwell (15/01295/FULM) – Non disclosable pecuniary interest, as the applicant was known to them.
Councillor G.P. Handley	Agenda Item No. 12 – Brinkley Hall Farm, Fiskerton Road, Brinkley (16/00589/FUL) – Personal interest, as the architect was known to him.

63. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

64. MINUTES OF THE MEETING HELD ON 2 AUGUST 2016

AGREED that the minutes of the meeting held on 2 August 2016 be approved as a correct record and signed by the Chairman.

65. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda item 14 was taken as the last item of business.

66. COACH AND HORSES PUBLIC HOUSE, NOTTINGHAM ROAD, THURGARTON (16/01161/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit held prior to the meeting, which sought full retrospective planning permission for proposed residential development to comprise redevelopment of former Coach and Horses public house to provide 3 no. three-bedroom dwellings (retrospective).

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the Contractor and a neighbour and set out proposed changes to wording of two conditions.

Councillor R.J. Jackson, as local Ward Member for Dover Beck Ward spoke against the application on the grounds that the proposals were not in accordance with the original plan. Thurgarton Parish Council had been consulted by the developer and asked what properties were required in the village; the Parish Council had informed the developer that there was a need for smaller two bedroomed dwellings as starter homes or for residents wanting to down size. The value of the houses would increase due to the increase in number of bedrooms from two to three. The development would not incur a Section 106 or CIL, it was therefore felt that as the application was retrospective the developer should be asked to make a financial contribution towards the village hall for the benefit of the community and as a good will gesture to the village for their oversight.

The Chairman informed the Committee that this request was not within the gift or power of the Local Authority to ask for a financial donation; however it was thought that the developer was in attendance of the meeting and may take this on board separately.

Members considered the application and it was commented that the site had been sold on to a new developer. Members felt that the builder had taken a cavalier approach regarding the internal design of the properties. Members had however been informed that the footprint of the three properties was the same as the original planning permission and if the houses had been built and sold as two bedroomed properties, the new owners could have reconfigured the internal layout of the properties without the need for planning permission. The increase in value for the development was approx. £400,000 and the increase in cost being £300,000 (without having regard to land purchase price). It was felt that it would be morally helpful if the applicant would liaise with and give in some way to the community to alleviate their disappointment, albeit it was accepted that this would be between the applicant and the Parish and not required for the purposes of the planning application.

Members also commented that the development was on a brown field site which was receiving sympathetic modernisation.

AGREED (with 13 votes for and 1 vote against) that full planning permission be approved subject to the conditions contained within the report as amended by the late items schedule.

67. CARR FARM HOUSE, 1 ORCHARD LANE, CAYTHORPE (16/00893/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought planning permission for the erection of an attached double garage.

Councillor R.J. Jackson, as local Ward Member for Dover Beck Ward spoke in support of the application. He commented that the development fitted into the green belt. When the original application for this development was submitted in 2011 the application was refused on incorrect footprint sizes and it was argued that the footprint was larger than agreed. The garage would be in keeping with that of the neighbouring property. There had been a lot of thefts in the village and the garage would be used to store cars, bikes etc and would have no detrimental impact on the green belt.

Members considered the application and it was commented that the erection of the attached garage would not have an adverse impact on the street scene or green belt and would enhance the street scene if a window was included in the proposed side garage wall.

A Member sought clarification as to whether the applicant would be allowed in future to build on top of the garage. The Business Manager confirmed that the permitted development rights had already been removed to prevent any further development, albeit permission would not be required for internal works/conversion.

(Councillor Mrs Y. Woodhead attended the meeting during the presentation and took no part in the vote).

AGREED (with 10 votes for and 4 votes against) that contrary to Officer recommendation, full planning permission be approved subject to the following:

- (i) appropriate conditions;
- (ii) the application being advertised as a departure to the development plan; and
- (iii) no new material planning issues not already addressed being received.

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
D. Batey	Against
R.V. Blaney	For
Mrs C. Brooks	Against
R.A. Crowe	For
Mrs M. Dobson	For
G.P. Handley	For
J. Lee	Against
N. Mison	Against
D.R. Payne	For

Mrs P.J. Rainbow	For
Mrs S.E. Saddington	For
Mrs L.M.J. Tift	For
I. Walker	For
B. Wells	For
Mrs Y. Woodhead	Took no part in the vote

68. LAND TO THE SOUTH OF BILSTHORPE ROAD, EAKRING (16/00819/FULM)

This application was deferred from the agenda at the applicant's request.

69. NEWARK AND SHERWOOD PLAY SUPPORT GROUP, EDWARD AVENUE, NEWARK (16/00992/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought planning permission for the change of use of premises from B1 to A1 (retail) to include a butchery and tea room.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from neighbours.

Councillor K.F. Girling, local Ward Member for Newark Castle Ward spoke against the application on the grounds of the proposed site being in an extremely quiet cul-de-sac, occupied primarily by elderly and disabled residents. It was felt that the car park facilities were inadequate with thirteen spaces and customers would park on the road side which would cause problems for residents. Delivery vehicles would also cause traffic congestion on the street; one car had already been damaged.

Members considered the application and felt that this was the wrong business in the wrong location. The street was narrow with residential parking restrictions in operation. Members questioned where customers would park and felt that the proposal would impact on residents' amenity. A Member further commented that this site would be perfect for a residential scheme.

AGREED (with 13 votes for, 1 vote against and 1 abstention) that contrary to Officer recommendation, full planning permission be refused on the following grounds:

The site is a quiet cul-de-sac road, overwhelmingly residential in character (and quiet as a consequence of the cul-de-sac and lack of other uses which generate regular vehicle movements consistently throughout the day), with residents parking restrictions in place. The proposal would lead to activities over and above the existing use (which as B1 is relatively limited in terms of comings and goings) to such a degree that associated comings and goings (customer vehicles and deliveries) would lead to disturbance and on street parking, contrary to the parking regime in place, to the unacceptable detriment of residential amenity.

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
D. Batey	For
R.V. Blaney	For
Mrs C. Brooks	For
R.A. Crowe	For
Mrs M. Dobson	For
G.P. Handley	For
J. Lee	Abstention
N. Mison	For
D.R. Payne	Against
Mrs P.J. Rainbow	For
Mrs S.E. Saddington	For
Mrs L.M.J. Tift	For
I. Walker	For
B. Wells	For
Mrs Y. Woodhead	For

70. LAND AT BEACON HILL ROAD, NEWARK (15/02256/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit held prior to the meeting, which sought planning permission for the erection of two, four bedroomed properties and one five bedroomed property.

Members considered the application and felt that this site was acceptable for development. It was also commented that to the rear of the site would be another strategic site in the near future. Concern was however raised regarding any overlooking issues onto the neighbouring property No. 142 and the importance for the planting scheme to alleviate that issue. An extension to the existing public footpath along Beacon Hill Road to serve the development was also considered essential.

The Business Manager Growth and Regeneration informed Members that Condition 5 could be changed from hard landscaping only to include a more robust soft landscaping scheme.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report and a more robust landscaping scheme to boundary with nearest resident to the west.

71. UNITS 1 AND 2 FOREST CORNER, EDWINSTOWE (15/01060/FUL)

The Committee considered the report of the Deputy Chief Executive which sought full planning permission for the conversion of the store building to a Craft Centre Annexe for an additional craft workshop with associated sales.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the Applicant.

Members considered the application and felt that it was appropriate.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report.

72. 1 POST OFFICE LANE, SOUTH SCARLE (16/01038/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the conversion and extension of an existing detached barn on the site to form an independent dwelling. This application was a resubmission of application 16/00052/FUL.

The Business Manager Growth and Regeneration commented on two additional concerns which had been raised by the local community. The first being that the host dwelling would have inappropriate and disproportionately low level of amenity space. The second being a domestic garage adjacent which generated noise through the use of noisy industrial equipment, and although it could be considered incidental to the enjoyment of that dwelling, the amenity of occupiers of the new dwelling could be adequately dealt with through a condition requiring noise insulation and therefore was not a valid reason for refusal should the Committee be minded to refuse the application.

Members considered the application and it was felt that the road was too narrow and dangerous. The amenity space was inappropriate for the cottage. It was suggested that the barn should be utilised by the cottage for storage purposes.

(Councillor R.A. Crowe took no part in the vote as he left the meeting during the presentation).

AGREED (with 14 votes for) that full planning permission be refused for the reasons contained within the report and the following additional reason:

- Lack of appropriate size of amenity space remaining for the host dwelling.

73. BRINKLEY HALL FARM, FISKERTON ROAD, BRINKLEY (16/00589/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the demolition of industrial units and the erection of a new detached three bedroom, single storey house with attached garage.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the Agent.

Members noted the brownfield nature of the site, a matter important when looking at the impact upon open countryside. The Business Manager Growth and Regeneration confirmed the previously development nature of the land.

Members considered the application and were on balance persuaded that the proposal could be appropriate on the basis of the brownfield site and the fact that the applicant was prepared to ensure that the house proposed would be the first one of straw bale construction to achieve passive haus standards. The Business Manager recommended that conditions to secure pre, during, post and monitoring be attached to any planning permission.

AGREED (with 14 votes for and 1 vote against) that full planning permission be approved subject to the conditions and reasons contained within the report and the additional condition to secure passive haus (pre, during, post, construction and post completion monitoring).

74. FORMER PIANO SCHOOL, MOUNT LANE, NEWARK (16/00741/FULM)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the conversion of buildings to five self-contained studios, three one - bed apartments, one two - bed apartments and three four - bed cluster apartments. This application was a resubmission of application 15/01260/FULM.

Members considered the application and were advised that the original application had been granted on appeal. The resubmission before Committee had two units less than the original application and was therefore an improvement to what had already been granted.

(Councillor J. Lee took no part in the vote as he left the meeting during the presentation).

AGREED (with 11 votes for and 3 votes against) that full planning permission be approved subject to the conditions contained within the report.

75. APPEALS LODGED

NOTED that the report be noted.

76. APPEALS DETERMINED

The Business Manager Growth and Regeneration informed the Committee of the appeal allowed and planning permission granted at 5 Queen Street, Balderton (16/00178/FUL). The Inspector had concluded that there were no procedural problems, but because Highways grounds had been included as a reason for refusal and the County Highways Authority had not opposed the application, the Authority was made to pay costs.

The Business Manager Growth and Regeneration also took the opportunity to advise the Committee on three issues that had occurred at other local authorities.

Colleagues at Erewash Borough Council had received an Ombudsman complaint where maladministration had been found as the Committee minutes had not provided full and robust reasons for approving a proposal contrary to Officer advice.

A Judicial Review challenge had been made on the grounds of the lack of robust content of the Planning Committee minutes. A judgement was awaited.

Members were advised of issues which had arisen with the Fast Track Householder appeal service administered by the Planning Inspectorate. If a house holder application was refused by Committee contrary to Officer recommendation (which is relatively rare in terms of items considered by the Committee) the Planning Authority had no further opportunity to submit a supplementary appeal statement. Consequently the minutes were the sole basis for an Inspector understanding the Council's position. On this basis Officers and Members were asked to ensure that minutes were robust and as detailed as required in such circumstances.

NOTED that the report be noted.

(Having declared non - disclosable pecuniary interests Councillors D.R. Payne and Mrs P.J. Rainbow left the meeting at this point).

77. SITE AT SPRINGFIELD BUNGALOW, NOTTINGHAM ROAD, SOUTHWELL (15/01295/FULM)

The Committee considered the report of the Deputy Chief Executive, which sought an amendment from the applicant to the proposed conditions relating to Springfield Bungalow, Southwell.

This application was presented to the 7 June 2016 Planning Committee, where Members resolved to grant planning permission in accordance with officer recommendation and to delegate the approval of conditions to the Business Manager Growth and Regeneration in consultation with the Planning Committee Chairman and Vice-Chairman.

A meeting was held on the 30 June 2016 and the following wording of the conditions to be attached to the planning permission was agreed as contained within the report.

Subsequent to the meeting the applicant had advised that they remained concerned with the issue of when and how the access to the market units could be commenced. On the one hand the applicant was keen to implement in order to finally resolve land ownership disputes between parties regarding the ability to construct the access and particularly the visibility splays. On the other hand an implementation of the site access pursuant to this planning permission would trigger the CIL charge. Accordingly the applicant had suggested a revised condition 1 such that consideration of the residential access would not trigger CIL, rather it would only be future subsequent development.

The Business Manager Growth and Regeneration did not recommend any changes to the conditions already agreed in consultation with the Planning Committee Chairman and Vice-Chairman. It was re-affirmed that the S106 agreement would include provisions for the management and maintenance of on-site infrastructure (eg. open space, flood infrastructure), and that it would be concluded by the Business Manager, after consultation with Councillor Handley and Councillor Blaney.

AGREED (unanimously) that the conditions agreed between the Business Manager Growth and Regeneration and the Planning Committee Chairman and Vice-Chairman be approved as contained within the report.

The meeting closed at 6.20pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Special Meeting of the **PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 13 September 2016 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)

Councillors: R.V. Blaney, Mrs C. Brooks, R.A. Crowe, Mrs M. Dobson, G.P. Handley, J. Lee, N.B. Mison, Mrs P.J. Rainbow, Mrs S. E. Saddington, Mrs L.M.J. Tift, I. Walker, B. Wells and Mrs Y. Woodhead

78. APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor D.M. Batey.

79. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

NOTED that the following Member declared an interest in the items shown below:

<u>Member/Officer</u>	<u>Agenda Item</u>
Councillor N. Mison	Agenda Item No. 4 – Land at Fernwood South, Nottinghamshire (16/00506/OUTM) – Personal interest, the Councillor is a resident of Fernwood.

80. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

81. LAND AT FERNWOOD SOUTH, NOTTINGHAMSHIRE (16/00506/OUTM)

The Committee considered the report of the Deputy Chief Executive, which sought outline planning consent for a residential led mixed use development comprising up to 1,800 dwellings, a local centre, a primary school, a sports hub with extensive areas of public open space and associated infrastructure. The application had been submitted on the basis of all matters except access being reserved.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the following: a neighbouring party; neighbouring parties from Claypole; the applicant; consultee responses; and the case officer.

A plan of the proposed site including a map of the area was tabled for Members at the meeting.

The Planning Committee Chairman informed the Committee of a typographical error in the report. The recommendation should read 'outline planning permission' and not full

planning permission as stated in the report.

The Business Manager Growth and Regeneration informed the Committee that Condition 13 had been changed to include a construction requirement for reasonable access to the existing residential dwellings, as detailed in the Late Items Report. A typographical error was also noted on page 88 of the report which should read as follows:

- 48% of units will be intermediate provision (the policy aspiration is **40%**), consisting of:
 - 25% of units to be shared ownership;
 - 75% of units to be Discount Open Market Value (DOMV) properties, with a discount of 25%;
- 52% of units will be affordable rent provision (the policy aspiration is **60%**), owned and managed by a Private Registered Provider or the Local Authority.

The Business Manager Growth and Regeneration informed the Committee that whilst the overall numerical value and percentage split between Intermediate and Affordable Rent was being secured, the actual split of house types (eg. number of 1, 2, 3, 4 bed units) was to be negotiated and agreed by Officers prior to the signing of the S106 Agreement.

The Chairman sought clarification regarding the payment through the management company towards the allotments and questioned why all residents would have to contribute towards those allotments if they choose not to have one. The Business Manager Growth and Regeneration confirmed that this would be addressed as part of the management arrangements secured.

Councillor Gould representing Fernwood Parish Council spoke against the application in accordance with the views of the Parish Council, as contained within the report.

Councillor Bett representing Barnby in the Willows Parish Council expressed concerns regarding potential traffic congestion, but acknowledged that the Parish Council had not opposed the application as reflected within the report.

Councillor Wood representing South Kesteven District Council spoke regarding the application in accordance with the views of South Kesteven District Council. Whilst South Kesteven District Council had no fundamental objection to the proposal, he asked that careful consideration being given to certain points as contained within the report.

Members considered the application and concern was raised regarding the impact from additional traffic the development would cause. A Member commented that the road network as a whole needed to be addressed to alleviate highway issues. This led to further concerns regarding the road infrastructure running through the estate to Claypole, as it was felt that would create a rat run. It was commented that the medical practice should be located on the development site. Concern was also raised regarding the development being in close proximity to the A1 and it was suggested that the design could be amended to alleviate that.

Other Members noted that in this case the Highway Authorities had not objected, nor had the Council's own independent Highway Consultants. On this basis there were no grounds to challenge the highways conclusions or the mitigation package being secured.

Current problems with the bus service to existing Fernwood were also reported. The Business Manager Growth and Regeneration confirmed that bus provision would be subsidised by the applicants relatively early given the adopted nature of Shire Lane as existing. Any bus provision could only come forward once sufficient houses were built.

A Member commented that the location of the new school was correct, but it was suggested that the school should be open before the completion of 200 dwellings. The road infrastructure around the school should also be given some consideration with the inclusion of a drop off area and double yellow lines to clearly define where parents could park, to prevent future car parking issues. The Business Manager Growth and Regeneration confirmed that recommended condition 12 would require such details to be submitted. With respect to double yellow lines this was something the County Council, as Local Highway Authority, could pursue.

The inclusion of solar panels and underground water collection tanks within the development was also suggested.

Concern was raised regarding the proposed sports provision, as the identified land was divided by Shire Lane, with changing facilities only on one side. This was considered not suitable given that children would have to cross Shire Lane to use the changing facilities on the adjacent land. The Business Manager Growth and Regeneration confirmed that the applicants Design and Access Statement referred to changing provision on either side of Shire Lane. A condition could be attached and/or amended to secure this.

Concern was also raised regarding the access to Syvlan Way Depot which would result in shared residential and HGV traffic, including potential conflicts. The Business Manager Growth and Regeneration suggested that any reserved matters should set out how any conflict was being minimised to an acceptable level.

A local Member commented that land for a cemetery and a communal church would also be a future requirement for this area.

Clarification was sought as to whether the Authority was securing all required developer contributions that the Authority was seeking. The Business Manager Growth and Regeneration confirmed that as a whole the scheme was considered to be fully compliant with the Council's Developer Contributions SPD.

A Member asked that conditions 13 and 14 regarding noise would be thought through carefully in order that noise and disruption be kept to a minimum and controlled.

Concerns were raised regarding the proposed Management Company and how that would operate. The Business Manager confirmed that the management company would be a requirement of a S.106 agreement and would be a not for profit organisation, set up by the developers solely to administer the management and

financial obligations associated with the communal facilities and infrastructure of a development. All details would need to be submitted prior to occupation of any unit. Confirmation was also provided by the Business Manager Growth and Regeneration that there would be adequate provision for green open space.

Clarification was sought regarding when the widening of the bridge over the A1 would commence. The Business Manager Growth and Regeneration confirmed that the Authority would take the lead on securing the widening of the bridge, which could be financed through CIL payment. The scheme would only take place when required, which would be dependent on funding (including CIL receipts) and the level of development taking place above and beyond this application.

AGREED (with 11 votes for and 3 abstentions) that outline planning permission be granted in accordance with the Officer recommendations subject to:

- (1) the final wording of conditions being agreed by the Business Manager Growth and Regeneration, in consultation with the Planning Committee Chairman and Vice-Chairman;
- (2) the signing of a S106 Agreement to secure matters outlined in the report and in particular Appendix 2 thereof, the triggers for which to be agreed by the Business Manager Growth and Regeneration, in consultation with the Planning Committee Chairman and Vice-Chairman; and
- (3) additional and/or amended conditions to secure (a). an appropriate access for existing residential properties; and (b). securing appropriate changing facilities in association with Sports Hubs on both sides of Shire Lane.

The meeting closed at 6.27pm

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **AUDIT & ACCOUNTS COMMITTEE** held in Room G21, Kelham Hall on Wednesday, 13 July 2016 at 10am.

PRESENT: Councillor Mrs S.M. Michael (Chairman)

Councillors: R.A. Crowe, G.P. Handley, Mrs P.J. Rainbow and D. Staples.

ALSO IN ATTENDANCE: Tara Beesley (Accountant)
Amanda Hunt (Principal Auditor (Assurance Lincolnshire))
Nicola Pickavance (Assistant Business Manager - Financial Services NSDC)
Lucy Pledge (Audit and Risk Manager (Head of Internal Audit)
Assurance Lincolnshire)
John Sketchley (Audit Manager (Assurance Lincolnshire))

1. APOLOGIES FOR ABSENCE

There were none.

2. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

3. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

4. MINUTES OF MEETING HELD ON 27 APRIL 2016

AGREED that the Minutes of the meeting held on 27 April 2016 be approved as a correct record and signed by the Chairman.

5. TREASURY MANAGEMENT OUTTURN REPORT

The Committee considered a report presented by the Council Accountant in relation to a review of the Annual Treasury Outturn report, full details of which would be presented to Council on 11 October 2016.

The report contained information on the economic background; local context; borrowing strategy; investment activity; and compliance with prudential indicators.

A Member suggested that given the uncertainty with the economy the report may need amending at Appendix C before being considered by Council at its meeting in October 2016. It was proposed that the Council's Accountant update the report in consultation with the Committee Chairman.

AGREED that:

- (a) the Treasury outturn position for 2015/16 be noted; and
- (b) the report be updated in consultation with the Committee Chairman and referred to Council for consideration and approval.

6. INTERNAL AUDIT PROGRESS REPORT

The Committee considered a report presented by the Principal Auditor Assurance Lincolnshire which sought Member comments upon the latest Internal Audit Progress Report which covered the period up to 31 May 2016.

A Member sought clarification regarding Appendix 2, ICT and Safety having medium assurances outstanding and whether there was a problem within those Business Units.

The Principal Auditor Assurance Lincolnshire confirmed that this was being followed up with the Business Managers and although those areas had been highlighted as medium risk, the implementation date was not to date due. The Audit and Risk Manager Assurance Lincolnshire confirmed that she would liaise with the Business Manager & Financial Officer – Financial Services regarding this and decide whether the Business Managers should be invited to attend a future meeting of the Committee to explain why the actions had not been implemented. A briefing paper would be circulated to Members of the Committee providing more information regarding this matter.

A Member provided some feedback regarding the Audit Committee training event – ‘Audit Committee Effectiveness’ which he had attended in June 2016, at Gedling Borough Council. The Member commented that the training session concentrated on the effectiveness of the Audit Committee and whilst he commented that he thought the Committee was effective, he suggested reviewing how the Committee reported back to Council, as other Councils reviewed what had been achieved by their Audit & Accounts Committee and submitted an annual report to Council.

AGREED that:

- (a) the Internal Audit progress report be noted; and
- (b) a briefing paper regarding outstanding Business Unit actions be circulated to Members of the Committee.

7. ANNUAL INTERNAL AUDIT REPORT

The Committee considered a report presented by the Audit and Risk Manager Assurance Lincolnshire, which sought Member comments regarding the Annual Internal Audit Report 2015/16.

It was noted that the purpose of the annual internal audit report was to provide a

summary of Internal Audit work undertaken during 2015/2016 to support the Annual Governance Statement by providing an opinion on the organisation's governance, risk management and internal control environment. Included within the Audit report were: opinion on the overall adequacy and effectiveness of the organisation's governance, risk and internal control environment; disclosure of any qualifications to that opinion, together with the reasons for the qualification; summary of audit work undertaken, including reliance placed on the work of other assurance bodies where applicable; drew attention to any issues that were particularly relevant to the Annual Governance Statement; summarised the performance of the internal audit function against the key performance measures; and commentary on compliance with standards.

Members had received an updated Annual Report due to one minor amendment.

A Member sought clarification regarding Payment Card Industry Data Security Standard and why that standard had been so difficult to achieve. The Audit Manager Assurance Lincolnshire confirmed that the Council had to comply with set standards and had struggled to meet the standards, but were working towards achieving them.

A Member raised concern that the Authority only had one procurement officer and felt that this was a vulnerable position for the Council. The Audit and Risk Manager Assurance Lincolnshire suggested that a report be provided to the Committee showing that implementations were in place to prevent fraudulent activity.

AGREED that:

- (a) the Annual Internal Audit Report be noted; and
- (b) a report be provided to a future meeting of the Committee showing the implementations in place to prevent fraudulent activity.

8. SETTING THE DATE OF THE STATEMENT OF ACCOUNTS TRAINING SESSION

The Committee considered a report presented by the Assistant Business Manager – Financial Services which advised Members of a training session to cover their role in approving the Statement of Accounts.

A Member asked whether the training could provide a full analysis of reserves including a detailed movement of reserves.

The Assistant Business Manager – Financial Services confirmed that the Statement of Accounts format was due to change next year and it would be good for the Committee to concentrate on reserves and key figures.

AGREED that the Statement of Accounts training would be provided on 10 August 2016 and include a full analysis of reserves including a detailed movement of reserves.

9. AUDIT COMMITTEE WORK PROGRAMME

The Committee considered a report presented by the Assistant Business Manager – Financial Services which advised Members of the future Work Plan for the period 27 April 2016 – July 2017.

The Audit Manager sought Member agreement to put back the External Quality report to the 30 November 2016 meeting of the Committee.

AGREED that:

- (a) the Work Plan be noted; and
- (b) the External Quality Report be reported to the 30 November 2016 meeting of the Audit & Accounts Committee.

10. DATE OF NEXT MEETING

NOTED that the date of the next meeting was Wednesday 7 September 2016.

The meeting closed at 11.08am.

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **AUDIT & ACCOUNTS COMMITTEE** held in Room G21, Kelham Hall on Wednesday, 7 September 2016 at 10am.

PRESENT: Councillor Mrs S.M. Michael (Chairman)

Councillors: R.A. Crowe, G.P. Handley, P.J. Rainbow and D. Staples.

ALSO IN ATTENDANCE: Nicky Lovely (Business Manager and Chief Financial Officer- NSDC)
Amanda Hunt (Principal Auditor (Assurance Lincolnshire))
Nicola Pickavance (Assistant Business Manager- Financial Services NSDC)
Lucy Pledge (Audit and Risk Manager (Head of Internal Audit) Assurance Lincolnshire)
Jonathan Gorrie- Director KPMG
Helen Brookes – Manager KPMG

11. APOLOGIES FOR ABSENCE

There were none.

12. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

13. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

14. MINUTES OF MEETING HELD ON 13 JULY 2016

AGREED that the Minutes of the meeting held on 13 July 2016 be approved as a correct record and signed by the Chairman.

15. EXTERNAL AUDIT ANNUAL GOVERNANCE REPORT

Jonathan Gorrie and Helen Brookes drew Members' attention to the External Audit Governance Report which was presented to Members at the meeting as a late report. Mr Gorrie- Director KPMG began by thanking Officers for their co-operation in the production of the report, and informed members that it was anticipated that an unqualified opinion would be issued for the Authorities financial statements by 30 September 2016.

No material adjustments were required to the Statement of Accounts. Two other non-material adjustments were required and some small presentational changes. The non-material adjustments were detailed in the report.

The report identified three significant risks to the Authority and included findings of investigation into these areas which were: Business rate appeals, Fraud risk of revenue recognition and Management override of controls. It was noted by the Committee that these risks were common across all Local Authorities.

With regards to the Value for Money conclusion, the External Auditors had concluded that the Authority had proper arrangements in place to ensure it could provide value for money. Three key issues and associated recommendations had been included in the report, being: Accounts production process, Authorisation of Journals and Provisions. These were all given level two recommendations, which did not require immediate actions. It was confirmed by officers that the accounts had been produced by 31 May this year in line with preparations for the new statutory deadline for future years' accounts.

Finally, the audit fees were detailed within the report. It was noted that this year had, in addition, included the fee for work undertaken in relation to recovery of VAT work started in 2011.

AGREED that:

- (a) the Audit Committee receives the External Audit Annual Governance report for 2015/16;
- (b) the Committee notes the adjustments set out in the report; and
- (c) the letter of representation is signed by the Section 151 Officer, be approved.

16. APPROVAL AND SIGNATURE OF STATEMENT OF ACCOUNTS AND ANNUAL GOVERNANCE STATEMENT

The Assistant Business Manager - Financial Services presented the Statement of Accounts 2015-16 for approval in accordance with the Audit and Accounts Regulations 2015. The accounts were consolidated with finance data from the Council's subsidiary companies Newark and Sherwood Homes and Active4Today. Changes made to the accounts following the external audit were detailed in the covering report to Members, which detailed the two non-material errors in the balance sheet and one non-material error in the Housing Revenue Account.

The Committee discussed a number of points in consideration of the accounts:

- The changes made to the Annual Governance Statement had been made as required by the External Auditors;
- The Assistant Business Manager explained that the Unusable reserves absorbed charges which could not be charged to the tax payer;
- The increased spend on cultural and heritage services was due to the revaluation of the National Civil war centre building. The decrease in the value of the building compared to the cost of renovation was charged to the Business Unit, but then reversed out; and

- Members suggested that more feedback to Committees throughout the year was required to ensure that there were no large underspends. Officers explained that underspends were reviewed and if consistent underspends existed after three years the budget was not allocated again. Information on budget underspends was to be put onto the extranet so members could review them and any comments would be provided by the Business Manager. On this point, it was also important to take into account slippage of projects in the Capital Programme, which necessitated carry over of allocated budgets.

The Business Manager - Financial Services expressed her thanks to officers for producing the Statement of Accounts, which was echoed by all Members of the Committee.

AGREED that:

- (a) the Annual Governance Statement for the financial year ended 31 March 2016, be approved;
- (b) the Statement of Accounts for the financial year ended 31 March 2016 be approved; and
- (c) the Section 151 Officer and the Chairman sign the Letter of Representation, be approved.

17. INTERNAL AUDIT PROGRESS REPORT AND OUTSTANDING RECOMMENDATIONS BRIEFING PAPER

The Principle Auditor and the Audit and Risk Manager - Assurance Lincolnshire presented the Internal Audit Progress Report and also a report highlighting outstanding audit recommendations. The Committee considered the report, particularly noting that an audit undertaken into Payment Card Industry Data Security Standard had been issued with limited assurance. Recommended improvements were detailed in the report, and the Committee agreed that an update report should be presented to the next meeting of the Committee detailing any progress.

Other Audits had been issued during the period including Financial Regulations as high assurance, and Strategic Risks, Housing Benefits and Performance Management which had been given substantial assurance.

The Committee also considered networking opportunities with Members from Audit Committees at other local authorities and agreed it would be good practice to have a meeting with both internal and external auditors on an annual basis, where officers were not present.

AGREED that the report be noted.

18. RESPONSES TO QUESTIONS RAISED AT PREVIOUS MEETING

The Business Manager and Chief Financial Officer- Financial Services presented a report which detailed the answer to a question raised by the Committee at their previous meeting relating to controls to prevent procurement fraud. The Committee heard that procurement was included in the Council's Fraud Risk Register and the likelihood was rated as 'high' because it was acknowledged nationally that procurement fraud was difficult to detect, and that the Council had only one procurement officer. Training had been undertaken to raise awareness of fraud and the signs of fraud in colleagues. Restructuring the Business Unit so that the procurement function was not stand alone could also reduce the risk of fraud.

AGREED that the report be noted.

19. AUDIT COMMITTEE WORK PROGRAMME

The Committee considered a report presented by the Business Manager and Chief Financial Officer– Financial Services which advised Members of the future Work Plan for the period 30 November 2016 – July 2017.

AGREED that the Work Plan be noted.

20. DATE OF NEXT MEETING

NOTED that the date of the next meeting was Wednesday, 30 November 2016 at 9:30am, to be followed by a training session on Treasury Management for Members of the Committee.

The meeting closed at 11.28am.

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **COUNCILLORS' COMMISSION** held in Room G21, Kelham Hall, Newark on Tuesday, 31 May 2016 at 4.00pm.

PRESENT: Councillor: R.V. Blaney (Chairman)
Councillors: J. Lee, N. Mison, D.R. Payne and D. Staples.

23. MINUTES OF THE MEETING HELD ON 25 FEBRUARY 2016

AGREED that the minutes of the meeting held on 25 February 2016 be approved as a correct record and signed by the Chairman.

24. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Mr A.W. Muter – Chief Executive, declared an interest in Agenda Item No. 9 – Disciplinary Procedure for Head of Paid Service and left the meeting when considering that item.

25. APPOINTMENT OF REPRESENTATIVES ON OUTSIDE BODIES

The Commission considered the report of the Deputy Chief Executive concerning the appointment of non-elected Members as representatives of the Council on outside bodies.

The Council made appointments to outside bodies which were primarily carried out at the May Annual General Meeting. Whilst the majority of representatives appointed were elected members of the District Council, there were a small number of appointments which were not elected Members of the District Council.

Members were asked to consider whether the District Council had any obligation to reimburse the expenses of those persons whom they nominate as their representatives on outside bodies where they were not elected Members of the Council. Members also considered the value generally of continuing to make appointments to outside bodies where they did not comprise District Councillors.

Members felt that in some cases it was beneficial to have a local non-elected Member on certain groups as they had local knowledge to bring to that group. It was considered that there should be an obligation on the appointed person to report back the progress of the group to the District Council. It was also felt that as the appointments were filled usually by local people, travelling was usually minimal and therefore reimbursement of expenses was not necessary.

AGREED (unanimously) that it be recommended to Council as follows:

- (a) any person appointed as the Council's representative on an outside body should be required to report back regularly to the Council through the appropriate committee and this should be made clear as a term of their appointment;

- (b) no payment of expenses shall be made to any person appointed as the Council's representative on an outside body unless they are an officer or elected Member of the Council; and
- (c) the current wording as follows in the Council's Constitution be noted:

'Outside body appointments made by the Council will normally be to elected Members of the Newark and Sherwood District Council other than in exceptional circumstances'.

26. MEMBERS ALLOWANCES – PLANNING COMMITTEE

The Commission considered the report of the Deputy Chief Executive concerning the position in respect of the payment of allowances to Members of the Planning Committee.

Under the previously approved Members' Allowance Scheme, Members of the Planning Committee were paid a Special Responsibility Allowance (SRA) in the sum of £96 pa. The scheme did not allow the payment of more than one SRA. Where any of those Members was in receipt of another SRA they did not receive the SRA relating to their membership of the Planning Committee. With effect from 1 March 2016, the Council had adopted a new Members Allowance Scheme, which removed the SRA for Members of the Planning Committee. Clarification had been sought from some Members as to the position both prior to and after the introduction of the new Members Allowance Scheme.

Three options were available to the Council and were detailed within the report.

Members considered the three recommended options and felt option three was the most appropriate.

AGREED (unanimously) that it be recommended to Council that payment of a subsistence allowance to Members of the Planning Committee be made as follows:

- (a) On the basis that such attendance constitutes an exceptional circumstance, a payment of £8 per day will be made by way of a subsistence payment without the production of receipts, subject to the following conditions:
 - (i) the Member claiming the subsistence payment is present for the whole of the site tour and the subsequent Planning Committee meeting;
 - (ii) the site tour and Planning Committee meeting take place on the same day;
 - (iii) the maximum expenditure claimed per day is the sum of £8;

- (iv) there should be no provision for retrospective claims prior to the introduction of the new Members Allowance scheme; and
 - (v) the effective implementation date be 1 March 2016 when the new Members Allowance Scheme came into effect.
- (b) Any claims submitted should also be subject to the following conditions:-
- (i) any claims submitted should be made within 1 month of the site tour/Planning Committee taking place;
 - (ii) any claim submitted later than 1 month after the expenditure being incurred will only be paid in exceptional circumstances;
 - (iii) any claim made more than 3 months after the expenditure was incurred will be disallowed; and
 - (iv) notwithstanding the above all claims must be submitted within 1 month of the end of the financial year to which they relate or will otherwise be disallowed (in other words there will be no discretion to consider exceptional circumstances for any claim submitted at the year-end).

27. PROTOCOL FOR MEMBERS ON DEALING WITH PLANNING MATTERS

The Commission considered the report of the Deputy Chief Executive, which recommended minor amendments to the protocol for Members on dealing with planning matters.

AGREED (with 4 votes for and 1 abstention) that Council be recommended to amend the Planning Protocol as follows:

- (a) paragraph 11.8 be amended as follows to mirror the provisions relating to Parish Councils:

“a Member shall also have the right to make representations for applications outside their ward area in circumstances where it can clearly be demonstrated to the satisfaction of the relevant director in consultation with the Chairman and Vice Chairman of the Planning Committee, that the application will have a material impact on the whole or part of their ward area.”

- (b) paragraph 11.9 be amended to read as follows:

“a Member from a neighbouring District/Borough Council shall have the right to make representations on behalf of that Council and reflecting the views of that Council to the Planning Committee in circumstances where it can clearly be demonstrated to the

satisfaction of the relevant director in consultation with the Chairman and Vice Chairman of the Planning Committee that the application will have a material impact on the whole or part of their Council area.”

(c) the following be added at the end of paragraph 11.8:

“any Member wishing to exercise their right to speak under this provision shall be required to first notify the Councils Democratic Services team in advance of the meeting that they wish to make representations and, if the application is outside their ward area, the reasons why they consider that the application will have a material impact on the whole or part of their ward area.”

(d) the following be added at the end of paragraph 11.9:

“a Member wishing to exercise their rights under this paragraph shall be required to first notify the Councils Democratic Services team in advance of the meeting that they wish to make representations on behalf of their Council and shall also provide evidence that these representations will reflect the views of that Council and evidence that the application will have a material impact on the whole or part of their Council area.”

28. PRESENTATION OF PERFORMANCE MANAGEMENT INFORMATION

The Commission considered the report of the Deputy Chief Executive, which sought clarification as to whether the Council could improve the way in which performance management information was reported to Members.

At the last meeting of the Councillors’ Commission concern was expressed that the Policy and Finance Committee and Operational Committees were not fully engaging in the performance management of the service areas within their remits. It was suggested by a Member of the Councillors’ Commission that this may be a role which could be more effectively undertaken by the Audit & Accounts Committee.

Members raised concerns regarding putting the performance management information on the extranet for Member scrutiny and felt that if the Operational Committees were not actively scrutinising the data at committee, it was unlikely that Members would actively scrutinise the data on the Members extranet.

The Chief Executive confirmed that performance issues did not arise in cycles to fit those of the scheduled Operational Committees. By submitting the performance data on the Members extranet, Members could regularly look at the information and refer it to the relevant Operational Committee if they wanted to ask questions. Managers would bring exceptions reports to the Operational Committees, explaining the action taken and the reasons.

It was not considered that it would be appropriate for the role of Audit and Accounts Committee to include the review of performance management information but that this should rest with Operational Committees.

AGREED that it be recommended to Council that:

- (a) the remit of the Audit & Accounts Committee should not be extended to include performance management of the Council's activities, but rather that a monitoring and scrutiny role be retained by the Policy & Finance Committee and Operational Committees;
- (b) in future performance management information be reported as exceptions reports only and that performance management information be placed on the Members extranet for inspection and review; and
- (c) the position be reviewed by the Councillors' Commission in twelve months to review the effectiveness of the new arrangements.

9. STANDARDS ISSUES

The Commission considered the report of the Deputy Chief Executive, which advised Members of concerns expressed by the Standards Committee relating to the deletion of the Standards Committee from the committee structure and related matters.

At the meeting of the Standards Committee held on Wednesday, 16 March 2016 Members of the Committee expressed their concern regarding the deletion of the Standards Committee from the committee structure and asked that their views be placed on record that this was a retrograde step. The Committee also noted that there was no proposal to co-opt parish representatives to the Policy & Finance Committee which would assume the remit of the former Standards Committee and whilst they acknowledged the rationale for this, the committee expressed their concerns regarding the lack of parish representatives on Hearing Panels which were dealing with Code of Conduct complaints relating to Town and Parish Councils and expressly resolved that those concerns should be passed onto the Councillors' Commission.

The Standards Committee also felt that the importance of upholding high standards of behaviour should be formally acknowledged by the Council and asked that the Councillors' Commission consider recommending to Council that the Policy & Finance Committee be renamed the Policy, Finance & Standards Committee. They also suggested that reports regarding Code of Conduct complaints should be submitted quarterly to the Council rather than the Policy & Finance Committee. They further recommended that six monthly reports be submitted to the Policy & Finance Committee regarding the register of members' interests.

The Deputy Chief Executive proposed that a summary report regarding code of conduct complaints received by the Council be issued on an annual basis to the Policy & Finance Committee. That report would also include information regarding the completion of the register of members' interests by the Town and Parish Councillors.

The Chairman commented that he would not support a name change for the Policy & Finance Committee.

AGREED that it be recommended to Council that:

- (a) the name change for the Policy & Finance Committee would not be supported;
- (b) an annual summary report regarding code of conduct complaints and information relating to the completion of register of members' interests by town and parish councillors be submitted to the Policy & Finance Committee and endorsed by Full Council;
- (c) the Monitoring Officer have discretion to submit individual reports to the Policy & Finance Committee regarding Code of Conduct complaints in exceptional circumstances.

30. DISCIPLINARY PROCEDURE FOR HEAD OF PAID SERVICE

The Commission considered the report of the Deputy Chief Executive, which advised Members of the proposed changes to the national model process for disciplinary procedure for Chief Executives to be adopted by the Joint Negotiating Committee for Chief Executives of Local Authorities.

AGREED that the report be noted at this stage as further guidance and clarification was awaited.

DATE OF NEXT MEETING

To be arranged.

Meeting closed at 4.10pm.

Chairman